Isle of Wight NHS Trust

Annual Report and Accounts

2019-2020

Table of Contents

About this report

Our annual report is produced so that we can present information about our services and report on our performance each year against our objectives. We do this in line with our commitment to openness and transparency and good corporate governance.

It is produced in line with the published guidance set out by the Department for Health & Social Care (DHSC) and comprises a performance report, accountability report, including our corporate governance and staff and remuneration reports, financial statements and audit report.

For a summary version of this report please contact our communications and engagement team on 01983 822099 ext. 6175 or email comms@iow.nhs.uk

You can also call this number to talk to the team if you need this report in large print, in Braille or in an audio tape format. You can also contact us if English is not your first language and you would like help in understanding this report in your own language.

Foreword

I am pleased to present our Annual Report and Accounts for 2019/20 and hope you find it useful in understanding the progress we have made and the challenges we have faced over the course of this year.

Although we were confronted by this towards the end of our financial year, it seems only appropriate to start with the impact of Coronavirus (Covid-19). Whilst thankfully, we have been faced with some of the lowest confirmed cases and numbers of deaths from this wretched disease in the country (as at the end of March 2020), it has nonetheless been a testing time for everyone within the NHS.

Our staff have risen to the challenge and our emergency preparedness plans and resilience have been put to the test. Our partnerships, on which we have continued to build this year, have also united us, and strengthened our relationship further and this will stand us in good stead as we continue our journey of improvement in 2020/21.

We have made recognisable improvements this year in relation to our quality of care and we have been quick to respond to areas that have been deemed inadequate within our community mental health services. Once again, we have the commitment of our staff and the unswerving leadership of the organisation to thank for this progress. However we are not complacent and, having had to pause many of our business as usual activities at the end of this year, we know that this coming year will pose even more challenges and we remain determined in our drive to 'Getting to Good'.

We will continue in our pursuit of improved quality of care, driving up referral to treatment times, ensure people are not staying in hospital any longer than is needed and that they can be discharged quickly and with the appropriate support so they can continue their recovery at home.

We will continue to work with partners across the system in the collective aims of our Isle of Wight Health and Care Plan. We will adopt alongside this, any additional appropriate measures to keep our staff and community safe from Covid-19 and supported in managing their own healthcare.

As a community, we have developed different approaches to our healthcare during these unprecedented times. Many more people have found themselves able to manage their own healthcare closer to home and to only call upon services when they are really in need of them. We have also been able to swiftly implement change within the organisation and to work together to achieve collective goals.

When we emerge from this phase, our hope is that we can all collectively learn from and maintain some of these principles. This will help us develop an even stronger healthcare system for the Island and one that can benefit all.

Vaughan Thomas

Chair, Isle of Wight NHS Trust.

Our achievements and successes – highlights

Over the course of 2019/20 the Trust has been able to celebrate many achievements and successes. Some of these key milestones and achievements are outlined below:

Spring

Partnership working to implement change to community mental health services

The NHS Isle of Wight Trust, NHS Isle of Wight Clinical Commissioning Group and Isle of Wight Council began the process of implementing a new shift towards community mental health services as part of the wider transformation of mental health services on the Island.

This included the provision of a wellbeing service run by Isorropia Foundation and a mental health safe haven run by Two Saints, based at a new Wellbeing Centre. These services will help support people through a crisis so they can remain at home - reducing admissions to A&E.

New programme to inspire and support development of young children

Over 270 children benefitted from 'Isle Attend' - a ten-week programme designed to help develop the attention, communication and independence skills of children and increase the confidence of practitioners in supporting youngsters.

The training was facilitated by the IW NHS Trust Speech and Language Therapy Service, in partnership with the IW Council Early Years SEN Support Team and involved 16 pre-school settings and eight primary schools.

Pledge launched to make every Island child a lifesaver

The IW NHS Trust Ambulance Service was the first in the UK to mark this year's Restart A Heart Day, with local schools at the heart of the annual initiative to promote CPR on the Island.

Ambulance Training and Community Response Services staff launched a programme of visits to local schools providing free CPR training sessions throughout the year to over 2,800 children.

Together with colleagues teaching the same skills to adult volunteers, the Trust more than doubled its target - achieving 3,025 new lifesavers by the end October 2019.

New Community Mental Health Wellbeing Service established

The NHS Isle of Wight Clinical Commissioning Group (CCG), working with Isle of Wight NHS Trust commissioned Isorropia Foundation to provide the new Community Mental Health Wellbeing Service.

The service, run by a team of professional staff and volunteers with lived experience, is supporting people to move on in their recovery from mental illness in a community setting so they can live well and independently.

Summer

St Mary's Medical Devices Team achieved highest quality standard

A specialist team at the Isle of Wight NHS Trust achieved the highest possible standard for quality in sterilising medical equipment.

The Hospital Sterilisation and Disinfection Unit (HSDU) was awarded accreditation for the 10th consecutive year, demonstrating effective quality management and compliance with all regulatory requirements.

Over the past year the 19-strong HSDU Team, cleaned, disinfected, inspected, packed, sterilized, and delivered over 50,000 sets of re-useable medical devices.

Research Team recognised for outstanding contribution

Research Nurses at St. Mary's Hospital were recognised for their outstanding collaborative working on research to support the National Bowel Screening Programme.

Despite being the smallest team in the Wessex region, the nurses managed to recruit the second highest number of patients to the NICE FIT study, funded by NHS England.

The team worked together to deliver the study, supporting each other and colleagues across the Isle of Wight NHS Trust to recruit patients, referred by their GP, to attend a surgical clinic at St. Mary's Hospital for further investigations.

New standards introduced for patient care

A new set of standards was introduced to ensure patients receive consistently high levels of care during their stay at St. Mary's Hospital.

The Clinical Quality Standards were developed by local nurses, health care assistants and patient representatives and cover areas such as personal hygiene, infection prevention and control, nutrition and hydration, privacy and dignity, communications, and end of life care.

New equipment introduced for critically ill patients

The Intensive Care Unit (ICU) at St. Mary's Hospital took delivery of new equipment to benefit critically ill patients. The equipment, funded by donations to the Isle of Wight NHS Trust's Charitable Funds, included a rehabilitation chair and Transfer Kits.

New life-like resuscitation manikins were also introduced to assist with resuscitation training across the Trust.

District Nurse wins memorial prize from the Queen's Nursing Institute

Isle of Wight NHS Trust District Nurse Liane Worth was awarded the 'Philip Goodeve-Docker' memorial prize by the Queen's Nursing Institute. The prize is offered to the top performing student of the District Nursing Programme in every University in England Wales and Northern Ireland.

Liane started work as a domestic, quickly moving onto becoming a healthcare assistant before leaving to train as a Nurse at Southampton University. She is now an Associate Community Matron for the West and Central District Nursing Team.

Social care practitioner singled out for CQC praise

An Isle of Wight Council social care practitioner working on the frontline to prevent unnecessary hospital admissions, was singled out for praise by the Care Quality Commission.

Christine Cuthbert made a positive impact when she joined the busy emergency department and medical assessment unit at St Mary's Hospital, helping more people return home quickly with the care and support needed. Between January and April 2019 67.5% of the 120 patients she supported were able to return home in this way, avoiding the need for a precious hospital bed.

Her approach to social care at the sharp end of the NHS was deemed an example of national best practice by the Care Quality Commission.

Improvements made to Breast Screening Service

Women's experiences of breast screening led to improvements being made to the Breast Screening Service provided by the Isle of Wight NHS Trust.

Text reminders and flexible appointment times have been introduced to make screening as accessible as possible and encourage women to attend for their appointments.

The new measures were introduced after various consultation events gained feedback on the service including why some women did not take up appointments offered.

A new Clinical Academic Skills Suite was officially opened at St. Mary's Hospital

The Allison Harries Academic Skills Suite will benefit clinical staff working across the Isle of Wight NHS Trust including doctors, nurses, and allied health professionals. It offers a dedicated area for a variety of skills training, creating a better learning experience for all staff. It is named after former Education Centre Manager Allison Harries who began working at the Trust in 1982.

Pioneering app launched to help speed up skin care referrals

Two island GP practices; Argyll House Surgery in Ryde and St Helen's Medical Centre, started using a pioneering new app that speeds up how quickly a skin problem can be seen by a specialist and give a patient a diagnosis. As well as providing a quick and accurate service, it has also helped to free up the time of doctors and nurses so they can see more patients.

Partnership work secures trained bereavement volunteers for patients and their families

Families facing death and bereavement at St Mary's Hospital now have access to specially trained volunteers from Mountbatten, who can offer dedicated time to support people during this challenging period.

Working in partnership with Mountbatten the 'end of life care companions' were carefully selected and given comprehensive training by experts in end of life care at the hospice. This will help improve support to people in hospital who are dying, as well as to their loved ones.

Autumn

Trust welcomed improved rating from the Care Quality Commission

Care Quality Commission (CQC) inspectors identified improvement in most of our services following its planned inspection.

The Trust improved or maintained its rating in all five of the CQC's inspection areas – safe, effective, caring, responsive and well-led. With a 'Good' rating for Community, End of Life Care, Frontline Ambulance Services, NHS 111, and the Urgent Care Service.

Joint Isle of Wight Health and Care Plan launched

The Isle of Wight Health and Care Plan – a shared vision between the Isle of Wight Trust, Isle of Wight Clinical Commissioning Group and the Isle of Wight Council was launched to help people live more independently.

The focus of the plan is to help keep people out of hospital and avoid permanent admissions into care wherever possible. More than £800,000 is being invested in community services to support people in their own homes as part of their recovery after a stay in hospital.

Staff contributions celebrated through Unsung Hero Awards

The Isle of Wight NHS Trust held a week of events to celebrate the contribution of staff working behind the scenes as part of its Unsung Hero Awards. The Trust received 273 nominations from staff, volunteers, and members of the public praising NHS workers from across the service.

The winners were announced by the Trust's Director of Nursing, Midwifery and Allied Health Professionals, Alice Webster. A highlight of the ceremony was the Lifetime Achievement Award, given to Sheelagh Holme - a member of the Trust's switchboard team for 52 years.

Trust Volunteers Service recognised for Innovation in Volunteering

The Isle of Wight NHS Trust Volunteers Service received national recognition of their fantastic contribution to volunteering in the NHS.

The service, based at St. Mary's Hospital, was 'Highly Commended' for an "Innovation in Volunteering Award" by the Helpforce Champions Awards 2019. This was in recognition of its work to support NHS services on the Island and the relationship forged with local schools and the IW College.

Flagship partnership announced to deliver Island mental health services

A flagship partnership was announced between Solent NHS Trust and Isle of Wight NHS Trust to deliver mental health services on the Isle of Wight.

Led by a joint transformation team, it will be an opportunity for both Trusts to transform services by sharing ideas and support to provide care out of hospital, keep people safe, well and independent at, or close to, home.

New Urgent Treatment Centre introduced

As part of moves to improve urgent and emergency care, a new Urgent Treatment Centre (UTC) was introduced.

The UTC treats minor illnesses and injuries that require immediate care but where patients do not need care in the busy Emergency Department. It quickly had a positive impact reducing Emergency Department waiting times as people were cared for in a much more appropriate place.

