Hounslow and Richmond Community Healthcare NHS Trust

Annual accounts for the year ended 31 March 2020

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Statement of the chief executive's responsibilities as the accountable officer of the trust

The Chief Executive of NHS Improvement, in exercise of powers conferred on the NHS Trust Development Authority, has designated that the Chief Executive should be the Accountable Officer of the trust. The relevant responsibilities of Accountable Officers are set out in the *NHS Trust Accountable Officer Memorandum*. These include ensuring that:

- there are effective management systems in place to safeguard public funds and assets and assist in the implementation of corporate governance;
- value for money is achieved from the resources available to the trust;
- the expenditure and income of the trust has been applied to the purposes intended by Parliament and conform to the authorities which govern them;
- effective and sound financial management systems are in place; and
- annual statutory accounts are prepared in a format directed by the Secretary of State to give a true and fair view of the state of affairs as at the end of the financial year and the income and expenditure, other items of comprehensive income and cash flows for the year.

As far as I am aware, there is no relevant audit information of which the trust's auditors are unaware, and I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the entity's auditors are aware of that information.

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in my letter of appointment as an Accountable Officer.

Signed......Patricia Wright......Chief Executive

Date...24 June 2020

Statement of directors' responsibilities in respect of the accounts

The directors are required under the National Health Service Act 2006 to prepare accounts for each financial year. The Secretary of State, with the approval of HM Treasury, directs that these accounts give a true and fair view of the state of affairs of the trust and of the income and expenditure, other items of comprehensive income and cash flows for the year. In preparing those accounts, the directors are required to:

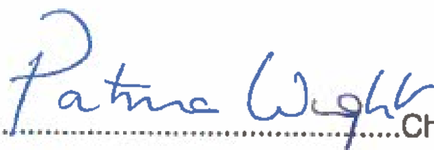
- apply on a consistent basis accounting policies laid down by the Secretary of State with the approval of the Treasury;
- make judgements and estimates which are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts.
- prepare the financial statements on a going concern basis and disclose any material uncertainties over going concern

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the trust and to enable them to ensure that the accounts comply with requirements outlined in the above mentioned direction of the Secretary of State. They are also responsible for safeguarding the assets of the trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm to the best of their knowledge and belief they have complied with the above requirements in preparing the accounts.

The directors confirm that the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for patients, regulators and stakeholders to assess the NHS trust's performance, business model and strategy

By order of the Board



24 June 2020 ....Date..Chief Executive

24 June 2020 ....Date..Finance Director

Hounslow and Richmond Community Healthcare NHS Trust

Organisation Code: RY9

Annual Governance Statement for 2019-20

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 and strategic objectives of Hounslow and Richmond Community Healthcare NHS 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 Hounslow and Richmond Community Healthcare NHS Trust for the year ended 31 March 2020 and up to the date of approval of the annual report and accounts.

Risk Management

In 2019 as a trust on our Journey to Outstanding, we decided to take a fresh look at risk management to ensure that risk was further embedded into all decision making. To enable us to deliver the ambition set out in the trust strategy and the NHS Plan we decided it was timely to produce a risk management strategy to support our commitment to provide high quality services. We recognised that successful risk management must be forward thinking; the responsibility of all; comprehensive and coordinated; and that proactive and continuous identification and management of risk is essential to the delivery of high value healthcare.

The strategy sets out clear goals, achievements and timescales for implementation. This enables staff to work towards the same aims empowering innovation whilst ensuring patient quality and care are at the centre of delivery. Within the strategy we created a vision for risk management. Risk management will be everybody's business – integral to professional and operational practice at every level and across organisational/professional boundaries. We will continually strive to test the boundaries of practice, whilst ensuring that we operate within legal and regulatory frameworks to reduce the exposure to risk to ensure that patients receive outstanding care.

Risk governance

The Trust Board is accountable to NHS England/Improvement (NHSE/I) for the trust's performance. The main governance committees are chaired by a Non-Executive Director and report directly to the Board. Each committee is informed and supported by a variety of groups and local meetings.

Risk and control framework

The trust has a robust approach to risk management with:

- the Board holding an annual risk seminar to review risk management systems and processes and to agree the organisational risk appetite statement
- the Audit and Risk Committee assuming delegated authority from the Board for oversight and assurance on the management of strategic risks to the delivery of the trust's objectives. The Audit and Risk Committee is supported in its oversight of strategic risks by the Finance and Performance, Executive, Quality Governance and Workforce and Education Committees which lead on specific strategic risks
- the Chief Executive has overall accountability for the development of risk management systems and delegates responsibility for the management of specific areas of risk to named Directors
- all staff are provided with risk management training as part of their induction to the trust
- face-to-face training for those staff regularly involved in risk management being provided as appropriate
- an open culture to empower staff to report and resolve incidents and risks through the Datix recording system and to share learning with teams.

Managing workforce risks

HRCH has a five-year workforce strategy in place (2020-2024), which was co-developed with clinical and corporate staff and agreed by the Board

- the strategy and its associated action plans and workforce risks are monitored and assured through the Board's Workforce and Education Committee (WEC), which is a sub-committee

of the Board. The WEC receives the workforce performance report that uses local and national metrics and triangulates with benchmark data and quality and financial data

- the workforce planning methodology entails firstly understanding the trust strategy and how to best serve our vision that people will live healthier lives through high-quality, effective and co-ordinated care. Then follows a review of where the trust is and what gaps in skills and training are required to deliver that vision (such as digital and mobile technology and multi-agency transformation and engagement skills), followed by planning of the workforce required to meet the future strategy and activity assumptions in the most efficient way. The planning phase includes consideration of the needs of the local population in terms of workforce diversity, workforce supply (greater use of apprenticeships, 'retire and return' options and the development of new roles) and service transformation in line with the NHS Long Term Plan (greater use of on-line consultations etc).

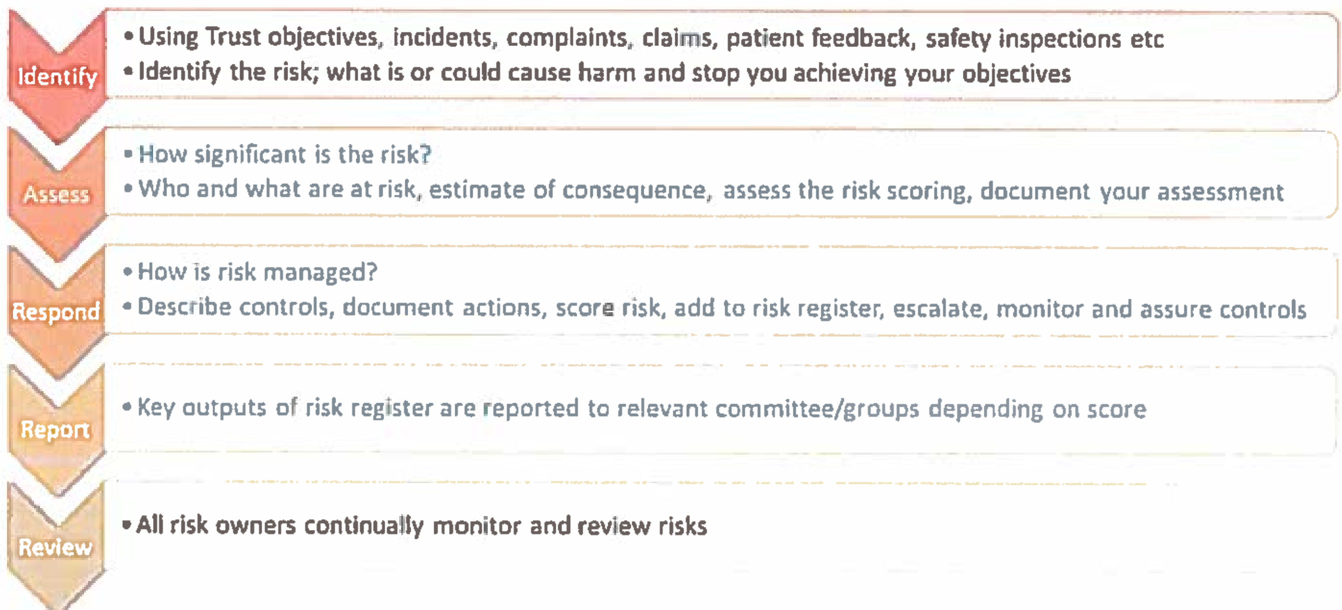
Managing quality risk

The clinical governance agenda is led by the Director of Nursing and Non-Medical Professionals and the Medical Director. Monitoring arrangements are delivered through a structure of committees, supporting clear responsibilities and accountabilities from Board to front line delivery. The Quality Governance Committee (QGC) is a committee of the Board, which affords scrutiny and monitoring of the quality agenda.

- the Quality and Safety Committee (QSC) reports to the QGC. The Director of Nursing and Non-Medical Professionals chairs this committee; membership of the QSC's committees and working groups ensures senior leadership as well as frontline engagement with the governance agenda
- the trust's clinical governance structure ensures there are robust systems in place for key governance and performance issues to be escalated from frontline services to the Board and gives assurance of clinical quality. It gives a strong focus on service improvement and ensures high standards of delivery are maintained
- the Board and the relevant committees use a performance scorecard which has been developed to include a suite of quality indicators at trust and service level aligned to each of the Care Quality Commission's five domains of quality. Services are expected to provide exception reports for any indicators which are not performing as agreed and managers are held to account against action plans to ensure trajectories are maintained. This approach enables centralised reporting of performance and quality data and improved triangulation of information
- the trust's quality improvement strategy is encapsulated in the Journey to Outstanding (J2O) programme. The J2O programme is a structured quality improvement plan with quality improvement plans in all services to monitor and demonstrate compliance with the CQC's fundamental standards and against each of the CQC's domains and Key Lines of Enquiry (KLOE).

Risk management process

The trust defines risk management as a process to identify factors which may possibly prevent us from providing excellent, safe, efficient and effective place of work to deliver patient care and for staff to work. Risk management includes the process of identifying hazards, risk assessment, formulating a response, risk reporting and risk review. Risk management is as much about exploiting new business opportunities and innovation as mitigating risk.



Trust Risk Registers (TRR) (incl. Board Assurance Framework (BAF))

Comprises the local risk registers, the trust risk register as well as the board assurance framework (BAF), which seek to present an overview of the main risks facing the organisation. The local risk registers are reviewed, updated and monitored regularly by the relevant directorate and, if necessary, a risk can be escalated onto the trust risk register, which is monitored each quarter by the Quality and Safety and Quality Governance Committees.

The BAF provides the trust with a simple but comprehensive method for effective and focused management of the principal strategic risks to the delivery of the trust's business. It identifies the controls and assurances in place to mitigate these risks, the gaps or weaknesses in controls and assurances, and actions required to further strengthen these mechanisms. The system of internal control is designed to manage risks to a reasonable level and not to eliminate all risk.

The BAF is monitored by each Executive Director who assesses the status of their risk entry by having oversight of the trust Risk Register. The BAF is monitored each month by the Executive Committee and quarterly by the Audit and Risk Committee on behalf of the Trust Board.

An annual advisory review on the BAF and Risk Management was carried out by RSM Risk Assurance Services LLP (who also provide our internal audit advice) and concluded the trust

controls are robust and effectively designed. RSM confirmed the BAF is discussed at relevant committee meetings to ensure that risks included are up to date with regards to controls and assurances; and any progress against actions is also included.

Incident reporting

The trust follows the National Patient Safety Agency viewpoint *"Trusts that report incidents regularly suggest a stronger organisational culture of safety. They take all incidents seriously and link reporting with learning."* All services and staff are trained to use the Datix system which facilitates linking of information across incident reporting, complaints and risk management.

A monthly report of incidents and serious incidents is reported to the Quality and Safety Committee where it is discussed and analysed for themes and trends and assurance is sought that risk is being managed.

The trust is a learning organisation and uses all opportunities to learn from when things go wrong and to share that learning. It has embraced a 'being open' approach and 'duty of candour'. Organisational and service level learning is identified through incidents, audit and patient feedback and it reports lessons learned and monitors that any required changes in practice are implemented.

The trust promotes a culture of 'shared learning' that is embedded throughout the services and has a number of processes to enable this which includes a monthly 'Learn and Share' newsletter and reflective learning panels to ensure that staff are involved in the discussion and agreement of actions. This promotes clinical ownership, mitigates the risk of a Serious Incident reoccurring and promotes shared learning.

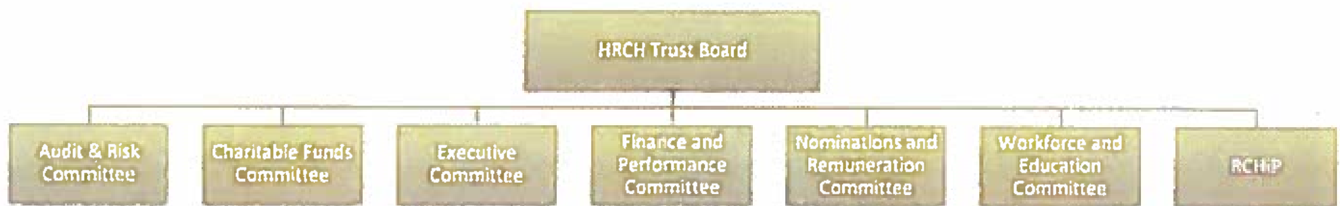
Board and Committee oversight and assurance

The Board of Directors leads on integrated governance and delegates key duties and functions to its sub-committees. In addition, the Board reserves certain decision-making powers including decisions on strategy and budgets. The diagram below gives an overview of the trust's integrated governance structure.

Corporate governance framework

There are five key sub-committees with responsibility for receiving information on risk management within the structure that provide assurance to the Board of Directors. The Executive Committee reports directly to the Board although not a Board sub-committee.

There are a range of mechanisms available to these committees to gain assurance that systems are robust and effective. These include utilising internal and external audit, peer review, management reporting and clinical audit.



Committee structures

Each Committee Chair works within a framework which ensures a consistent approach across all committees, including terms of reference, upward reporting and review of effectiveness.

The Board of Directors

Membership of the Board of Directors is currently made up of the trust chairman, five independent, Non-Executive Directors, and eight Executive Directors of which six are voting members of the Board, two with a share of one vote. The key roles and responsibilities of the Board are as follows:

- to set and oversee the strategic direction of the trust
- review and appraisal of financial and operational performance
- to review areas of assurance and concerns as detailed in the chair's assurance reports from its Board committees
- to discharge its duties of regulation and control and meet statutory obligations
- to ensure the trust continues to deliver high quality patient care, with quality and safety as its primary focus, receiving and reviewing quality and patient safety reports and also a chair's report from the key Board committee which deals with patient quality and safety – the Quality Governance Committee
- to receive reports from the Audit and Risk Committee, which include the BAF and progress against the delivery of strategic objectives, the annual internal auditor's report and external auditor's report and to take decisions, as appropriate
- to agree the trust's annual budget and plan and submissions to NHS Improvement
- to approve the annual report and annual accounts
- to certify the requirements of NHS provider licence conditions is reviewed annually and the self-declaration is uploaded onto the website.

  On the 'self-certification' tab https://www.hrch.nhs.uk/about-us/trust-board-and-leadership/board-meetings

The Board of Directors meets in public bi-monthly and a breakdown of attendance for the Board's 2019/20 part I meetings is shown below:

Job Title and Name	Attendance
Chairman, Stephen Swords (to 31 Dec 2019)	4 of 4
Board Advisor (non-voting), Non-Executive Director (from 1/10/19), Ginny Colwell	6 of 6
Non-Executive Director, Phil Hall	5 of 6
Non-Executive Director, Joanne Hay	3 of 6
Non-Executive Director, Ajay Mehta (until October 2019)	2 of 3
Non-Executive Director, Judith Rutherford	6 of 6
Non-Executive Director, Bindesh Shah	5 of 6
Chief Executive, Patricia Wright	6 of 6
Director of Clinical Services, Stephen Hall (shared vote)	5 of 6
Director of Clinical Services, Anne Stratton (shared vote)	6 of 6
Director of Finance and Corporate Services, David Hawkins	6 of 6
Director and Nursing and Non-Medical Professionals, Donna Lamb	5 of 6
Director of Strategy and Transformation, Monique Carayol (non-voting)	5 of 6
Director of Workforce, Alison Heeralall (non-voting)	5 of 6
Medical Director, John Omany	6 of 6

Audit and Risk Committee

The Audit and Risk Committee is a formal committee of the Board and is accountable to the Board for reviewing the establishment and maintenance of an effective system of integrated governance, risk management and internal control, across the trust's activities both clinical and non-clinical, that supports the achievement of the trust's objectives. The committee meets at least five meetings per year.

Quality Governance Committee

The Quality Governance Committee (QGC) is a formal committee of the Board which focuses on ensuring robust structures and processes are in place for governing the quality and clinical services and ensuring services are safe. The committee's role is to provide assurance on clinical quality, including clinical effectiveness, patient safety and patient experience.

It supports the Board with an integrated approach to risk, control and governance, monitoring performance against quarterly quality indicators, the quality accounts and all aspects of the three domains of quality namely - patient safety, clinical effectiveness and patient experience. The committee meets at least six times per year.

Finance and Performance Committee

The Finance and Performance Committee reviews financial and non-financial performance across the trust, reporting to the Board. It also has lead oversight for risks to the delivery of trust's sustainability strategic priority, along with delivery of the trust's strategies for estates and information management and technology. The committee meets at least four times per year.

Workforce and Education Committee

The Workforce and Education Committee is responsible for providing assurance that there are processes and plans in place to agree and achieve the workforce objectives. The committee oversees the trust's staff engagement and recruitment and retention strategic priorities that enables the trust to compete successfully for recruits in areas where there is a shortage of supply. It reviews performance against the delivery of key workforce plans which also cover staff engagement actions taken following the outcome of the annual NHS staff survey. The committee holds four meetings each year.

Executive Committee

The Executive Committee has delegated responsibility to oversee the effective operational management of the trust. The committee meets monthly to review:

- the development and implementation of business plans, policies, procedures and budgets
- operating and financial performance
- the prioritisation and allocation of investment and resources within limits set down by standing financial instructions
- the effective mitigation of risks to the delivery of the trust's strategic priorities.

Nominations and Remuneration Committee

The Nominations and Remuneration Committee is responsible for determining the pay and contractual arrangements for Executive Directors and for monitoring and evaluating their performance and ensuring appropriate succession plans are in place for Board members. It is also responsible for ensuring that Directors meet the Fit and Proper Person Test as required by the Health and Social Care Act 2008, (Regulated Activities), Regulations 2014.

Charitable Funds Committee

The Charitable Funds Committee has been established by the Board to make and monitor arrangements for the control and management of the trust's charitable fund. Key duties of the

Committee are to apply the charitable funds in accordance with the charity's governing documents. The committee ensures that appropriate policies and procedures are in place to support the objects of the charity and ensures that donated funds and assets are properly spent, managed, invested and accounted for in line with guidance from the Charity Commission and in compliance with legal and regulatory requirements.

Richmond Community Healthcare in Partnership Committee (RCHiP)

RCHiP is a joint committee set up with the Richmond GP Alliance (RGPA) to oversee progress with delivery of the Outcome-Based Commissioning contract. RCHiP is a committee of both the trust's and RGPA's Boards.

Annual committee effectiveness reviews

In line with good governance practice and, as an integral part of being a well-led organisation, each Board committee annually reviews its performance against its specific terms of reference and objectives. Each committee also comments on its oversight of performance against the delivery of the key work plans for the year. This information is then presented to the Trust Board with any revisions to the terms of reference and the forthcoming year's work plan. The Trust Board also considers the whole of its committee structure annually to ensure that it is delivering its requirements.

Equality analysis

Equality analyses (formerly known as equality impact assessments) are integrated into core business as a requirement for all trust decisions contained in its strategies, policies, procedures and protocols. The trust has systems in place to ensure that it collects, analyses and acts on information relating to the legislation on equality and diversity of its workforce and the population it serves. Control measures are in place to ensure that all the organisation's obligations under quality, diversity and human rights legislation are complied with. Equality and diversity is overseen by the trust Equality, Diversity and Inclusion Committee chaired by the Director of Workforce with a NED and patient executive lead. Assurance is reported via the trust executive committee.

Care Quality Commission registration

The trust is fully compliant with the registration requirements of the Care Quality Commission.

NHS Pension Scheme

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.

Carbon reduction

The trust has undertaken risk assessments, and carbon reduction delivery plans are in place in accordance with emergency preparedness and civil contingency requirements, based on UK Climate Projections 2018 (UKCP18) to ensure that obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

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

The trust has in place a range of processes which help to ensure that resources are used economically, efficiently and effectively. These include:

- monthly reporting of financial and non-financial performance to the Board of Directors and the Finance and Performance Committee of the Board
- monthly Executive Performance review meetings where directorates are held to account for financial and non-financial performance
- the production of annual reference costs, including comparisons with national reference costs
- continuous benchmarking of costs and key performance indicators (KPIs) against community trusts and other providers
- standing financial instructions, standing orders and treasury management policy
- a budget holder's manual which sets out managers' responsibilities in relation to managing budgets
- policies covering the declaration of conflicts of interest, anti-fraud and anti-bribery measures, and also standards of business conduct
- reports by RSM Risk Assurance Services LLP as part of the annual internal audit work plan on control mechanisms which may need reviewing
- the Head of Internal Audit's draft and final opinions being presented to the Audit and Risk Committee
- external audit of our accounts by KPMG LLP who also provide an independent view of the trust's effective and efficient use of resources, particularly against value for money considerations

- good performance under NHS Improvement's Single Oversight Framework for NHS providers.

Information governance

Information governance supports our statutory duty to safeguard patients' information and keep it confidential but available. It assures us and patients that personal information is dealt with legally, securely, efficiently and effectively.

NHS Digital's annual Data Security and Protection toolkit audit helps us assess ourselves against current data protection legislation and related regulations, giving either a pass or fail mark.

The trust submitted a fully compliant assessment in March 2020. This was achieved through a variety of measures and actions, including:

- Continued review of personal data to ensure that the trust operates in line with the General Data Protection Regulations (GDPR) and follows a 'data protection by design' approach
- Review of access to information processes, to ensure that all requests are answered within the legislated timeframe, to avoid breaching GDPR and incurring large fines from the ICO
- Ongoing review and revision of the trust privacy notice
- Completion of data protection impact assessment for all new research projects, services, systems and applications which in involve the use of personal data
- Ongoing review of data flow in and out of the organisation, to ensure accountability
- Self-referring data incidents to the ICO for full transparency ensuring no further action was taken
- An audit of our compliance against a small sample of standards from the NHS Digital toolkit by our external auditors
- Board level cyber security training with GCHQ
- A business continuity tabletop exercise
- Continuing review of policies and staff guidance
- Helping colleagues to complete information governance and security e-learning training
- Attending team meetings so that data protection and security is a key element of all work and staff take responsibility for data in their team.

By submitting a fully compliant DSPT we are working towards Cyber Essentials Plus accreditation.

The trust reports information governance "serious incidents" onto the national serious incident reporting system, STEIS, and to the Information Commissioners' Office (ICO).

In 2019-20, one IG incident was reported as an SI and so was reported to the ICO, no further action was taken. A further incident was a self-referral to the ICO and no further action was taken.

Annual Quality Account

In line with the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 (as amended) the trust prepares an annual Quality Account which is signed off by the Trust Board prior to it being shared with commissioners, Healthwatch and the local authority scrutiny committees.

The Quality Account is a summary of performance in the last year in relation to quality priorities and national requirements. The account is not required to be audited however an internal process of scrutinising the data to ensure it is consistent with the trust performance scorecard is used. The template used for the quality account meets statutory requirements and the trust reviews new guidance annually - for instance the inclusion of mortality data in the 2017-18 quality account.

Data quality

General data quality is audited annually, and the trust has undertaken actions to improve the quality of its electronic patient record through better use of templates and the automation of data where appropriate. The trust assures the quality and accuracy of elective waiting time data through both its Business Intelligence reporting and the Patient Tracking List (PTL) that is distributed to, and discussed by, operational leads. Waiting times are individually monitored by both service lines and urgency. Alongside external data quality audits, data capture is continually reviewed by the applications team and any training requirements are subsequently assessed with resource then appropriately allocated.

Review of effectiveness

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the Executive managers and clinical leads within the NHS trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the information provided in this annual report and other performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on

the implications of the result of my review of the effectiveness of the system of internal control by the Board, the Audit and Risk Committee and Quality Governance Committee and plans to address weaknesses and ensure continuous improvement of the system are in place.

The Board ensures the effectiveness of the system of internal control through clear accountability arrangements.

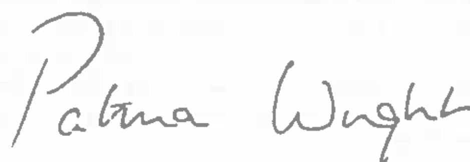
An annual "Head of Internal Audit Opinion" based on the work and audit assessments undertaken during the year for 2019-20 was issued and provided assurance that the organisation has an adequate and effective framework for risk management, governance and internal control.

Factors which helped to inform the Head of Internal Audit's Opinion included undertaking specifically requested management reviews with the aim of strengthening current practices. The Data Quality – Clinical Supervision and Mobile Working Arrangements audits have both shown only partial assurance and internal audit have provided recommendations to address and strengthen processes in line with current requirements. The Head of Internal Audit Opinion also identified further enhancements to Data Quality – Clinical Supervision and Mobile working Arrangements to ensure that they remain adequate and effective.

I am confident that the internal audit reports undertaken were a true reflection of HRCH's position and that the updated action plans scrutinised at the Quality Governance Committee and Audit and Risk Committee reflect clear and concise progress in all areas.

Conclusion

I confirm that no significant internal control issues have been identified.

Signed 

Chief Executive Date: 24 June 2020

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF HOUNSLOW AND RICHMOND COMMUNITY HEALTHCARE NHS TRUST

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Hounslow and Richmond Community Healthcare NHS Trust ("the Trust") for the year ended 31 March 2020 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Taxpayers Equity and Statement of Cash Flows, and the related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 31 March 2020 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with the accounting policies directed by the Secretary of State with the consent of the Treasury as being relevant to NHS Trusts in England and included in the Department of Health and Social Care Group Accounting Manual 2019/20.

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.

Going concern

The Directors have 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 its 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").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the Director's conclusions we considered the inherent risks to the Trust's operations and analysed how these risks might affect the Trust's financial resources, or ability to continue its operations over the going concern period. We have nothing to report in these respects.

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.

Other information in the Annual Report

The Accountable Officer is 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.

Annual Governance Statement

We are required to report to you if the Annual Governance Statement has not been prepared in accordance with the requirements of the Department of Health and Social Care Group Accounting Manual 2019/20. We have nothing to report in this respect.

Remuneration and Staff Report

In our opinion the parts of the Remuneration and Staff Report subject to audit have been properly prepared in accordance with the Department of Health and Social Care Group Accounting Manual 2019/20.

Directors' and Accountable Officer's responsibilities

As explained more fully in the statement set out on page 2, the directors are 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. As explained more fully in the statement of the Chief Executive's responsibilities, as the Accountable Officer of the Trust, on page 1 the Accountable Officer is responsible for ensuring that annual statutory accounts are prepared in a format directed by the Secretary of State.

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

Report on the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

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 its use of resources

We have nothing to report in this respect

Respective responsibilities in respect of our review of arrangements for securing economy, efficiency and effectiveness in the use of resources

As explained in the statement set out on page 1, the Chief Executive, as the Accountable Officer, is responsible for ensuring that value for money is achieved from the resources available to the Trust. We are required under section 21(3)(c), as amended by schedule 13 paragraph 10(a), of the Local Audit and Accountability Act 2014 to be satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its 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 December 2019 and updated in April 2020 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.

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:

- we refer a matter to the Secretary of State under section 30 of the Local Audit and Accountability Act 2014 because we have reason to believe that the Trust, or an officer of the Trust, is about to make, or has made, a decision which involves or would involve the body incurring unlawful expenditure, or is about to take, or has begun to take a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency; or

- we issue a report in the public interest under section 24 of the Local Audit and Accountability Act 2014; or

- we make a written recommendation to the Trust under section 24 of the Local Audit and Accountability Act 2014.

We have nothing to report in these respects.