Diversity focus for Christmas tree competition

Staff at the Trust and Isle of Wight College rose to the challenge of designing a Christmas tree representing equality and diversity – a 'Diversitree'.

The initiative was organised by Hazel Pither, Operational Lead for Equality and Diversity at the Trust and Rosie Barnard, Equality and Diversity Manager at IW College**.** Trees were judged on their innovation and alignment with the theme of equality and diversity.

Winter

Inspectors find improvement in Community mental health services

Community-based mental health services on the Island were found to have improved according to inspectors from the Care Quality Commission (CQC).

The health regulator found following its unannounced inspection that the Isle of Wight NHS Trust has taken action to reduce waiting times and improve how the service reviews patient risk.

Inspectors found waiting times for psychological therapies had reduced, staff caseloads had been reduced and were safe and that the Trust had an agreed and monitored time frame for staff to complete risk assessments.

Heart failure nurse specialist wins prestigious national award

Community Heart Failure Clinical Nurse Specialist, Georgina Newnham, won a prestigious National Award for her outstanding patient care.

Georgina, who works at St. Mary's Hospital, received a 'You're Simply Marvellous' award by heart failure patient, Dana Edkins. The "You're Simply Marvellous" award was one of five awards given by the UK's Heart Failure Charity, The Pumping Marvellous Foundation.

New community nurse-led unit opens

Isle of Wight NHS Trust opened a new 14-bed Community Unit to help ease winter pressures and support people to leave hospital as soon as they can.

The new nurse-led unit on the site of the former Compton Ward at St Mary's Hospital was part of the Trust's plan to manage increased demand during the winter months and to support people to leave hospital.

Partnership announced with Portsmouth Hospitals NHS Trust

A partnership between Isle of Wight NHS Trust and Portsmouth Hospitals NHS Trust was agreed to improve hospital-based services for people living on the Island.

The partnership will see the Trusts build on current joint working and strengthen close working relationships. It will also explore how the two organisations can plan together to better share expertise, ways of working and resources, to improve services for local people and deliver more sustainable services for the future.

Island consultant awarded prestigious honorary citation

Consultant Physician in Endocrinology and Diabetes Mellitus, Dr Victor Lawrence was awarded an Honorary Citation from the College of Podiatry.

Dr Lawrence, who is based at St. Mary's Hospital, was one of only two recipients of the prestigious award given by the College at an annual awards ceremony.

An Honorary Citation is awarded to professionals for their contribution to the development of the profession in the spheres of research, new practice systems or other areas of benefit.

Collaborative training to grow diversity champions

In collaboration with Hampshire and Isle of Wight Police, the Isle of Wight NHS Trust held a training day to raise awareness of the issues faced by Lesbian, Gay, Bi-sexual & Transgender people (LGBT+).

The training focused on the challenges that people within the LGBT+ community face and gave insight into the role of becoming a 'Diversity Champion'. This included how to have difficult conversations with colleagues and how to challenge negative cultural behaviour.

New End of Life Care Unit Opened

A new three-bed End of Life Care Unit to help support people as they approach the end of their lives was opened by the Trust, as part of the programme of improving acute and hospital-based services on the Island.

The new nurse-led unit was opened initially on a 12-week pilot basis with a view to it becoming a permanent addition to St Mary's Hospital.

'Where best next' campaign launched to aid patient discharge

The Trust launched a new initiative to help ensure patients are discharged from hospital in a safe, appropriate, and timely way.

The 'where best next' initiative sees patients and their families discuss at an early stage the best care paths for patients leaving hospital, working on the basis that 'home first' is the best option.

Carers lounge offers growing support to Island carers

In just two years, the Carers Lounge at St Mary's Hospital has supported over 1,200 carers. Run by Carers IW, the Carers Lounge recognises the pressures of caring and offers unpaid

carers information and a range of support. It is open to all carers of adults regardless of their funding issues.

Trust supports Island Care and Nursing Homes to protect vulnerable residents

The Technology Enabled Care (TEC) Team at the Trust accelerated the roll-out of telehealth monitoring equipment and training to care and nursing homes to try and reduce the risk of transmission of Covid-19 to the Island's most vulnerable residents.

The combination of the new devices and Attend Anywhere software will enable GPs, hospital doctors and other health professionals to have virtual consultations with patients, avoiding the need for face-face appointments.

PERFORMANCE REPORT

Overview

The purpose of this section of the Annual Report is to provide background information about the Isle of Wight NHS Trust. It provides information on our purpose, values and objectives, the key risks related to the achievement of those objectives and an understanding of how we have performed over the year 2019/20.

Chief Executive's Statement and summary

It has been another challenging year for the Trust, not least owing to the unprecedented changes we have had to bring about as an organisation to enable us to effectively manage the emergence of the Coronavirus (Covid-19) pandemic in the last quarter of 2019/20. However, our staff have risen to the challenge and through our close partnership working and with the support of the local community, we have come through some significant hurdles and further developed our resilience as an organisation.

At the outset of 2019/20, we knew we already had a significant journey ahead of us to continue our drive towards improving our quality of care. Although we still have some way to go to achieve our target of 'Good', we were pleased with the in-year progress that the Care Quality Commission identified. This resulted in our adjusted overall rating from 'Inadequate' in 2018/19 to 'Requires Improvement'. We were also delighted that some of our individual services were also rated as 'Good' overall in this period including: Community, End of Life Care, Frontline Ambulance Services, NHS 111, and Urgent Care.

We were disappointed that community mental health services remained inadequate at the point of the CQC's revised judgement, however a subsequent unplanned inspection during the year has since recognised improvements in the safety of the service. It is an area of service that we have continued to transform over the course of the year, building new partnerships for service delivery and putting in place procedures to safeguard patients and manage risk and caseload. With the help of our new partners this continues to be an area of ongoing focus and we are determined to get this right for our most vulnerable residents who need our support.

We have worked hard to improve patient flow this year, introducing a new Urgent Treatment Centre to treat minor injuries and illnesses that are urgent but not life threatening - as part of our approach to freeing up our busy Emergency Department. This has contributed to improving waiting times, although we have still fallen short of our targets for the four-hour standard in emergency care and we must work harder to improve this in the coming year. We have also continued our work to reduce delayed transfer of care, helping people return home quickly with the care and support they need by working closely with social care practitioners.

Our referral to treatment times are still not where they should be and this must be a continuing priority into 2020/21, particularly for cancer patients. We also need to reverse the upward trend in mixed sex accommodation breaches and continue to implement our improved standards of care for all patients.

We must at the same time celebrate our successes. Amongst these, the CQC recognised the overall improvement in the Ambulance Service, in particular the urgent and emergency element of the service which was rated "Good", and our NHS 111 service continues to perform well and achieve better than national averages in terms of performance indicators. We have many more achievements that I am proud of this year, both collective gains and individual successes, which are highlighted in the opening section of this report.

Our staffing levels continue to be a challenge and we are still having to rely on more agency staff than we would like to because of workforce shortages and recruitment difficulties. We continue to work with partners across the Hampshire and Isle of Wight area through our Sustainability and Transformation Partnership (HIOW STP) and with local partners through our Integrated Care Partnership (ICP) to try and address these issues. We are also working together to redesign services and ensure appropriate investment where it has the potential to make a real difference for our community.

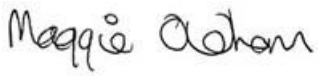
We have been working this year with our HIOW STP partners to create our Strategic Delivery Plan to respond to the NHS Long Term Plan. It will set out our approach over the next five to ten years to help deliver a fit for purpose, and fit for the future, health and care system for Hampshire and Isle of Wight residents focussing on the following five key goals:

- empower people to lead healthy lives.
- deliver the future in our plans by implementing a 21st century approach to care.
- use our resource for the benefit of local people.
- deliver a quality of care for local people of which we can be proud.
- create a health and care system for Hampshire and the Isle of Wight within which people want to work.

We have also been working closely with our local health and care partners within the ICP to develop a new Isle of Wight Health and Care Plan which will guide how we work together to change health and care services to better meet people's needs and to make those services sustainable. It will also guide how we work together to ensure best use of public money, improving productivity and financial sustainability in the NHS and social care. We started to deliver this plan in 2019/20 and this has formed the basis for the development of a longer-term strategy for the Trust. With the advent of Covid-19 we have had to pause the finalisation of our Trust strategy but will continue to develop this in 2020/21 and work to deliver this through key programmes with our partners.

We received a welcome £48m of additional funding for investment in NHS buildings and IT this year and we have been developing a strategic outline case for the allocation of that spend that we will agree with the Government this year. However, with the additional improvements that we have put in place this year to address quality of care and other standards, the cost of agency staff and not being able to deliver our full cost improvement programme, our finances continue to be under pressure and we remain in financial special measures at this time. We continue to work to close our annual cost gap, but it remains one of our key challenges.

The impact and recovery from the Covid-19 pandemic response will be a key factor in the year ahead. We intend to play our role in ensuring prompt payment of our suppliers to ensure continuity of supply of goods and services to us, help protect businesses and jobs and support the national and local economy. We will also continue to focus on supporting our staff, putting in place the necessary measures to safeguard their emotional wellbeing during this difficult time. As we emerge into the 'new normal' it is my hope that we retain our strength and resilience to drive us forward and continue our improvement journey to the benefit of our community.



Chief Executive

Maggie Oldham

Overview of the Trust and its services

About the Trust

Established in April 2012, the Isle of Wight NHS Trust is the only integrated acute, community, mental health, and ambulance healthcare provider in England.

We employ around 3,000 staff and provide a full range of healthcare services to a relatively isolated offshore population of just over 140,000 people on the Isle of Wight.

Following a Care Quality Commission Inspection in May 2019, the Quality of Care we provide was rated 'Requires Improvement' overall and 'Good' in some areas. This marked an improvement on our journey to 'Getting to Good' compared to the previous year.

What we do

We provide acute services at the Trust from St Mary's Hospital in Newport. We have 246 beds and around 22,850 admissions each year (excluding Endoscopy 4,910 and Chemotherapy 5,140 but including ambulatory care 2,000).

Our services include A&E, the Urgent Care Service (referral only), Emergency Medicine and surgery, planned surgery, and intensive care. We also offer comprehensive maternity, NICU and paediatric services. During 2019/20 we recorded 988 births. Within our acute services, we also deliver a number of planned care services including chemotherapy and orthopaedics.

We also deliver community care services in patients' homes, in primary and other community settings in each of the Island's three locality areas: West and Central, North East and South. This includes district nursing, health visiting, community nursing and a primary dental care service.

From the St Mary's site, we also deliver podiatry, physiotherapy, and orthotics as well as inpatient rehabilitation and community post-acute stroke wards. There is also consistent support offered for children and young people through the 0-19 service, consisting of health visitors and school nurses.

Our mental health services provide inpatient and community-based mental healthcare. The Trust's mental health service has 42 beds alongside a community mental health team supporting (as at end March 2020) a caseload of 897 patients. Our portfolio also includes specialist child and adolescent mental health services (CAMHS), an early intervention in psychosis team, single point of access, home treatment team, primary care psychological therapies team, Memory service and the dementia outreach service. We also provide community learning disability services.

We also operate an ambulance service that delivers all emergency and non-emergency ambulance transport with 23,320 emergency calls (all Public 999, GP urgent, police, fire, and coastguard calls) and 24,186 ambulance responses during 2019/20. The service operates from standby points across the Island, with a main central base at St Mary's Hospital in Newport. The service is also responsible for transporting patients to mainland hospitals when required.

We work in partnership with colleagues across the NHS, Social Care, Local Government and the voluntary sector both on the Island and across Hampshire making sure people have the right care, in the right time and in the right place, so that our residents can lead as full and independent lives as possible.

Our operating context and challenges

National developments

Brexit remained an issue for the NHS throughout 2019. While some certainty was achieved when on January 23 this year, the European Union (Withdrawal Agreement) Act received Royal Assent, the country remains in a transition phase. Many details with a bearing on the NHS remain undecided including future policies towards the immigration of skilled workers, including healthcare professionals.

In what was an election dominated by Brexit, the NHS was nevertheless a key battleground during campaigning. All parties placed it at the heart of their manifestos and the man who would emerge as the country's new Prime Minister, Boris Johnson, stated that the NHS would be the new Government's top priority.

In the 2020 Budget, it was announced NHS England nationally would, compared to 2018-19, receive a cash increase of £34 billion a year by 2024. In addition, the Budget committed over £6 billion of new funding over the current Parliament with the aim of creating 50 million more GP surgery appointments per year, ensuring there were 50,000 more nurses, and funding wider commitments on hospital car parking and support for people with learning disabilities and autism. The Budget also set out action to ensure that pensions tax rules did not deter doctors from taking on additional shifts.

The budget also made specific provision in response to the threat of the Covid-19 pandemic which, at the time of writing, was an issue dominating public discourse and, of course, the NHS. The budget included a £5 billion COVID-19 response fund to ensure the NHS and other public services received the funding required to deal with the outbreak

At the close of 2019 and with one eye on 2020 (named International Year of the Nurse and Midwife in recognition of the 200th anniversary of Florence Nightingale's birth), NHS chief executive Simon Stevens urged people of all ages to consider embarking on a career in the health service. At the same time the Government announced all nursing students on courses from September 2020 would receive a payment of at least £5,000 a year which they will not need to pay back.

Mr Stevens also pointed out that, over the last 12 months alone, the NHS had delivered a number of firsts, including opening new clinics for children with gambling and gaming addictions, providing new treatments for conditions like cystic fibrosis, and funding miracle cures to restore children's sight.

Some familiar national challenges have remained during the past year. These included the need to improve the integration between health and social care against the backdrop of an aging population and developing pro-active, bespoke, and co-ordinated approaches to mental health.

Socio-economic challenges

Over a quarter of our resident population (27.3 percent) is aged over 65 years, the seventeenth highest level of any local authority in England and Wales. In the coming years, the number of 65 to 84-year-olds will increase by 20 percent while the over-85s group will increase by 24 percent. While lengthening life expectancy is, of course, something to be celebrated, it is also true that with increasing age comes increasingly complex health needs.

In addition, as a holiday destination, the Island's population swells significantly in the summer months due to an influx of visitors – during the holiday period, we can typically see 20% more

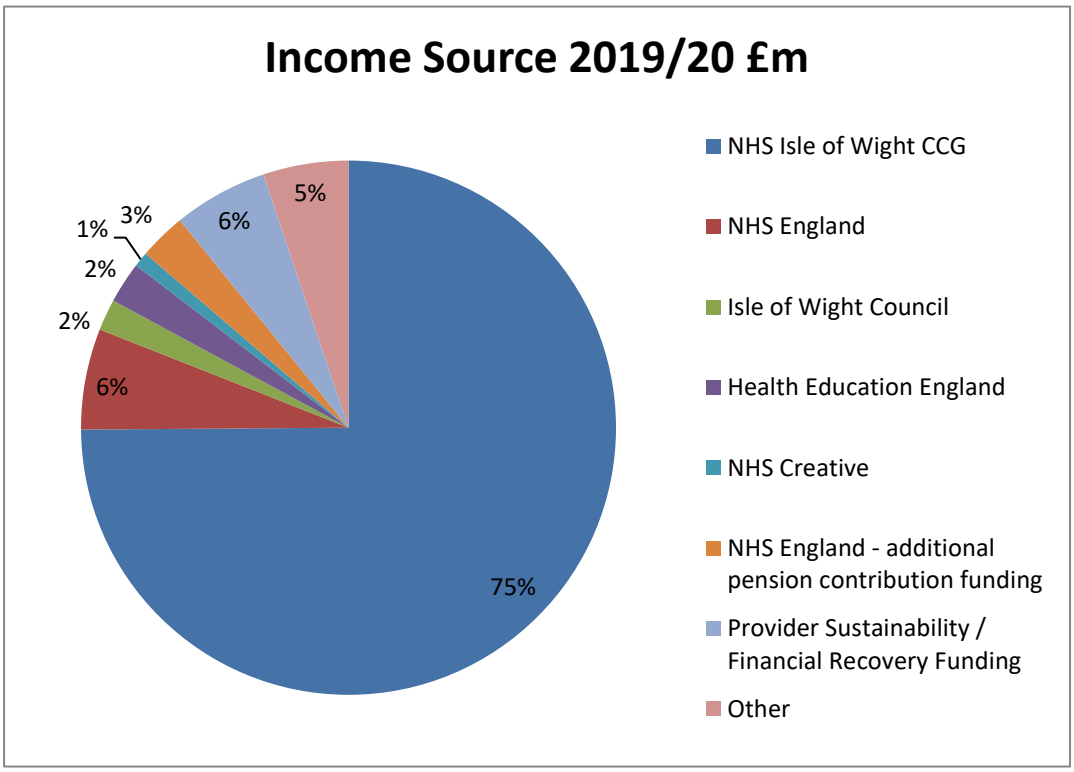
attendances at the emergency department. With the impacts of seasonal winter illnesses these factors combine to give year-round pressures on the service.

The realities above are compounded by the Island's geographical separation from the mainland by sea. This year, the health secretary Matt Hancock became the first health secretary to acknowledge this when in July he said the Island was; "unique in its health geography, and that there are places in this country—almost certainly including the Isle of Wight—where healthcare costs are higher."

The geography of the Island also presents huge workforce challenges in addition to those already experienced nationally throughout the NHS, including shortages in most professions, many trained staff leaving the NHS prematurely and limitations on international recruitment. However, we continue to be ambitious in our drive to encourage the very best people with the right skills and values to join and remain with the Trust.

Financial challenges

The Trust had an income of £199.9m during 2019/20 (£175.7m in 2018/19) of which 75% was derived from the NHS Isle of Wight Clinical Commissioning Group (CCG).



Income Source	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m
NHS Isle of Wight CCG	135.2	138.2	140.0	149.7
NHS England	12.3	10.3	11.3	12.2
Isle of Wight Council	6.6	7.5	5.7	3.8
Health Education England	3.8	4.1	4.7	5.0
NHS Creative	2.5	1.9	1.8	1.8
NHS England - additional pension contribution funding	0	0	0	5.7
Provider Sustainability / Financial Recovery Funding	0	0	0	11.4
Other	10.7	9.4	12.2	10.3
Total	**171.1**	**171.4**	**175.7**	**199.9**

As reported in the Annual Accounts the Trust returned a deficit in 2019/20 of £17.7m (£30.1m).

Our annual costs gap amounts to around £11m a year. While there has been an increase in NHS funding announced nationally and some welcome grant funding issued locally to us in the form of £48 million for building and IT improvements, budgetary issues remain a challenge and the Trust remains in financial special measures.

The business as a Going Concern

This year the Trust achieved its financial targets in quarters 1 to 3. In quarter 4, against a backdrop of increased financial and patient activity pressures across the NHS and Social Care, the Trust was unable to meet its financial targets. The Trust continued in Financial Special Measures throughout 2019/20. The Trust has returned an in-year deficit of £17.7m, which includes receipt of £11.4m of Financial Recovery and Provider Sustainability funding (FRF/PSF) and achieved £6.6m savings or 75% achievement through the Cost Improvement Programme. The DHSC provided deficit funding of £17.7m as revenue support loans in year bringing the total revenue support loan funding to £90.9m at 31 March 2020, of which £5.3m is in lieu FRF/PSF.

In March 2020 NHSE&I announced revised arrangements for NHS contracting and payment to apply for the first four months of the 2020/21 year due to the Covid-19 pandemic. This has effectively paused planning against the above trajectory and targets, although the Trust intends to work towards these as best it can.

The contracting arrangements for the rest of 2020/21 and beyond have not yet been definitively announced but it remains the case that the Government has issued a mandate to NHS England for the continued provision of services in England in 2020/21 and CCG allocations have been set for the remainder of 2020/21. The Trust can therefore continue to expect NHS funding to flow at similar levels to that previously provided where services are reasonably still expected to be commissioned.

These factors all support the adoption of the going concern concept. The underlying deficit and reliance on future additional support funding from NHSE&I, which is linked to achieving financial plans, does however indicate the existence of material uncertainty which may cast significant doubt about the Trust's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Trust were unable to continue as a going concern.

Quality Care challenges

We also continue to face challenges around the need to drive up the standard of care within our services.

The General Medical Council placed the Trust in enhanced status following visits to the Trust in autumn 2018 and spring 2019.

As a Trust, we were also placed in special measures by NHS Improvement in 2017 against our Quality of Care and rated as 'Inadequate' however, following planned inspections during May 2019, the CQC recognised our efforts to improve services and in September 2019 revised its rating to 'Requiring Improvement' with several of our individual services; Community, End of Life Care, Frontline Ambulance Services, NHS 111 and Urgent Care rated as 'Good'.

Community based mental health services had remained inadequate during this period however, following an unannounced inspection of the Trust's community-based mental health

service for adults in December 2019, the Care Quality Commission (CQC) recognised improvements had been made with action taken to reduce waiting times, to reduce caseloads to a safe level and improvements made to how the service reviewed patient risk.

Covid-19 challenges

Towards the end of the year, like the rest of the UK, we were hit with the Coronavirus (Covid-19) pandemic which has had a significant effect on our staff, our operational performance, finances and working practices.

All our staff (clinical and non-clinical) have risen to the challenge and demonstrated exceptional commitment which, together with the support of our community, resulted in some of the lowest numbers of confirmed cases in the UK (11), second only to Rutland by the end of March 2020. Sadly, two members of the public died of Covid-19 during this period.

During this time, Coronavirus sickness absences among staff recorded at the end of March were 256. This amounted to 67% of all absences - the majority among frontline staff in nursing and midwifery and additional clinical services.

Keeping staff updated during the coronavirus crisis has been hugely important so we have produced a daily Covid-19 bulletin for staff containing the latest information, guidance, and support. This has been an important avenue for sharing details of psychological support we have made available to staff, both via online apps and telephone support.