THE PURPOSE OF OUR AUDIT WORK AND TO WHOM WE OWE OUR RESPONSIBILITIES

This report is made solely to the Board of Directors of Hounslow and Richmond Community Healthcare NHS Trust, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014. Our audit work has been undertaken so that we might state to the Board of the Trust, as a body, those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Board 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 Hounslow and Richmond Community Healthcare NHS Trust for the year ended 31 March 2020 in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice

Richard Hewes
for and on behalf of KPMG LLP
Chartered Accountants
London

24 June 2020

Statement of Comprehensive Income

	Note	2019/20	2018/19
		£000	£000
Operating income from patient care activities	3	74,341	67,960
Other operating income	4	3,325	5,893
Operating expenses	7, 9	(75,470)	(69,006)
Operating surplus/(deficit) from continuing operations		**2,196**	**4,847**
Finance income	12	159	102
PDC dividends payable		(691)	(691)
Net finance costs		**(532)**	**(589)**
Other gains / (losses)	14	-	-
Surplus / (deficit) for the year from continuing operations		**1,664**	**4,258**
Surplus / (deficit) on discontinued operations and the gain / (loss) on disposal of discontinued operations	16	-	-
Surplus / (deficit) for the year		**1,664**	**4,258**
Other comprehensive income			
Will not be reclassified to income and expenditure:			
Revaluations	19	1,320	(560)
Total comprehensive income / (expense) for the period		**2,984**	**3,698**
Adjusted financial performance (control total basis):			
Surplus / (deficit) for the period		1,664	4,258
Remove I&E impact of capital grants and donations		57	(516)
Adjusted financial performance surplus / (deficit)		**1,721**	**3,742**

Statement of Financial Position

	Note	31 March 2020 £000	31 March 2019 £000
Non-current assets			
Intangible assets	16	-	-
Property, plant and equipment	17	28,264	27,006
Total non-current assets		28,264	27,006
Current assets			
Inventories	24	-	-
Receivables	25	7,372	6,501
Cash and cash equivalents	28	24,460	21,872
Total current assets		31,832	28,373
Current liabilities			
Trade and other payables	29	(13,008)	(11,275)
Provisions	34	-	(32)
Other liabilities	30	(53)	(25)
Total current liabilities		(13,061)	(11,332)
Total assets less current liabilities		47,035	44,047
Non-current liabilities			
Provisions	34	(704)	(675)
Other liabilities	30	-	(25)
Total non-current liabilities		(704)	(700)
Total assets employed		46,331	43,347
Financed by			
Public dividend capital		-	-
Revaluation reserve		11,973	10,653
Income and expenditure reserve		34,358	32,694
Total taxpayers' equity		46,331	43,347

The notes on pages 24 to 80 form part of these accounts.

Name	Patricia Wright
Position	Chief Executive
Date	24 June 2020

Statement of Changes in Equity for the year ended 31 March 2020

	Public dividend capital	Revaluation reserve	Financial assets reserve	Other reserves	Merger reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2019 - brought forward	-	10,653	-	-	-	32,694	43,347
Surplus/(deficit) for the year	-	-	-	-	-	1,664	1,664
Revaluations	-	1,320	-	-	-	-	1,320
Taxpayers' and others' equity at 31 March 2020	-	11,973	-	-	-	34,358	46,331

Statement of Changes in Equity for the year ended 31 March 2019

	Public dividend capital	Revaluation reserve	Financial assets reserve	Other reserves	Merger reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2018 - brought forward	-	11,213	-	-	-	28,436	39,649
Prior period adjustment	-	-	-	-	-	-	-
Taxpayers' and others' equity at 1 April 2018 - restated	-	11,213	-	-	-	28,436	39,649
Surplus/(deficit) for the year	-	-	-	-	-	4,258	4,258
Revaluations	-	(560)	-	-	-	-	(560)
Taxpayers' and others' equity at 31 March 2019	-	10,653	-	-	-	32,694	43,347

Information on reserves

Public dividend capital

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. Additional PDC may also be issued to trusts by the Department of Health and Social Care. A charge, reflecting the cost of capital utilised by the trust, is payable to the Department of Health as the public dividend capital dividend.

Revaluation reserve

Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse impairments previously recognised in operating expenses, in which case they are recognised in operating income. Subsequent downward movements in asset valuations are charged to the revaluation reserve to the extent that a previous gain was recognised unless the downward movement represents a clear consumption of economic benefit or a reduction in service potential.

Financial assets reserve

This reserve comprises changes in the fair value of financial assets measured at fair value through other comprehensive income. When these instruments are derecognised, cumulative gains or losses previously recognised as other comprehensive income or expenditure are recycled to income or expenditure, unless the assets are equity instruments measured at fair value through other comprehensive income as a result of irrevocable election at recognition.

Merger reserve

This reserve reflects balances formed on merger of NHS bodies.

Income and expenditure reserve

The balance of this reserve is the accumulated surpluses and deficits of the trust.

Statement of Cash Flows

	Note	2019/20 £000	2018/19 £000
Cash flows from operating activities			
Operating surplus / (deficit)		2,196	4,847
Non-cash income and expense:			
Depreciation and amortisation	7.1	1,899	2,080
Income recognised in respect of capital donations	4	-	(534)
(Increase) / decrease in receivables and other assets		(871)	(46)
(Increase) / decrease in inventories		-	-
Increase / (decrease) in payables and other liabilities		1,589	2,644
Increase / (decrease) in provisions		(3)	19
Net cash flows from / (used in) operating activities		4,810	9,010
Cash flows from investing activities			
Interest received		159	102
Purchase of intangible assets		-	-
Purchase of PPE and investment property		(1,624)	(3,025)
Sales of PPE and investment property		-	-
Receipt of cash donations to purchase assets		-	534
Net cash flows from / (used in) investing activities		(1,465)	(2,389)
Cash flows from financing activities			
PDC dividend (paid) / refunded		(757)	(691)
Net cash flows from / (used in) financing activities		(757)	(691)
Increase / (decrease) in cash and cash equivalents		2,588	5,930
Cash and cash equivalents at 1 April - brought forward		21,872	15,942
Prior period adjustments			-
Cash and cash equivalents at 1 April - restated		21,872	15,942
Cash and cash equivalents transferred under absorption accounting	44	-	-
Unrealised gains / (losses) on foreign exchange		-	-
Cash and cash equivalents at 31 March	28.1	24,460	21,872

Notes to the Accounts

Note 1 Accounting policies and other information

Note 1.1 Basis of preparation

The Department of Health and Social Care 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 2019/20 issued by the Department of Health and Social Care. The accounting policies contained in the GAM follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the GAM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the Trust for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. These have been applied consistently in dealing with items considered material in relation to the accounts.

Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets, inventories and certain financial assets and financial liabilities.

Note 1.2 Going concern

These accounts have been prepared on a going concern basis.

HRCH continues to have turnover growth from one financial year to the next. A five-year Outcome Based Contract with Richmond CCG signed in 2016 is still in place, and we have a financial agreement in place with Hounslow CCG for 2020-21 while all commissioning arrangements are suspended due to the COVID-19 pandemic. We are working with Hounslow CCG towards an alliance Integrated Care contract with a number of other NHS providers and partners, which supports financial sustainability over the medium-term horizon. The national directive and the local Sustainability and Transformation Plans (STPs) are for Out of Hospital (OOH) care, and the focus on community services within the NHS Long Term plan supports a drive for activity to move from the acute sector to the community and primary care sector. A joint venture agreement with one local GP alliance and integrated working arrangements with another also points to a positive future for the Trust. The going concern assessment is therefore positive. However, with more focus on joint working across systems rather than individual organisational plans, including the commencement of a system control total regime, brings a new level of uncertainty and challenge to ensure financial stability across the system rather than just at organisational level. The future delivery of services and financial allocations in the aftermath of the coronavirus pandemic is also an unknown element at this time.

Note 1.3 Interests in other entities

There are no interests on other entities

Note 1.4 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).

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.

The Trust recognises contractual revenue over time on the basis that our Commissioners simultaneously receive and consume the benefits as we provide our services to the community. For contracts which are performance based, the Trust recognises the revenue based on performance obligations satisifed at a point in time in year. Revenue accruals are made on the basis of our last period's performance, these are submitted for Commissioners's review at year end.

Non-NHS revenue relating to performance obligation to be satisified in future period(s) are deferred and recognised as current and non-current contractual 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. This accrual is disclosed as a contract receivable as entitlement to payment for work completed is usually only dependent on the passage of time.

The Trust receives income from commissioners under Commissioning for Quality and Innovation (CQUIN) schemes. The Trust agrees schemes with its commissioner but they affect how care is provided to patients. That is, the CQUIN payments are not considered distinct performance obligations in their own right; instead they form part of the transaction price for performance obligations under the contract. Although CQUIN income is not material, only the value of income relating to satisfactory performance agianst these obligations has been recognised

Revenue from research contracts

Where research contracts fall under IFRS 15, revenue is recognised as and when performance obligations are satisfied. For some contracts, it is assessed that the revenue project constitutes one performance obligation over the course of the multi-year contract. In these cases it is assessed that the Trust's interim performance does not create an asset with alternative use for the Trust, and the Trust has an enforceable right to payment for the performance completed to date. It is therefore considered that the performance obligation is satisfied over time, and the Trust recognises revenue each year over the course of the contract. Some research income alternatively falls within the provisions of IAS 20 for government grants.

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 performance obligations are satisfied. In practical terms this means that treatment has been given, 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.

Provider sustainability fund (PSF) and Financial recovery fund (FRF)

The PSF and FRF enable providers to earn income linked to the achievement of financial controls and performance targets. Income earned from the funds is accounted for as variable consideration.

Note 1.5 Other forms of income

Grants and donations

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. Where the grant is used to fund capital expenditure, it is credited to the consolidated statement of comprehensive income once conditions attached to the grant have been met. Donations are treated in the same way as government grants.

Apprenticeship service income

The value of the benefit received when accessing funds from the Government's apprenticeship service is recognised as income at the point of receipt of the training service. Where these funds are paid directly to an accredited training provider from the Trust's Digital Apprenticeship Service (DAS) account held by the Department for Education, the corresponding notional expense is also recognised at the point of recognition for the benefit.

Note 1.6 Expenditure on employee benefits

Short-term employee benefits

Salaries, wages and employment-related payments such as social security costs and the apprenticeship levy are recognised in the period in which the service is received from employees. The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry-forward leave into the following period.

Pension costs

NHS Pension Scheme

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Both schemes are unfunded, defined benefit schemes that cover NHS employers, general practices and other bodies, allowed under the direction of Secretary of State for Health and Social Care 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: the cost to the trust is taken as equal to the employer's pension contributions payable to the scheme for the accounting period. The 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 1.7 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 1.8 Property, plant and equipment

Recognition

Property, plant and equipment is capitalised where:

- it is held for use in delivering services or for administrative purposes
- it is probable that future economic benefits will flow to, or service potential be provided to, the trust
- it is expected to be used for more than one financial year
- the cost of the item can be measured reliably
- the item has cost of at least £5,000, or
- collectively, a number of items have a cost of at least £5,000 and individually have cost of more than £250, where the assets are functionally interdependent, had broadly simultaneous purchase dates, are anticipated to have similar disposal dates and are under single managerial control.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, eg, plant and equipment, then these components are treated as separate assets and depreciated over their own useful lives.

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.

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.

Assets are measured subsequently at valuation. Assets which are held for their service potential and are in use (ie operational assets used to deliver either front line services or back office functions) are measured at their current value in existing use. Assets that were most recently held for their service potential but are surplus with no plan to bring them back into use are measured at fair value where there are no restrictions on sale at the reporting date and where they do not meet the definitions of investment properties or assets held for sale.

Revaluations of property, plant and equipment are performed with sufficient regularity to ensure that carrying values are not materially different from those that would be determined at the end of the reporting period. Current values in existing use are determined as follows:

- Land and non-specialised buildings – market value for existing use
- Specialised buildings – depreciated replacement cost on a modern equivalent asset basis.

For specialised assets, current value in existing use is interpreted as the present value of the asset's remaining service potential, which is assumed to be at least equal to the cost of replacing that service potential. Specialised assets are therefore valued at their depreciated replacement cost (DRC) on a modern equivalent asset (MEA) basis. An MEA basis assumes that the asset will be replaced with a modern asset of equivalent capacity and meeting the location requirements of the services being provided. Assets held at depreciated replacement cost have been valued on an alternative site basis where this would meet the location requirements.

Valuation guidance issued by the Royal Institute of Chartered Surveyors states that valuations are performed net of VAT where the VAT is recoverable by the entity. This basis would be applied to the trust's Private Finance Initiative (PFI) scheme where the construction is completed by a special purpose vehicle and the costs have recoverable VAT for the trust.

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.

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 expenditure.

Revaluation losses are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses.

Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

Impairments

In accordance with the GAM, impairments that arise from a clear consumption of economic benefits or of service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of (i) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before the impairment.

An impairment that arises from a clear consumption of economic benefit or of service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss is reversed. Reversals are recognised in operating expenditure to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised.
Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

De-recognition

Assets intended for disposal are reclassified as 'held for sale' once all of the following criteria are met. The sale must be highly probable and the asset available for immediate sale in its present condition.

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.

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.

Private Finance Initiative (PFI) and Local Improvement Finance Trust (LIFT) transactions

PFI and LIFT transactions which meet the IFRIC 12 definition of a service concession, as interpreted in HM Treasury's *FReM*, are accounted for as 'on-Statement of Financial Position' by the trust. In accordance with HM Treasury's FReM, the underlying assets are recognised as property, plant and equipment, together with an equivalent liability. Subsequently, the assets are accounted for as property, plant and equipment and/or intangible assets as appropriate.

The annual contract payments are apportioned between the repayment of the liability, a finance cost, the charges for services and lifecycle replacement of components of the asset. The element of the annual unitary payment increase due to cumulative indexation is treated as contingent rent and is expensed as incurred.

The service charge is recognised in operating expenses and the finance cost is charged to finance costs in the Statement of Comprehensive Income.

The Trust does not currently have any PFI arrangements

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	5	47
Dwellings	-	-
Plant & machinery	2	15
Transport equipment	3	15
Information technology	2	10
Furniture & fittings	2	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 1.9 Intangible assets

Recognition

Intangible assets are non-monetary assets without physical substance which are capable of being sold separately from the rest of the trust's business or which arise from contractual or other legal rights. They are recognised only where it is probable that future economic benefits will flow to, or service potential be provided to, the trust and where the cost of the asset can be measured reliably.

Internally generated intangible assets

Internally generated goodwill, brands, mastheads, publishing titles, customer lists and similar items are not capitalised as intangible assets.

Expenditure on research is not capitalised. Expenditure on development is capitalised where it meets the requirements set out in IAS 38.

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.

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 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.

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.

Useful lives of intangible assets

Useful lives reflect the total life of an asset and not the remaining life of an asset. The range of useful lives are shown in the table below:

	Min life	Max life
	Years	Years
Information technology	-	1

The Trust is not currently holding any intangible assets having fully depreciated

Note 1.10 Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured using the first in, first out (FIFO) method.

Note 1.11 Investment properties

Investment properties are measured at fair value. Changes in fair value are recognised as gains or losses in income/expenditure.

Only those assets which are held solely to generate a commercial return are considered to be investment properties. Where an asset is held, in part, for support service delivery objectives, then it is considered to be an item of property, plant and equipment. Properties occupied by employees, whether or not they pay rent at market rates, are not classified as investment properties.

Note 1.12 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 1.13 Carbon Reduction Commitment scheme (CRC)

The CRC scheme is a mandatory cap and trade scheme for non-transport CO_2 emissions. The trust is registered with the CRC scheme, and is therefore required to surrender to the Government an allowance for every tonne of CO_2 it emits during the financial year. A liability and related expense is recognised in respect of this obligation as CO_2 emissions are made.

The carrying amount of the liability at the financial year end will therefore reflect the CO_2 emissions that have been made during that financial year, less the allowances (if any) surrendered voluntarily during the financial year in respect of that financial year.

The liability will be measured at the amount expected to be incurred in settling the obligation. This will be the cost of the number of allowances required to settle the obligation.

Note 1.14 Financial assets and financial liabilities

Recognition

Financial assets and financial liabilities arise where the Trust is party to the contractual provisions of a financial instrument, and as a result has a legal right to receive or a legal obligation to pay cash or another financial instrument. The GAM expands the definition of a contract to include legislation and regulations which give rise to arrangements that in all other respects would be a financial instrument and do not give rise to transactions classified as a tax by ONS.

This includes the purchase or sale of non-financial items (such as goods or services), which are entered into in accordance with the Trust's normal purchase, sale or usage requirements and are recognised when, and to the extent which, performance occurs, ie, when receipt or delivery of the goods or services is made.

Classification and measurement

Financial assets and financial liabilities are initially measured at fair value plus or minus directly attributable transaction costs except where the asset or liability is not measured at fair value through income and expenditure. Fair value is taken as the transaction price, or otherwise determined by reference to quoted market prices or valuation techniques.

Financial assets or financial liabilities in respect of assets acquired or disposed of through finance leases are recognised and measured in accordance with the accounting policy for leases described below.

Financial assets are classified as subsequently measured at amortised cost, fair value through income and expenditure.

Financial liabilities classified as fair value through income and expenditure.

Financial assets and financial liabilities at amortised cost

Financial assets and financial liabilities at amortised cost are those held with the objective of collecting contractual cash flows and where cash flows are solely payments of principal and interest. This includes cash equivalents, contract and other receivables, trade and other payables, rights and obligations under lease arrangements and loans receivable and payable.

After initial recognition, these financial assets and financial liabilities are measured at amortised cost using the effective interest method less any impairment (for financial assets). The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

Interest revenue or expense is calculated by applying the effective interest rate to the gross carrying amount of a financial asset or amortised cost of a financial liability and recognised in the Statement of Comprehensive Income and a financing income or expense. In the case of loans held from the Department of Health and Social Care, the effective interest rate is the nominal rate of interest charged on the loan.

Financial assets measured at fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income where business model objectives are met by both collecting contractual cash flows and selling financial assets and where the cash flows are solely payments of principal and interest. Movements in the fair value of financial assets in this category are recognised as gains or losses in other comprehensive income except for impairment losses. On derecognition, cumulative gains and losses previously recognised in other comprehensive income are reclassified from equity to income and expenditure, except where the Trust elected to measure an equity instrument in this category on initial recognition.

The Trust has irrevocably elected to measure the following equity instruments at fair value through other comprehensive income

Financial assets and financial liabilities at fair value through income and expenditure

Financial assets measured at fair value through profit or loss are those that are not otherwise measured at amortised cost or at fair value through other comprehensive income. This category also includes financial assets and liabilities acquired principally for the purpose of selling in the short term (held for trading) and derivatives. Derivatives which are embedded in other contracts, but which are separable from the host contract are measured within this category. Movements in the fair value of financial assets and liabilities in this category are recognised as gains or losses in the Statement of Comprehensive income.

The Trust has irrevocably elected to measure the following financial assets / financial liabilities at fair value through income and expenditure:

Impairment of financial assets

For all financial assets measured at amortised cost including lease receivables, contract receivables and contract assets or assets measured at fair value through other comprehensive income, the Trust recognises an allowance for expected credit losses.

The Trust adopts the simplified approach to impairment for contract and other receivables, contract assets and lease receivables, measuring expected losses as at an amount equal to lifetime expected losses. For other financial assets, the loss allowance is initially measured at an amount equal to 12-month expected credit losses (stage 1) and subsequently at an amount equal to lifetime expected credit losses if the credit risk assessed for the financial asset significantly increases (stage 2).

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.

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 1.15 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.

The trust as a 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 implicit interest rate is that which produces a constant periodic rate of interest on the outstanding liability.

The asset and liability are recognised at the commencement of the lease. Thereafter the asset is accounted for as 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.

Operating leases

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially in other liabilities on the statement of financial position and subsequently as a reduction of rentals on a straight-line basis over the lease term. Contingent rentals are recognised as an expense in the period in which they are incurred.

Leases of land and buildings

Where a lease is for land and buildings, the land component is separated from the building component and the classification for each is assessed separately.

The trust as a lessor

Finance leases

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Trust's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the trust's net investment outstanding in respect of the leases.

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 1.16 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 HM Treasury's discount rates effective for 31 March 2020:

		Nominal rate
Short-term	Up to 5 years	0.51%
Medium-term	After 5 years up to 10 years	0.55%
Long-term	Exceeding 10 years	1.99%

HM Treasury provides discount rates for general provisions on a nominal rate basis. Expected future cash flows are therefore adjusted for the impact of inflation before discounting using nominal rates. The following inflation rates are set by HM Treasury, effective 31 March 2020:

	Inflation rate
Year 1	1.90%
Year 2	2.00%
Into perpetuity	2.00%

Early retirement provisions and injury benefit provisions both use the HM Treasury's pension discount rate of minus 0.5% in real terms.

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 34.2 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 1.17 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 35 where an inflow of economic benefits is probable.
Contingent liabilities are not recognised, but are disclosed in note 35, 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 1.18 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.

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 and grant 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 calculated is not revised should any adjustment to net assets occur as a result the audit of the annual accounts.

Note 1.19 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 1.20 Corporation tax
The Trust has no corporation tax liability

Note 1.21 Third party assets

Assets belonging to third parties in which the Trust has no beneficial interest (such as money held on behalf of patients) are not recognised in the accounts. However, they are disclosed in a separate note to the accounts in accordance with the requirements of HM Treasury's *FReM*.

Note 1.22 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.

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 1.23 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 1.24 Transfers of functions to or from other NHS bodies and local government bodies

For functions that have been transferred to the trust from another body, the assets and liabilities transferred are recognised in the accounts as at the date of transfer. The assets and liabilities are not adjusted to fair value prior to recognition.[The net gain or loss corresponding to the net assets and liabilities transferred is recognised within income and expenditure, but not within operating activities.

For property, plant and equipment assets and intangible assets, the cost and accumulated depreciation / amortisation balances from the transferring entity's accounts are preserved on recognition in the trust's accounts. Where the transferring body recognised revaluation reserve balances attributable to the assets, the trust makes a transfer from its income and expenditure reserve to its revaluation reserve to maintain transparency within public sector accounts.

For functions that the trust has transferred to another body, the assets and liabilities transferred are de-recognised from the accounts as at the date of transfer. The net loss or gain corresponding to the net [assets and liabilities] transferred is recognised within income and expenditure, but not within operating activities. Any revaluation reserve balances attributable to assets de-recognised are transferred to the income and expenditure reserve. [Adjustments to align the acquired function to the trust's accounting policies are applied after initial recognition and are adjusted directly in taxpayers' equity.]
In 2019-20 Hounslow and Richmond Community Healthcare NHS Trust did not transfer or receive any assets from another body

Note 1.25 Early adoption of standards, amendments and interpretations

No new accounting standards or revisions to existing standards have been early adopted in 2019/20.

Note 1.26 Standards, amendments and interpretations in issue but not yet effective or adopted

IFRS 16 Leases

IFRS 16 Leases will replace *IAS 17 Leases, IFRIC 4 Determining whether an arrangement contains a lease* and other interpretations and is applicable in the public sector for periods beginning 1 April 2021. The standard provides a single accounting model for lessees, recognising a right of use asset and obligation in the statement of financial position for most leases: some leases are exempt through application of practical expedients explained below. For those recognised in the statement of financial position the standard also requires the remeasurement of lease liabilities in specific circumstances after the commencement of the lease term. For lessors, the distinction between operating and finance leases will remain and the accounting will be largely unchanged.

IFRS 16 changes the definition of a lease compared to IAS 17 and IFRIC 4. The trust will apply this definition to new leases only and will grandfather its assessments made under the old standards of whether existing contracts contain a lease.

On transition to IFRS 16 on 1 April 2021, the trust will apply the standard retrospectively with the cumulative effect of initially applying the standard recognised in the income and expenditure reserve at that date. For existing operating leases with a remaining lease term of more than 12 months and an underlying asset value of at least £5,000, a lease liability will be recognised equal to the value of remaining lease payments discounted on transition at the trust's incremental borrowing rate. The Trust's incremental borrowing rate will be a rate defined by HM Treasury. Currently this rate is 1.27% but this may change between now and the adoption of the standard. The related right of use asset will be measured equal to the lease liability adjusted for any prepaid or accrued lease payments. For existing peppercorn leases not classified as finance leases, a right of use asset will be measured at current value in existing use or fair value. The difference between the asset value and the calculated lease liability will be recognised in the income and expenditure reserve on transition. No adjustments will be made on 1 April 2021 for existing finance leases.

For leases commencing in 2021/22, the trust will not recognise a right of use asset or lease liability for short term leases (less than or equal to 12 months) or for leases of low value assets (less than £5,000). Right of use assets will be subsequently measured on a basis consistent with owned assets and depreciated over the length of the lease term.

HM Treasury revised the implementation date for IFRS 16 in the UK public sector to 1 April 2021 on 19 March 2020. Due to the need to reassess lease calculations, together with uncertainty on expected leasing activity from April 2021 and beyond, a quantification of the expected impact of applying the standard in 2021-22 is currently impracticable. However the Trust does expect this standard to have a material impact on non current assets, liabilities and depreciation.

The Trust has commenced the assessment of the application of IFRS 16 to its financial statements. This commenced with work to identify leases which are currently operating leases and should be reclassified as finance leases as well as a broader review of recurring expenditure streams where right to use assets may be embedded in contracting arrangements. The work has progressed to March 2020, when the Trust revised its operational priorities and working patterns to deal with the COVID19 pandemic and combined with the decision to defer the implementation of IFRS16 in the NHS to 1 April 2021 means that it has not been practical to complete this work or present it for audit. The work to identify the impact of this standard is expected to recommence in Autumn 2020

Other standards, amendments and interpretations

IFRS 16 Accounting for Leases is expected to apply from 1 April 2021, having been deferred from 1 April 2019 and again from April 2020

Note 1.27 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:

No significant critical judgements have been made in the process of applying the Trust's accounting policies

Note 1.28 Sources of estimation uncertainty

The following are assumptions about the future and other major sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

- Under the terms of the operating lease on one of the Trust's properties, the Hounslow & Richmond Community Healthcare NHS Trust was obliged to restore the building to its pre lease state at the end of the lease period in January 2019. The Trust had made an estimated provision for dilapidations based on current market benchmarks in 2015-16. An expert advisor was appointed to revise this provision and a report received in September 2016. The provision has been adjusted to reflect the valuations in this report, which is based on industry standards, however it remains an estimate until actual works are carried out. The value of the dilapidation provision was been left unchanged as at 31 March 2019. Substantial work is being undertaken in the building which could impact on any future dilapidation costs and we will review this provision once these are complete. The Trust signed both an extension to the lease and then a new 10 year lease effective from 1 June 2019 to 31 May 2029 with a five year break clause. As soon as the refurbishment works are complete the Trust will then review the future dilapidation requirements of the new lease.

- The Trust's property assets were subject to a full revaluation as at 31 March 2020. A desk top revaluation was carried out as at 31 March 2017 by the same valuer and using the same information provided for the full revaluation two years previously. Internal desk top valuation has been undertaken both as at 31 March 2018 using location factor indices relevant to the locality and as at 31 March 2019 using national indices.

The valuation exercise was carried out in March 2020 with a valuation date of 31 March 2020. In applying the Royal Institute of Chartered Surveyors (RICS) Valuation Global standards 2020 ('Red Book'), the valuer has declared a ' material valuation uncertainty' in the valuation report. This on the basis of uncertainties in markets caused by COVID 19 . The values in the report have been used to inform the measurement of property assets at valuation in these financial statements. With the valuer having declared this material valuation uncertainty, the valuer has continued to exercise professional judgement in providing the valuation and this remains the best information available to the Trust

- 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 17

Note 2 Operating Segments

The Trust operates as a single segment

A business segment is a group of assets and operations engaged in providing products or services that are subject to risk and returns that are different from other business segments. A geographical segment is engaged in providing products or services within a particular economic environment that is subject to risks and returns that are different from those segments operating in different economic environments. The directors consider that the Trust's activities constitute a single segment since they are provided wholly in the UK, are subject to similar risks and rewards and all assets are managed as one central pool

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

Note 3.1 Income from patient care activities (by nature)

	2019/20	2018/19
	£000	£000
Community services		
Community services income from CCGs and NHS England	63,509	57,488
Income from other sources (e.g. local authorities)	8,422	9,798
All services		
Private patient income	-	-
Agenda for Change pay award central funding*		674
Additional pension contribution central funding**	2,120	
Other clinical income	290	-
Total income from activities	74,341	67,960

*Additional costs of the Agenda for Change pay reform in 2018/19 received central funding. From 2019/20 this funding is incorporated into tariff for individual services.