On the ground we worked with military planners to significantly increase the number of beds available at St Mary's. Part of this work included relocating the community unit to Solent Grange Nursing Home to increase capacity. We also installed additional shower units across the site to provide extra facilities for staff to get clean after working on the wards. Extra measures have also included restricting access to the hospital site and insisting that all those entering the building use hand sanitiser. The sourcing of PPE has also been a major focus, with work to double stock levels each week.

Mental health services have created mental health isolation beds for people with Covid-19 requiring mental health admission, and have also established a new integrated crisis and liaison hub in order to improve access to services for people in mental health crisis at this time.

Another important piece of work has been to secure accommodation on the Isle of Wight for hospital staff who need it. This includes those who may be unable to return home in order to protect a vulnerable family member who needs shielding, staff who normally commute from the mainland, those who may need to be closer to the hospital while working extra shifts, and those self-isolating away from family members due to symptoms. We have also instigated our redeployment plan to ensure we can deliver safe services for patients and the community. A non-clinical training scheme has also been launched to enable staff to learn new skills to support frontline clinical colleagues.

It is clear that the pandemic, by the end of March, is still some time from reaching its peak and we must continue in our efforts to maintain rigorous processes to help us manage through this period and maintain our drive to increase quality of care standards.

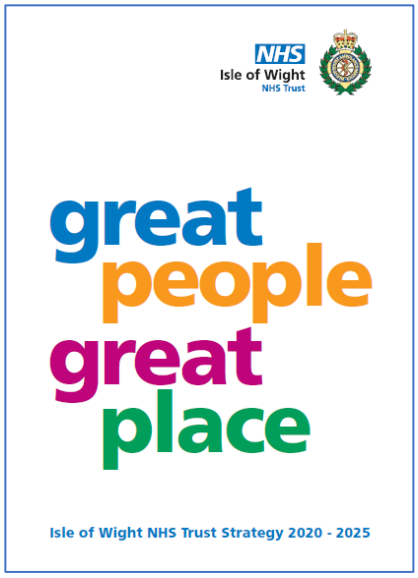
We will also be continuing to assess how we will recover as an organisation from this period and continue our journey of improvement. With inspections unlikely to take place this year, we must continue to assess the measures we have in place to review our performance and keep a tight rein on risk and finances as we go forward.

We must also not underestimate the impact on our staff, and we are actively ensuring that measures are in place to support their health and wellbeing.

Our vision, objectives, strategy, and plans

Our vision and strategic objectives set our direction of travel. They enable us to continue to improve our services, to meet the needs of our community and to use our resources in the most effective way possible.

As a result of being placed in quality special measures in 2017 and financial special measures in 2019, the Trust's direction of travel has been focused on making the required improvements. This involved the development of a three-year sustainability plan, the *Island Health and Care Plan*, with partners across the Island's health and care system. We started to deliver this plan in 2019/20 and this has formed the basis for the development of a longer- term strategy for the Trust.



We reviewed our vision and mission to ensure that they effectively articulate our ambition and focus:

Our Vision
High quality, compassionate care that makes a positive difference to our Island community.

Our Mission
Make sure that our community is at the heart of everything we do, working together and with our partners to improve and join-up services.

We will improve the health and wellbeing of people who use our services, our staff, and our Island community. Our strategy sets out how we will work together, with our partners and with our community, to improve and integrate health and care services.

Our strategy will guide how we set our priorities each year and it will help our teams to plan and take decisions. It responds to the changing needs of local people and national priorities, including the NHS Long Term Plan. For us to succeed we need to do things differently.

To deliver our strategy and the improvement in services that we all want to see it is important that we set clear objectives.

The 4Ps, **People, Performance, Partnerships** and **Place** describe what our organisation wants to achieve (its strategic objectives) and what success will look like for our community, staff, and patients.

People - *Our people make a positive difference every day.*

We will:

- Make our Trust a great place to work and to be cared for
- Work with our partners and our community to improve services

Looking after the health and wellbeing of our staff and volunteers is part of our wider ambition to deliver high quality, compassionate care and to make a positive difference to our Island community.

Performance - *We share a total commitment to improving what we do.*

We will:

- Deliver high quality, compassionate care
- Make sure our services are clinically and financially sustainable

The quality of the services we provide and how well-managed our finances go hand in hand.

Partnerships - *Our partnerships make us stronger.*

We will:

- Join up health and care services by working more closely with our partners

We cannot face our challenges alone. Working in partnership has helped us to improve many of our services. It will help us continue to improve and make a difference to our local community.

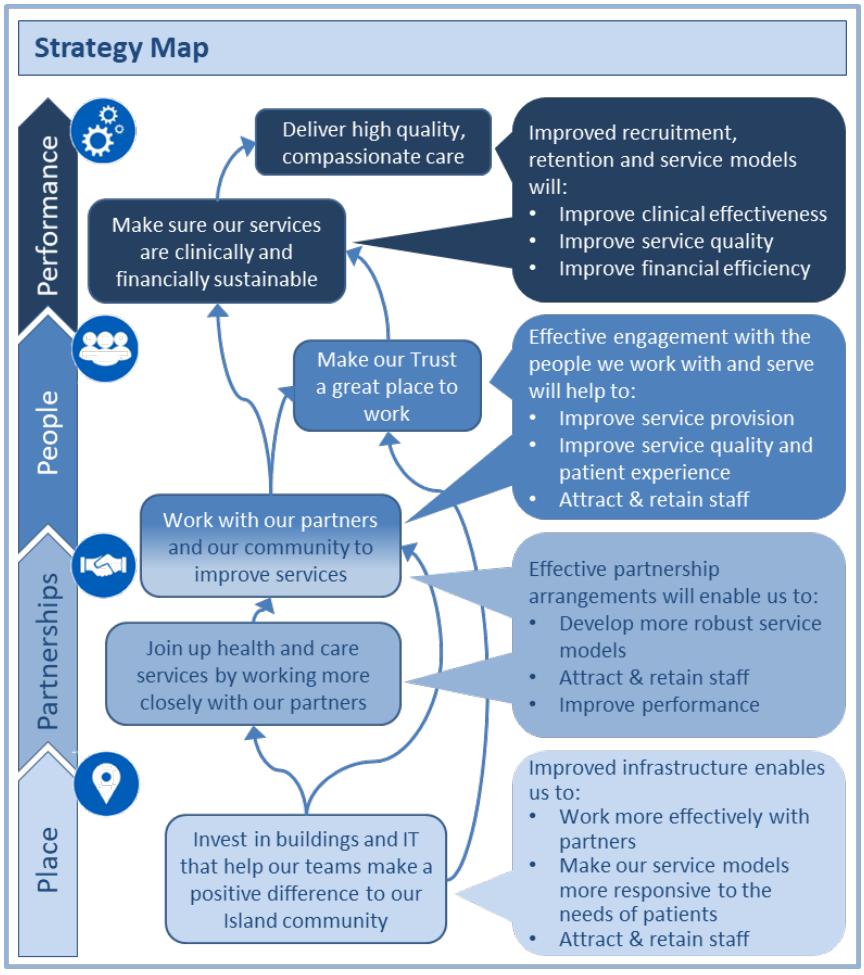
Place - *Investing to improve how people experience health and care.*

We will:

- Invest in buildings and IT that help our teams make a positive difference to our Island community

Our services must respond to the needs of our Island community. Investing in better buildings and IT will improve services and reduce the amount that people need to travel for their care.

The strategy map below illustrates the alignment of the 6 strategic objectives.



As a result of the Trust's response to the national Covid-19 crisis, finalisation of the Trust's strategy has been paused.

During 2020/21 we will finalise the Trust's strategy and this will include a review of lessons that have been learned during the response to Covid-19. We will then work to operationalise the strategy through the implementation of key programmes of work with our partners.

Our values and behaviours

Our values and behaviours guide how we approach our work to meet our vision and objectives.

These were developed from the feedback we had received from staff and patients through the Leadership and Culture programme carried out during 2018-19.

Our values are described as our CARE values:

Compassion:

- Helping others in need
- Being caring and supporting
- Showing empathy
- Being non-judgemental

Accountable:

- Providing safe care
- Taking responsibility
- Doing the right thing
- Delivering quality improvement

Respect:

- Building trust
- Being open and honest
- Recognising achievement
- Celebrating success
- Encouraging others

Everyone Counts:

- Putting people first
- Working together
- Valuing our differences
- Promoting inclusion
- Believing in myself and others

We have continued to embed these values throughout our organisation, and they form a key part of our communications and performance appraisals with staff.

Partnership and sustainability

A key part of our strategy is to work with our partners and our community to improve and sustain services.

While we remain the country's only fully integrated NHS Trust, we are also an active partner in various regional organisations.

Hampshire and Isle of Wight Sustainability and Transformation Partnership (STP)

The NHS Long Term Plan was published in January 2019 and set out the national expectations for the NHS over the next five to ten years. The plan outlined a significant number of expectations and health systems across the country were asked to articulate by November 2019 how they were going to respond.

Within Hampshire and the Isle of Wight, our partner organisations worked together as the Sustainability and Transformation Partnership (STP) to produce a 'Strategic Delivery Plan', a document describing how we intend to deliver the aims of the national Long Term Plan while addressing our local priorities.

Our plan includes commitments to changing how our health and care organisations work together, transforming patient pathways, addressing our financial deficit and workforce gap, and delivering the significant number of initiatives included within the Long-Term Plan.

The regional plan comprises five key goals against which we will monitor progress. These are to:

- empower people to lead healthy lives.
- deliver the future in our plans by implementing a 21st-Century approach to care.
- use our resource for the benefit of local people.
- deliver a quality of care for local people of which we can be proud.
- create a health and care system for Hampshire and the Isle of Wight within which people want to work.

Since April 2018, the Isle of Wight Clinical Commissioning Group has been a member of the Hampshire and Isle of Wight Partnership of CCGs - a partnership of five regional CCGs (Fareham and Gosport and South Eastern Hampshire, North East Hampshire and Farnham, North Hampshire and the Isle of Wight) which manage a budget of £1.4 billion and serve a population in excess of one million.

Ensuring patients receive the care they need, in the right place and at the right time remains the top priority for the Partnership.

In line with this, the aim of the Partnership is to help accelerate improvements in patient care, be more effective and to reduce duplication. By working together, the Partnership shares capacity and skills and operates with greater consistency with our partners for the benefit of patients.

The Partnership will:

- Ensure local people have access to timely and high-quality care.
- Work with patients and our health and care partners to integrate and improve services.
- Support and develop our clinicians and staff so they can deliver the best services and support for our communities.

Where it makes sense to do so, the Partnership will work at scale to fast-track health improvements across a large area and implement these improvements locally. Working at scale ensures that we use our limited resources wisely, as well as learn from others who have already implemented an improved service/system.

2019/20 New partnership developments

In line with this and in respect of our commitment to improve Acute (hospital-based) Services, we were pleased to announce further partnerships this year including:

- a partnership with Portsmouth Hospitals NHS Trust (PHT). The Trusts are exploring how the two organisations can plan together to better share expertise, ways of working and resources to improve services for local people.

- a partnership with Solent NHS Trust to deliver another Health and Care Plan priority – to transform Mental Health and Learning Disability Services on the Island.
- a Memorandum of Understanding between South Central Ambulance NHS Foundation Trust and the Isle of Wight Trust for ambulance services to set out how we will work together, what our priorities are and how we will deliver these.

Hampshire and Isle of Wight Local Resilience Forum

Our strong relationship with agencies across the region has come to the fore during the response to the Covid-19 outbreak, which was declared a major incident by the Hampshire and Isle of Wight Local Resilience Forum (HIOW LRF). The forum comprises all public sector partners in Hampshire, Portsmouth, Southampton, and the Isle of Wight.

Working collaboratively has helped all partners, including all the emergency services, who were able to use joint working arrangements to manage, and where possible minimise, the impact of the virus on our population.

Local Care Board and Integrated Care Partnership

During the year, the Trust continued to work with partners on the Local Care Board (LCB) to agree plans and strategies so there is a comprehensive and co-ordinated approach to address health and care issues for the Island population. The Local Care Board comprises the executive officers from the Isle of Wight Council, the Isle of Wight Clinical Commissioning Group and the Isle of Wight NHS Trust and is supported by the council's cabinet member for Adult Social Care and Public Health.

The Isle of Wight Health and Care Plan was published in July 2019 in partnership with the Trust, the Isle of Wight Council and the Hampshire and Isle of Wight Clinical Commissioning Group Partnership. The Plan sets out a number of priorities for health and care on the Isle of Wight that will see people living healthy, independent lives. The Health and Care Plan sets out changes to health and care services to meet the needs of our local community by working more closely together to improve the services we provide and improve our finances, making sure that health and care services on the Island are there to support future generations.

In February 2020 the Local Care Board became the Integrated Care Partnership (ICP) through a partnership of the Hampshire and Isle of Wight CCG Partnership, Isle of Wight NHS Trust, Isle of Wight Council, local GPs and many others working together to improve health and care on the Isle of Wight. With much work already underway, all organisations share a vision for health and care on the Isle of Wight that will see people living healthy, independent lives.

Our Membership

The Trust is a key part of the island community and we run programmes of engagement to strengthen our relationships with local groups, our stakeholders, and individuals.

The Trust remains committed to being a 'membership organisation' and currently has circa 6,000 subscribed 'public members'. These are members of the public, who have an interest in, or want to make a difference to healthcare on the Island.

Using the 'Gov Delivery' system, members now have full control over their subscription preferences. This ensures that they do not miss out on receiving information and invitations about the services that are of greatest interest to them. We have grown our subscriber lists in several categories including meeting & events, mental health, ambulance, community, hospital news, health and wellbeing and recruitment.

It is usual for the Trust to hold five 'Medicine for Members' meetings but this year, due to Covid-19, two of these planned meetings could not take place. These meetings are to inform the public about what is happening across the Trust giving them the opportunity to quiz the clinicians and senior team. The three meetings held this year highlighted the changes and improvements seen in each of the Trust's four key service areas, as well as the 'Isle of Wight Health and Care Plan' and 'Mental Health Services Partnership with Solent NHS Trust'.

Activity this year also included a presentation stand at the Isle of Wight music festival in June 2019 to engage with members of the community on some of the Trust's core services including Ambulance Training & Community Response Service, 0-19 service, physiotherapy and working for the Trust.

Our Patients Council

Our Patients Council meet on a regular basis to discuss developments and plans that could impact on patients and the wider public. This year the Patients Council recruited seven new members, increasing the total number of representatives to 24. They help provide patients' perspectives and help address matters identified as important by patients. Members of the Patients Council are involved in shaping strategies and new initiatives within the Trust and they also provide regular representation to various Trust committees and the Trust Board meeting.

The Patients Council continues to make themselves more visible to the island public so they can seek more views and be more representative of the island's needs. They have made links with Age UK's Age friendly forums and a member of the council is now a Governor for Southampton General Hospital. The Patients Council has strong links with Healthwatch Isle of Wight and the Chair of the Patients Council has been invited by the Local Authority to attend the meetings of the Policy and Scrutiny Committee for Health and Social Care.

The Patients Council have been helping carry out ward assessments which are part of the ward accreditation programme and all members now have nhs.net email accounts to ensure secure transfer of all Trust information.

Engaging with our MP

We keep regular contact with our local MP on the Island, and we communicate and engage with our MP with regards to service changes and improvements.

Scrutiny Committees

We have built strong relationships with both the Isle of Wight Council Corporate Scrutiny Committee and its Policy and Scrutiny Committee for Health and Social Care and we participate in their public meetings to update on service changes and improvements and answer questions about our organisation and its performance.

These bodies consist of elected local councillors and hold NHS organisations to account for the quality of their services on behalf of their local public.

Healthwatch

Healthwatch England is the independent consumer champion for health and social care in England – to ensure the voice of the consumer is heard by the people that commission, deliver and regulate health and care services.

Healthwatch England supports the range of local Healthwatch bodies across the country. We work closely with our local body; Healthwatch Isle of Wight, welcoming their input as 'critical friends'. As part of our ongoing relationship:

- Local liaison representatives from Healthwatch attend our regular meetings with patient representatives.
- We welcome Healthwatch to our events, such as our Annual General Meeting and meetings of the Trust Board which are held in public.
- We send regular news items about the Trust for inclusion in their communications.
- We engage with Healthwatch about service changes and seek their comments and respond to their reports.

Corporate social responsibility

Positive engagement with our local community continues to provide us with a bank of volunteers who can assist us with fundraising, greeting patients and visitors, a friendly face on wards etc.

We have continued to engage with the public through interactive events to help people learn about the various professions in the NHS. We have held events and activities to enable people to sign up to the Trust temporary staffing bank and to get further information on substantive positions within the organisation.

Our engagement with the public has been accelerated by the introduction of social media tools that are dedicated to careers and recruitment within the Isle of Wight NHS Trust. These pages are regularly updated with details on vacancies, apprenticeships, open days, success stories and work experience opportunities.

Facebook: www.facebook.com/TEAMIOWNHS/

Instagram: @IOWNHS_Trust_Careers

LinkedIn: Isle of Wight NHS Trust

Volunteering

The Isle of Wight NHS Trust is grateful to have the support of approximately 300 volunteers who generously offer their time to the Trust to assist our patients, visitors, and staff. Volunteers offer a wide variety of support across all divisions (acute, mental health, community, and ambulance) and do incredible things every day to help our services.

Our relationship with volunteers is strengthened by regular communication, including a monthly newsletter with details on Trust-wide news, volunteer vacancies and good news stories. We have also amended our drop-in sessions to take place more frequently from quarterly to monthly. Feedback has shown that volunteers value the opportunity to talk about their volunteering experiences and to offer suggestions. These drop-in sessions have proved to be a welcome event amongst the volunteers.

We are proud to report that this year the Isle of Wight NHS Trust was nominated for the 'Innovation in Volunteering' award and was recognised as 'Highly Commended'.

We continue to develop roles for volunteers by working with divisions to ensure that the time volunteers dedicate to the Trust is effective, efficient, and meaningful.

To ensure that we are leading volunteers alongside national guidelines, we are members of the National Association of Voluntary Service Managers (NAVSM) and regularly attend quarterly meetings and an annual training seminar.

We have also continued to enhance our strong links and partnerships with Age UK Isle of Wight, Mountbatten, Isle of Wight College, Helpforce and Community Action IW.

Supporting and developing our people

The Isle of Wight NHS Trust employed an average of 3,202 staff (3,100 in 2018/19) and at 31 March 2020, the equivalent of 2,809 full-time staff were employed (2,717 in 2018/19), with 400 bank workers and additional support from around 300 volunteers.

Employees by staff group (Average staff numbers)	Permanent Staff	Other	Total
Medical and dental	234	70	**304**
Ambulance staff	123	2	**125**
Administration and estates	789	2	**791**
Healthcare assistants and other support staff	562	124	**686**
Nursing, midwifery, and health visiting staff	760	147	**907**
Scientific, therapeutic, and technical staff	341	48	**389**
Other	0	0	**0**
Total average numbers	2,809	393	**3,202**
Number of employees (WTE) engaged on capital projects	6	0	**6**

Recruitment issues have remained a challenge with 282.74 FTE (8.98%) vacancies as of 31 March 2020 - the majority in Medical, Registered Nurses (RN) and Allied Health Professionals (AHPs) where the reliance on temporary staff is higher.

We have seen some successes with overseas RN recruitment, appointing 125 FTE to March 2020 (52 deployed to Wards, 5 due in 2019/20, 68 currently in process due 2020/21).

We continue to operate an active apprenticeship programme and provide access to quality learning and to grow and develop our workforce.

Staff turnover increased to 10.63% but remains lower than regional average of 14%.

We continue to undertake staff inductions to connect staff with the Trust vision and values and employ a full programme of training and education, including mandatory training requirements which has a achieved a compliance rate of 82%. We have also developed a new academic skills suite for use by multi-professional staff and expanded the numbers of our clinical simulation faculty. We have regular sessions for staff to develop their IT and computer skills and we have also developed a wellbeing corner in our library to support staff.

We have a comprehensive range of policies and procedures in place to support our staff wellbeing and to promote equality and diversity in the workplace. We are working hard to build staff engagement with protected groups to build trust and insight across all groups. We have also created opportunities for people with a disability to gain paid work experience within our organisation.

Developing research excellence on the Island

During 2019/20, 13 studies were opened at the Trust alongside 38 other studies that were already underway. A central annual allocation of £366,934 from the Regional Clinical Research Network supports 21 staff across the Trust including clinician sessions; research nurses and associated staff; NHS service support (pathology, radiology, and pharmacy) and research management staff. Additionally, the Trust received funds through a research grant

for the David Hyde Asthma and Allergy Research Centre and our Commercial Team also receives funds to undertake drug studies on behalf of pharmaceutical firms.

During 2019/20, the Trust recruited 439 patients to participate in research projects. Participation in clinical research is not only important for our patients, it is important for our staff. Through active participation in research, our clinical staff stay up to date with the latest possible treatments and network with other research active centres across the world. They also develop skills like data management and disease assessment which have wider benefits for our patients and service users. All of this improves patient care, provides development for our staff, and makes our Trust a more desirable place to work when it comes to recruitment and retention of staff.

The following areas took part in trials over the year.

- asthma & allergy
- cancer
- cardiovascular disease
- children
- dementia & degenerative diseases
- diabetes
- gastroenterology
- orthopaedics
- mental health
- metabolic & endocrine disease
- ear nose and throat
- ophthalmology
- reproductive health & childbirth, respiratory disorders
- stroke
- surgical
- health service management
- emergency medical cover across the acute hospital

The Commercial Research team experienced a challenging period due to a decrease in staff in their direct team. The Commercial team relocated within the Research and Development Department and now work alongside non-commercial research colleagues. Uniting the team has built a stronger working partnership.

The David Hide Asthma and Allergy Research Centre (DHAARC) in collaboration with the University of Southampton, hosts several birth cohorts and undertakes studies in the field of paediatric and adult asthma and allergy research. DHAARC studies are carried out with other universities in the UK and around the world including: The Jolla - California, Michigan State University, University of Memphis, The University of Manchester, University of Bristol, Imperial College London, University of Oslo, University of Portsmouth, University of Colorado (Denver) School of Medicine, and the Children's Hospital Colorado.