**The employer contribution rate for NHS pensions increased from 14.3% to 20.6% (excluding administration charge) from 1 April 2019. For 2019/20, NHS providers continued to pay over contributions at the former rate with the additional amount being paid over by NHS England on providers' behalf. The full cost and related funding have been recognised in these accounts.

Note 3.2 Income from patient care activities (by source)

	2019/20	2018/19
Income from patient care activities received from:	£000	£000
NHS England	5,741	2,702
Clinical commissioning groups	60,178	54,786
Department of Health and Social Care	7	685
Other NHS providers	1,740	3,388
NHS other	-	-
Local authorities	5,934	5,747
Non-NHS: private patients	-	-
Non-NHS: overseas patients (chargeable to patient)	-	-
Injury cost recovery scheme	199	81
Non NHS: other	542	571
Total income from activities	74,341	67,960
Of which:		
Related to continuing operations	74,341	67,960
Related to discontinued operations	-	-

Note 4 Other operating income

	2019/20			2018/19		
	Contract income	Non-contract income	Total	Contract income	Non-contract income	Total
	£000	£000	£000	£000	£000	£000
Research and development	-	-	-	-	-	-
Education and training	373	57	430	790	10	800
Non-patient care services to other bodies	149		149	194		194
Provider sustainability fund (PSF)	1,326		1,326	2,990		2,990
Financial recovery fund (FRF)	-		-			
Marginal rate emergency tariff funding (MRET)	-		-			
Income in respect of employee benefits accounted on a gross basis	-		-	-		-
Receipt of capital grants and donations		-	-		534	534
Charitable and other contributions to expenditure		50	50		-	-
Support from the Department of Health and Social Care for mergers		-	-		-	-
Rental revenue from finance leases		-	-		-	-
Rental revenue from operating leases		1,267	1,267		1,195	1,195
Amortisation of PFI deferred income / credits		-	-		-	-
Other income	103	-	103	180	-	180
Total other operating income	1,951	1,374	3,325	4,154	1,739	5,893
Of which:						
Related to continuing operations			3,325			5,893
Related to discontinued operations			-			-

Note 5.1 Additional information on contract revenue (IFRS 15) recognised in the period

	2019/20	2018/19
	£000	£000
Revenue recognised in the reporting period that was included in within contract liabilities at the previous period end	25	-
Revenue recognised from performance obligations satisfied (or partially satisfied) in previous periods	-	-

Note 5.2 Transaction price allocated to remaining performance obligations

	31 March 2020	31 March 2019
Revenue from existing contracts allocated to remaining performance obligations is expected to be recognised:	£000	£000
within one year	-	-
after one year, not later than five years	-	-
after five years	-	-
Total revenue allocated to remaining performance obligations	-	-

The trust has exercised the practical expedients permitted by IFRS 15 paragraph 121 in preparing this disclosure. Revenue from (i) contracts with an expected duration of one year or less and (ii) contracts where the trust recognises revenue directly corresponding to work done to date is not disclosed.

Note 6.1 Fees and charges

HM Treasury requires disclosure of fees and charges income. The following disclosure is of income from charges to service users where income from that service exceeds £1 million and is presented as the aggregate of such income. The cost associated with the service that generated the income is also disclosed.

The Trust has not incurred any fees or charges

Note 7.1 Operating expenses

	2019/20	2018/19
	£000	£000
Purchase of healthcare from NHS and DHSC bodies	2,554	2,288
Purchase of healthcare from non-NHS and non-DHSC bodies	247	314
Staff and executive directors costs	53,070	49,156
Remuneration of non-executive directors	77	70
Supplies and services - clinical (excluding drugs costs)	6,706	6,410
Supplies and services - general	256	325
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	157	138
Consultancy costs	115	353
Establishment	4,178	2,773
Premises	2,682	1,810
Transport (including patient travel)	47	32
Depreciation on property, plant and equipment	1,899	2,076
Amortisation on intangible assets	-	4
Audit fees payable to the external auditor		
audit services- statutory audit**	45	43
Internal audit costs	37	38
Clinical negligence	85	51
Legal fees	199	68
Insurance	25	51
Education and training	57	10
Rentals under operating leases	3,034	2,984
Hospitality	-	5
Losses, ex gratia & special payments	-	7
Total	75,470	69,006
Of which:		
Related to continuing operations	75,470	69,006
Related to discontinued operations	-	-

** Audit fee - fee payable to the external auditors is £37,100 (excluding VAT of £ 7,420)

Note 7.2 Other auditor remuneration

There was no other auditor remuneration paid to the external auditor

Note 7.3 Limitation on auditor's liability

The limitation on auditor's liability for external audit work is £2m (2018/19: £2m).

Note 8 Impairment of assets

The Trust has not impaired any assets in 2019-20. Nil in 2018-19

Note 9 Employee benefits

	2019/20	2018/19
	Total	Total
	£000	£000
Salaries and wages	38,114	37,020
Social security costs	3,744	3,404
Apprenticeship levy	180	171
Employer's contributions to NHS pensions	6,963	4,632
Temporary staff (including agency)	4,069	3,929
Total gross staff costs	53,070	49,156
Recoveries in respect of seconded staff	-	-
Total staff costs	53,070	49,156
Of which		
Costs capitalised as part of assets	-	-

Note 9.1 Retirements due to ill-health

During 2019-20 there were no early retirements from the Trust agreed on the grounds of ill health (none in the year ended 31 March 2019). The estimated additional pension liabilities of these ill health retirements is £0k (£0k in 2018-19)

These estimated costs are calculated on an average basis and will be borne by the NHS Pension Scheme.

Note 10 Pension costs

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2020, is based on valuation data as 31 March 2019, updated to 31 March 2020 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 to 20.6% and the Scheme Regulations were amended accordingly.

The 2016 funding valuation was also expected to test the cost of the Scheme relative to the employer cost cap set following the 2012 valuation. Following a judgment from the Court of Appeal in December 2018 Government announced a pause to that part of the valuation process pending conclusion of the continuing legal process.

Note 11 Operating leases

Note 11.1 Hounslow and Richmond Community Healthcare NHS Trust as a lessor

This note discloses income generated in operating lease agreements where Hounslow and Richmond Community Healthcare NHS Trust is the lessor.

	2019/20	2018/19
	£000	£000
Operating lease revenue		
Minimum lease receipts	1,267	1,195
Total	1,267	1,195

	31 March 2020	31 March 2019
	£000	£000
Future minimum lease receipts due:		
- not later than one year;	1,267	1,195
- later than one year and not later than five years;	1,488	-
- later than five years.	1,860	-
Total	4,615	1,195

Note 11.2 Hounslow and Richmond Community Healthcare NHS Trust as a lessee

This note discloses costs and commitments incurred in operating lease arrangements where Hounslow and Richmond Community Healthcare NHS Trust is the lessee.

Hounslow and Richmond Community Healthcare NHs Trust is the lessor for Thames House. Richmond and Kingston CCGs are occupying this property on a sub lease arrangement. HRCH are the head lease holders so the sub lease arrangement aligns with our agreement which was renewed in June 2019 on a ten year lease.
Your Healthcare CIC is the lessor for an inpatient ward at Teddington Memorial Hospital. The lease is agreed on a rolling one year lease

	2019/20	2018/19
	£000	£000
Operating lease expense		
Minimum lease payments	3,034	2,984
Total	3,034	2,984

	31 March 2020	31 March 2019
	£000	£000
Future minimum lease payments due:		
- not later than one year;	3,124	2,685
- later than one year and not later than five years;	6,017	8,862
- later than five years.	3,273	701
Total	12,414	12,248
Future minimum sublease payments to be received	-	-

Note 12 Finance income

Finance income represents interest received on assets and investments in the period.

	2019/20	2018/19
	£000	£000
Interest on bank accounts	159	102
Total finance income	159	102

Note 13.1 Finance expenditure

Finance expenditure represents interest and other charges involved in the borrowing of money or asset financing.

The Trust did not incur any expenditure on interest and other charges relating to the borrowing of money

Note 13.2 The late payment of commercial debts (interest) Act 1998 / Public Contract Regulations 2015

The Trust did not incur any interest due to late payment of commercial debts	-	-

Note 14 Other gains / (losses)

There are no Other Gains and Losses to report in 2019-20. Nil in 2018-19

Note 15 Discontinued operations

There were no discontinued operations

Note 16.1 Intangible assets - 2019/20

	Software licences	Internally generated information technology	Development expenditure	Websites	Intangible assets under construction	Other (purchased)	Total
	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2019 - brought forward	-	15	-	-	-	-	15
Additions	-	-	-	-	-	-	-
Valuation / gross cost at 31 March 2020	-	15	-	-	-	-	15
Amortisation at 1 April 2019 - brought forward	-	15	-	-	-	-	15
Provided during the year	-	-	-	-	-	-	-
Amortisation at 31 March 2020	-	15	-	-	-	-	15
Net book value at 31 March 2020	-	-	-	-	-	-	-
Net book value at 1 April 2019	-	-	-	-	-	-	-

Note 16.2 Intangible assets - 2018/19

	Software licences	Internally generated information technology	Development expenditure	Websites	Intangible assets under construction	Other (purchased)	Total
	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2018 - as previously stated	-	15	-	-	-	-	15
Prior period adjustments	-	-	-	-	-	-	-
Valuation / gross cost at 1 April 2018 - restated	-	15	-	-	-	-	15
Additions	-	-	-	-	-	-	-
Valuation / gross cost at 31 March 2019	-	15	-	-	-	-	15
Amortisation at 1 April 2018 - as previously stated	-	11	-	-	-	-	11
Prior period adjustments	-	-	-	-	-	-	-
Amortisation at 1 April 2018 - restated	-	11	-	-	-	-	11
Provided during the year	-	4	-	-	-	-	4
Amortisation at 31 March 2019	-	15	-	-	-	-	15
Net book value at 31 March 2019	-	-	-	-	-	-	-
Net book value at 1 April 2018	-	4	-	-	-	-	4

Note 17.1 Property, plant and equipment - 2019/20

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2019 - brought forward	6,627	16,377	-	330	505	1,342	7,105	318	32,604
Additions	-	883	-	342	-	76	530	6	1,837
Revaluations	162	645	-	-	-	-	-	-	807
Reclassifications	-	329		(329)	-	-	-	-	-
Valuation/gross cost at 31 March 2020	6,789	18,234	-	343	505	1,418	7,635	324	35,248
Accumulated depreciation at 1 April 2019 - brought forward	-	-	-	-	156	588	4,679	175	5,598
Provided during the year	-	513	-	-	58	164	1,126	38	1,899
Revaluations	-	(513)	-	-	-	-	-	-	(513)
Reclassifications	-	-	-	-	-	-	-	-	-
Accumulated depreciation at 31 March 2020	-	-	-	-	214	752	5,805	213	6,984
Net book value at 31 March 2020	6,789	18,234	-	343	291	666	1,830	111	28,264
Net book value at 1 April 2019	6,627	16,377	-	330	349	754	2,426	143	27,006

Note 17.2 Property, plant and equipment - 2018/19

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2018 - as previously stated	6,627	16,220	-	435	103	906	6,514	304	31,109
Prior period adjustments	-	-	-	-	-	-	-	-	-
Valuation / gross cost at 1 April 2018	6,627	16,220	-	435	103	906	6,514	304	31,109
Transfers by absorption	-	-	-	-	-	-	-	-	-
Additions	-	1,147	-	330	95	436	528	14	2,550
Revaluations	-	(1,055)	-	-	-	-	-	-	(1,055)
Reclassifications	-	65	-	(435)	307	-	63	-	-
Valuation/gross cost at 31 March 2019	6,627	16,377	-	330	505	1,342	7,105	318	32,604
Accumulated depreciation at 1 April 2018 - as previously stated	-	-	-	-	9	464	3,408	136	4,017
Prior period adjustments	-	-	-	-	-	-	-	-	-
Accumulated depreciation at 1 April 2018	-	-	-	-	9	464	3,408	136	4,017
Transfers by absorption	-	-	-	-	-	-	-	-	-
Provided during the year	-	495	-	-	147	124	1,271	39	2,076
Revaluations	-	(495)	-	-	-	-	-	-	(495)
Reclassifications	-	-	-	-	-	-	-	-	-
Accumulated depreciation at 31 March 2019	-	-	-	-	156	588	4,679	175	5,598
Net book value at 31 March 2019	6,627	16,377	-	330	349	754	2,426	143	27,006
Net book value at 1 April 2018	6,627	16,220	-	435	94	442	3,106	168	27,092

Note 17.3 Property, plant and equipment financing - 2019/20

	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 2020									
Owned - purchased	6,789	17,938	-	343	291	389	1,830	111	27,691
Owned - government granted	-	-	-	-	-	-	-	-	-
Owned - donated	-	296	-	-	-	277	-	-	573
NBV total at 31 March 2020	6,789	18,234	-	343	291	666	1,830	111	28,264

Note 17.4 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	6,627	16,169	-	161	349	470	2,426	143	26,345
Owned - government granted	-	-	-	-	-	-	-	-	-
Owned - donated	-	208	-	169	-	284	-	-	661
NBV total at 31 March 2019	6,627	16,377	-	330	349	754	2,426	143	27,006

Note 18 Donations of property, plant and equipment

In 2018-19, the Trust received income from the Richmond League of Friends to purchase or contribute to the purchase of fixed assets. The League of Friends made a donation of £366k to fully fund the purchase of new radiology equipment in the unit based at Teddington Memorial Hospital. A further £168k was used as a contribution to the refurbishment costs of the Urgent Treatment Centre at the same location.

No further donations to purchase fixed assets have been made in 2019-20

Note 19 Revaluations of property, plant and equipment

The Trust's property assets were subject to a full revaluation on 31 March 2020, the last full evaluation having been in March 2015. A desk top revaluation was undertaken as at 31 March 2017. All external valuations were undertaken by the same District Valuer. At 31 March 2019 (as at March 2018) the assets were subject to a desk top valuation by Trust experts. At 31 March 2018 the Assets were valued using local indices which better reflected the property market at that time. In March 2019 National indices were used to revalue the buildings which indicate a 0.9% increase in value. However, after taking account of investment in the Trust properties during 2018-19, a loss on revaluation of 3.9% was reported. The Trust commissioned a full external valuation in March 2020.

The valuation as at 31 March 2020 has been prepared having regard to market evidence and other data available from the period prior and including BCIS and location factors. Full inspections during site visits were undertaken and clarification sought on land and GIA floor areas. Due account was taken of material asset changes and investment since the last desk top valuation in March 2017.

The external valuer is considering as part of a RICS profession discussion forum, the potential impact of COVID 19 on asset valuations with a valuation date of 31 March 2020. They have therefore issued an RICS material valuation uncertainty statement and recommended an early impairment review.

The useful economic lives have not materially changed.

Fixtures and fittings are carried at depreciated historic cost and this is not considered to be materially different from fair value.

Note 20.1 Investment Property

The Trust does not hold any investment property

Note 20.2 Investment property income and expenses

The Trust does not hold any investment property

Note 21 Investments in associates and joint ventures

The Trust does not have any investments in associates or joint ventures

Note 22 Other investments / financial assets (non-current)

The Trust does not have any other investments/financial assets (non current)

Note 22.1 Other investments / financial assets (current)

The Trust does not have any other investments/financial assets (current)

Note 23 Disclosure of interests in other entities

The Trust does not have any interests in other entities to disclose.

Note 24 Inventories

Inventories recognised in expenses for the year were £0k (2018/19: £0k). Write-down of inventories recognised as expenses for the year were £0k (2018/19: £0k).

The Trust does not hold any inventories.

Note 25.1 Receivables

	31 March 2020	31 March 2019
	£000	£000
Current		
Contract receivables	7,220	6,323
Contract assets	-	-
Capital receivables	-	-
Allowance for impaired contract receivables / assets	(13)	(13)
Interest receivable	-	-
Finance lease receivables	-	-
PDC dividend receivable	-	-
VAT receivable	134	152
Corporation and other taxes receivable	-	-
Other receivables	31	39
Total current receivables	7,372	6,501
Non-current		
Contract receivables	-	-
Capital receivables	-	-
VAT receivable	-	-
Corporation and other taxes receivable	-	-
Other receivables	-	-
Total non-current receivables	-	-
Of which receivable from NHS and DHSC group bodies:		
Current	5,725	5,418
Non-current	-	-

Note 25.2 Allowances for credit losses

	2019/20		2018/19	
	Contract receivables and contract assets	All other receivables	Contract receivables and contract assets	All other receivables
	£000	£000	£000	£000
Allowances as at 1 April - brought forward	13	-	-	13
Prior period adjustments			-	-
Allowances as at 1 April - restated	13	-	-	13
Impact of implementing IFRS 9 (and IFRS 15) on 1 April 2018			13	(13)
Transfers by absorption	-	-	-	-
New allowances arising	-	-	-	-
Changes in existing allowances	-	-	-	-
Allowances as at 31 Mar 2020	13	-	13	-

Note 25.3 Exposure to 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. The maximum exposures as at 31 March 2020 are in receivables from customers, as disclosed in the trade and other receivables note.

Note 26 Other assets

The Trust does not have any other financial assets - current at 31 March 2020 (nil at 31 March 2019)

Note 27.1 Non-current assets held for sale and assets in disposal groups

The Trust does not have any other financial assets - non current at 31 March 2020 (nil at 31 March 2019)

Note 27.2 Liabilities in disposal groups

The Trust does not have any liabilities in disposal groups

Note 28.1 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.

	2019/20	2018/19
	£000	£000
At 1 April	**21,872**	**15,942**
Prior period adjustments		-
At 1 April (restated)	**21,872**	**15,942**
Transfers by absorption	-	-
Net change in year	2,588	5,930
At 31 March	**24,460**	**21,872**
Broken down into:		
Cash at commercial banks and in hand	-	-
Cash with the Government Banking Service	24,460	21,872
Deposits with the National Loan Fund	-	-
Other current investments	-	-
Total cash and cash equivalents as in SoFP	**24,460**	**21,872**
Bank overdrafts (GBS and commercial banks)	-	-
Drawdown in committed facility	-	-
Total cash and cash equivalents as in SoCF	**24,460**	**21,872**

Note 28.2 Third party assets held by the trust

Hounslow and Richmond Community Healthcare NHS Trust held cash and cash equivalents which relate to monies held by the Trust on behalf of patients or other parties and in which the trust has no beneficial interest. This has been excluded from the cash and cash equivalents figure reported in the accounts.

	31 March 2020	31 March 2019
	£000	£000
Bank balances	-	-
Monies on deposit	-	-
Total third party assets	-	-

The Trust does not hold any third party assets

Note 29.1 Trade and other payables

	31 March 2020	31 March 2019
	£000	£000
Current		
Trade payables	6,089	3,338
Capital payables	399	186
Accruals	5,544	6,756
Receipts in advance and payments on account	-	-
PFI lifecycle replacement received in advance	-	-
Social security costs	595	556
VAT payables	-	-
Other taxes payable	381	373
PDC dividend payable	-	66
Other payables	-	-
Total current trade and other payables	13,008	11,275
Non-current		
Trade payables	-	-
Capital payables	-	-
Accruals	-	-
VAT payables	-	-
Other taxes payable	-	-
Other payables	-	-
Total non-current trade and other payables	-	-
Of which payables from NHS and DHSC group bodies:		
Current	3,564	2,758
Non-current	-	-

Note 29.2 Early retirements in NHS payables above

The payables note above does not include any amounts in relation to early retirements

Note 30 Other liabilities

	31 March 2020 £000	31 March 2019 £000
Current		
Deferred income: contract liabilities	53	25
Deferred grants	-	-
Deferred PFI credits / income	-	-
Lease incentives	-	-
Other deferred income	-	-
Total other current liabilities	53	25
Non-current		
Deferred income: contract liabilities	-	25
Deferred grants	-	-
Deferred PFI credits / income	-	-
Lease incentives	-	-
Other deferred income	-	-
Net pension scheme liability	-	-
Total other non-current liabilities	-	25

Note 31.1 Borrowings

There were no borrowings at 31 March 2020 (nil at 31 March 2019)

Note 31.2 Reconciliation of liabilities arising from financing activities - 2019/20

The Trust does not have any liabilities arising from financing activities

Note 31.3 Reconciliation of liabilities arising from financing activities - 2018/19

There were no other financial liabilities arising from finanncing activities at 31 March 2019

Note 32 Other financial liabilities

There were no other financial liabilities at 31 March 2020 (nil at 31 March 2019)

Note 33 Finance leases

Note 33.1 Hounslow and Richmond Community Healthcare NHS Trust as a lessor
Future lease receipts due under finance lease agreements where the trust is the lessor:

The Trust does not currently have any finance lease obligations as a lessor

Note 33.2 Hounslow and Richmond Community Healthcare NHS Trust as a lessee

The Trust does not have any finance lease obligations as a lessee.

Note 34.1 Provisions for liabilities and charges analysis

	Pensions: early departure costs	Pensions: injury benefits	Legal claims	Re-structuring	Equal Pay (including Agenda for Change)	Redundancy	Other	Total
	£000	£000	£000	£000	£000	£000	£000	£000
At 1 April 2019	-	-	5	-	-	27	675	707
Arising during the year	-	-	29	-	-	-	-	29
Utilised during the year	-	-	-	-	-	-	-	-
Reversed unused	-	-	(5)	-	-	(27)	-	(32)
At 31 March 2020	-	-	29	-	-	-	675	704
Expected timing of cash flows:								
- not later than one year;	-	-	-	-	-	-	-	-
- later than one year and not later than five years;	-	-	-	-	-	-	-	-
- later than five years.	-	-	29	-	-	-	675	704
Total	-	-	29	-	-	-	675	704

Note 34.2 Clinical negligence liabilities

At 31 March 2020, £1,585k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of Hounslow and Richmond Community Healthcare NHS Trust (31 March 2019: £1,026k).

Note 35 Contingent assets and liabilities

	31 March 2020 £000	31 March 2019 £000
Value of contingent liabilities		
NHS Resolution legal claims	-	(5)
Employment tribunal and other employee related litigation	-	-
Redundancy	-	-
Other	-	-
Gross value of contingent liabilities	-	(5)
Amounts recoverable against liabilities	-	-
Net value of contingent liabilities	-	(5)
Net value of contingent assets	-	-

Note 36 Contractual capital commitments

The Trust does not have any Contractual Capital Commitments at 31 March 2020 (nil at 31 March 2019)

Note 37 Other financial commitments

The Trust does not have any other financial commitments at 31 March 2020 (nil at 31 March 2019)

Note 37 Defined benefit pension schemes

The Trust does not operate a defined benefit pension scheme

Note 37.1 Changes in the defined benefit obligation and fair value of plan assets during the year

The Trust does not operate a defined benefit pension scheme

Note 37.2 Reconciliation of the present value of the defined benefit obligation and the present value of the plan assets to the assets and liabilities recognised in the balance sheet

The Trust does not operate a defined benefit pension scheme

Note 38 On-SoFP PFI, LIFT or other service concession arrangements

The Trust has no obligations in respect of PFI, LIFT or other service concession arrangements

Note 38.1 On-SoFP PFI, LIFT or other service concession arrangement obligations

Hounslow and Richmond Community Healthcare NHS Trust has no obligations in respect of the finance lease element of on-Statement of Financial Position PFI and LIFT schemes:

Note 38.2 Total on-SoFP PFI, LIFT and other service concession arrangement commitments

The Trust has no obligations in respect of PFI, LIFT or other service concession arrangements

Note 38.3 Analysis of amounts payable to service concession operator

The Trust has no obligations in respect of PFI, LIFT or other service concession arrangements

Note 39 Off-SoFP PFI, LIFT and other service concession arrangements

Hounslow and Richmond Community Healthcare NHS Trust incurred no charges in respect of off-Statement of Financial Position PFI and LIFT arrangements:

Note 40 Financial instruments

Note 40.1 Financial risk management

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. Because of the continuing service provider relationship that the NHS Trust has with [commissioners] and the way those [commissioners] are financed, the NHS Trust is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply. The NHS Trust has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the NHS Trust in undertaking its activities.

The Trust's treasury management operations are carried out by the finance department, within parameters defined formally within the Trust's standing financial instructions and policies agreed by the board of directors. Trust treasury activity is subject to review by the Trust's internal auditors.

Currency risk

The Trust is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and sterling based. The Trust has no overseas operations. The Trust therefore has low exposure to currency rate fluctuations.

Interest rate risk

The Trust borrows from government for capital expenditure, subject to affordability as confirmed by NHS Improvement. The borrowings are for 1 – 25 years, in line with the life of the associated assets, and interest is charged at the National Loans Fund rate, fixed for the life of the loan. The Trust therefore has low exposure to interest rate fluctuations.

The Trust may also borrow from government for revenue financing subject to approval by NHS Improvement. Interest rates are confirmed by the Department of Health and Social Care (the lender) at the point the borrowing is undertaken

The Trust therefore has low exposure to interest rate fluctuations.

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. The maximum exposures as at 31 March 2019 are in receivables from customers, as disclosed in the trade and other receivables note.

Liquidity risk

The Trust's operating costs are incurred under contracts with primary care Trusts, which are financed from resources voted annually by Parliament . The Trust funds its capital expenditure from funds obtained within its prudential borrowing limit. The Trust is not, therefore, exposed to significant liquidity risks.

Note 40.2 Carrying values of financial assets

Carrying values of financial assets as at 31 March 2020	Held at amortised cost	Held at fair value through I&E	Held at fair value through OCI	Total book value
	£000	£000	£000	£000
Trade and other receivables excluding non financial assets	7,220	-	-	7,220
Other investments / financial assets	-	-	-	-
Cash and cash equivalents	24,460	-	-	24,460
Total at 31 March 2020	31,680	-	-	31,680

Carrying values of financial assets as at 31 March 2019	Held at amortised cost	Held at fair value through I&E	Held at fair value through OCI	Total book value
	£000	£000	£000	£000
Trade and other receivables excluding non financial assets	6,349	-	-	6,349
Other investments / financial assets	-	-	-	-
Cash and cash equivalents	21,872	-	-	21,872
Total at 31 March 2019	28,221	-	-	28,221

Note 40.3 Carrying values of financial liabilities

Carrying values of financial liabilities as at 31 March 2020	Held at amortised cost	Held at fair value through I&E	Total book value
	£000	£000	£000
Loans from the Department of Health and Social Care	-	-	-
Obligations under finance leases	-	-	-
Obligations under PFI, LIFT and other service concession contracts	-	-	-
Other borrowings	-	-	-
Trade and other payables excluding non financial liabilities	12,032	-	12,032
Other financial liabilities	-	-	-
Provisions under contract	-	-	-
Total at 31 March 2020	12,032	-	12,032

Carrying values of financial liabilities as at 31 March 2019	Held at amortised cost	Held at fair value through I&E	Total book value
	£000	£000	£000
Loans from the Department of Health and Social Care	-	-	-
Obligations under finance leases	-	-	-
Obligations under PFI, LIFT and other service concession contracts	-	-	-
Other borrowings	-	-	-
Trade and other payables excluding non financial liabilities	9,550	-	9,550
Other financial liabilities	-	-	-
Provisions under contract	-	-	-
Total at 31 March 2019	9,550	-	9,550

Note 40.4 Maturity of financial liabilities

	31 March 2020	31 March 2019
	£000	£000
In one year or less	12,032	9,550
In more than one year but not more than two years	-	-
In more than two years but not more than five years	-	-
In more than five years	-	-
Total	12,032	9,550

Note 40.5 Fair values of financial assets and liabilities

Book value is a reasonable approximation of fair value for each relevant class of financial assets and liabilities.

Note 41 Losses and special payments

	2019/20		2018/19	
	Total number of cases	Total value of cases	Total number of cases	Total value of cases
	Number	£000	Number	£000
Losses				
Cash losses	-	-	3	4
Fruitless payments	-	-	-	-
Bad debts and claims abandoned	-	-	-	-
Stores losses and damage to property	1	1	1	-
Total losses	1	1	4	4
Special payments				
Compensation under court order or legally binding arbitration award	-	-	-	-
Extra-contractual payments	-	-	-	-
Ex-gratia payments	1	-	1	2
Special severance payments	-	-	-	-
Extra-statutory and extra-regulatory payments	-	-	-	-
Total special payments	1	-	1	2
Total losses and special payments	2	1	5	6
Compensation payments received		-		-

Note 42 Gifts

There are no gifts to disclose

Note 43 Related parties

During the year none of the Department of Health and Social Care Ministers, Hounslow & Richmond Community Healthcare NHS Trust board members or members of the key management staff, or parties related to any of them, have undertaken any material transactions with Hounslow & Richmond Community Healthcare NHS Trust

The Department of Health and Social Care is regarded as a related party. During the year, Hounslow & Richmond Community Healthcare NHS 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.

	Receipts from Related Party	Payments to Related Party	Amounts due from Related Party	Amounts owed to Related Party
	£'000	£'000	£'000	£'000
Ealing CCG	1,069	0	695	0
Hounslow CCG	33,995	0	1,897	0
Richmond CCG	23,893	0	747	0
Kingston CCG	840	0	287	0
NW Surrey CCG	240	0	70	0
Surrey Downs CCG	438	0	27	0
NHS England	4,947	0	755	0
Guys and St Thomas NHS Foundation Trust	0	1,710	110	449
Chelsea and Westminster NHS Foundation Trust	796	195	652	503
Kingston Hospital NHS Foundation Trust	128	319	149	239
Croydon Health Services NHS Trust	162	0	354	0
Epsom & St Helier University Hospitals NHS Trust	164	0	204	0
St George's Healthcare NHS FT	224	7	269	78
South West London & St George's NHS Trust	82	0	7	0
West London Mental Health NHS Trust	33	217	3	93

In addition, the Trust has had a number of material transactions with other government departments and other central and local government bodies. Most of these transactions have been with Local Authorities

	Receipts from Related Party	Payments to Related Party	Amounts due from Related Party	Amounts owed to Related Party
	£'000	£'000	£'000	£'000
London Borough of Hounslow	4,922	0	901	120
London Borough of Richmond upon Thames	805	590	6	583
London Borough of Merton	199	0	0	0

The Trust has also received £9k payment (£9k in 2018-19) from the charitable fund it hosts for the administration and governance of the fund. The Trust Board is the trustee of the fund and some board members are also members of the Charitable Funds Committee. The summary financial statements of the Funds Held on Trust are not included in these accounts They are reported separately to the Charities Commission.

Note 44 Transfers by absorption

There are no transfers by absorption

Note 45 Prior period adjustments

There are no prior period adjustments

Note 46 Events after the reporting date

There were no events after the reporting period

Note 47 Final period of operation as a trust providing NHS healthcare

The Trust continues to operate as a trust of NHS Healthcare

Note 48 Better Payment Practice code

Non-NHS Payables	2019/20 Number	2019/20 £000	2018/19 Number	2018/19 £000
Total non-NHS trade invoices paid in the year	16,157	32,368	18,336	31,386
Total non-NHS trade invoices paid within target	15,034	31,707	17,434	30,740
Percentage of non-NHS trade invoices paid within target	93.0%	98.0%	95.1%	97.9%
NHS Payables				
Total NHS trade invoices paid in the year	884	8,145	699	7,201
Total NHS trade invoices paid within target	842	7,718	690	7,173
Percentage of NHS trade invoices paid within target	95.2%	94.8%	98.7%	99.6%

The Better Payment Practice code requires the NHS body to aim to pay all valid invoices by the due date or within 30 days of receipt of valid invoice, whichever is later.

Note 49 External financing limit

The trust is given an external financing limit against which it is permitted to underspend

	2019/20 £000	2018/19 £000
Cash flow financing	(2,588)	(5,930)
Finance leases taken out in year	-	
Other capital receipts	-	
External financing requirement	(2,588)	(5,930)
External financing limit (EFL)	(1,659)	(1,349)
Under / (over) spend against EFL	929	4,581

Note 50 Capital Resource Limit

	2019/20 £000	2018/19 £000
Gross capital expenditure	1,837	2,550
Less: Disposals	-	-
Less: Donated and granted capital additions	-	(534)
Plus: Loss on disposal from capital grants in kind	-	-
Charge against Capital Resource Limit	1,837	2,016
Capital Resource Limit	1,890	2,045
Under / (over) spend against CRL	53	29

Note 51 Breakeven duty financial performance

	2019/20 £000
Adjusted financial performance surplus / (deficit) (control total basis)	1,721
Remove impairments scoring to Departmental Expenditure Limit	-
Add back income for impact of 2018/19 post-accounts PSF reallocation	-
Add back non-cash element of On-SoFP pension scheme charges	-
IFRIC 12 breakeven adjustment	-
Breakeven duty financial performance surplus / (deficit)	1,721

Note 52 Breakeven duty rolling assessment

	1997/98 to 2008/09	2009/10	2010/11	2011/12	2012/13	2013/14
	£000	£000	£000	£000	£000	£000
Breakeven duty in-year financial performance		-	-	1,667	704	2,792
Breakeven duty cumulative position	-	-	-	1,667	2,371	5,163
Operating income		-	-	54,480	59,339	64,212
Cumulative breakeven position as a percentage of operating income		0.0%	0.0%	3.1%	4.0%	8.0%

	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
	£000	£000	£000	£000	£000	£000
Breakeven duty in-year financial performance	679	1,919	2,962	4,068	3,742	1,721
Breakeven duty cumulative position	5,842	7,761	10,723	14,791	18,533	20,254
Operating income	65,816	68,489	70,511	71,462	73,853	77,666
Cumulative breakeven position as a percentage of operating income	8.9%	11.3%	15.2%	20.7%	25.1%	26.1%

Hounslow and Richmond Community Healthcare
NHS Trust

Annual review 2019-20

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Introduction from chairman and chief executive

Sian Bates, chairman

Patricia Wright, chief executive

Hounslow and Richmond Community Healthcare NHS Trust continues to play a vital role in improving the health and wellbeing of around 523,000 people registered with GPs in the boroughs of Hounslow and Richmond.

We continue to be impressed by our employees' dedication, hard work and willingness to go the extra mile, delivering outstanding care to the people we serve. This was particularly true in the last two months of the year, February and March 2020, when our attention turned to responding to the coronavirus pandemic.

Our colleagues at all levels and across all services exemplified the values of the trust by activating our pandemic plans and responding to guidance from NHS England/ Improvement about what services should be prioritised and what should be paused. People adapted very quickly to new ways of working, volunteered to take on new roles and supported each other through this difficult period. Our thanks go to all of you.

In addition, we would like to record our thanks to all the members of the public, volunteers, voluntary organisations, schools, restaurants and many more who provided protective equipment, meals for staff, taxied staff to and from work, sewed, knitted, clapped and raised money to support the NHS at this time. We couldn't have done it without you.

Our thanks go to all of you...

Quality of care

Following the publication of the NHS Long Term Plan, we continued to boost our out-of-hospital care and deliver urgent community response and recovery support in Primary Care Networks (PCNs).

During 2019-20, working closely with our commissioners, we developed a Care Home Support Team in Richmond to support the 17 care homes in the borough and help patients who need health care to stay safely in their homes, so they can avoid having to be admitted to hospital if they do not need hospital care. We are also extending this concept to Hounslow.

This was particularly helpful when the coronavirus pandemic hit the community, particularly care homes, which we supported throughout.

In 2019, we continued to win awards and to be shortlisted for prestigious national awards. We won the Public Sector Paperless Award for Best Use of e-Forms for our schools immunisation programme consent forms. We were shortlisted for a Nursing Times Patient Safety Award and for four HSJ Patient Safety Awards for our acclaimed Never Events.

The Wheelchair Hub in Hounslow had some great successes in 2020, with international recognition for their work. The team were shortlisted in the Evaluating Health and Social Care Practice category for the Advancing Healthcare Awards.

They also had a paper accepted for the European Seating Symposium, about the use of specialist moulded seating in disability sports. The team were also shortlisted for a Council of Allied Health Professions Research (CAHPR) Award.

One You Hounslow was awarded the Chelsea and Westminster Hospital NHS Foundation Trust Award for Research, Innovation & Quality Improvement in 2020 for their work with pregnant women trying to stop smoking.

Louise Brem-Wilson, our voluntary services coordinator, and the O-Block physiotherapy admin team based at West Middlesex Hospital were nominated in the Work Experience Employer of the Year category for the Spark! Awards.

Then Nicola Wood, our Wheelchair Hub clinical specialist, was nominated by the Institute of Physics and Engineering in Medicine for the Karen Burt Memorial Award. The award recognises excellence and potential in the practice of engineering as well as contributions made by the candidate to the promotion of the engineering profession.

Our two IV specialist nurses, Jacqui Williams and Nicole Moodley, had an article about their work published in the British Journal of Nursing. The article looked at their work setting up the collaborative community intravenous therapy service and innovative practice to allow patients to receive treatment at home that would previously only be available in hospital. Nicole and Jacqui were runners up in the vascular access nurse of the year category of the BJN Awards 2019.

In addition, immunisation lead nurse Heidi Neilson was awarded the Cavell Star Award for showing exceptional care to patients, families and her team – the trust's first. She was nominated by her colleagues for her professional support, compassionate approach to patients and excellent communication style.

Trust strategy

In support of the NHS Long-Term Plan, we have been developing integrated multidisciplinary teams to improve the way primary care, community health and social care professionals work in partnership with acute hospitals.

We continue to boost our out-of-hospital care and deliver urgent community response and recovery support in Primary Care Networks (PCNs).

We are also members of the North West London and the South West London Health and Care Partnerships, which have a renewed emphasis on the themes of 'Start well, Live well, Age well'.

At borough level, we are taking a lead on community health services, as part of the Hounslow and Richmond Health and Care provider alliances and are working in partnership with the Hounslow GP Consortium and the Richmond GP Alliance to redesign services, focused on coordinated care and improved patient outcomes.

We are actively involved in integrated care redesign groups, leading on community services core contract work in north west London. For example, our chief executive, Patricia Wright, is leading on the community beds workstream.

We achieved a great deal despite financial constraints, the need to develop new relationships and continued workforce pressures.

Engaging with residents and patients

During the year our children's services held a successful staff and patient engagement event, with more than 200 attendees, including families, children and young people. It was a great way to get invaluable feedback and suggestions to shape the future of services. We received exceptionally positive feedback from patients and staff.

Our One You Hounslow team have been helping local food banks by donating the prize money they won in a Hounslow Beat the Street competition in 2019. The team also left leaflets promoting their popular Cook and Eat sessions and plan to do more work with food banks in the future to help people cook on a budget. As a healthcare organisation, we know the importance of good nutrition, so this is a great example of partnership working.

To mark Diabetes Week 2019, the Richmond Diabetes Team held a Let's Talk Diabetes event in Twickenham to share all that is current in the world of diabetes. Alongside information stands from different service providers, there was a packed agenda of presentations, from the history of diabetes to the possibility of remission for patients with Type 2, new treatments and technologies.

The Wheelchair Hub, in partnership with charity Go Kids Go, organised a wheelchair skills workshop in 2019. The workshop aimed to promote independence and increase safety by developing children's manual wheelchair skills. The team had a great turnout of children and families from Hounslow who had the opportunity to trial active user wheelchairs and gain a better understanding about how to overcome challenges that wheelchair users may experience, such as kerb climbing when crossing roads and learning safe evacuation techniques.

HRCH colleagues were out in force at the West Middlesex Hospital annual open day in 2019. Staff from community nursing, bladder and bowel, One You Hounslow, the specialist IV service, Community Recovery Service, Integrated Community Response Service and the learning disability health team all took part.

We developed a Home Care Support Team in Richmond to support the 17 care homes in the borough and help patients who need health care to stay safely in their homes

For the second year running, the Hounslow Integrated Community Response Service attended the Joint Services Day at Bedfont Lakes as an opportunity to show the public who we are and what we do.

Finally, dementia specialists Theresa Keegal and Nina Jalota were at the Richmond Full of Life Fair at Twickenham Rugby Stadium to promote the service and provide important information about supporting people with dementia.

Our services and people

We have been working with Hounslow GPs on several services, including our Primary Care Patient Coordination Service, which assists Hounslow GP practices to deliver joined-up, proactive and planned patient care.

In addition, we continue to work closely with Richmond GPs via our partnership with the Richmond GP Alliance, which is called Richmond Community Healthcare in Partnership (RCHiP).

During 2019-20, working closely with our commissioners, we developed a Home Care Support Team in Richmond to support the 17 care homes in the borough and help patients who need health care to stay safely in their homes, so they can avoid having to be admitted to hospital if they do not need hospital care. This team has been very successful and has seen a reduction in patients being admitted to Kingston Hospital.

In Hounslow the Speech and Language Service are running a programme of regular training for all Hounslow nursing homes. This teaches nursing homes staff how to identify patients who are having problems eating and drinking. In addition, we have a hotline that offers rapid advice to nursing homes and GPs if they feel a care home resident needs to go to hospital.

We are also taking part in a national programme to stop over-medicating people with learning disabilities, autism or both (STOMP). A multidisciplinary team of psychiatrists, pharmacists and positive behaviour support practitioners (PBS) identified 55 patients who met the criteria.

Around 80% of HRCH staff have become Dementia Friends – 884 people in total. In 2019 we set a target to sign up 75% of staff by Christmas and were delighted to pass this significant milestone.

The Alzheimer's Society Dementia Friends programme is the biggest initiative to change people's perceptions of dementia. It's about learning more about dementia and the small ways you can help.

Every single member of our staff is fundamental to our mission to provide care and services that we and our families would want to use. We are committed to constantly improving HRCH as a great place to work. We have also taken steps to ensure we have an inclusive workforce that feels listened to and is engaged.

As part of our staff rewards and recognition programme, we were delighted to welcome 200 employees from across the trust to the Twickenham Stoop in November 2019 for our annual staff awards ceremony. They shared in the successes of colleagues who received awards for their dedication, professionalism and compassion.

Our performance

Our staff survey results placed us in the top three community trusts in the country for quality and safety, and workforce stability, according to the analyst company Listening into Action. Its analysis of the 2019 staff survey results concluded that quality and safety of patient care depends on the wellbeing, morale and sustainability of frontline staff members. We are very proud of this result.

Our staff survey results placed us in the top three community trusts in the country for quality and safety and workforce stability

We came top out of all community trusts in the country in 15 questions, including being able to do my job to a standard I am personally pleased with (84.9%) and ability to deliver care I aspire to (78.2%).

In addition, out of 90 questions, 48 responses improved since 2018 and almost 8 out of 10 of colleagues would recommend the trust as a place to receive treatment (78.9%).

During the year, we also heard that we were the highest-scoring trust in London and the third best nationally in the inaugural Freedom to Speak Up Index, which used the results of the previous year's Staff Survey to understand how staff perceive the 'speaking up' culture.

We scored 85%, with the highest FTSU index at 87%. This is not only a fantastic achievement for the trust but highlights efforts across the organisation to foster a culture in which we learn from mistakes and encourage reporting of incidents to improve safety.

We were delighted that so many of our patient-facing staff were vaccinated against flu (84.65%). It was great to see our employees being so proactive and responsible in protecting our patients, themselves and their families by ensuring they were not passing on the virus to other people.

Thank you and goodbye

We had some changes to our board and executive team in 2019-20, saying goodbye to our former chairman, Steve Swords, and Non-Executive Director Ajay Mehta. We wish them well in their new ventures. Ginny Colwell, previously our Board Advisor, was appointed to the Non-Executive Director role left vacant following Ajay's departure.

We were sorry to say goodbye to Steve and Ajay, but were pleased to welcome our new chairman, Sian Bates, who also continues in her current separate role as chairman of Kingston Hospital NHS Foundation Trust.

We would like to:

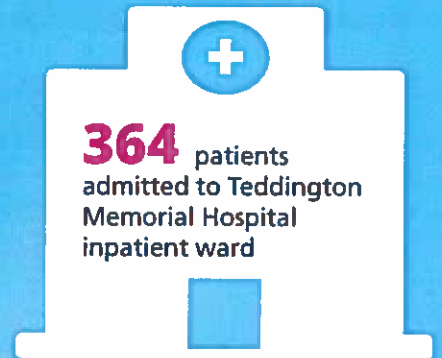
- acknowledge the professionalism of our staff who provided caring and compassionate services for local people, despite the considerable challenges of coronavirus preparations, on top of continuing financial restraints in the NHS and new ways of working
- thank Teddington Memorial Hospital League of Friends for funding the refurbishment of the urgent treatment centre at Teddington Memorial Hospital – we are extremely grateful for their continuing support and our patients and visitors are seeing the benefits of a great new waiting and reception area
- thank our partners: Hounslow GP Consortium; Richmond GP Alliance; North West London Collaboration of CCGs, Hounslow CCG and South West London CCG; local acute and mental health trusts; the voluntary sector; and Healthwatch Hounslow and Richmond – they have supported the redesign of services and held us to account for the quality of care we provide.

Overview and key achievements

Overview

1,007,440 patient/user contacts a year

1,444 community rapid response referrals



364 patients admitted to Teddington Memorial Hospital inpatient ward

108,451 urgent treatment centre attendances at West Middlesex Hospital

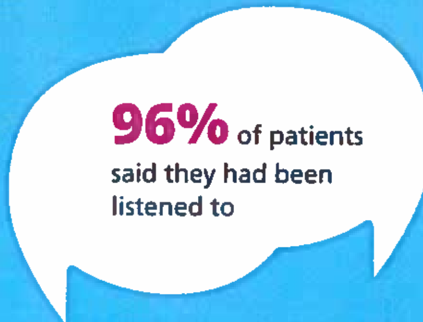
47,451 urgent treatment centre attendances at Teddington Memorial Hospital

8,841 the total number of days patients were in beds on the ward

236,082 district nursing and community matron appointments

97% of patients said they were treated with respect and in dignified ways

78,453 adult physiotherapy appointments



96% of patients said they had been listened to

1,189 members of staff at March 2020

29,306 people told us about their care and treatment, compared to 21,965 in 2018-19

2,753 patient/user contacts on average every day

76,704 health visitor appointments

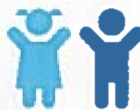
Prevention and making every contact count

72,950 people reached by Facebook, Twitter and Instagram health promotion messages

4,216 people visited the One You Hounslow website

743 people referred to exercise programmes to improve long-term illnesses

300 children participated in the Change4Life programme



178 people helped with community referrals to a variety of social, creative and communication schemes and activities

371 people attended our free Cook and Eat sessions

5,044 smokers helped to quit since One You Hounslow stop smoking service started

1,439 joined our health walks programme

Achievements

* Public Sector Paperless Award for Best Use of e-Forms for schools immunisation programme
* One You Hounslow awarded Chelsea and Westminster FT Award for Research, Innovation & Quality Improvement for work with pregnant women trying to stop smoking.
* Immunisation lead nurse Heidi Neilson awarded Cavell Star Award for exceptional care for patients, families and her team
* 84.65% of patient-facing colleagues vaccinated against flu
* Shortlisted for Nursing Times Patient Safety Award for Never Events
* Shortlisted for 4 HSJ Patient Safety Awards for Never Events
* Shortlisted in the Evaluating Health and Social Care Practice category for the Advancing Healthcare Awards
* Louise Brem-Wilson, voluntary services coordinator, and O Block physiotherapy admin team nominated as Work Experience Employer of the Year for Spark! Awards
* Nicola Wood, Wheelchair Hub clinical specialist, nominated by Institute of Physics and Engineering in Medicine for Karen Burt Memorial Award
* IV specialist nurses, Jacqui Williams and Nicole Moodley, runners up in vascular access nurse of the year BJN Awards 2019

About the trust

HRCH provides community health services for around 523,039 people registered with GPs in the London boroughs of Hounslow and Richmond, but also serves a wider population across south London for a range of more specialist services.

Every day our professionals provide high-quality healthcare in people's homes and convenient local clinics. We help people to stay well in the community, manage their own health with the right support and avoid unnecessary trips to, or long stays in, hospital.

We received a 'Good' rating from the CQC in 2018 and expected to be inspected in early 2020. However, this was postponed due to the coronavirus pandemic.

What we do and where we are

During 2019-20 we provided about 70 community, urgent care and primary care services, delivering on our mission

"To provide outstanding care and services that we and our families would want to use".

We employ about 1,100 people who work across a wide range of health centres, hospitals, GP surgeries, children's centres, schools, local council facilities and in community settings, including in people's homes.

We provide most of our services in the boroughs of Hounslow and Richmond, but also provide services over a wide geographical area across London.

A summary of the services we provide is outlined below and you can find more information at: www.hrch.nhs.uk/our-services

Adult services

- Community nursing, therapies, in-patient unit
- Urgent Care and Urgent Treatment Centres
- Hounslow Integrated Community Response Service, Hounslow Community Recovery Service and Richmond Rapid Response Team

Specialist services

- Neurorehabilitation, continence, continuing care and lymphoedema services

Children's services

- Paediatric (child development, continuing care, therapies), universal children's services (health visiting, community nursing, Family Nurse Partnership), audiology, Hounslow school nursing

Childhood immunisations

- Richmond, Kingston, Bromley, Bexley, Croydon, Greenwich, Lambeth, Merton, Sutton, Southwark and Wandsworth

Health and wellbeing

- One You Hounslow
- One You Merton
- Help Yourself to Health Sutton

Our service areas

Our main service areas are in Hounslow and Richmond, but we provide care in other boroughs, including the south London school immunisations programme and children's audiology in Acton.

We provide community health services for around 523,039 people registered with GPs in the London boroughs of Hounslow and Richmond

Our people

The NHS People Plan aims to make the NHS the best place to work, with compassionate and inclusive leadership and the delivery of 21st century care. Our employees are fundamental to our success in delivering high-quality patient care.

We are immensely proud of our staff, the care we deliver and the fact that more than 95% of our patients consistently say they would recommend our services. We employ a skilled workforce of around 1,100 people. We support them in aiming to be the best they can be, across clinical and non-clinical services, and in contributing to the delivery of high-quality, patient-centred care.

The people we employ reflect the diverse backgrounds of the communities we serve. We have good representation of women and people from diverse ethnic backgrounds in senior positions, while our Trust Board is one of the most diverse boards in the country.

Our approach to developing our workforce is set out in our Workforce Strategy and the supplementary Learning, Development and Organisational Development Strategy, which were co-developed with staff.

However, we are not complacent and recognise that a healthy, engaged workforce is critical to the delivery of high-quality care and we continue to invest in interventions that will allow staff to be the best they can be.

We are immensely proud of our staff, the care we deliver and the fact that more than 95% of our patients consistently say they would recommend our services

Some of this year's highlights include:

- **Trust and staff awards:** We continue to invest in our much-valued staff annual and champion awards.
- **Equality, diversity and inclusion:** Our Celebrating Diversity events continue to be popular, celebrating and raising awareness of our employees' range of backgrounds and experiences and the positive impact this can have on the way we care for patients.
- **Apprenticeships:** We continued to promote apprenticeships as a gateway to careers in the NHS and to create a skilled, diverse, flexible and motivated workforce. We now have 24 apprentices across the trust including three nursing associate apprentices. These programmes help improve the diversity of our workforce and open employment opportunities to young people from our local communities, who are under-represented in our staff groups.
- **e-Rostering:** Our rostering system is embedded throughout the Trust. It enables us to reduce unfilled shifts and use our bank staff more for temporary cover, cutting down on agency costs.
- **Agile working:** We reviewed all our estate to ensure it is fit for purpose and facilitated more agile working for staff by creating hot desks at our sites and ensuring staff have access to technology that aids remote working.
- **Wellbeing:** Highlights from this year include our employee wellbeing group hosting a programme of wellbeing events across the trust, including health checks, tai chi taster sessions, team mindfulness sessions, nutrition and weight management advice and free stop-smoking support throughout October and November as part of our employee wellbeing months.

NHS Staff Survey 2019

Each year we take part in the annual national NHS Staff Survey to receive feedback from staff on their experience of working here, to monitor trends and measure the impact of changes we have made in response to feedback. The results from the staff survey are incredibly important to us, as we get to hear what people really think about working here.

The analyst company Listening into Action placed us in the top three community trusts for quality and safety, and workforce stability. Its analysis of the 2019 staff survey results concluded that quality and safety of patient care depends on the wellbeing, morale and sustainability of frontline staff members. We are very proud of this result.

We were pleased that 745 colleagues participated in the latest survey, which is 67.1% of our workforce. This is a brilliant response and means we have some rich, valid data to show us where we can make improvements.

We came top out of all community trusts in the country in 15 questions, including:

- being able to do my job to a standard I am personally pleased with (84.9%)
- having adequate materials, supplies and equipment to do my work (72%)
- relationships at work are not strained (60%)
- ability to deliver care I aspire to (78.2%)
- people agreeing the trust encourages people to report errors, near misses and incidents (95.3%)
- people agreeing their department or directorate collects patients' and service users' feedback (97.6%)

Out of 90 questions, 48 responses improved since 2018, including positive views of:

- jobs and teamwork
- quality
- support from immediate managers
- health and wellbeing
- efficacy of appraisals

In addition, almost 8 out of 10 of colleagues would recommend the trust as a place to receive treatment (78.9%).

Staff Friends and Family Test

In addition to the annual NHS Staff Survey, our people feed back their views via a quarterly Staff Friends and Family Test survey. In 2019-20, for the third year running, 90% of colleagues told us they would recommend HRCH to friends and family as a place to receive care or treatment. Furthermore, 74% of our employees would recommend HRCH as a place to work (3% higher than the previous year).

People development

We are committed to training, learning and development for all our people and offer a wide range of opportunities including support for clinical education, Apprentices, coaching and mentoring. In 2019 we organised an engagement and development away day for our administrative workforce which included workshops on interviewing, CV building and tools and resources to support their development.

Our board

Our board reflects the diversity of the people we serve and is recognised nationally as one of the top three most diverse boards in London. During 2019-20, Steve Swords stood down as chairman and was replace by Sian Bates, who is our Chair in Common with Kingston Hospital Foundation Trust. Ajay Mehta resigned from the Board to take up a Non-executive Director (NED) post at Chelsea and Westminster FT and Ginny Colwell, previously Board Advisor, became a voting NED.

Executive directors

Patricia Wright
Chief Executive

David Hawkins
Director of Finance and Corporate Services

Donna Lamb
Director of Nursing and Non-Medical Professionals

Dr John Omany
Medical Director

Anne Stratton
Director of Clinical Services (LB Hounslow / NW London)

Stephen Hall
Director of Clinical Services (LB Richmond / SW London)

Alison Heeralall
Director of Workforce and Communications

Monique Carayol
Director of Strategy and Transformation

Non-executive directors

Sian Bates,
Chairman

Judith Rutherford,
Non-Executive Director (Vice Chair)

Bindesh Shah,
Non-Executive Director (Senior Independent Director)

Joanne Hay,
Non-Executive Director

Phil Hall,
Non-Executive Director

Ginny Colwell,
Non-Executive Director

Our strategy

The year 2019-20 represented year two of implementing the latest trust strategy (2018-23). A review of the ambition in the strategy confirmed that our vision holds true and is entirely in line with the NHS Long Term Plan.

Our vision for 2019 and beyond

In five years from now we will be at the forefront of improving the health and wellbeing of our local population. People who experience care from HRCH will be able to describe that they have had an outstanding experience and we will be able to demonstrate that care is consistently safe and effective. We will do this in a way that uses resources efficiently and adds the greatest value.

Our vision is that people will live healthier lives through high-quality, effective and coordinated care.

To achieve our vision we will work in much closer partnership with the whole resource available to us in the communities we serve; our staff, patients/clients and their families, other providers and commissioners of health and social care, the voluntary sector and local businesses; to achieve improved outcomes for our local communities.

Our mission is to provide outstanding care and services that we and our families would want to use. It describes what we do and why.

Our values describe our beliefs and shape how we all behave including how we deliver care, manage our services, interact with patients, carers and colleagues and collaborate with our partners.

Care HIGH QUALITY SAFE CARE WITH COMPASSION

Respect DIGNITY AND RESPECT TO PATIENTS AND COLLEAGUES

Communication LISTENING AND COMMUNICATING CLEARLY

What did we achieve in 2019-20?