Our engagement with clinical research demonstrates our commitment to testing and offering the latest medical treatments and techniques for our patients and service users. In 2020/21 we intend to increase patient participation by opening new trials in new areas, for example in podiatry, as well as growing the volume of work in those areas where we have historically undertaken studies. We aim to increase our workforce by developing clinical trials assistants and research nurses, so we can support and assist the clinical areas in their research performance. For further information visit www.davidhideallergyresearch.co.uk

Managing our estate

The Trust's directly employed Estate Management Team provide expertise and support across a broad range of areas including Estate Strategy, Capital Planning and Development, Property Management, Operational and Statutory Maintenance, Energy and Sustainability, Waste Management and Commercial Contract Management. Key points are:

Estate Strategy

We are in the process of developing an Estate Strategy and Masterplan that will provide strategic direction for future estate development and the associated capital planning. It will also underpin, help shape and enable the delivery of the Trust's future and clinical services strategies. Specifically, the Estate Masterplan will:

- align the estate to the clinical services strategies.
- enable estate rationalisation and consolidation.
- utilise the estate in the best condition and dispose of estate in the worst condition, reducing the risk and financial burden of backlog maintenance and improving the quality of fit-for-purpose estate.
- identify surplus or potentially surplus land for redevelopment / development and unlock associated opportunities; 1) financial: capital and or revenue income streams and 2) non-financial: future uses that support the forward strategy e.g. key worker housing, extra care, community living etc.

We plan to complete the Estate Strategy and associated Masterplan by the end of July 2020.

Capital Planning and Development

Estate Management also leads on the delivery of the estate related projects that are funded via the Trust's annual capital budget. In 2019/20 key projects were:

- Backlog Maintenance
- Main Staff Changing Room Upgrade
- Improvements in the Emergency Department
- Urgent Treatment Centre
- Relocation of Out-Patient Department
- Emergency Back-Up Generators
- Paediatric Assessment

Energy and Sustainability

The Trust considers energy usage, the environmental impact, and our carbon footprint as part of our day to day estate management as well as in strategic planning and new developments. All replacement and new installations include energy efficient systems and fittings and we seek to reduce our energy usage through both estate related improvements, consolidation of the estate and through energy awareness campaigns. In addition, we utilise an external contractor to validate and monitor our energy usage.

Our vision is to provide high quality healthcare services in an environmentally sustainable manner. We are taking active steps to improve our energy efficiency, lower our water consumption, and reduce the impact of the waste we generate. We are updating our plans which set out our ambitions for reducing our environmental impact and embedding sustainability principles within the organisation.

Waste and Recycling

The Trust have an agreement in place with the Isle of Wight Council where we share waste management resources and work together to ensure we utilise resources efficiently and

provide a sustainable waste management process. We continue to separate our recyclable waste and run waste awareness campaigns to ensure we maximise the efficient management of our waste. In addition, the Trust has implemented a system that reuses surplus equipment and supplies to avoid waste and help drive efficiency.

Performance summary

During 2019/20 our key focus remained on improving our quality of care. Owing to the hard work of staff across the Trust and the improvements made to services, the Care Quality Commission gave us an overall rating of 'Requires Improvement' in September 2019. Whilst we still have a long way to go in our journey of 'Getting to Good' and we are reflecting on the improvements we still need to make, we were delighted that some of our services, during the same inspections, including Community, End of Life Care, Frontline Ambulance Services, NHS 111 and Urgent Care were also rated as 'Good'.

We were also pleased that the Care Quality Commission recognised improvements to our Community Mental Health services, and we continue to work closely with our community partners to improve these services for Island residents. Despite challenging targets for patients requiring early intervention in psychosis, our performance was above target by the end of the year. We have also continued to maintain good performance in relation to our indicators for processes for seven-day follow up for patients discharged from in-patient services. We have however been below the required level for Access to Crisis Resolution/Home Treatment targets throughout this year, although the small number of patients admitted means that just one unavoidable breach in a month is enough to mean the target is not achieved.

Performance for 999 and the Ambulance Service has struggled to improve month on month since the new computer aided dispatch system was implemented in October 2018. However, the service is demonstrating a safe level of non-conveyance and low reattendance rates. The performance of NHS 111 though continues to be excellent, with consistently fewer 111 calls resulting in a position better than the national average.

In our Emergency Department/Medical Assessment Unit services we were disappointed that we were unable to consistently meet our targets against the four-hour Emergency Care Standard and we have made further investment in staffing levels to improve patient flow and experience. We are also working to reduce delayed transfers of care and reducing length of stay for our patients. Initiatives like enhanced access to NHS 111, pilot schemes with GPs, pharmacies, mental health services and the integration of urgent care will also contribute to improvements in this area in 2020/21.

Our performance against Referral to Treatment has also deteriorated this year due to several factors and Covid-19 has now impacted on this further. However, we remain committed to reducing waiting times and we continue to work with the NHS Intensive Support Team to utilise and adapt a range of IT tools to identify opportunities to reduce waiting times. Our focus continues to be on cancer referrals and pathways including diagnostic imaging.

2019/20 has also been a year of improving and developing our partnership working. We continue to work closely with partners across the NHS and Local Government through our Integrated Care Partnership and we have published our Isle of Wight Health and Care Plan to help people live independent, healthy lives. The focus of the plan is to help keep people out of hospital and avoid permanent admissions into care wherever possible, with investment in community services to help people recover in their own homes after a stay in hospital.

We have also forged new partnerships in our community mental health services with Solent NHS Trust, Isorropia Foundation and Two Saints as part of our wider transformation of mental health services on the Island.

We announced a partnership with Portsmouth Hospitals NHS Trust to improve hospital-based services for people living on the Island and we developed our partnership work with Mountbatten to provide bereavement support to patients dying in hospital and their families.

Several of our staff members and teams received accolades this year; including amongst these the Research Nurses for their support of the National Bowel Screening Programme, our Medical Devices Team for their high standards in sterilising medical equipment and our volunteer service which received national recognition for Innovation in Volunteering.

We introduced improvements to breast screening services, we opened a new End of Life Care unit and a community nurse-led unit to help ease winter pressures. We introduced a new Urgent Treatment Centre which helped reduce waiting times by ensuring people were treated in the right place and we took delivery of new equipment for Intensive Care to help critically ill patients. We introduced new standards of patient care and opened a new Clinical Academic Skills Suite to benefit clinical staff training across the Trust.

On a financial note, the Trust continued in Financial Special Measures through 2019/20. We returned a deficit of £17.7m, an increase against our planned deficit. This was due to additional investments in quality, continued use of agency staff due to pressures on services, difficulties recruiting permanent staff, improvements to RTT times for patients, loss of quarter four provider sustainability and financial recovery funding and through not being able to deliver the full cost improvement programme. The Trust borrowed £17.7m to support the deficit, bringing long-term deficit revenue support loans from the Department of Health and Social Care (DHSC) to £85.7m. A further £5.2m was borrowed in lieu of external support funding from NHS Improvement.

The Trust will be issued Public Dividend Capital (PDC) to effect repayment of all outstanding long-term revenue support loans and accrued interest on 31 March 2020 as part of the Government's measures to support NHS organisations through the Covid-19 pandemic.

The Trust had a capital investment plan of £8.7m which funded the HSLI Digitisation Project, Emergency Care Performance Winter Planning, and the purchase of Mammography equipment.

All areas of operational performance within the Trust were impacted by Covid-19 toward the end of 2019/20. However, the Trust responded quickly to the challenges presented putting in place additional patient capacity, additional sanitation measures on site, sourcing PPE, securing accommodation for staff, and putting in place a redeployment programme. This will provide useful lessons that can be embedded into business as usual processes as we enter the recovery phase.

Key strategic risks and uncertainties

Risks to the achievement of the Trust's strategic objectives are identified by the Executive Team and entered on the Trust's Board Assurance Framework (BAF). The BAF is linked to the Corporate Risk Register which identifies all high scoring operational risks.

The governance structure within the Trust ensures risk management is embedded across all corporate and operational services. The Trust has an Operational Risk Sub-Committee which reviews all risks across the operational and corporate areas of the Trust. This subcommittee reports to the Trust Leadership Committee. The Trust Board and its committees receive regular reports on the key risks facing the organisation and review the BAF. In addition, an annual audit of risk management including escalation/de-escalation of risk to and from the Corporate Risk Register and the impact on the BAF is undertaken by internal auditors.

Our key strategic risks are those that would prevent us from delivering our strategic objectives:

- Providing safe, effective, caring, and responsive services.
- Ensuring efficient use of resources.
- Patient standards.

- Achieving excellence in employment.
- Implementing the Isle of Wight Health and Sustainability Plan.

Our risks include areas relating to compliance, delivery of quality outcomes and safe care, recruitment, and retention of staff, achieving the necessary cultural change and implementing necessary plans at pace.

A summary of the strategic risks on the BAF as of 31st March 2020 is shown on page 55.

Performance analysis

In this section we look at the different ways in which we measure and analyse our performance across the Trust, with a focus on Quality, Operational and Financial Performance.

Quality performance analysis

Detailed information and analysis on the Trust's performance and objectives in relation to the quality and safety of our services is contained in our Quality Account for 2019/20. This will be published later in the year and will be available NHS Choices website here https://www.nhs.uk/using-the-nhs/about-the-nhs/quality-accounts/quality-account-documents/ and the Trust's own website here https://www.iow.nhs.uk/Publications/quality-account.htm

Our quality focus for 2019/20 was:

- *Patient Safety:* Releasing time to care – using information systems appropriately.
- *Clinical Effectiveness:* Right Person, Right Place, Right Time.
- *Patient Experience:* Dementia Care.

These remain our priorities for 2020/21.

Quality Governance

Quality governance is overseen by the Director of Quality Governance. The corporate quality services provided include:

- Patient safety and experience.
- Complaints.
- Patient Advice and Liaison Service (PALS).
- Chaplaincy.
- Risk and litigation.
- Healing arts.
- Main reception.
- Health, safety, and security.
- Quality improvement.

The team is also responsible for:

- Quality strategy and contract.
- Quality account and priorities.
- Care Quality Commission liaison.
- Serious incidents.
- Clinical governance.
- Friends and family test.
- Duty of Candour.

Operational performance analysis

Key Performance Indicators

Challenges faced across the Isle of Wight Healthcare system have continued to impact on the achievement of key performance targets during the year. We measure our performance through key performance indicators and these, together with our current benchmarked performance are outlined in the table below. The Trust monitors performance through the Board Assurance Committees and in a comprehensive performance report, which is discussed at the monthly Trust Board meetings, held in public.