In years one and two of our long-term strategy, we achieved all our short-term objectives, including refreshing our supporting strategies. About 425 colleagues were directly engaged in developing our quality and clinical strategy and we are also rolling out our updated workforce strategy.

SHORT TERM 2018-19

- Refresh supporting strategies
- Strengthen the culture and methodology for change to support quality improvement
- Continue to build on and test new ways of delivering care (eg, locality working)
- Strengthen the platform to maintain a sustainable organisation
- Embed new ways of working across care boundaries
- Strengthen existing and build new partnerships that will add value to patient care

MEDIUM TERM 2019-21

- Be a lead partner in integrated care systems
- Be assessed as 'Outstanding' by our regulators
- Deliver estates and technology plans to support innovative care provision
- Build strong and sustainable relationships with patients, carers and our local communities to enhance health and wellbeing

LONG TERM 2021-23

- Create organisational models that will ensure the sustainability of care closer to home for the future
- Continue to support radical innovation and experimentation that will transform the way care is provided now and in the future

As you will have read elsewhere in this annual review, we are a lead partner in developing properly integrated care systems and have identified areas of outstanding practice in a number of our services. Our estates and technology plans are progressing well and, as an anchor institution, our long-term sustainability is tied to the wellbeing of the people we serve.

The year ahead, 2020-21, will be year three for the delivery of our trust strategy. We believe we have much to be very proud of, but know we have lots more to do on our Journey to Outstanding.

Key service changes and managing risk

Risk governance

The trust board is accountable to NHS England/Improvement (NHSE/I) for the Trust's performance. The main governance committees are chaired by a NED and report directly to the board.

Risk Management

In 2019, as a trust on our journey to outstanding, we decided to take a fresh look at risk management to ensure it was further embedded into all decision making.

To enable us to deliver the ambition set out in the trust strategy and the NHS Plan, we decided it was timely to produce a risk management strategy to support our commitment to providing high-quality services.

We recognised that successful risk management must be forward thinking; the responsibility of all; comprehensive and coordinated; and that proactive and continuous identification and management of risk is essential to the delivery of high value healthcare.

In 2019, as a trust on our journey to outstanding, we decided to take a fresh look at risk management to ensure it was further embedded into all decision making

The strategy sets out clear goals, achievements and timescales for implementation. This enables employees to work towards the same aims empowering innovation whilst ensuring patient quality and care are at the centre of delivery.

Within the strategy we created a vision for risk management. Risk management will be everybody's business – integral to professional and operational practice at every level and across organisational/professional boundaries. We will continually test the boundaries of practice, while ensuring we operate within legal and regulatory frameworks to reduce exposure to risk to ensure patients receive outstanding care.

Performance summary

Our board and the relevant committees review a performance scorecard which has been developed to include a suite of quality and other indicators at trust and service level – enabling centralised reporting of performance and quality data and improved triangulation of information.

The scorecard is based on the Care Quality Commission's five domains of quality: safe, effective, caring, responsive and well led. The selection of indicators is based on NHS improvement guidance and the trust's priorities.

Performance against quality, workforce and business targets

In the past year we focused once again on maintaining good performance. By the end of 2019-20 we rated ourselves green for most targets (81.5%), while 18.5% of outcomes in the Safe, Effective, Responsive and Well Led domains were rated amber. Although there is room for improvement, we were pleased to see further progress on our Journey to Outstanding.

Financial performance

We have operated in a constrained financial environment for several years. However, we continue to demonstrate strong financial performance through tight management of budgets and expenditure, continual review of our use of resources and seeking new contracts and services.

In 2019-20:

- we received £77.7 million in income
- we exceeded our planned surplus of £0.333 million with an actual surplus of £0.338 million
- this enabled the Trust to receive an additional £1.326 million of sustainability and transformation funding given as a reward to Trusts who meet their NHS budget targets
- our total surplus for the year, including this reward funding, was £1.664 million
- we incurred £1.841 million of capital expenditure, all on purchased assets, just below our plan of £1.890 million
- our spending on agency staff was contained within the cap set by NHS Improvement – despite the need to cover for staff vacancies, we spent £4.069 million on agency staff (7.7% of our overall spending on pay and lower than the cap of £4.134 million)
- we maintained our low spending on agency staff through a number of measures, including increasing the number of staff who work for us through bank arrangements, a positive in terms of quality of care and lower costs
- HRCH achieved the highest rating under NHS Improvement's 'use of resources' framework, which rates NHS Trusts against a range of financial management tests

Language support

We can help you if English is not your first language. If you would like to receive this report in a language or format of your choice, please contact the PALS team who will be happy to help:

Free phone: 0800 953 0363

Email: pals.hrch@nhs.net

Post: Patient Experience Team
Hounslow and Richmond Community Healthcare NHS Trust
Thames House
Teddington
TW11 8HU

Arabic

يمكننا مساعدتك إذا لم تكن الإنجليزية لغتك الأولى. إذا كنت ترغب في الحصول على هذا الكتيب بلغة أو صيغة من اختيارك تفضل بالاتصال بفريق PALS والذين سيسعدون بتقديم المساعدة.

Farsi

اگر انگلیسی زبان اول شما نیست میتوانیم به شما کمک کنیم. اگر مایلید این جزوه را به زبان و یا فرمت مورد نظر خود دریافت نمائید، لطفا با تیم پالز PALS تماس بگیرید و *انها در نهایت خوشوقتی شما را کمک مینمایند.*

Polish

Możemy Państwu pomóc, jeśli angielski nie jest Państwa językiem ojczystym. Jeśli chcieliby Państwo otrzymać tę ulotkę w wybranym przez Państwa języku lub formacie, prosimy skontaktować się z zespołem PALS, który chętnie Państwu pomoże.

Punjabi

ਜੇ ਤੁਹਾਡੀ ਮੁੱਖ ਭਾਸ਼ਾ ਅੰਗਰੇਜ਼ੀ ਨਹੀ ਹੈ ਤਾਂ ਅਸੀ ਤੁਹਾਡੀ ਮਦਦ ਕਰ ਸਕਦੇ ਹਾਂ। ਜੇ ਤੁਸੀ ਇਹ ਪੁਸਤਿਕਾ ਆਪਣੀ ਮਨਪਸੰਦ ਭਾਸ਼ਾ ਜਾਂ ਰੂਪ ਵਿਚ ਪ੍ਰਾਪਤ ਕਰਨਾ ਚਾਹੋ ਤਾਂ ਕਿਰਪਾ ਕਰਕੇ PALS ਟੀਮ ਨਾਲ ਸੰਪਰਕ ਕਰੋ। ਤੁਹਾਡੀ ਮਦਦ ਕਰਕੇ ਉਹਨਾਂ ਨੂੰ ਖੁਸ਼ੀ ਹੋਵੇਗੀ।

Somali

Anaga waan ku caawinkarnaa hadii Ingiriis owsan aheyn luuqadaadda. Hadii aad ku dooneysit warqadan yari luuqad kale ama siyaaba kale ayaad u dooran kartaa in lagugu habayo fadlan la'xiriir kooxda ee PALS ee aad ugu faraxsan in ay ku cawiyaan.

Hounslow and Richmond
Community Healthcare
NHS Trust

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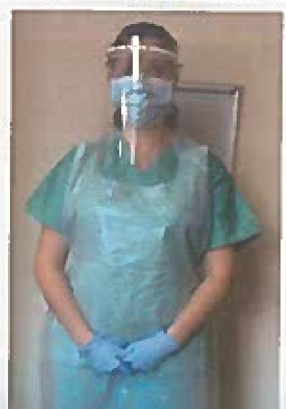
Hounslow and Richmond Community Healthcare
NHS Trust

Annual review 2019-20

Hounslow and Richmond Community Healthcare

NHS Trust

Annual review 2019-20



Performance analysis

Clinical Services

Following the publication of the NHS Long Term Plan, we continue to boost our out-of-hospital care and deliver urgent community response and recovery support in Primary Care Networks (PCNs).

During 2019-20, working closely with our commissioners, we developed a Care Home Support Team in Richmond to support the 17 care homes in the borough and help patients who need health care to stay safely in their homes, so they can avoid having to be admitted to hospital if they do not need hospital care.

This team has been very successful and has seen a reduction in patients being admitted to Kingston Hospital.

In Hounslow the Speech and Language Service are running a programme of regular training for all Hounslow nursing homes. This teaches nursing homes staff how to identify patients who are having problems eating and drinking. In addition, we have a hotline that offers rapid advice to nursing homes and GPs if they feel a care home resident needs to go to hospital.

Our Wheelchair Hub provides an exceptional service to 2,297 users of all ages in the borough of Hounslow and we are extremely proud of its high quality. One area of outstanding practice is the team's innovative sleep system for children with complex conditions.

This helps prevent secondary complications and deformities, reducing hospital admissions and improving overall health and quality of life for service users. Parents report the positive impact this has had on children's lives, including being more relaxed at school and during personal care.

One You Hounslow were awarded the Chelsea and Westminster Hospital NHS Foundation Trust Award for Research, Innovation and Quality Improvement for their work with pregnant women who want to stop smoking. This fantastic team's work resulted in a 58% increase in referrals to One You Hounslow and 132% increase in carbon monoxide screenings.

Children's services

During 2019-20 our paediatric audiology service was awarded the Improving Quality in Physiological Diagnostic Services (IQIPS) standard for the fourth year in a row. IQIPS is a professionally led assessment and accreditation scheme that recognises healthcare organisations which ensure patients receive consistently high-quality services, tests, examinations and procedures, delivered by competent staff working in safe environments.

HRCH continues to play a vital role in immunising children across several boroughs in south London and won the contract for the borough of Wandsworth last year. The immunisation service vaccinated 165,000 children over the last year – 65,000 more than the previous year.

The team use e-consent forms, which has improved the uptake of vaccinations, as well as increasing data security, providing greater privacy between parents, young people and health professionals. We are proud that this won the Public Sector Paperless Award last year. During the year our children's services held a successful staff and patient engagement event, with more than 200 attendees, including families, children and young people. It was a great way to get invaluable feedback and suggestions to shape the future of services. We received exceptionally positive feedback from patients and staff, such as:

"I just wanted to say thank you for inviting families along today. Being there in person along with professionals I felt welcomed, valued and empowered to share our story and our journey so far."

"Having service users attend the session really highlighted for me the good relationship services have built with patients."

Adult services

Adult Learning Disabilities

Our Hounslow Adult Learning Disabilities Health Team comprises specialist multidisciplinary health professionals. They support people with learning disabilities who are registered with a Hounslow GP and live locally, plus their families and carers.

We are taking part in a national programme to stop over-medicating people with learning disabilities, autism or both (STOMP). A multidisciplinary team of psychiatrists, pharmacists and positive behaviour support practitioners (PBS) identified 55 patients who met the criteria.

HRCH is a participant in mortality reviews as part of the wider Learning Disabilities Mortality Review (LeDeR) process. This involves reviewing deaths of people with learning disabilities and learning from them, identifying areas of good practice, areas for improvement and making changes locally, so future patient care and experiences are improved.

In November 2019, we jointly hosted a learning-from-deaths event for people with learning disabilities with Hounslow CCG and the London Borough of Hounslow. This service user, families and carers event shared local learning from the deaths of people with learning disabilities in Hounslow.

We watched a play produced by the Baked Bean Company, whose actors have learning disabilities. The light-hearted play conveyed key messages about the review process. We also heard from a service user with learning disabilities who has a life limiting condition and who shared thoughts and views about what good care looks like and how things can be improved.

In addition, the team are taking part in national research led by the University of London into people with learning disabilities who need intensive support.

Community nursing

The community nursing service is made up of matrons and senior district nurses, plus their teams of community nurses and healthcare assistants.

They provide community healthcare services for mainly housebound patients who may:

- be acutely unwell
- have long-term conditions
- need palliative care
- require intensive and technological care

In 2018 the service won the Nursing Times Award for the best place to work for employee satisfaction, due to their innovative approach to dealing with increasing demands on the service and continued challenges with workforce. In 2019 we built on this work using benchmarking and best practice approaches to ensure services are safe all day, every day.

In the 2019 staff survey results, 94% of community nursing respondents said they were able to do their job to a standard they were personally pleased with, and 97% said that they were satisfied with the quality of care they give to patients.

During this year the teams have been trialling Silhouette, a 3D camera that is an innovative way of getting digital images of wounds, including measurements of area, depth and volume for monitoring progress in wounds healing. Initial patient feedback has been very positive, as they like to see the progress for themselves.

Urgent care

Teddington Urgent Treatment Centre (UTC) had another busy year, with 47,451 patients attending with a variety of complaints, including minor illnesses in adults and children, limb fractures and other minor injuries. The average performance for the UTC against the four-hour standard was 99.9%, while 97.5% of respondents to its Friends and Family Test (FFT) survey said they would recommend it.

During the year the UTC was refurbished, **funded by the League of Friends of Teddington Memorial Hospital** (TMH). This transformed the reception and waiting area, improving privacy and dignity for patients and making it a much more attractive area in which to wait. We also added a children's waiting/play area.

The Urgent Treatment Centre at West Middlesex Hospital also had another busy year, seeing 108,451 patients, with 97.9% seen within four hours. This provided significant support for Chelsea and Westminster Hospital NHS Foundation Trust's emergency access performance. In addition, 89% of respondents to the UTC's FFT said they would recommend it.

Our two UTCs have been working more closely throughout the year, with joint meetings and shared learning events.

Urgent care in the community: Richmond Rapid Response and Rehabilitation Team and Hounslow Integrated Community Response Service

These are multidisciplinary and multi-agency teams who work with patients referred to them by local hospitals and other community services. They aim to help people avoid unnecessary hospital care and can respond within two hours. Both our response services have been involved in work to improve the care and response to patients.

Our Integrated Community Response Service (ICRS) has been piloting work for North West London community services. One of our clinicians has been working with London Ambulance

Service clinical hub to help their people make informed decisions about which patients can be supported in the community rather than being taken to hospital.

ICRS and our Richmond Response and Rehabilitation Team (RRRT) have adopted cutting-edge technology to help people who have had a fall. They use a piece of equipment called a Raizer, a mobile lifting chair that brings people up to an almost standing position in a few minutes when they have fallen in their own homes.

Benefits of this new equipment include:

- no manual handling required, reducing risk of injury to patients and health professionals
- a faster, strong and more stable lifting method which is ideal for small and awkward spaces in people's homes

In 2020-21 we will be growing these rapid response services and will continue our work with partners such as the London Ambulance Service, GPs, local authority and voluntary services to raise awareness of our urgent care services and how they can help patients live safely and well in their own homes.

Working with partners

In support of the NHS Long-Term Plan, we have been developing integrated multidisciplinary teams to improve the way primary care, community health and social care professionals work in partnership with acute hospitals.

We are also members of the North West London and the South West London Health and Care Partnerships, which have a renewed emphasis on the themes of 'Start well, Live well, Age well'.

We participated in the first South West London clinical conference, with around 300 NHS clinicians, social care professionals, voluntary sector and other partners coming together to help design the clinical vision for South West London. Healthwatch groups were involved in planning the conference to ensure the patient voice was at the forefront in all of the discussions.

At borough level, we are taking a lead on community health services, as part of the Hounslow and Richmond Health and Care provider alliances and are working in partnership with the Hounslow GP Consortium and the Richmond GP Alliance to redesign services, focused on coordinated care and improved patient outcomes.

We have been working with Hounslow GPs on several services, including our Primary Care Patient Coordination Service, which assists Hounslow GP practices to deliver joined-up, proactive and planned patient care.
In addition, we continue to work closely with Richmond GPs via our partnership with the Richmond GP Alliance, which is called Richmond Community Healthcare in Partnership (RCHiP). One of our joint projects is a high intensity support service (HISS) for people who have visited A&E 10 or more times but did not need that kind of emergency care.

This relatively small group of people account for a significant demand on emergency and urgent care services and were previously not receiving support to break this cycle and improve their health and quality of life.

Working alongside Kingston and Richmond CCG and Kingston Hospital, we are continuing to contact patients to organise better support in the community, linking in with services such as Your Health Care, Richmond Wellbeing Service and Richmond Serenity Integrated Mentoring.

Measuring and monitoring performance

Measuring performance

Measurements of performance may be set nationally, agreed locally with commissioners, or devised by the trust itself to monitor improvements in care, safety and service delivery.

In addition to producing regular, scheduled performance reports, the trust's performance and information team produce performance reports on request for managers. The trust also has a business intelligence portal on the intranet, which allows managers to access useful performance information.

Monitoring performance

The trust's performance management framework acknowledges the national context as well as addressing local quality and service priorities. HRCH has a culture of continuous improvement using the cycle of performance management and uses a system of performance reporting against agreed measures and quality priorities.

The monthly performance scorecard allows continuous monitoring of specific datasets such as quality and finance, service specific information and deviation from commissioned targets. This information is used to monitor compliance with service standards and contract review and is used to populate national external data sets, as set out below

The scorecard is reported to the performance executive committee, finance and performance board sub-committee, and the trust board itself. All reports are monitored and discussed at

these meetings to identify reasons for any deviation from expected performance, as well as review of progress with action plans to remedy underperformance.

In addition, sub-committee chairs submit a report to the board to highlight areas of assurance or where further actions are needed. The trust continues to develop its performance scorecard report to ensure we are monitoring the things that matter to the delivery of high-quality care and has been commended by NHS England/Improvement for use of Statistical Process Control (SPC) charts.

As part of the community benchmarking network we are integrating comparative data into reports to provide greater assurance and to contextualise the trust performance.

Board sub-committees receive specific reports on subject areas within their terms of reference e.g. quarterly performance reports covering outcomes against the trust's quality priorities, patient experience, infection prevention and control, safeguarding together with annual reports in these areas.

Contractual performance reports are also reviewed internally each month by the performance executive committee and finance and performance board sub-committee and externally, in partnership with commissioners. The trust also discusses its quality performance with our local commissioners.

During 2019-20, the trust reported monthly to NHS England/Improvement, which supports and holds NHS provider organisations to account for the delivery of consistently safe, high quality, compassionate care for patients within local health systems that are financially sustainable. NHS England/Improvement assessed HRCH on its financial outturn performance, including agency staffing expenditure.

The trust continues to use the national single oversight framework (SOF) as a fundamental structure that it bases performance reports on. Alongside this, the model hospital indicators have expanded to include all areas of finance, workforce, operational delivery and estates.

Finally, the trust also publishes its annual outcomes in respect of its performance on workforce race equality and against the NHS Equality Delivery System framework. Please see more detail further on in this report in the 'Embracing equality, diversity and inclusion' section.

Performance 2019-20

The trust reports performance against the five CQC quality domains to ensure a continued focus on quality. The year-end position against a suite of indicators used to measure performance is outlined in the following tables. Unless indicated otherwise, the 'actual' figure quoted is the average for the year or the total number in 2019-20. Further detail is provided under the headings of:

• Clinical Services • Quality • Workforce • Finance • Information Governance • Sustainability

SAFE

People are protected from abuse and avoidable harm.

KPI DESCRIPTION	TARGET	ACTUAL	
Incidence of Clostridium difficile	2	0	●
Incidence of MRSA	0	0	●
Never events occurring in month	0	0	●
Medication errors causing serious harm	0	0	●
Inpatient falls per 1,000 occupied bed days	8.6	7.12	●
Percentage of harm free care (Safety Thermometer)	95%	94%	●

EFFECTIVE

People's care, treatment and support achieve good outcomes, promote a good quality of life and are based on the best available evidence.

KPI DESCRIPTION	TARGET	ACTUAL	
Percentage of staff appraised	90%	90.6%	●
Percentage of staff – statutory & mandatory training	90%	92.9%	●
Clinical supervision – % of staff)	90%	86.6%	●

CARING

Involving people in their care and treating them with compassion, kindness, dignity and respect.

KPI DESCRIPTION	TARGET	ACTUAL	
Trust composite FFT – % recommend	90%	95%	●
Trust composite FFT – % not recommend	10%	1.4%	●
Staff FFT – % recommend the trust as a place to receive care and treatment (average at year end)	67%	86.4%	●
Staff FFT – % not recommend the trust as a place to receive care and treatment (average at year end)	33%	3.66%	●
Patient Survey – % patients who felt their privacy and dignity were respected	95%	97.1%	●
Patient Survey – % of patients who felt they received their care in a way that was right for them	95%	96.9%	●

RESPONSIVE

Organising services so that they are tailored to people's needs.

KPI DESCRIPTION	TARGET	ACTUAL	
A&E: maximum waiting time of four hours from arrival to admission/ transfer/ discharge	95%	98.8%	●
RTT waiting times for non-admitted pathways: percentage within 18 weeks	92%	99.9%	●
RTT waiting times incomplete pathways: percentage within 18 weeks	92%	100%	●
Diagnostic waiting times: patients waiting over 6 weeks for a diagnostic test	1%	0.3%	●
Percentage of Delayed Transfers of care	7.5%	6.9%	●

WELL LED

Leadership, management and governance of the organisation to assure the delivery of high-quality person-centred care, support learning and innovation, and promote an open and fair culture.

KPI DESCRIPTION	TARGET	ACTUAL	
Inpatient Friends & Family Test (FFT) response rate	30%	84%	
A&E FFT (Teddington urgent treatment centre and Hounslow urgent treatment centre response rate)	5%	9.3%	
Staff FFT – % recommend the trust as a place to work (year-end)	61%	74%	
Staff sickness	3.2%	3.9%	
Staff turnover	16%	16.3%	
Vacancy rate	10%	9.9%	
Temporary costs and overtime as a percentage of total pay bill (reported a month in arrears)	20%	13.2%	

Quality

Our Journey to Outstanding (J2O) quality improvement programme is our framework for QI (quality improvement) and assurance of compliance with CQC standards. The accountable officer for quality and the CQC in 2019-20 was Donna Lamb, director of nursing and non-medical professionals.

Registration with the Care Quality Commission 2019-20

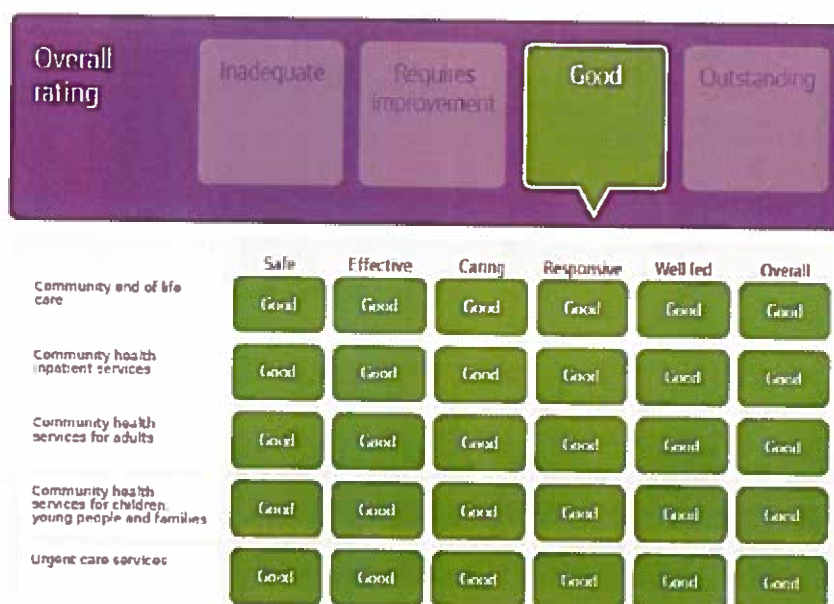
We are registered with the Care Quality Commission (CQC) without any conditions and were not required to participate in any special reviews or investigations in 2019-20. The CQC last inspected Hounslow and Richmond Community NHS Trust in 2018.

They inspected adult community services, end of life care and urgent care services. The trust was rated as 'Good' in all services and domains of quality, safe, effective, caring, responsive and well led. Subsequently, the trust completed its action plan to address areas for improvement suggested by the CQC.

We are anticipating an inspection during 2020-21 and submitted our Provider Information Request in March 2020.

Last rated
19 October 2018

Hounslow and Richmond Community Healthcare NHS Trust



	Safe	Effective	Caring	Responsive	Well led	Overall
Community end of life care	Good	Good	Good	Good	Good	Good
Community health inpatient services	Good	Good	Good	Good	Good	Good
Community health services for adults	Good	Good	Good	Good	Good	Good
Community health services for children, young people and families	Good	Good	Good	Good	Good	Good
Urgent care services	Good	Good	Good	Good	Good	Good

Overarching Journey to Outstanding focus for 2019-20

We launched our quality and clinical strategy 2019-23, which strengthens our mission to provide outstanding care and services that we and our families would want to use. The purpose of the strategy is to provide a clear framework for the delivery of outstanding services to our patients and service users, their families and carers.

Our trust strategy says that, in five years from now, we will be at the forefront of improving the health and wellbeing of local people. Our patients and service users will be able to say they have had outstanding experiences and we will be able to demonstrate that care is consistently safe and effective.

Our quality and clinical strategy supports our belief that being 'outstanding' comes from a consistent approach to, and demonstrable evidence of:

- quality improvement
- patient and public engagement/co-production
- a strong safety culture

Our quality priorities align with annual deliverables from our quality and clinical strategy based on:

- patient safety – building a strong safety culture
- clinical effectiveness – embedding quality improvement
- patient experience – strengthening patient and public engagement and co-production

Patient safety	Clinical effectiveness	Patient experience
Build on our culture of keeping people safe and develop a safety culture which places a high level of importance on the management of safety, including beliefs, values and attitudes.	For staff to be trained and engaged in/using quality improvement methodology in our journey of continuous improvement.	Fully develop an approach that puts people at the heart of care to improve service quality, engaging in continuing service delivery, making changes to services or redesigning care pathways.

Quality priorities

We identify **three quality priorities** each year in the domains of patient safety, patient experience and clinical effectiveness. We also set several other priorities to improve quality of care. However, the three below are the priorities against which we report progress in our annual Quality Account.

1. Improving patient safety

Areas of focus	Year 1 (2019-20) actions
• Ensuring staff receive feedback and learning is shared widely • Building on our culture of being open and honest when things go wrong • Ensuring staff have access to and feel confident to raise concerns • Build consideration of human factors into how we investigate incidents.	• Demonstrate a trend of increasing incident reporting and decreasing levels of harm from incidents • Provide a flexible and open approach to learning across the trust • Ensure patients and their families are involved in the terms of reference in the investigation of incidents • Develop learning and training from serious incidents and the role of human factors.

2. Improving clinical effectiveness

Areas of focus	Year 1 (2019-20) actions
• Ensure there is a flexible and responsive training programme, appropriate to all levels of staff • Provide quality improvement support through a network of champions and resources • Be able to evidence quality improvement activity across the trust from a central hub • Demonstrate improved outcomes and sustainability of improvement projects	• Develop and implement a training programme which delivers an appropriate level of training for all staff on quality improvement • Develop the internal quality improvement support including web-based tools • Develop a central hub for registration of quality improvement projects and outcomes • Implement governance structure around quality improvement

3. Improving patient experience

Areas of focus	Year 1 (2019-20) actions
• Embedding and further developing Always Events, sharing learning from what we've done well • Adopting 'What matters to you' as the HRCH way • Developing an integrated model of public engagement with primary care and other stakeholders • Ensure we are inclusive in our approach to engagement.	• Share learning from three Always Events across the trust • Develop a shared programme of public engagement with GP Consortium • Implement systems to collect and monitor protected characteristics of people we engage with • Involve patients and carers in co-design of any service changes • Perform equality impact assessment on all service changes

The figures below outline the important achievements made by the year end for 2019-20

0 medication errors causing serious harm

0 never events

94% of patients received harm-free care

Number of patients who fell in our inpatient unit: 7.12 falls per 1,000 bed days averaged across the year

95% of patients on average reported they would recommend our services to their friends and family

97.1% of patients, on average reported their privacy and dignity were respected

Monitoring quality performance

As reported elsewhere in this report, we review all the information available to us about quality of care in the services we provide. We produce a wide range of reports for internal and external monitoring and performance management each month, as well as action plans for rectifying any issues. For further details of improvements in 2019-20, see our quality account will be available online at: www.hrch.nhs.uk/quality from mid-December 2020.

Patient feedback

We have an online system which we use to collect patient feedback, clinical audits and other surveys. Feedback from patients is collected using various methods such as iPads, kiosks, comment cards, electronic links and our website.

We also use paper surveys when electronic means are not appropriate and upload results to the system. Last year, 25,698 people told us about their care and treatment as compared to 21,965 in 2018-19.

As part of this year's patient feedback:

97.1% **of patients said they were treated with respect and in dignified ways**

96% **of patients said they felt they had been listened to**

Friends and Family Test (FFT)

Our patients are positive about our services and would recommend our services to their friends and family if they needed similar care or treatment.

In 2019-20, 95% of our patients said they would recommend our services to their friends and family compared to 95% nationally. We also have a children's comment card, designed with their input to ensure we are hearing their voice. In 2019-20, 94% of respondents recommended the children's services they used.

Listening to what patients tell us

Compliments

The vast majority of patients appreciate the kindness, care and expertise of our colleagues and share their appreciation with us. We record and report all compliments and are pleased to report we received 434 formal compliments in 2019-20 compared to 393 in 2018-19.

These numbers do not capture the many lovely expressions of thanks that patients regularly share with our teams. We are always grateful when patients and families take the time to tell us how much they appreciate our care, as we want to provide the kind of care we would want our families to receive.

The word clouds below capture what people say about our services and our colleagues in feedback that we captured on our electronic patient feedback system in 2019-20.

Service

Staff

Complaints

In 2019-20, we had 80 formal complaints that required detailed investigation and 187 enhanced PALS enquiries that were resolved at a local level, which is a total of 267. In 2018-19 we had 67 formal complaints and 158 enhanced PALS enquiries, which is a total of 225.

This suggests complainants want their complaints to be handled as quickly as possible but still investigated properly. We respond in the way that is right for each complainant, which means more complaints receive an immediate response from the service manager or lead clinician to resolve the issue.

The top three themes of complaint are the same as those reported in 2018-19. Complaints about 'treatment/ability' and diagnosis (i.e. around provision of safe and high-quality care) together represent 46% of our total complaints for the year, with 'staff attitude' representing 25 % of the total.
Last year 91% of all formal complaints were responded to within 25 working days. This compares with 100% in the previous year.

Patient survey

We undertake an annual postal survey of 1,000 patients, focusing on a specific service to provide a snapshot of patient satisfaction. The 2019-20 survey was of musculoskeletal services in Hounslow and Richmond and we will report the learning from the feedback once the survey responses have been analysed.

Embracing equality, diversity and inclusion

Equality and diversity is overseen by the trust's Equality, Diversity and Inclusion Committee chaired by the Director of Workforce, with a Non-Executive Director and patient executive lead. Assurance is reported via the trust's Executive Committee.

Hounslow and Richmond Community Healthcare NHS Trust presents its Equality Report every year, in line with specific duties for publicly funded bodies in the Equality Act (2010). We are strongly committed to providing personal, fair and diverse services to the people we serve and employ for three key reasons.

First, this aligns with our core equality aims to be the local community healthcare provider and employer of choice. Secondly, we believe fundamentally in the business case for valuing diversity and inclusion, supported by underpinning evidence, that demonstrates that more diverse organisations provide higher quality care. Thirdly, this is the right thing to do from a moral and ethical perspective to advance fairness for our patients and staff and to eliminate discrimination.

Our ambition remains to improve the health outcomes, access and experience of all our patients, carers, visitors, volunteers and employees. During the past year, we focused on:

Working with patients and service users

- With our new Engagement Champions, patients and carers, we are developing an Always Event for the community nursing service
- The Wheelchair Hub organised a children's' new wheelchair skills workshop in partnership with the Go Kids Go charity during the May half-term – the workshop aimed to promote independence and safety by developing children's manual wheelchair skills
- A student with autism completed work experience with our physiotherapy department in O Block at West Middlesex Hospital – the teacher thanked the service and said the student had a "fantastic week with an amazing team"

Working with the local community

- Let's Talk Diabetes event – a day of professional education for staff and awareness-raising for members of the public
- Extra Care housing scheme training (managed assisted living) provided for staff in:
  - continence care and management
  - Coordinate My Care
  - diabetes awareness and care
  - dietetics awareness
  - dysphagia awareness
  - Feltham District Nursing Team
  - One You Hounslow
  - podiatry awareness
  - pressure area care and management
  - role of the ICRS and CRS services
  - safeguarding adults & Mental Capacity Act Workshop
- A Parkinson's patient and public involvement event got feedback to create an updated service
- Wheelchair service held an open day in November 2019 to meet the team, have a guided tour and a talk from GRX Life, who provide specialist knowledge and advice to active wheelchair users
- A case study of the end-of-life-care experience and an Always Event was presented to a Cancer Collaborative, with a focus on sustainability, spread and influencing executive leaders – teams and patient reps from across the country were present
- Wide public consultation, using a range of methods, including social media, on our 2019-20 quality priorities
- continuing representation from Healthwatch on the trust board and quality governance committee

Valuing our people

- at least two celebrating diversity events each year for employees, which receive 100% positive feedback
- delivering and embedding unconscious bias training as a core part of our Management Essentials training programme
- all executive directors attend corporate induction every month and tell new colleagues that we want to hear from them, that they are leaders at all levels and that we want them to bring their authentic selves to work, develop their talents and be the best that they can be
- we also invite all new staff to settling-in meetings six weeks after they join us and receive positive feedback about the face-to-face contact they have with executive directors at induction and at the settling-in meetings
- working to ensure that all our information, services and buildings are accessible for all staff – we published detailed accessibility information about our sites on the AccessAble website, while addressing any accessibility issues for our colleagues
- showing zero tolerance towards bullying, harassment, inappropriate language and behaviour, and encouraging the reporting of all cases of discrimination
- all staff leading by example and embodying our Vision and Values
- board accountability, which is well established, with the director of workforce as lead executive for workforce and director of nursing as lead executive for patients and the public, along with a named non-executive director (NED) for equality and diversity
- continuing to have one of the more diverse NHS boards in London and England
- improving employees' health and wellbeing with a range of physical activities and mindfulness sessions

- training and having mental health first aiders across each HRCH site
- running two administration staff away days in response to the 2018 staff survey and subsequent focus groups, which highlighted a need for networking and career development opportunities, particularly among staff with BAME backgrounds

However, we know we can do more to build diversity into high-quality services and meet the health needs of our diverse population. We will, therefore, use our move to working in Networks to better understand the needs of local people and plan how we can work with our partners in primary care and the local authority to have a real impact on the health of black and minority ethnic communities and people from diverse backgrounds more generally.

Our latest public sector equality duty annual report shows we have a diverse and representative workforce – more information is available on our website, including patient access information:
http://www.hrch.nhs.uk/about-us/equality-and-diversity/

The 2019 national WRES (workforce race equality standard) lists HRCH in the top performing trusts for two indicators: the board diversity and providing equal opportunities to our staff.

Mortality review process

NHS England/Improvement's national guidance on learning from deaths, published in March 2017, states 'community trusts should ensure their governance arrangements and processes include, facilitate and give due focus to the review, investigation and reporting of deaths, including those deaths that are determined more likely than not to have resulted from problems in care. Trusts should also ensure that they share and act upon any learning derived from these processes.

The trust reports separately if any adults die in the Teddington Memorial Hospital inpatient unit or the community and records deaths of any adults with learning disabilities through the Learning Disability Mortality Review Programme (LeDeR) process, managed by Hounslow CCG and Richmond CCG.

Adult Services

- All deaths of patients in our inpatient care or who have been discharged within 30 days are screened once the service becomes aware of the death
- All deaths occurring while services were being provided in the carrying on of a regulated activity or have, or may have, resulted from the carrying on of a regulated activity (eg, wrong dose of medication) are screened once the service becomes aware of the death (reportable to the CQC)
- In addition to the mandatory list above, the trust takes a measured approach to identifying other groups for review (frontline clinicians and managers identify any case that might warrant review) and from which learning would be beneficial

Cases on the adult caseload are reviewed if:

- there is a concern that the management of care fell short of expected clinical practice
- the GP, pharmacist or any other relevant health professional requests a review
- patients' families or friends raise issues or concerns
- individual members of a clinical team wish for a review to take place

- the trust decides it will record the total number of deaths on a service caseload, once we are informed of the death – these deaths may be entirely unrelated to our services, for example, if someone dies in a road traffic accident, or one of our patients with a leg ulcer then has an unrelated stroke

In the past year only one death met the criteria for review at the Teddington Memorial Hospital inpatient unit. More information is available on our website: http://www.hrch.nhs.uk/about-us/publications-declarations/

Our people

The NHS People Plan aims to make the NHS the best place to work, with compassionate and inclusive leadership and the delivery of 21st century care. Our people are fundamental to our success in delivering high-quality patient care.

We are immensely proud of our people, the care we deliver and the fact that more than 95% of our patients consistently say they would recommend our services. We employ a skilled workforce of more than 1,100 people. We support them in aiming to be the best they can be, across clinical and non-clinical services, and in contributing to the delivery of high-quality, patient-centred care.

The people we employ reflect the diverse backgrounds of the communities we serve. Our trust board is one of the most diverse boards in the country. We are proud to have diverse staff and board members to serve and engage with our diverse population.

Percentage of employees, leaders and board members with BME backgrounds:

40.8% of employees – up 1.9%
31.4% of leaders up to Band 8C
42.9% of executive directors
40% of board members – up 4.3%

Gender

85.1% of employees are female
14.9% are male

Disability

12% of staff survey responders have declared a disability – down 1.2%

Our approach to developing our workforce is set out in our Workforce Strategy and the supplementary Learning, Development & OD Strategy, which were co-developed with staff. We have already made progress on our vision of making HRCH a great place to work, but we need to continually improve our services and workforce, helped by our quality improvement (QI) approach. This is vital as people and their health and social care needs change, along with their expectations.

The NHS is facing another period of change, with an even greater focus on improving the way we run our services to be as efficient as possible. Our colleagues have been rising to the challenge by working in collaboration with health and social care partners on service redesign to meet the changing needs of patients in north west and south west London.

Every single member of our staff is fundamental to our mission to provide care and services that we and our families would want to use. We are committed to constantly improving HRCH as a great place to work. We have also taken steps to ensure we have an inclusive workforce that feels listened to and is engaged.

One of the key parts of our strategy has been to work in a more integrated way with local GPs in Hounslow and Richmond to design more seamless services, utilising the skills of all our workforces via Primary Care Networks (PCNs) in each borough.

In Hounslow we formalised our partnership with the GP Consortium and GP Network Directors with a memorandum of understanding (MoU) and network agreements. Together we established joint PCN delivery resource teams, employed by us but working for the PCNs, which include primary care support, joint clinical transformation project leads, pharmacists and first contact physiotherapists. We also secured funding for delivery resource teams and infrastructure support.

Our partnership working via the Hounslow Working Together alliance was commended by the North West London sector. Joint working is well established between HRCH and PCN clinical directors, through strong relationships and the joint resources.

In Richmond, we have maintained our joint venture partnership with Richmond GP Alliance (RGPA) and Richmond Community Healthcare in Partnership (RCHiP) provides support to PCNs and integrated primary and community services.

We have an established borough-wide partnership group and forum and held two workshops in late 2019 with new PCN clinical directors, RGPA board members, HRCH executives and clinical service leads, and the Local Pharmaceutical Committee.

This was to build relationships and jointly identify priority areas for action across the six PCNs. Lunch-and-learn and breakfast drop-in sessions in early 2019 provided opportunities for frontline staff to learn more about working in PCNs.

Workforce performance

Over the course of 2019-20 the trust made significant improvements as a result of senior-level focus on this key priority area.

Statutory & mandatory training 92.9%

Vacancy rate 9.9%

Staff turnover 16.3%

Staff sickness rates 3.9%

Staff appraisals 90.6%

Some of this year's highlights include:

- **Trust and staff awards:** We continue to invest in our much-valued staff annual and champion awards
- **Equality, diversity and inclusion**: Our Celebrating Diversity events continue to be popular and aim to celebrate and raise awareness of our employees' range of backgrounds and experiences and the positive impact this can have on the way we care for patients
- **Apprenticeships**: we continued to promote apprenticeships as a gateway to careers in the NHS, including more non-clinical apprentices, as well as promoting new Nursing Associate apprentice roles
- **e-Rostering** – Our rostering system is embedded throughout the trust and enables us to reduce unfilled shifts and use our bank more for temporary cover, cutting down on agency costs
- **Agile working** – we reviewed all our estate to ensure it is fit for purpose and have facilitated more agile working for staff by creating hot desks at all of the sites and ensuring that all relevant staff have access to technology that aids remote working

Wellbeing matters

In 2019-20, 75% of employees said our trust takes positive action on health and wellbeing and we continue to work on making our trust a great place to work. We always look for opportunities to improve employees' wellbeing and time at work.

This year our wellbeing priorities continue to reflect feedback from all forms of our staff engagement, as well as CCG contract requirements -re mental health and wellbeing. Wellbeing advice and support are regularly promoted in our Wellbeing Newsletters.

We continue to provide our exercise and wellbeing classes to meet the needs of our different staff groups. There are now 13 classes across 8 different sites before and after work (up from 11 the previous year).

In addition, our specialist diabetes team introduced a new weight management support programme to help employees lose weight on a low carb diet. This can reduce the risk of developing type 2 diabetes. For people with diabetes, this may improve glucose levels or even put diabetes into remission.

Our staff health and wellbeing group are active and lead on improving wellbeing in their areas. Highlights from this year include hosting a programme of wellbeing events across the trust, including health checks, Zumba taster sessions, team mindfulness sessions, nutrition and weight management advice, and free stop-smoking support.

We are aware of pressures on our employees and always look for new ways to reduce workplace stress. This year, we signed up to a London Workforce collaborative focusing on developing good practice for promoting staff wellbeing and organisational resilience and making a connection about persuading senior leaders on the importance of prioritising staff wellbeing.

The collaborative will be looking at ways to address the impact of stress on the workforce and explore how organisations can maintain a culture and operate in such a way that the need for

personal resilience is minimised as much as possible and increased focus is given to systemic resilience rather than individual resilience.

To ensure we have an environment in which mental health can be openly discussed, we trained 23 Mental Health First Aiders and advertised who they are and where they are based. They act as first point of contact and reassurance for anyone experiencing mental health issue or emotional distress.

In partnership with Richmond Mind, they organised teatime and lunch breaks across our sites for Time to Talk Day in February 2020. One of the Mental Health First Aiders presented at our Celebrating Diversity Event the following month to create more awareness of their roles and the support they provide.

We also started our Schwartz Rounds, regular peer support sessions for employees to discuss the emotional and social aspects of providing care and support.

We will continue to prioritise a positive culture in which mental health and work pressures can be openly discussed and supported.

Flu vaccinations for patient-facing employees

We continued to use electronic forms for employees to give their consent to having the flu vaccine and were pleased that about 85% of patient-facing were vaccinated – only slightly down from 86% in 2018-19.

Valuing and recognising our colleagues

About 200 employees gathered at Twickenham Stoop in November 2019 for our annual staff awards ceremony. They shared in the successes of colleagues who received awards for their dedication, professionalism and compassion.

We are incredibly proud of our outstanding colleagues and the ceremony honoured their many achievements. We received about 117 nominations for colleagues who demonstrate our trust values in their work each day.

We also regularly recognise and reward the hard work and accomplishments of people who go the extra mile for local patients through our quarterly HRCH Champion Awards programme, with individual awards for caring, respect and rising star, plus a team award for communication and innovation.

NHS Staff Survey 2019

Each year we take part in the annual national NHS Staff Survey to receive feedback from staff on their experience of working here, to monitor trends and measure the impact of changes we have made in response to feedback. The results from the staff survey are incredibly important to us, as we get to hear what people really think about working here.

Our staff survey results placed us in the top three community trusts in the country for quality and safety, and workforce stability, according to the analyst company Listening into Action. Its analysis of the 2019 staff survey results concluded that quality and safety of patient care

depends on the wellbeing, morale and sustainability of frontline staff members. We are very proud of this result.

We were pleased that 745 colleagues participated in the survey, which is 67.1% of our workforce. This is a brilliant response and means we have some rich, valid data to show us where we can make improvements.

We came top out of all community trusts in the country in 15 questions, including:

- being able to do my job to a standard I am personally pleased with (84.9%)
- having adequate materials, supplies and equipment to do my work (72%)
- relationships at work are not strained (60%)
- ability to deliver care I aspire to (78.2%)
- people agreeing the trust encourages people to report errors, near misses and incidents (95.3%)
- people agreeing their department or directorate collects patients' and service users' feedback (97.6%)

Overall, we have seen some great results – even better than 2018 – and some are significant increases of 3% or 5%. Most importantly, the percentage of colleagues recommending HRCH as a place to work has remained the same as last year at 70.2% – almost 4% better than the national average of 66.3%.

Out of 90 questions, 48 responses improved since 2018, including positive views of:

- jobs and teamwork
- quality
- support from immediate managers
- health and wellbeing
- efficacy of appraisals

We also saw improvements among some staffing groups. For example, administration and clerical colleagues rated us more highly in 54 questions than in the previous national survey. In addition, almost 8 out of 10 of colleagues would recommend the trust as a place to receive treatment (78.9%).

While most of our latest results are overwhelmingly positive, with year-on-year improvement, we still have some areas for improvement, including.

- level of pay and meeting conflicting demands
- communication between senior management and staff
- reporting of physical violence

Our trust board will use the feedback to support improvements based on key themes or areas that need more focused efforts from the trust. In addition, we have asked all teams to suggest at least one thing they can do themselves to make a difference to their teams and our patients.

Staff Friends and Family Test

In addition to the annual NHS Staff Survey, our people feedback their views via a quarterly Staff Friends and Family Test survey. In 2019-20, for the third year running, 90% of colleagues told us they would recommend HRCH to friends and family as a place to receive care or

treatment. Furthermore, 74% of our employees would recommend HRCH as a place to work (3% higher than the previous year).

People development

Our learning, development and organisational development strategy was created to ensure our people get the right support to develop their knowledge, skills and talent. We are committed to training, learning and development for all our people and offer a wide range of opportunities and courses to support a culture of continued improvement and learning.

Through creating a conducive learning environment in which employees can challenge and reflect on their practices, we believe we can enable our staff to be the best they can be.

In 2019-20 we:

- continued to promote apprenticeships in the trust, offering more clinical apprenticeship opportunities – we have recruited 3 nursing associate apprentices and now have 24 apprentices across the trust
- procured training to develop a cohort of 24 accredited coaches to build a coaching culture at HRCH
- procured a coaching and mentoring system to enable staff to access coaching, mentoring and an array of resources to support their development and increase performance
- supported our admin workforce by organising 2 administration engagement and development away days, including CV writing workshops, interviewing skills and networking opportunities
- evaluated and enhanced our in-house Management Essentials programme to include coaching and mentoring support and reflective study, with 66 managers enrolled
- finalised our executive development programme
- continued to develop and support teams and performance through organisational development interventions such as team coaching, team building activities and training and education
- continued to improve clinical skills development, supporting colleagues at university with funding from Health Education England – supplemented by directly-funded development sessions for people applying through the training panel

Statutory and mandatory training

In 2029-20, 92.9% of colleagues completed their statutory and mandatory training, exceeding our target of 90%. Our training programme promotes the safety and wellbeing of all our people and patients. It includes national core skills which have a direct impact on patient safety, such as information governance, safeguarding adults and children, and resuscitation.

Finance and information

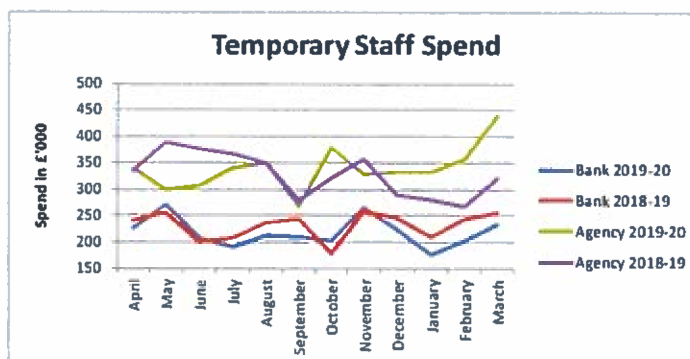
In 2019-20:

- we received £77.7 million in income
- we exceeded our planned surplus of £0.333 million with an actual surplus of £0.338 million
- this enabled the trust to receive an additional £1.326 million of sustainability and transformation funding given as a reward to trusts who meet their NHS budget targets
- our total surplus for the year, including this reward funding, was £1.664 million
- we incurred £1.841 million of capital expenditure, all on purchased assets, just below our plan of £1.890 million
- our spending on agency staff was contained within the cap set by NHS England/Improvement – despite the need to cover for staff vacancies, we spent £4.069 million on agency staff (7.7% of our overall spending on pay and lower than the cap of £4.134 million)
- we maintained our low spending on agency staff through a number of measures, including increasing the number of staff who work for us through bank arrangements, a positive in terms of quality of care and lower costs
- HRCH achieved the highest rating under NHS England/Improvement's 'use of resources' framework, which rates NHS Trusts against a range of financial management tests

Accounts payable – position as at 31 March 2020

Better Payment Policy Compliance (BPPC) – cumulative	Non-NHS	NHS
By number	93%	95.2%
By Value	98%	94.8%

- Debtors due more than 90 days are £1,988k
- Despite significant pressure on staffing, we maintained low spending on agency staff and remained within pay rate caps, except for small numbers of specialist staff. The agency spend cap in 2019-20 was £4,134,000. We spent £4,069,524, which was 98% of the cap on agency spending and 7.7% of our overall pay bill
- Cash at 31 March was £24,460,000 against a target of £21,643,000 – cash balances were above plan, mainly as a consequence of additional PSF monies paid in year but relating to the 2018-19 outturn



Information governance and cyber security

Information governance supports our statutory duty to safeguard patients' information and keep it confidential but available. It assures us and patients that personal information is dealt with legally, securely, efficiently and effectively.

NHS Digital's annual Data Security and Protection Toolkit audit helps us assess ourselves against current data protection legislation and related regulations, giving either a pass or fail mark.

We submitted a fully compliant assessment in March 2020. This was achieved through a variety of measures and actions, including:

- continued review of personal data to ensure the trust operates in line with General Data Protection Regulations (GDPR) and follows a data-protection-by-design approach
- review of access to information processes, to ensure requests are answered within the legislated timeframe, to avoid breaching GDPR and incurring large fines from the ICO
- continuing review and revision of the trust privacy notice
- completion of data protection impact assessment for all new research projects, services, systems and applications which involve the use of personal data
- continuing review of data flow in and out of the organisation, to ensure accountability
- self-referring data incidents to the ICO for full transparency
- an audit of our compliance against a small sample of standards from the NHS Digital toolkit by our external auditors
- board-level cyber security training with GCHQ
- a business continuity tabletop exercise
- continuing review of policies and staff guidance
- helping colleagues to complete information governance and security e-learning training
- attending team meetings to ensure data protection and security is a key element of all work and staff take responsibility for data in their teams

By submitting a fully compliant Data Security and Protection Toolkit we are working towards Cyber Essentials Plus accreditation.

Environmental sustainability

We operate within the guidelines of the sustainable development strategy for the health and social care system 2014-2020. In 2019-20 we invested in an upgraded building management system (BMS) at Teddington Memorial Hospital. This is a computerised way of controlling and managing various electrical and mechanical components, helping us to make our plant more efficient.

In addition, we replaced aging lighting systems with new LED alternatives. We also carried out a survey on low-use areas, with a plan to change over to motion-detected lighting controls.

Staff engagement

This year the HRCH board signed up to the Single-use Plastics Reduction Pledge, which has milestones that we should meet, the first by April 2020. We no longer buy single-use plastic stirrers and straws, except when someone has a specific need. That was our first milestone.

We are working towards our next target, no longer buying single-use plastic cutlery, plates or cups made of expanded polystyrene or oxo-degradable plastics. We are removing plastic plates and single-use cups from our wards, staff rooms and meeting rooms. We are also looking at installing dishwashers so we can stop using single-use cutlery.

Whenever possible, we consult colleagues and ask for their involvement in new and innovative ideas and hold sustainability meetings with clinical teams to gain ideas.

For example, as part of our efforts to improve sustainability and ensure staff stay hydrated at work, we gave all our employees metal water bottles for the 2020 new year. The move was inspired by a seven-year-old schoolboy from Bursted Wood Primary School in Bexleyheath, after we signed up to the plastic reduction pledge.

The little boy was horrified that some of our school-age immunisation team were drinking from disposable plastic water bottles. When one of our colleagues noticed the boy's reaction, she immediately asked the trust to buy multi-use water bottles for all employees, so they would no longer have to use plastic ones.

Actions to encourage environmental sustainability

- We have a zero waste-to-landfill policy
- All domestic waste is burned to generate energy, enabling zero landfill; this energy is distributed to the National Grid
- Public transport usage and agile working is encouraged, with agile working locations added to the trust's property portfolio
- Continuous auditing and the introduction of ISO9001 processes, ensuring legal compliance and capturing any missed carbon and/or financial saving opportunities
- Up-to-date reporting identifies trends in utility consumption and waste production and enables the estates team to take action to resolve issues

Utilities

Electricity is hourly metered, so we can see daily peaks and troughs, enabling closer usage management. With our efficient gas boilers and new building management system we anticipate our plant will allow us to maintain consistent gas usage, which will put less strain on the main system.

Water consumption has been tightly controlled, reducing stored water on site, while creating a more reliable water system of reducing leaks and water wastage.

Waste

We recycle just over 68% of non-clinical waste, nearly 23% higher than the UK national average of 45.2%.

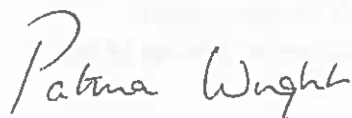
Transport

Through the rationalisation of our estate, we have created many agile working spaces, reducing the need for colleagues to travel around our main boroughs. We encourage walking, cycling and public transport whenever possible.

We continued our partnership with AccessAble, which provides online information to help colleagues and patients with and without accessibility issues to plan their travel, particularly by public transport to all our sites. This partnership has been well received and helped us come 1st among community trusts in the 2019 PLACE inspection in the disability category.

Modern Slavery Act (2015)

In accordance with the Modern Slavery Act 2015, the trust has made a statement on its website regarding the steps taken to ensure that slavery and human trafficking are not taking place in any part of its own business or any of its supply chains: http://www.hrch.nhs.uk/about-us/publications-declarations/(Policies for public domain).



Chief Executive 24 June 2020

SECTION 2 – ACCOUNTABILITY REPORT
Corporate governance report

a. Directors' report

Board of Directors

The trust board of directors has overall responsibility for setting the corporate and clinical strategy of the trust, as well as overseeing performance, including finance.

The board meets in public 6 times per year to discuss performance across the trust, current and future challenges, and corporate and clinical strategy. When discussing issues of a confidential nature the trust board resolve to meet in private in accordance with the Public Bodies Act 1960.

Details of public board meetings and papers are available on the trust website [Board meetings :: Hounslow & Richmond Community Healthcare]

Changes to the trust board

During 2019/20 the following changes took place to the membership of the trust board:
Ginny Colwell was appointed on 1 October 2019 to serve as a Non-Executive member of the trust Board for a fixed term until 30 September 2022.

Sian Bates was appointed on 1 February to serve as the chairman for a fixed term until 31 August 2021.

Judith Rutherford and Bindesh Shah both had their Terms of Office renewed until 31 March 2021 and 27 September 2021 respectively.