Performance Analysis

Isle of Wight NHS Trust's performance against a range of targets for the past four years

Area	Metric	Target	2016/17	2017/18	2018/19	2019/20
Unscheduled Care	Emergency care 4 hour standard	95%	86.00%	85.17%	81.59%	75.55%
	Ambulance – Cat A % < 8 min	75%	63.20%	65.84%	No longer measured	
	Ambulance – Cat A % < 19 min	95%	91.90%	89.82%	No longer measured	
	Stroke: % spending 90%+ time on stroke unit	80%	84.80%	86.60%	84.25%	81.25%
	% of people who have a TIA who are scanned and treated within 24 hrs	60%	98.90%	100.00%	94.12%	100.00%
Planned Care	RTT: % of admitted patients who waited 18 weeks or less	90%	57.00%	57.20%	48.27%	49.15%
	RTT: % of non-admitted patients who waited 18 weeks or less	95%	90.00%	89.00%	83.13%	77.61%
	RTT: % of incomplete patients who waited 18 weeks or less*	92%	88.00%	90.00%	77.03%	72.85%
	Patients waiting more than 6 weeks for diagnostic	<100 pa	53	264	1,112	468
	Symptomatic breast cancer referrals seen <2 weeks***	93%	96.40%	97.00%	93.20%	95.69%
	Cancer patients receiving subsequent chemo/drug <31 days***	98%	99.80%	99.70%	100.00%	99.76%
	Cancer patients receiving subsequent surgery <31 days***	94%	98.00%	99.30%	98.60%	97.71%
	Cancer patients treated after screening referral <62 days***	90%	93.20%	97.20%	92.90%	89.86%
	Cancer diagnosis to treatment <31 days***	96%	99.50%	99.00%	99.20%	97.23%
	Cancer urgent referral to treatment <62 days***	85%	84.20%	81.00%	74.10%	72.53%
	Cancer patients seen <14 days after urgent GP referral***	93%	97.10%	97.40%	96.20%	94.50%
Patient safety & Quality	HCAI: Clostridium Difficile (C. Diff .) infection rates	7	12	18	12	19
	HCAI: Incidence of MRSA	0	1	0	0	0
	**** Mixed sex accomodation breaches	0	12	146	148	146
	Summary Hospital-level Mortality Indicator (SHMI)**	-	1.015	1.097	1.015	1.040
	VTE risk assessment*	95%	99.00%	99.00%	98.83%	97.52%
Mental Health Services	CPA – Formal Review within 12 months	95%	97%	98%	46%	No longer measured
	CPA – 7 day follow up	95%	95%	94%	95%	95%
	Crisis resolution home treatment	95%	95%	96%	89%	94%
	% of EIP pathways completed within two weeks	60%	81%	83%	55%	64%

*Target introduced in 2012/13
**Reflects figures published Oct 12, Apr 15, Jan 16 & Jan 17
*** Cancer figures for March 2019/20 are pending validation - YTD figure may change slightly
**** Figures to Feb'20.

The Trust's performance against the four-hour Emergency Care Standard (ECS) did not consistently meet its target.

Over the last year, there has been further investment in staffing levels within the Emergency Department (ED) and Medical Assessment Unit (MAU) and support to improve flow and patient experience. This included improvements to the ED layout, the development of Same

Day Emergency Care (SDEC) and the relocation of ED minors. The Trust is committed to improving its current operational performance and delivering the ECS.

The following improvement actions will contribute to this:

- Continue and develop clinical streaming.
- Reduce length of stay (LOS) for patients staying longer than seven days on wards (stranded patients) and reduce the number of bed days occupied by patients with a LOS greater than 21 days (termed super stranded), to less than 10% of current bed stock or less than the benchmarked figure in a comparable Trust.
- Reduce delayed transfers of care (DTOCs).
- Continue to monitor and improve the flow of patients into, and within, the Emergency Department ensuring patients are signposted to the appropriate form of care.

In addition, the Trust is continuing to implement the emergency care data set and now has access to enhanced NHS 111 services including pilot schemes with GPs, pharmacies, mental health services, and the integration of urgent care through the Urgent and Emergency Care Programme.

The Trust's performance against Referral to Treatment (RTT) has deteriorated in 2019/20 owing to a number of factors. During the year, the Trust focused on reducing the number of patients waiting for long periods (over 40 weeks) and prior to the COVID-19 outbreak had achieved significant improvement in this area. The Trust continues to be committed to treating patients in the most timely and efficient way possible and improvement programmes are aligned to support this.

The cancer 62-day target was also not achieved owing to inconsistent performance during the year, because of the complex pathways requiring multiple diagnostic tests both at the Trust and at tertiary providers. The Trust is committed to ensuring all eight waiting time standards for cancer are met, including the 62-day referral to treatment cancer standard, and acknowledges the importance of implementing '10 high impact' actions to be able to achieve this.

Over the last 12 months, the Isle of Wight has been receiving support from the NHS Intensive Support Team (IST), utilising and adapting a range of IT tools to identify where there are opportunities to reduce waiting times. Some of the tools developed in-house have been used as examples of good practice nationally and are currently being utilised to diagnose our waiting list issues.

In 2019/20, the Isle of Wight has specifically focussed on:

- Increasing the number of cancer pathway trackers in the cancer pathways team.
- Increasing local diagnostic imaging capacity.
- Increasing cancer nurse specialist capacity to manage increased referrals and increased activity per patient.

The Trust will work towards NHSE/I's recent planning guidance and recommendations for delivering objectives during the next one-to-three years, in particular, implementing national pathways and the new cancer waiting times system ahead of the 28-day Faster Diagnosis Standard, as well as working towards the national bowel screening programme targets.

The Trust continues to deliver on the requirements of a number of national targets for mental health. Performance in 2019/20 is as follows:

- The target for patients requiring early intervention in psychosis has been challenging at times throughout the year owing to staffing levels within the team, but by the end of the year performance was above target.
- The processes for seven-day follow-up for patients discharged from in-patient services are regularly reviewed to ensure patient safety and to maintain good performance against this indicator.
- Performance against the Access to Crisis Resolution/Home Treatment targets for patients admitted to inpatient services indicator has been below the required level throughout 2019/20. It should be noted that the small number of patients admitted impacts on performance against this indicator i.e. just one unavoidable breach in a month is enough to mean the target is not achieved.

Performance for 999 and the Ambulance Service has struggled to improve month-on-month since the new computer aided dispatch system was implemented in October 2018. The service has fully reported against the ambulance response programme standards (AS1) since this date:

- The service has commissioned a capacity modelling report through South Central Ambulance Service, which demonstrates that the service is under capacity in relation to fleet/ crews in order to consistently meet the national ambulance response standards.
- The service planned a 'perfect week' where we planned for resources to match capacity outlined in the above report, this resulted in:
    - Compliance with category 2, 3 & 4 national ambulance response standards
    - Significantly reduced catagory1 response time
    - No complaints, no reportable long waits
    - No staff sickness
- Discussions are on-going with commissioners in relation to the current ambulance contract to address the above.
- The service is demonstrating a safe level of non-conveyance and low re-attendance rates.
- The service audits all long waits and re-attendances, and undertakes mortality reviews on all patients.
- NHS 111 performance demonstrates a continued position of good call handling standards, with improving clinical standards. The overall performance of the NHS 111 service on the island continues to be excellent, with consistently fewer 111 calls, resulting in an ambulance position better than the national average.

All areas of the National Health Service operational performance within the Trust had been impacted by the COVID-19 pandemic towards the end of 2019/20. The Trust responded quickly to the challenges it has faced and once the Island enters into a recovery phase the Trust will focus on lessons learnt and how some of the operational changes delivered can be embedded into business as usual going forward.

The following table illustrates the demand across the Trust:

Isle of Wight Trust 19/20 Demand Plan Monitoring							
	16/17	17/18	Growth	18/19	Growth	19/20	Growth
Inpatient - Planned (Spells)	12,827	12,160	(5.2%)	17,492	43.8%	17,730	1.4%
Inpatient - Emergency (Spells)	13,703	14,348	4.7%	14,380	0.2%	14,018	(2.5%)
Outpatient (Appointments)	137,016	133,254	(2.7%)	133,749	0.4%	127,459	(4.7%)
111 (Calls)	67,771	75,178	10.9%	79,311	5.5%	82,770	4.4%
Ambulance (Calls)	27,760	30,545	10.0%	28,082	(8.1%)	24,805	(11.7%)
A&E (Attendances)	42,896	46,717	8.9%	46,909	0.4%	41,431	(11.7%)
Walk In Centre (Attendances)	11,540	10,954	(5.1%)	10,879	(0.7%)	16,651	53.1%
Ambulatory Care Admissions	-	52		661	1171.2%	1,803	172.8%
Critical Care (Bed Days)	3,928	3,474	(11.6%)	3,475	0.0%	3,177	(8.6%)
Pathology (Sets)	1,397,005	1,394,474	(0.2%)	1,428,336	2.4%	1,421,851	(0.5%)
Imaging (Requests)	113,994	114,795	0.7%	117,723	2.6%	122,466	4.0%
Other Outpatients (Appointments	33,438	30,964	(7.4%)	28,179	(9.0%)	27,392	(2.8%)
Community - Nurse (Contacts)	117,251	113,016	(3.6%)	118,996	5.3%	120,341	1.1%
Community - AHP (Contacts)	96,035	95,035	(1.0%)	80,015	(15.8%)	73,626	(8.0%)
Community - Other (Contacts)	1,414	742	(47.5%)	587	(20.9%)	1,023	74.3%

19/20 Footnotes

1. 2019/20 Activity trends have been affected by COVID-19 outbreak at the end of the financial year.
2. Operational changes within the emergency department have affected A&E, Walk in Centre and Ambulatory Care volumes as patients are sign posted differently.
3. Community Other Contacts growth is driven by Home Oxygen Service.

Financial Performance summary 2019/20

Outturn delivered (2018/19 figures in brackets)

As reported in the Annual Accounts the Trust returned a deficit in 2019/20 of £17.7m (£30.1m). This deficit position was an increase of £13.7m (£13.0m) against the planned deficit, due to:

- Additional costs from investments in quality to improve patient experience, as a result of the Trust entering in Quality Special Measures during 2018/19.
- Continued use of temporary agency staff due to pressures on services and difficulties in recruitment of permanent staff particularly in ED.
- Improvements to the Referral to Treatment (RTT) times for patients.
- Not delivering the full cost improvement programme.
- Loss of quarter 4 Provider Sustainability and Financial Recovery Funding.

Investment in Capital Expenditure (2018/19 figures in brackets)

The Trust made Capital Investments of £8.7m (£6.9m) which included £2.3m of projects funded by Department of Health and Social Care (DHSC) through Public Dividend Capital allocations.

Capital Investments during 2019/20 included:

HSLI Digitisation Project	£1.5m
Backlog Maintenance	£1.5m
Backup Generators	£1.2m
Outpatients Relocation	£1.1m
Equipment RRP	£0.9m
Emergency Care Performance	£0.5m
IT Projects	£0.5m
COVID 19 Preparations	£0.4m
Development of ASR strategic outline case	£0.4m
Mammography Equipment	£0.3m
Fire Remediation	£0.2m
Others	£0.2m

Private Healthcare

The Isle of Wight NHS Trust's Mottistone Suite offers the only private healthcare on the island to patients who have insurance or who choose to self-fund.

Outpatient appointments, endoscopies, diagnostics, and elective procedures are all available privately.