Board members

The full list of members of the trust board who served in 2019/20, is as follows

Chairman

Sian Bates (from 1 February 2020)
Judith Rutherford, interim (January 2020)
Stephen Swords (to 31 December 2019)

Non-Executive Directors

Judith Rutherford
Bindesh Shah
Joanne Hay
Phil Hall
Ginny Colwell

Executive Directors

Patricia Wright, Chief Executive
Monique Carayol, Director of Strategy & Transformation*
David Hawkins, Director of Finance & Corporate Services
Stephen Hall, Director of Clinical Services^, Richmond and South West London (SWL)
Alison Heeralall, Director of Workforce & Communications*
Donna Lamb, Director of Nursing & Non-Medical Professionals
Dr John Omany, Medical Director
Anne Stratton, Director of Clinical Services, Hounslow and North West London (NWL)^
*Non-voting Directors, ^ Voting Directors who share a single vote

Observers (non-voting):
The following are also able to attend board meetings in a non-voting capacity, to represent the community's views:
John Marshall – Healthwatch Hounslow
Paul Pegden Smith - Healthwatch Richmond

The table below details board members' position at 31 March 2020 on the Sub-Committees of the trust board. Profiles of trust board members are available at https://www.hrch.nhs.uk/about-us/trust-board-and-leadership

Non-Executive Board Members	Committee membership (*chair)
Stephen Swords (to 31 December 2019)	Trust Board * Charitable Funds* Quality Governance Nominations and Remuneration* Workforce and Education
Sian Bates (from 1 February 2020)	Trust Board* Nominations and Remuneration*
Judith Rutherford – interim Chair January 2020	Trust Board* Audit and Risk (no meeting when chair) Nominations and Remuneration Richmond Community Healthcare in Partnership Committee (RCHIP)**
Bindesh Shah	Trust Board Audit and Risk Finance and Performance* Nominations and Remuneration
Joanne Hay	Trust Board Finance and Performance Nominations and Remuneration Workforce and Education*
Phil Hall	Trust Board Audit and Risk* Finance and Performance++ Quality Governance + Nominations and Remuneration
Ginny Colwell	Trust Board Quality Governance* (from 1 October, member all year) Nominations and Remuneration Workforce and Education
Ajay Metha (until 30 September 2019)	Trust Board Charitable Funds Quality Governance* Nominations and Remuneration

+ from 1 October 2019
++ until 30 September 2019
** RCHiP is a joint committee set up with the RGPA to oversee progress with delivery of the Outcome-Based Commissioning contract. RCHiP is a committee of both the trust's and RGPA's Boards.

Executive Board Members	Committee membership (*chair)
Patricia Wright	Trust Board RCHIP Attends all committees at least once a year Part II risk session of audit and risk
Monique Carayol	Trust Board (RCHIP)**
David Hawkins	Trust Board Finance and Performance (RCHIP)** Part II risk session of audit and risk
Stephen Hall	Trust Board Finance and Performance Workforce and Education (RCHIP)**
Alison Heeralall,	Trust Board Workforce and Education
Donna Lamb	Trust Board Quality Governance Workforce and Education (RCHIP)**
Dr John Omany	Trust Board Quality Governance
Anne Stratton	Trust Board Charitable Funds Quality Governance

** RCHiP is a joint committee set up with the RGPA to oversee progress with delivery of the Outcome-Based Commissioning contract. RCHiP is a committee of both the trust's and RGPA's Boards.

The Register of Interest of Executive and Non-Executive Directors is published on the trust's website on the 'Our Board' tab https://www.hrch.nhs.uk/about-us/trust-board-and-leadership/board-meetings

Chief Executive Date: 24 June 2020

b. 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 and strategic objectives of Hounslow and Richmond Community Healthcare NHS 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 Hounslow and Richmond Community Healthcare NHS Trust for the year ended 31 March 2020 and up to the date of approval of the annual report and accounts.

Risk Management

In 2019 as a trust on our Journey to Outstanding, we decided to take a fresh look at risk management to ensure that risk was further embedded into all decision making. To enable us to deliver the ambition set out in the trust strategy and the NHS Plan we decided it was timely to produce a risk management strategy to support our commitment to provide high quality services. We recognised that successful risk management must be forward thinking; the responsibility of all; comprehensive and coordinated; and that proactive and continuous identification and management of risk is essential to the delivery of high value healthcare.

The strategy sets out clear goals, achievements and timescales for implementation. This enables staff to work towards the same aims empowering innovation whilst ensuring patient quality and care are at the centre of delivery. Within the strategy we created a vision for risk management. Risk management will be everybody's business – integral to professional and operational practice at every level and across organisational/professional boundaries. We will continually strive to test the boundaries of practice, whilst ensuring that we operate within legal and regulatory frameworks to reduce the exposure to risk to ensure that patients receive outstanding care.

Risk governance

The trust board is accountable to NHS England/Improvement (NHSE/I) for the trust's performance. The main governance committees are chaired by a Non-Executive Director and report directly to the board. Each committee is informed and supported by a variety of groups and local meetings.

Risk and control framework

The trust has a robust approach to risk management with:

- the board holding an annual risk seminar to review risk management systems and processes and to agree the organisational risk appetite statement

- the Audit and Risk Committee assuming delegated authority from the board for oversight and assurance on the management of strategic risks to the delivery of the trust's objectives. The Audit and Risk Committee is supported in its oversight of strategic risks by the Finance and Performance, Executive, Quality Governance and Workforce and Education Committees which lead on specific strategic risks
- the Chief Executive has overall accountability for the development of risk management systems and delegates responsibility for the management of specific areas of risk to named Directors
- all staff are provided with risk management training as part of their induction to the trust
- face-to-face training for those staff regularly involved in risk management being provided as appropriate
- an open culture to empower staff to report and resolve incidents and risks through the Datix recording system and to share learning with teams

Managing workforce risks

HRCH has a five-year workforce strategy in place (2020-2024), which was co-developed with clinical and corporate staff and agreed by the board

- the strategy and its associated action plans and workforce risks are monitored and assured through the board's Workforce and Education Committee (WEC), which is a sub-committee of the board. The WEC receives the workforce performance report that uses local and national metrics and triangulates with benchmark data and quality and financial data
- the workforce planning methodology entails firstly understanding the trust strategy and how to best serve our vision that people will live healthier lives through high-quality, effective and co-ordinated care. Then follows a review of where the trust is and what gaps in skills and training are required to deliver that vision (such as digital and mobile technology and multi-agency transformation and engagement skills), followed by planning of the workforce required to meet the future strategy and activity assumptions in the most efficient way. The planning phase includes consideration of the needs of the local population in terms of workforce diversity, workforce supply (greater use of apprenticeships, 'retire and return' options and the development of new roles) and service transformation in line with the NHS Long Term Plan (greater use of on-line consultations etc)

Managing quality risk

The clinical governance agenda is led by the Director of Nursing and Non-Medical Professionals and the Medical Director. Monitoring arrangements are delivered through a structure of committees, supporting clear responsibilities and accountabilities from board to front line delivery. The Quality Governance Committee (QGC) is a committee of the board, which affords scrutiny and monitoring of the quality agenda.

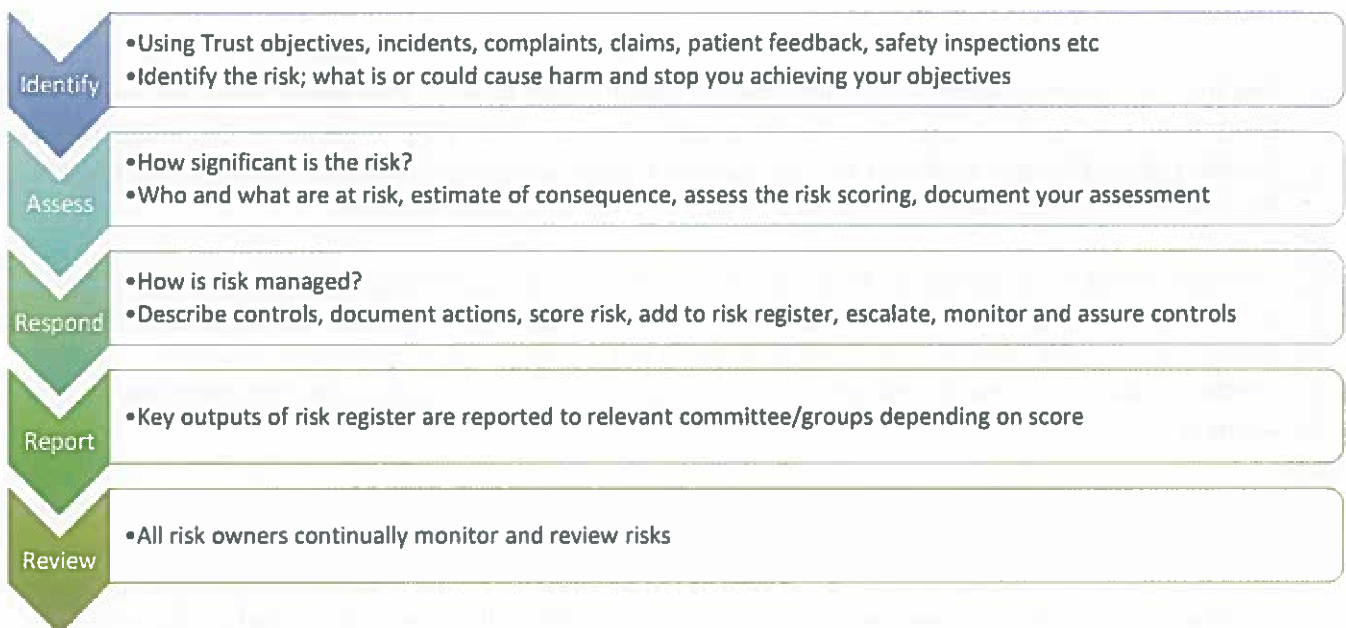
- the Quality and Safety Committee (QSC) reports to the QGC. The Director of Nursing and Non-Medical Professionals chairs this committee; membership of the QSC's committees and working groups ensures senior leadership as well as frontline engagement with the governance agenda
- the trust's clinical governance structure ensures there are robust systems in place for key governance and performance issues to be escalated from frontline services to the board and gives assurance of clinical quality. It gives a strong focus on service improvement and ensures high standards of delivery are maintained
- the board and the relevant committees use a performance scorecard which has been developed to include a suite of quality indicators at trust and service level aligned to each of the Care Quality Commission's five domains of quality. Services are expected to provide exception reports for any indicators which are not performing as agreed and managers are held to account against action plans to ensure trajectories are maintained. This approach enables centralised reporting of performance and quality data and improved triangulation of information

- the trust's quality improvement strategy is encapsulated in the Journey to Outstanding (J2O) programme. The J2O programme is a structured quality improvement plan with quality improvement plans in all services to monitor and demonstrate compliance with the CQC's fundamental standards and against each of the CQC's domains and Key Lines of Enquiry (KLOE)

Risk management process

The trust defines risk management as a process to identify factors which may possibly prevent us from providing an excellent, safe, efficient and effective place of work to deliver patient care and for staff to work. Risk management includes the process of identifying hazards, risk assessment, formulating a response, risk reporting and risk review. Risk management is as much about exploiting new business opportunities and innovation as mitigating risk.

Risk management process



Trust Risk Registers (TRR) (inc Board Assurance Framework (BAF))

Comprises the local risk registers, the trust risk register as well as the board assurance framework (BAF), which seek to present an overview of the main risks facing the organisation. The local risk registers are reviewed, updated and monitored regularly by the relevant directorate and, if necessary, a risk can be escalated onto the trust risk register, which is monitored each quarter by the Quality and Safety and Quality Governance Committees.

The BAF provides the trust with a simple but comprehensive method for effective and focused management of the principal strategic risks to the delivery of the trust's business. It identifies the controls and assurances in place to mitigate these risks, the gaps or weaknesses in controls and assurances, and actions required to further strengthen these mechanisms. The system of internal control is designed to manage risks to a reasonable level and not to eliminate all risk.

The BAF is monitored by each Executive Director who assesses the status of their risk entry by having oversight of the Trust Risk Register. The BAF is monitored each month by the Executive Committee and quarterly by the Audit and Risk Committee on behalf of the trust board.

An annual advisory review on the BAF and Risk Management was carried out by RSM Risk Assurance Services LLP (who also provide our internal audit advice) and concluded the trust controls are robust and effectively designed. RSM confirmed the BAF is discussed at relevant committee meetings to ensure that risks included are up to date with regards to controls and assurances; and any progress against actions is also included.

Incident reporting

The trust follows the National Patient Safety Agency viewpoint *"Trusts that report incidents regularly suggest a stronger organisational culture of safety. They take all incidents seriously and link reporting with learning."* All services and staff are trained to use the Datix system which facilitates linking of information across incident reporting, complaints and risk management.

A monthly report of incidents and serious incidents is reported to the Quality and Safety Committee where it is discussed and analysed for themes and trends and assurance is sought that risk is being managed.

The trust is a learning organisation and uses all opportunities to learn from when things go wrong and to share that learning. It has embraced a 'being open' approach and 'duty of candour'. Organisational and service level learning is identified through incidents, audit and patient feedback and it reports lessons learned and monitors that any required changes in practice are implemented.

The trust promotes a culture of 'shared learning' that is embedded throughout the services and has a number of processes to enable this which includes a monthly 'Learn and Share' newsletter and reflective learning panels to ensure that staff are involved in the discussion and agreement of actions. This promotes clinical ownership, mitigates the risk of a Serious Incident reoccurring and promotes shared learning.

Board and Committee oversight and assurance

The board of directors leads on integrated governance and delegates key duties and functions to its sub-committees. In addition, the board reserves certain decision-making powers including decisions on strategy and budgets. The diagram below gives an overview of the trust's integrated governance structure

Corporate governance framework

There are five key sub-committees with responsibility for receiving information on risk management within the structure that provide assurance to the board of directors. The Executive Committee reports directly to the board although not a board sub-committee.

There are a range of mechanisms available to these committees to gain assurance that systems are robust and effective. These include utilising internal and external audit, peer review, management reporting and clinical audit.

Committee structures

Each Committee Chair works within a framework which ensures a consistent approach across all committees, including terms of reference, upward reporting and review of effectiveness.

The Board of Directors

Membership of the board of directors is currently made up of the trust chairman, five independent, Non-Executive Directors, and eight Executive Directors of which six are voting members of the board, two with a share of one vote. The key roles and responsibilities of the board are as follows:

- to set and oversee the strategic direction of the trust
- review and appraisal of financial and operational performance
- to review areas of assurance and concerns as detailed in the chair's assurance reports from its board committees
- to discharge its duties of regulation and control and meet statutory obligations
- to ensure the trust continues to deliver high quality patient care, with quality and safety as its primary focus, receiving and reviewing quality and patient safety reports and also a chair's report from the key board committee which deals with patient quality and safety – the Quality Governance Committee
- to receive reports from the Audit and Risk Committee, which include the BAF and progress against the delivery of strategic objectives, the annual internal auditor's report and external auditor's report and to take decisions, as appropriate
- to agree the trust's annual budget and plan and submissions to NHS Improvement
- to approve the annual report and annual accounts
- to certify the requirements of NHS provider licence conditions is reviewed annually and the self-declaration is uploaded onto the website.
  On the 'self-certification' tab https://www.hrch.nhs.uk/about-us/trust-board-and-leadership/board-meetings

The board of directors meets in public bi-monthly and a breakdown of attendance for the board's 2019/20 part I meetings is shown below:

Job Title and Name	Attendance
Chairman, Stephen Swords (to 31 Dec 2019)	4 of 4
Board Advisor (non-voting), Non-Executive Director (from 1/10/19), Ginny Colwell	6 of 6
Non-Executive Director, Phil Hall	5 of 6
Non-Executive Director, Joanne Hay	3 of 6
Non-Executive Director, Ajay Mehta (until October 2019)	2 of 3
Non-Executive Director, Judith Rutherford	6 of 6
Non-Executive Director, Bindesh Shah	5 of 6
Chief Executive, Patricia Wright	6 of 6
Director of Clinical Services, Stephen Hall (shared vote)	5 of 6
Director of Clinical Services, Anne Stratton (shared vote)	6 of 6
Director of Finance and Corporate Services, David Hawkins	6 of 6
Director and Nursing and Non-Medical Professionals, Donna Lamb	5 of 6
Director of Strategy and Transformation, Monique Carayol (non-voting)	5 of 6
Director of Workforce, Alison Heeralall (non-voting)	5 of 6
Medical Director, John Omany	6 of 6

Audit and Risk Committee

The Audit and Risk Committee is a formal committee of the board and is accountable to the board for reviewing the establishment and maintenance of an effective system of integrated governance, risk management and internal control, across the trust's activities both clinical and non-clinical, that supports the achievement of the trust's objectives. The committee meets at least five meetings per year

Quality Governance Committee

The Quality Governance Committee (QGC) is a formal committee of the board which focuses on ensuring robust structures and processes are in place for governing the quality and clinical services and ensuring services are safe. The committee's role is to provide assurance on clinical quality, including clinical effectiveness, patient safety and patient experience.

It supports the board with an integrated approach to risk, control and governance, monitoring performance against quarterly quality indicators, the quality accounts and all aspects of the three domains of quality namely - patient safety, clinical effectiveness and patient experience. The committee meets at least six times per year

Finance and Performance Committee

The Finance and Performance Committee reviews financial and non-financial performance across the trust, reporting to the board. It also has lead oversight for risks to the delivery of trust's sustainability strategic priority, along with delivery of the trust's strategies for estates and information management and technology. The committee meets at least four times per year.

Workforce and Education Committee

The Workforce and Education Committee is responsible for providing assurance that there are processes and plans in place to agree and achieve the workforce objectives. The committee oversees the trust's staff engagement and recruitment and retention strategic priorities that enables the trust to compete successfully for recruits in areas where there is a shortage of supply. It reviews performance

against the delivery of key workforce plans which also cover staff engagement actions taken following the outcome of the annual NHS staff survey. The committee holds four meetings each year.

Executive Committee

The Executive Committee has delegated responsibility to oversee the effective operational management of the trust. The committee meets monthly to review:

- the development and implementation of business plans, policies, procedures and budgets
- operating and financial performance
- the prioritisation and allocation of investment and resources within limits set down by standing financial instructions
- the effective mitigation of risks to the delivery of the trust's strategic priorities

Nominations and Remuneration Committee

The Nominations and Remuneration Committee is responsible for determining the pay and contractual arrangements for Executive Directors and for monitoring and evaluating their performance and ensuring appropriate succession plans are in place for board members. It is also responsible for ensuring that Directors meet the Fit and Proper Person Test as required by the Health and Social Care Act 2008, (Regulated Activities), Regulations 2014.

Charitable Funds' Committee

The Charitable Funds Committee has been established by the board to make and monitor arrangements for the control and management of the trust's charitable fund. Key duties of the Committee are to apply the charitable funds in accordance with the charity's governing documents. The committee ensures that appropriate policies and procedures are in place to support the objects of the charity and ensures that donated funds and assets are properly spent, managed, invested and accounted for in line with guidance from the Charity Commission and in compliance with legal and regulatory requirements.

Richmond Community Healthcare in Partnership Committee (RCHiP)

RCHiP is a joint committee set up with the Richmond GP Alliance (RGPA) to oversee progress with delivery of the Outcome-Based Commissioning contract. RCHiP is a committee of both the trust's and RGPA's boards.

Annual committee effectiveness reviews

In line with good governance practice and, as an integral part of being a well-led organisation, each board committee annually reviews its performance against its specific terms of reference and objectives. Each committee also comments on its oversight of performance against the delivery of the key work plans for the year. This information is then presented to the trust board with any revisions to the terms of reference and the forthcoming year's work plan. The trust board also considers the whole of its committee structure annually to ensure that it is delivering its requirements.

Equality analysis

Equality analyses (formerly known as equality impact assessments) are integrated into core business as a requirement for all trust decisions contained in its strategies, policies, procedures and protocols. The trust has systems in place to ensure that it collects, analyses and acts on information relating to the legislation on equality and diversity of its workforce and the population it serves. Control measures are in place to ensure that all the organisation's obligations under quality, diversity and human rights legislation are complied with. Equality and diversity is overseen by the trust Equality, Diversity and

Inclusion committee chaired by the Director of Workforce with a NED and patient executive lead. Assurance is reported via the trust executive committee.

Care Quality Commission registration
The trust is fully compliant with the registration requirements of the Care Quality Commission.

NHS Pension Scheme
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.

Carbon reduction
The trust has undertaken risk assessments, and carbon reduction delivery plans are in place in accordance with emergency preparedness and civil contingency requirements, based on UK Climate Projections 2018 (UKCP18) to ensure that obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

Review of economy, efficiency and effectiveness of the use of resources
The trust has in place a range of processes which help to ensure that resources are used economically, efficiently and effectively. These include:

- monthly reporting of financial and non-financial performance to the board of directors and the Finance and Performance Committee of the board
- monthly Executive Performance review meetings where directorates are held to account for financial and non-financial performance
- the production of annual reference costs, including comparisons with national reference costs
- continuous benchmarking of costs and key performance indicators (KPIs) against community trusts and other providers
- standing financial instructions, standing orders and treasury management policy
- a budget holder's manual which sets out managers' responsibilities in relation to managing budgets
- policies covering the declaration of conflicts of interest, anti-fraud and anti-bribery measures, and also standards of business conduct
- reports by RSM Risk Assurance Services LLP as part of the annual internal audit work plan on control mechanisms which may need reviewing
- the Head of Internal Audit's draft and final opinions being presented to the Audit and Risk Committee
- external audit of our accounts by KPMG LLP who also provide an independent view of the trust's effective and efficient use of resources, particularly against value for money considerations
- good performance under NHS Improvement's Single Oversight Framework for NHS providers

Information governance
Information governance supports our statutory duty to safeguard patients' information and keep it confidential but available. It assures us and patients that personal information is dealt with legally, securely, efficiently and effectively.

NHS Digital's annual Data Security and Protection toolkit (DSPT) audit helps us assess ourselves against current data protection legislation and related regulations, giving either a pass or fail mark.

The trust submitted a fully compliant assessment in March 2020. This was achieved through a variety of measures and actions, including:

- Continued review of personal data to ensure that the trust operates in line with the General Data Protection Regulations (GDPR) and follows a 'data protection by design' approach
- Review of access to information processes, to ensure that all requests are answered within the legislated timeframe, to avoid breaching GDPR and incurring large fines from the ICO
- Ongoing review and revision of the trust privacy notice
- Completion of data protection impact assessment for all new research projects, services, systems and applications which involve the use of personal data
- Ongoing review of data flow in and out of the organisation, to ensure accountability
- Self-referring data incidents to the ICO for full transparency ensuring no further action was taken
- An audit of our compliance against a small sample of standards from the NHS Digital toolkit by our external auditors
- Board level cyber security training with GCHQ
- A business continuity tabletop exercise
- Continuing review of policies and staff guidance
- Helping colleagues to complete information governance and security e-learning training
- Attending team meetings so that data protection and security is a key element of all work, and staff take responsibility for data in their team

By submitting a fully compliant DSPT we are working towards Cyber Essentials Plus accreditation.

The trust reports information governance "serious incidents" onto the national serious incident reporting system, STEIS, and to the Information Commissioners' Office (ICO).

In 2019-20, one IG incident was reported as an SI and so was reported to the ICO. No further action was taken. A further incident was a self-referral to the ICO and no further action was taken

Annual Quality Account

In line with the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 (as amended) the trust prepares an annual Quality Account which is signed off by the trust board prior to it being shared with commissioners, Healthwatch and the local authority scrutiny committees.

The Quality Account is a summary of performance in the last year in relation to quality priorities and national requirements. The Account is not required to be audited however an internal process of scrutinising the data to ensure it is consistent with the trust performance scorecard is used. The template used for the quality account meets statutory requirements and the trust reviews new guidance annually - for instance the inclusion of mortality data in the 2017-18 quality account.

Data quality

General data quality is audited annually and the trust has undertaken actions to improve the quality of its electronic patient record through better use of templates and the automation of data where appropriate. The trust assures the quality and accuracy of elective waiting time data through both its Business Intelligence reporting and the Patient Tracking List (PTL) that is distributed to, and discussed by, operational leads. Waiting times are individually monitored by both service lines and urgency. Alongside external data quality audits, data capture is continually reviewed by the applications team and any training requirements are subsequently assessed with resource then appropriately allocated.

Review of effectiveness

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the Executive managers and clinical leads within the NHS trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the information provided in this annual report and other performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the board, the Audit and Risk Committee and Quality Governance Committee and plans to address weaknesses and ensure continuous improvement of the system are in place.

The board ensures the effectiveness of the system of internal control through clear accountability arrangements.

An annual "Head of Internal Audit Opinion" based on the work and audit assessments undertaken during the year for 2019-20 was issued and provided assurance that the organisation has an adequate and effective framework for risk management, governance and internal control.

Factors which helped to inform the Head of Internal Audit's Opinion included undertaking specifically requested management reviews with the aim of strengthening current practices. The Data Quality – Clinical Supervision and Mobile Working Arrangements audits have both shown only partial assurance and internal audit have provided recommendations to address and strengthen processes in line with current requirements. The Head of Internal Audit Opinion also identified further enhancements to Data Quality – Clinical Supervision and Mobile working Arrangements to ensure that they remain adequate and effective.

I am confident that the internal audit reports undertaken were a true reflection of HRCH's position and that the updated action plans scrutinised at the Quality Governance Committee and Audit and Risk Committee reflect clear and concise progress in all areas

Conclusion

I confirm that no significant internal control issues have been identified.

Chief Executive Date: 24 June 2020

2.2 Financial report from the Director of Finance

The directors are required under the National Health Service Act 2006 to prepare accounts for each financial year. The Secretary of State, with the approval of the treasury, directs that these accounts give a true and fair view of the state of affairs of the trust and of the income and expenditure, recognised gains and losses and cash flows for the year. In preparing those accounts, directors are required to:

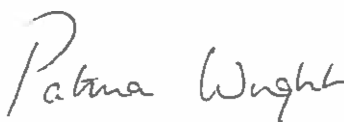
- apply on a consistent basis, accounting policies laid down by the Secretary of State with the approval of the Treasury
- make judgements and estimates which are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the trust and to enable them to ensure that the accounts comply with requirements outlined in the above mentioned direction of the Secretary of State. They are also responsible for safeguarding the assets of the trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm to the best of their knowledge and belief they have complied with the above requirements in preparing the accounts.

The directors confirm that the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for patients, regulators and stakeholders to assess the NHS trust's performance, business model and strategy.

By order of the trust



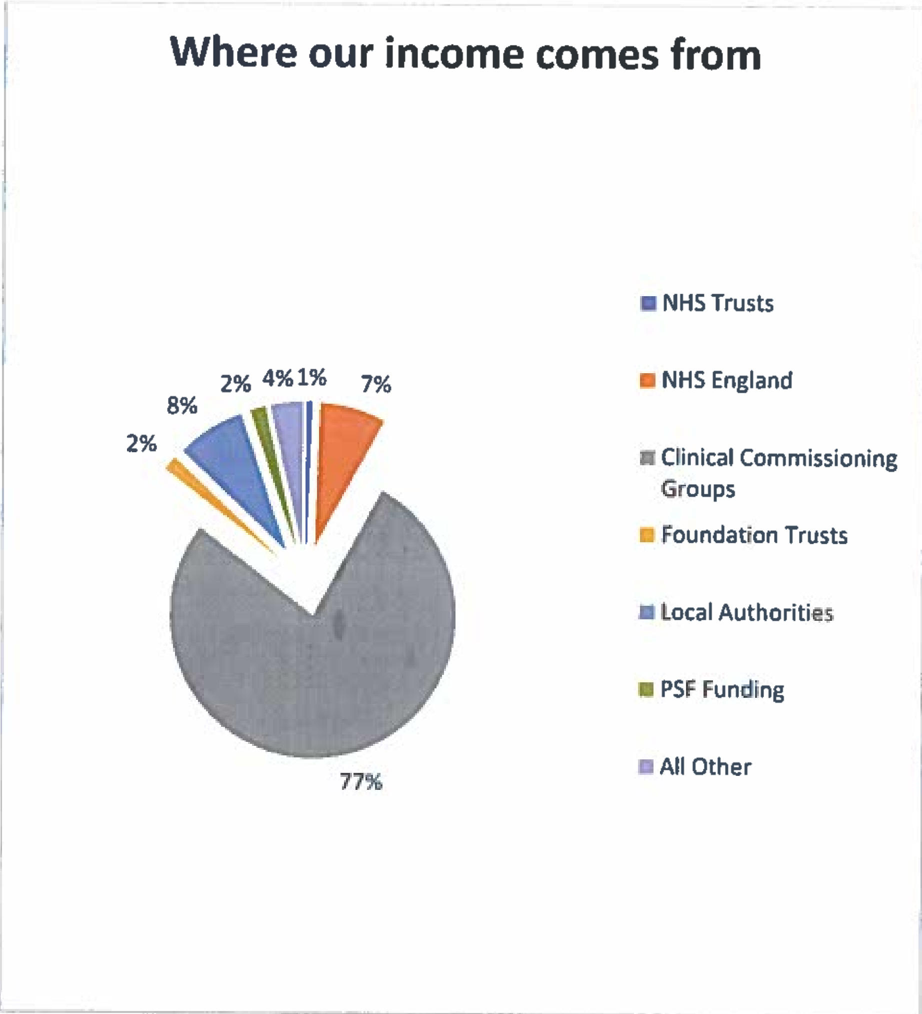
24 June 2020....Date Chief Executive

24 June 2020 Date Finance Director

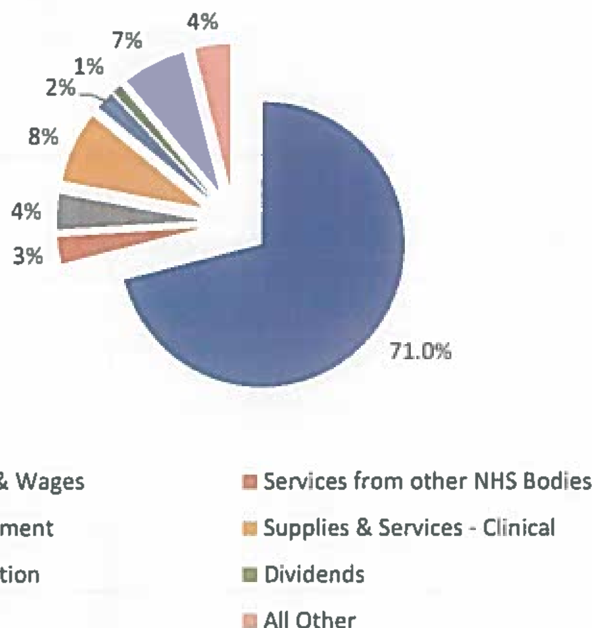
Financial Balance

Hounslow and Richmond Community Healthcare NHS trust planned for a control total of £1,659k (which included a £1,326k contribution from the Provider Sustainability Fund (PSF)) and delivered a £1,664k surplus. This was achieved through sound financial planning and control by budget managers despite being faced with a number of in-year financial pressures.

Total Income for 2019-20 was £77.7m with 77% of this coming from Clinical Commissioning Groups. Hounslow and Richmond CCGs were the trust's two main commissioners. Included in this income is £2m of notional income representing the value of additional pension contributions paid centrally by NHS England.



Total Expenditure for 2019-20 was £76.0m and 71% of this was spent on staff salaries and wages.



Statement of Financial Position

Hounslow and Richmond Community Healthcare NHS trust ended the year in a strong financial position. Total assets employed increased by £2.9m to £46.3m due to new investment of £1.8m, mainly into buildings, and IT. There was a revaluation of our land and buildings which increased their values by £1.3m. Trust creditors and accruals have increased by £2.7m and debtors have also increased by £1.8m. The trust continues to have no borrowing.

Cash-flow

Cash increased by £2.6m in the year due to the level of surplus delivered and an increase in creditors. The cash balance may contribute positively towards future plans including spending on capital projects to improve the patient experience and enhance our technology and systems.

Better Payment Practice Code

The Better Payment Practice Code requires the trust to aim to pay all valid invoices by the due date or within 30 days of receipt of a valid invoice, whichever is later.

Hounslow and Richmond Community Healthcare NHS trust recognises the need in the current economic climate to pay suppliers promptly and has continued to maintain good performance against this code, consistently achieving above the target of 95% throughout most of the year. However, we missed the target marginally in March due to the implementation of new ledger systems which delayed some payments to suppliers.

	2019-20	2018-19
	Number	**Number**
Non-NHS Creditors		
Total bills paid in the year	16,157	18,336
Total bills paid within target	15,034	17,434
Percentage of bills paid within target	**93.0%**	**95.1%**
NHS Creditors		
Total bills paid in the year	884	699
Total bills paid within target	842	690
Percentage of bills paid within target	**95.2%**	**98.7%**
Overall		
Total bills paid in the year	17,041	19035
Total bills paid within target	15,876	18124
Percentage of bills paid within target	**93.2%**	**95.2%**

The trust has signed up to the Prompt Payments Code.

Auditors

The trust's external auditors for 2019-20 were KPMG. The cost of external audit for work undertaken in 2019-20 was £37,100 excluding VAT. (2018-19 £37,600 excluding VAT).

As far as the directors are aware there is no relevant audit information of which the NHS body's auditors are unaware and that the directors have taken all the required steps as directors in order to ensure they are aware of any relevant audit information and to establish that the auditors are aware of that information.

Looking forward

While the NHS is in a period of transition, HRCH continues to plan on a longer-term basis for both revenue and capital spends, which in turn will allow it to provide high quality services for the local population.

2.4 Remuneration and staff report

Remuneration report

Hounslow and Richmond Community Healthcare NHS Trust (HRCH) Nominations and Remuneration Committee is responsible for determining the pay and contractual arrangements for its most senior managers and for monitoring and evaluating their performance. Information relating to Executive and Non-Executive directors is therefore included in this report.

The committee comprises the Chairman and all Non-Executive Directors of the board. The Nominations and Remuneration Committee reviews the salaries of its most senior managers annually. Cost of living awards are in accordance with the guidance issued by NHS England/Improvement (NHSE/I).

Standardised terms and conditions of service apply to the most senior managers, who are employed on contracts of employment. Performance of the most senior managers is assessed formally through an individual performance and development review process. Performance-related payments were made in the remuneration packages in 2019-20.

Details of directors' remuneration and pension entitlements are covered in the following tables. This has been subject to audit.

Information from the Register of Interests recorded by board directors during the year can be found within this report.

Starting salaries for Executive Directors are determined by the committee with reference to guidance from NHSE/I, independently obtained NHS salary survey information, internal relativities, and equal pay provisions and other labour market factors, where relevant.

Pay progression is determined by the committee for:

- annual inflation considerations in line with nationally published indices (RPI/CPI), Department of Health/NHSE/I guidance and other nationally determined NHS pay settlements

- specific review of the individual salaries in line with independently obtained NHS salary survey information, other labour and market factors where relevant, e.g. for cross sector functional disciplines, internal relativities and equal pay provisions. Such review is only likely where an individual director's portfolio of work or market factors change substantially.

Other senior managers are paid in accordance with the national NHS Agenda for Change pay system.

The remuneration of the chairman and the Non-Executive directors is set by NHSE/I.

Contracts

Contracts for directors are normally substantive (permanent) contracts subject to termination by written notice, by either party, except in cases of gross misconduct, when summary dismissal would be imposed. On occasion, as required by the needs of the organisation, appointments may be of a temporary or 'acting' nature in which case a lesser notice period may be agreed.

Termination liabilities for Executive Directors

There are no provisions for compensation for early termination for any Executive Directors, as detailed in the table below.

Other termination liabilities for all Executive Directors are the entitlements under the relevant NHS terms and conditions and the NHS Pension scheme. Statutory entitlement also applies in the event of unfair dismissal. The balance of annual leave earned but untaken would be due to be paid on termination.

Name	Post Title	Date of Contract	Unexpired Term	Notice Period	Provision for Compensation for Early Termination	Other Termination Liability
Patricia Wright	Chief Executive	1 November 2016[1]	Substantive	3 months	None	See text above
David Hawkins	Director of Finance and Corporate Services	1 April 2011[2]	Substantive	3 months	None	As above
Donna Lamb	Director of Nursing and Non-Medical Professionals	1 February 2018[3]	Substantive	3 months	None	As above
John Omany	Medical Director	1 May 2018	Substantive	3 months	None	As above
Alison Heeralall	Director of Workforce	25 November 2015[4]	Substantive	3 months	None	As above
Monique Carayol	Director of Transformation	1 October 2016[5]	Substantive	3 months	None	As above
Anne Stratton	Director of Clinical Services	1 October 2016	Substantive	3 months	None	As above
Stephen Hall	Director of Clinical Services	3 January 2017	Substantive	3 months	None	As above

[1] interim fixed term CEO from October 2015 and fixed term from 1 May 2016 to 31 October 2016
[2]New VSM contract incorporating Corporate Services from 1 January 2016
[3] Acting Director of Nursing from 1 April 2017 to 31 January 2018
[4]New VSM contract incorporating Communications from 1 October 2016, substantive from 1 October 2018
[5]Substantive from 1 October 2018

Salaries and Allowances Entitlement of Senior Managers

Name	Title	2019-20						2018-19					
		Salary (bands of £5,000)	Expense payments (taxable) total to nearest £100	Performance pay and bonuses (bands of £5,000)	Long Term performance pay and bonuses (bands of £5,000)	All pension-related benefits (bands of £2,500)	Total (bands of £5,000)	Salary (bands of £5,000)	Expense payments (taxable) total to nearest £100	Performance pay and bonuses (bands of £5,000)	Long Term performance pay and bonuses (bands of £5,000)	All pension-related benefits (bands of £2,500)	Total (bands of £5,000)
Patricia Wright	Chief Executive	155-160	0	5-10	0	0	165-170	155-160	0	15-20	0	0	170-175
David Hawkins	Director of Finance and Corporate Services	120-125	0	0	0	0	120-125	115-120	0	0	0	0	115-120
John Omany	Medical Director	75-80	0	0	0	0	75-80	70-75	0	0	0	0	70-75
Donna Lamb	Director of Nursing & Non Medical Professionals	95-100	0	0	0	0	95-100	95-100	0	0	0	0	95-100
Tony Snell *	Interim Medical Director	n/a	n/a	n/a	n/a	n/a	n/a	5-10	0	0	0	0	5-10
Alison Heeralall	Director of Workforce	95-100	0	0	0	0	95-100	90-95	0	0	0	0	90-95
Anne Stratton	Director of Clinical Services	95-100	0	0	0	0	95-100	90-95	0	0	0	0	90-95
Stephen Hall	Director of Clinical Services	95-100	0	0	0	0	95-100	95-100	0	0	0	0	95-100
Monique Carayol	Director of Transformation	95-100	0	0	0	0	95-100	90-95	0	0	0	0	90-95
Stephen Swords**	Chairman	20-25	0	0	0	0	20-25	25-30	0	0	0	0	25-30
Sian Bates***	Chairman	5-10	0	0	0	0	5-10	n/a	n/a	n/a	n/a	n/a	n/a
Ajay Mehta****	Non-Executive Director	0-5	0	0	0	0	0-5	5-10	0	0	0	0	5-10
Judith Rutherford	Non-Executive Director	10-15	0	0	0	0	10-15	5-10	0	0	0	0	5-10
Phil Hall	Non-Executive Director	5-10	0	0	0	0	5-10	5-10	0	0	0	0	5-10
Joanne Hay	Non-Executive Director	5-10	0	0	0	0	5-10	5-10	0	0	0	0	5-10
Bindesh Shah	Non-Executive Director	5-10	0	0	0	0	5-10	5-10	0	0	0	0	5-10
Virginia Colwell*****	Board Advisor/Non Executive Director	5-10	0	0	0	0	5-10	5-10	0	0	0	0	5-10

* Interim Director started July 2017 left April 2018 ** Chairman left December 2019 *** Chairman started February 2020 **** Non Executive Director left September 2019 ***** Board Advisor became Non Executive Director October 2019

Patricia Wright

24 June 2020

Pension Benefits

Name and Title	Real increase in pension at age 60 (bands of £2,500)	Real increase in pension lump sum at aged 60 (bands of £2,500)	Total accrued pension at age 60 at 31 March 2020 (bands of £5,000)	Lump sum at age 60 related to accrued pension at 31 March 2020 (bands of £5,000)	Cash Equivalent Transfer Value at 1 April 2019	Cash Equivalent Transfer Value at 31 March 2020	Real increase in Cash Equivalent Transfer Value	Real increase in Cash Equivalent Tranfer Value after Deductions	Employer's contribution to stakeholder pension
	£'000	£'000	£'000	£'000	£'000	£'000	£'000		£'000
Patricia Wright Chief Executive	0-2.5	2.5-5	60-65	180-185	1,409	1,511	68	45	0
John Omany Medical Director	0-2.5	0	40-45	120-125	189	184	0	0	0
David Hawkins Director Of Finance and Corporate Services	0-2.5	0	45-50	100-105	808	870	42	24	0
Donna Lamb Director of Nursing & Non Medical Professionals	0-2.5	0	40-45	105-110	796	851	36	22	0
Anne Stratton Director of Clinical Services	0-2.5	0-2.5	40-45	110-115	858	907	28	14	0
Stephen Hall Director of Clinical Services	0-2.5	0	25-30	50-55	359	393	25	12	0
Alison Heeralall Director of Workforce	0-2.5	0	40-45	95-100	767	817	31	17	0
Monique Carayol Director of Transformation	0-2.5	0	20-25	35-40	260	290	24	10	0

Note that pension related benefits include the cash value of payments made in lieu of retirement benefits and any contributions made which are not part of the routine employer superannuation payments

- *Benefits and related CETVs do not allow for a potential future adjustment arising from the McCloud judgment.*
- *CETV values at 31 March 2019 and 31 March 2020 may have been calculated using different methodologies (due to the introduction of GMP indexation also known as GMP equalisation) and this change may have impacted the real increase in CETV figure.*

As Non-Executive Directors do not receive pensionable remuneration, there will be no entries in respect of pensions for them. Pension details have only been disclosed for those Directors in post during 2019-20.

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme.

A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The CETV figures and 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.

Real increase in CETV

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

Remuneration ratios

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

The banded remuneration of the highest paid director in Hounslow and Richmond Community Healthcare NHS Trust in the financial year 2019/20 was £143,907 (2018/19 - £142,032). This was 4.59 times (2018/19 – 4.46 times) the median remuneration of the organisation's workforce of £31,365 (2018/19 - £31,864). In 2019/20, Nil (2018/19 Nil), employees received remuneration in excess of the highest paid director. Remuneration ranged from £13,816 to £128,752 (2018/19 £17,652 to £118,950)

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

Staff Costs

The following table sets out the costs of staff employed either permanently, on the bank or via agency during 2019-20.

			2019-20	2018-19
	Permanent **£000**	**Other** **£000**	**Total** **£000**	**Total** **£000**
Salaries and wages	35,847	2,267	38,114	37,020
Social security costs	3,532	212	3,744	3,404
Apprenticeship levy	180	-	180	171
Employer's contributions to NHS pensions	6,759	204	6,963	4,632
Pension cost - other	-	-	-	-
Other post-employment benefits	-	-	-	-
Other employment benefits	-	-	-	-
Termination benefits	-	-	-	-
Temporary staff	-	4,069	4,069	3,929
Total gross staff costs	**46,318**	**6,752**	**53,070**	**49,156**
Recoveries in respect of seconded staff				
Total staff costs	**46,318**	**6,752**	**53,070**	**49,156**

Average number of employees (WTE basis)

			2019-20	2018-19
	Permanent	Other	Total	Total
	Number	Number	Number	Number
Medical and dental	9	2	**11**	**12**
Ambulance staff	2	0	**2**	**1**
Administration and estates	115	18	**133**	**132**
Healthcare assistants and other support staff	311	24	**335**	**344**
Nursing, midwifery and health visiting staff	272	40	**312**	**301**
Nursing, midwifery and health visiting learners	6	-	**6**	**6**
Scientific, therapeutic and technical staff	249	25	**274**	**283**
Healthcare science staff	14	1	**15**	**12**
Social care staff	-	-	-	-
Other	-	-	-	**2**
Total average numbers	**978**	**110**	**1,088**	**1,093**
Of which:				
Number of employees (WTE) engaged on capital projects	2	-	**2**	**1**

Exit packages

Reporting of compensation schemes - exit packages 2019-20

	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages
	Number	Number	Number
Exit package cost band (including any special payment element)			
<£10,000	-	-	-
£10,001 - £25,000	-	-	-
£25,001 - 50,000	-	-	-
£50,001 - £100,000	-	-	-
£100,001 - £150,000	-	-	-
£150,001 - £200,000	-	-	-
>£200,000	-	-	-
Total number of exit packages by type	-	-	-
Total resource cost (£)	£0	£0	**£0**

Reporting of compensation schemes - exit packages 2018-19

	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages
	Number	Number	Number
Exit package cost band (including any special payment element)			
<£10,000	-	-	-
£10,001 - £25,000	-	-	-
£25,001 - 50,000	-	-	-
£50,001 - £100,000	-	-	-
£100,001 - £150,000	-	-	-
£150,001 - £200,000	-	-	-
>£200,000	-	-	-
Total number of exit packages by type			
Total resource cost (£)	£0	£0	**£0**

Exit packages: other (non-compulsory) departure payments

	2019-20		2018-19	
	Payments agreed	Total value of agreements	Payments agreed	Total value of agreements
	Number	£000	Number	£000
Voluntary redundancies including early retirement contractual costs	-	-	-	-
Mutually agreed resignations (MARS) contractual costs	-	-	-	-
Early retirements in the efficiency of the service contractual costs	-	-	-	-
Contractual payments in lieu of notice	-	-	-	-
Exit payments following Employment Tribunals or court orders	-	-	-	-
Non-contractual payments requiring HMT approval	-	-	-	-
Total	-	-	-	-
Of which:	-	-	-	-
Non-contractual payments requiring HMT approval made to individuals where the payment value was more than 12 months' of their annual salary	-	-	-	-

For all off-payroll engagements as of 31 March 2020 for more than £245 per day and that last longer than six months:

	Number
Number of existing engagements as of 31 March 2020	0
Of which, the number that have existed:	
for less than one year at the time of reporting	0
for between one and two years at the time of reporting	0
for between 2 and 3 years at the time of reporting	0
for between 3 and 4 years at the time of reporting	0
for 4 or more years at the time of reporting	0

The trust can confirm that all existing off-payroll engagements have at some point been subject to a risk based assessment as to whether assurance is required that the individual is paying the right amount of tax and, where necessary, that assurance has been sought.

For all new off-payroll engagements between 1 April 2019 and 31 March 2020, for more than £245 per day and that last longer than six months:

Of which...

	Number
No. of new engagements, or those that reached six months in duration, between 1 April 2017 and 31 March 2019	0
Of which:	
No. assessed as caught by IR35	0
No. assessed as not caught by IR35	0
No. engaged directly (via PSC contracted to department) and are on the departmental 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

Off-payroll board member/senior official engagements

For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2019 and 31 March 2020

	Number
No. of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year. (1)	0
No. of individuals that have been deemed "board members, and/or, senior officials with significant financial responsibility", during the financial year. This figure should include both off-payroll and on-payroll engagements	17

SECTION 3 – FINANCIAL STATEMENTS

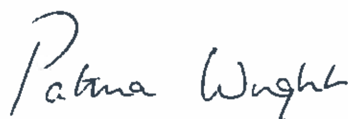
3.1 Accountability Statements

STATEMENT OF THE CHIEF EXECUTIVE'S RESPONSIBILITIES AS THE ACCOUNTABLE OFFICER OF THE TRUST

The Chief Executive of NHS Improvement, in exercise of powers conferred on the NHS Trust Development Authority, has designated that the Chief Executive should be the Accountable Officer of the trust. The relevant responsibilities of Accountable Officers are set out in the *NHS Trust Accountable Officer Memorandum*. These include ensuring that:

- there are effective management systems in place to safeguard public funds and assets and assist in the implementation of corporate governance;
- value for money is achieved from the resources available to the trust;
- the expenditure and income of the trust has been applied to the purposes intended by Parliament and conform to the authorities which govern them;
- effective and sound financial management systems are in place; and
- annual statutory accounts are prepared in a format directed by the Secretary of State to give a true and fair view of the state of affairs as at the end of the financial year and the income and expenditure, other items of comprehensive income and cash flows for the year.

As far as I am aware, there is no relevant audit information of which the trust's auditors are unaware, and I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the entity's auditors are aware of that information. To the best of my knowledge and belief, I have properly discharged the responsibilities set out in my letter of appointment as an Accountable Officer.



Chief Executive **Date: 24 June 2020**

3.2 FINANCIAL accounts

The summary financial statements are shown below a full copy of the accounts can be obtained from the website: www.hrch.nhs.uk

The auditor's issued an unqualified opinion on the full accounts and stated that the strategic and Director's reports were consistent with the full accounts and annual report.

Hounslow and Richmond Community Healthcare NHS Trust
Summary Financial Statements 2019-20
Statement of Comprehensive Income for year ended 31 March 2020

	2019-20	2018-19
	£ 000	£ 000
Employee benefits	(53,070)	(49,156)
Other costs	(22,400)	(19,850)
Revenue from patient care activities	74,341	67,960
Other Operating revenue	3,325	5,893
Operating surplus/(deficit)	**2,196**	**4,847**
Investment revenue	159	102
Surplus/(deficit) for the financial year	**2,355**	**4,949**
Public dividend capital dividends payable	(691)	(691)
Retained surplus/(deficit) for the year	**1,664**	**4,258**
Other Comprehensive Income		
Revaluation of Assets	**1,273**	**(560)**
Total comprehensive income for the year	**2,937**	**3,698**

Statement of Financial Position as at 31 March 2020

	2019-20 £ 000	2018-19 £ 000
Non-current assets		
Property, plant and equipment	**28,264**	**27,006**
Trade and other receivables	0	0
Total non-current assets	**28,264**	**27,006**
Current assets		
Trade and other receivables	8,355	6,501
Cash and cash equivalents	24,460	21,872
Total current assets	**32,815**	**28,373**
Total assets	**61,079**	**55,379**
Current liabilities		
Trade and other payables	(13,991)	(11,275)
Provisions	0	(32)
Other Liabilities	(53)	(25)
Total assets less current liabilities	**47,035**	**44,047**
Total non-current liabilities	**(704)**	**(700)**
Total Assets Employed	**46,331**	**43,347**
FINANCED BY		
Retained earnings	34,358	32,694
Revaluation reserve	11,973	10,653
Total Taxpayers' Equity	**46,331**	**43,347**

Chief Executive Date: 24 June 2020

Statement of Changes in Taxpayers' Equity at 31 March 2020

	Retained earnings £000
Changes in taxpayers' equity for 2019-20	
Balance at 1 April 2018	43,347
Retained surplus/(deficit) for the year	1,664
Revaluation of Assets	1,320
Balance at 31 March 2020	**46,331**

Statement of Cash Flows for the Year Ended 31 March 2020

	2019-20	2018-19
	£ 000	£ 000
Cash Flows from Operating Activities		
Operating Surplus/Deficit	**2,196**	**4,847**
Depreciation and Amortisation	**1,899**	**2,080**
Income recognised in respect of capital donations	**0**	**(534)**
Impairments and Reversals	**0**	**0**
PDC Dividend Paid	**(757)**	**(691)**
(Increase)/Decrease in Trade and Other Receivables	**(1,854)**	**(46)**
Increase/(Decrease) in Trade and Other Payables	**2,572**	**2,644**
Provisions Utilised	**0**	**0**
Increase/(Decrease) in Provisions	**(3)**	**19**
Net Cash Inflow/(Outflow) from Operating Activities	**4,053**	**8,319**
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received	**159**	**102**
Receipt of cash donations to purchase capital assets	**0**	**534**
(Payments) for Property, Plant and Equipment	**(1,624)**	**(3,025)**
Net Cash Inflow/(Outflow) from Investing Activities	**(1,465)**	**(2,389)**
NET CASH INFLOW/(OUTFLOW) BEFORE FINANCING	**2,588**	**5,930**
CASH FLOWS FROM FINANCING ACTIVITIES	**0**	**0**
Net Cash Inflow/(Outflow) from Financing Activities	**0**	**0**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**2,588**	**5,930**
Cash and Cash Equivalents (and Bank Overdraft) at beginning of the year	**21,872**	**15,942**
Effect of Exchange Rate Changes in the Balance of Cash Held in Foreign Currencies	**0**	**0**
Cash and Cash Equivalents (and Bank Overdraft) at year end	**24,460**	**21,872**

3.3 Glossary of financial terms

Accruals	An accounting concept. In addition to payments and receipts of cash (and similar), adjustment is made for outstanding payments, debts to be collected, and stock (items bought, paid for but not yet used). This means that the accounts show all the income and expenditure that relates to the financial year.
Assets	An item that has a value in the future. For example, a debtor (someone who owes money) is an asset, as they will in future pay. A building is an asset, because it houses activity that will provide a future income stream.
Break-even (duty)	A financial target. Although the exact definition of the target is relatively complex, in its simplest form the break-even duty requires the NHS organisation to match income and expenditure, i.e. make neither a profit nor a loss.
Capital	In most businesses, capital refers either to shareholder investment funds, or buildings, land and equipment owned by a business that has the potential to earn income in the future. The NHS uses this second definition but adds a further condition – that the cost of the building/equipment must exceed £5,000. Capital is thus an asset (or group of functionally interdependent assets), with a useful life expectancy of greater than one year, whose cost exceeds £5,000.
Capital charges	Capital charges are a device for ensuring that the cost associated with owning capital is recognised in the accounts. A charge is made to the income and expenditure account on all capital assets except donated assets and those with a zero net book value. The capital charge comprises depreciation, and a return similar to debt interest. This rate of return is set by the Treasury and is currently 3.5%.
Capital resource limit (CRL)	An expenditure limit determined by the Department of Health for each NHS organisation limiting the amount that may be expended on capital purchases, as assessed on an accruals basis (i.e. after adjusting for debtors and creditors).
Cost improvement programme	The identification of schemes to reduce expenditure/increase efficiency.
Current assets	Debtors, stocks, cash or similar – i.e. assets that are, or can be converted into, cash within the next twelve months.
Depreciation	The process of charging the cost of an asset over its useful life as opposed to recording its cost as a single entry in the income and expenditure records. Depreciation is an accounting charge (i.e. it does not involve any cash outlay). Accumulated depreciation is the extent to which depreciation has been charged in successive years' income and expenditure accounts since the acquisition of the asset.

Financial reporting standard (FRS)
Issued by the Accounting Standards Board, financial reporting standards govern the accounting treatment and accounting policies adopted by organisations. Generally these standards apply to NHS organisations.

Fixed assets
Land, buildings or equipment that are expected to generate income for a period exceeding one year.

General medical services
Medical services provided by general practitioners (as opposed to dental, ophthalmic and pharmaceutical services provided by other clinical professions).

Governance
Governance (or corporate governance) is the system by which organisations are directed and controlled. It is concerned with how an organisation is run – how it structures itself and how it is led. Governance should underpin all that an organisation does. In the NHS this means it must encompass clinical, financial and organisational aspects.

Healthcare resource group (HRG)
HRGs are the 'currency' used to collate the costs of procedures/diagnoses into common groupings to which tariffs can be applied. HRGs place these procedures and/or diagnoses into bands, which are 'resource homogenous', that is, clinically similar and consuming similar levels of resources.

Indexation
A process of adjusting the value, normally of fixed assets, to account for inflation.

Net book value
The value of items (assets) as recorded in the balance sheet of an organisation. The net book value takes into consideration the replacement cost of an asset and the accumulated depreciation (i.e. the extent to which that asset has been 'consumed' by its use in productive processes).

Overheads
Overhead costs are those costs that contribute to the general running of the organisation but cannot be directly related to an activity or service. For example, the total heating costs of a hospital may be apportioned to individual departments using floor area or cubic capacity.

Payment by results
A financial framework in which providers are paid according to the level of activity undertaken. Payment is based on a national tariff system.

QIPP
Quality, Innovation, Productivity and Prevention: National Department of Health strategy involving all NHS staff, patients, clinicians and the voluntary sector. It aims to improve the quality and delivery of NHS care while reducing costs to make £20bn efficiency savings by 2014-15. These savings will be reinvested to support the front line.

Reference costs	NHS organisations are required to submit a schedule of costs of healthcare resource groups to allow direct comparison of the relative costs of different providers. The results are published each year in the National Schedule of Reference Costs.
Revenue	On-going or recurring costs or funding for the provision of services.
Tangible asset	A sub-classification of fixed assets, to exclude invisible items such as goodwill and brand values. Tangible fixed assets include land, buildings, equipment, and fixtures and fittings.
Variance	The difference between budgeted and actual income and/or expenditure. Variances are an accounting tool used to analyse the cause of over/under spends with a view to proposing rectifying action.
Working capital	Working capital is the money and assets that an organisation can call upon to finance its day-to-day operations (it is the difference between current assets and liabilities and is reported in the balance sheet as net current assets (liabilities). If working capital dips too low, organisations risk running out of cash and may need a working capital loan to smooth out the troughs.