In 2019/20, the Mottistone had a turnover of £1.1 million. During peak times, the Trust can utilise The Mottistone Ward to ensure that NHS operations still go ahead.

Pension Liabilities

Details of how pension liabilities are treated can be found in Note 10 in the full Accounts and the Remuneration Report.

External Auditors Remuneration

We are required to declare any remuneration paid to auditors in respect of any non-audit work undertaken by them. Disclosure is required by regulations made under s94 of the Companies Act 2006. We can confirm that our external auditors have not undertaken non-audit work for the Trust during 2019/20.

Cost allocation and charges for information

The Trust has complied with HM Treasury's guidance on setting charges for information.

Fraud and Corruption

The Trust has a robust and effective counter fraud service provided by TIAA Ltd (www.TIAA.co.uk). This minimises the cost of fraud and corruption and frees up resources for better patient care.

Better payments practice code and prompt payments code

The Trust has signed up to the Better Payments and Practice code and Prompt payments Code. Details are included in Note 35 to the full Accounts.

Disclosure to auditors

All current Directors have made statement that, so far as they are aware, there is no relevant material information or third-party transactions of which the company's auditors is unaware. All Directors have taken steps to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information. One of the Trust's Non-Executive Directors fulfils the same role with University Hospital Southampton NHS Foundation Trust.

Looking forward

Significant service and recruitment challenges remain in 2020/21.

The impact and recovery from the COVID-19 pandemic response will be a key factor in the year ahead. A focus for the Trust is the prompt payment of all invoices to suppliers. This is vital to ensure continuity of supply of goods and services to us, help protect businesses and jobs, and support the local and national economy.

The business as a "going concern"

Overall Performance

At the end of the 2019/20 financial year, the Trust achieved a pre-audited deficit of £17.7m.

For 2019/20 the Board-approved a plan deficit of £4.0m, although this was revised to a forecast £17.7m after the end of quarter 3.

The Trust had a capital investment plan of £8.7m. This consisted of an initial limit of £6.4m plus an additional £2.3m of Public Dividend Capital, which funded the HSLI Digitisation project (£1.5m), Emergency Care Performance Winter Planning (£0.5m) and purchase of Mammography equipment (£0.3m). The Trust's capital expenditure investment was £8.7m.

Financial Planning for Future Years

To enable NHS Trusts to focus on the COVID-19 pandemic response, the business planning process and contract negotiations with Commissioners have been suspended.

For the IW NHS Trust to continue to pay staff and suppliers, a simplified system of block contract funding has been put in place for the period April to July 2020. During this time and beyond, the Trust aims to achieve a break-even position.

Cash-flow

The Trust borrowed £17.7m during 2019/20 to support the deficit, bringing long term deficit revenue support loans from the Department of Health and Social Care (DHSC) to £85.7m. A further £5.2m was borrowed in the short term in lieu of quarter 3 external support funding from NHS Improvement.

DHSC has confirmed changes to the NHS Cash Regime effective 1 April 2020. The Trust will be issued Public Dividend Capital (PDC) to effect repayment of all outstanding long-term revenue support loans and accrued interest at 31 March 2020.

The Trust's banking is conducted through the Government Banking Service.

Overall Conclusion

International Accounting Standard 1 (IAS1) requires the Board to consider which of the following three scenarios is appropriate:

1. The Trust is clearly a going concern and it is appropriate for the accounts to be prepared on the going concern basis.
2. The Trust is a going concern but there are uncertainties regarding future issues which should be disclosed in the accounts to ensure a true and fair view.
3. The Trust is not a going concern and the accounts will need to be prepared on an appropriate alternative basis.

The Audit Committee considered the going concern concept on 22 June 2020 and recommended to the Board that the 2019/20 accounts are prepared on the basis that the Trust is a going concern but there are uncertainties regarding future issues which should be disclosed in the accounts to ensure a true and fair view.

Following discussions with the Trust's external auditors, the following has been included in the accounts as Note 1.2 Going Concern.

These accounts have been prepared on a going concern basis, in accordance with the definition as set out in section 4 of the Group Accounting Manual (GAM) which outlines the interpretation of IAS1 'Presentation of Financial Statements' as 'anticipated continuation of the provision of a service in the future, as evidenced by the inclusion of financial provision for that service in published documents'.

This year the Trust achieved its financial targets in quarters 1 to 3. In quarter 4, against a backdrop of increased financial and patient activity pressures across the NHS and Social Care, the Trust was unable to meet its financial targets. The Trust continued in Financial Special Measures throughout 2019/20. The Trust has returned an in-year deficit of £17.7m, which includes receipt of £11.4m of Financial Recovery and Provider Sustainability funding (FRF/PSF) and achieved £6.6m savings or 75% achievement through the Cost Improvement Programme. The DHSC provided deficit funding of £17.7m as revenue support loans in year bringing the total revenue support loan funding to £90.9m at 31 March 2020, of which £5.3m is in lieu FRF/PSF.

On 2 April 2020, the Department of Health and Social Care (DHSC) and NHS England and NHS Improvement (NHSE&I) announced reforms to the NHS cash regime for the 2020/21 financial year. During 2020/21 existing DHSC interim revenue and capital loans as at 31 March 2020 will be extinguished and replaced with the issue of Public Dividend Capital (PDC) to allow their repayment. The affected loans totalling £90.9m (including £5.3m in lieu FRF/PSF) are classified as current liabilities within these financial statements. As the repayment of these loans will be funded through the issue of PDC, this does not present a going concern risk for the Trust.

The Trust will therefore no longer be required to generate surpluses to eliminate its historic debt, and the total net assets will increase by £85.6m thereby strengthening the value of the balance sheet.

The Trust has an underlying deficit and is currently reliant on additional support funding. Pre the impact of Covid-19, NHSE&I have issued the Trust with a financial improvement trajectory and indicative financial recovery funds which will continue on a reducing basis for the remaining four years of the Long Term Plan up to 2023/24. The additional support funding is linked to achieving quarterly and annual financial plans each year.

The Trust had refreshed its financial plan consistent with the trajectory and this has been reviewed by Board members. The Trust and NHSE&I have a clear understanding of the financial position of the Trust and the position is well recognised and understood.

DHSC have also previously confirmed the availability of ongoing interim support (where required) to ensure that NHS providers remain operationally viable.

In March 2020 NHSE&I announced revised arrangements for NHS contracting and payment to apply for the first four months of the 2020/21 year due to the Covid-19 pandemic. This has effectively paused planning against the above trajectory and targets, although the Trust intends to work towards these as best it can.

The contracting arrangements for the rest of 2020/21 and beyond have not yet been definitively announced but it remains the case that the Government has issued a mandate to NHS England for the continued provision of services in England in 2020/21 and CCG allocations have been set for the remainder of 2020/21. The Trust can therefore continue to expect NHS funding to flow at similar levels to that previously provided where services are reasonably still expected to be commissioned.

The Trust has prepared a cash forecast modelled on the expectation that the revised contracting and payment arrangements will remain in place until October 2020. The cash forecast shows sufficient liquidity for the Trust to continue to operate but interim support can be accessed if it were required.

These factors all support the adoption of the going concern concept. The underlying deficit and reliance on future additional support funding from NHSE&I, which is linked to achieving financial plans, does however indicate the existence of material uncertainty which may cast significant doubt about the Trust's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Trust were unable to continue as a going concern.

Principles for Remedy

The Trust supports the Principles for Remedy published by the Parliamentary and Health Service Ombudsman (PHSO) in May 2010 and implements these principles as part of the Trust's complaints handling procedure. We regularly review our complaints handling processes to ensure we are working in line with the 'user-led vision for raising concerns and complaints'.

In the latter part of the year the Trust commenced a review against the Healthwatch Report: Shifting the Mindset January 2020, to ensure we are complying with National Best Practice in respect of complaint handling.

Emergency preparedness, resilience, and response

The Emergency preparedness, resilience and response team (EPRR) has ensured the Trust remains compliant with its statutory duties as a category one responder under the Civil Contingencies Act 2004 (the CCA), the Health and Social Care Act (2012) and the NHS England EPRR Core Competences.

The Emergency Preparedness and Business Continuity Sub-Committee meets quarterly to provide overall governance and reports into the Performance Committee. The national EPRR assurance process for 2019/20 resulted in the Trust achieving partial compliance with the core standards, a significant improvement from 2018/19 when the Trust was non-compliant.

A number of emergency plans have been reviewed and updated including the Trust Incident Response Plan, Incident Co-ordination Centre Plan and, fortuitously, the Pandemic Response Plan. The EPRR Team has produced an annual rolling programme of training and exercising, including strategic leadership in an emergency for executives and senior managers on call. A series of exercises have also been organised to test relevant plans and business continuity plans continue to be reviewed.

The Trust declared a Major Incident on Sunday 14th April 2019 in response to a serious road traffic collision on Forest Road, Newport. The Ambulance service was first on scene and four helicopters were deployed from across the region. The ambulance service actions were praised by multi-agency partners and the emergency department and wider hospital quickly implemented emergency plans to ensure the best possible outcome for casualties. Following the incident, a series of debriefs were held and a Trust Action Plan produced to implement lessons identified.

The Head of EPRR with the Trust's Accountable Emergency Officer, continued to ensure the Trust was prepared for any impact of the EU Exit following NHS England and Department of Health and Social Care guidance.

In January, the EPRR team worked closely with infection control and other teams to start preparedness for the Novel Coronavirus (2019-nCoV). Since then the team has been fully involved in the Trust's preparations and response to Covid-19. The EPRR team actively participate in the multi-agency Local Health Resilience Partnerships (LHRP) and Local Resilience Forums (LRF).

ACCOUNTABILITY REPORT

Corporate Governance Report

This section of the Annual Report explains the composition and organisation of the Trust's governance structures and how they support the achievement of the Trust's objectives.

Directors' Report

The Trust Board 2019/20

The Trust Board as at 31 March 2020 consists of a Chair (Vaughan Thomas), appointed through NHS Improvement (NHSI), five Non-Executive Directors (also appointed through NHSI), and five voting executive directors including the Chief Executive (Maggie Oldham). The Board is also supported by three non-voting Associate Non-Executive Directors and four non-voting executive directors.

The Trust Board has continued to evolve over the year, with Nikki Turner moving to become the Director of Transformation leading on the strategic partnership working of the Trust with mainland providers. Nikki was replaced by Joe Smyth who became the Chief Operating Officer for Acute and Ambulance Services. In addition, Dr Charles Godden stood down as an Associate Non-Executive Director in April 2019. Following an open recruitment process facilitated by NHS Improvement, Julia Ross was appointed as an Associate Non-Executive Director in February 2020.

Full details of the composition of our Board and biographies of our Board members are available on our website here https://www.iow.nhs.uk/about-us/our-trust-board/trust-board.htm and here https://www.iow.nhs.uk/Downloads/TrustBoard/2020/Trust%20Board%20Members%20-%20Amended%201%20March%202020.pdf

The Trust Board is responsible for setting and developing the strategic direction of the Trust, sustaining business viability and holding the executive directors to account for all aspects of the Trust's activities, including quality and safety of patient services, financial management and legal compliance. The role also includes seeking assurances from the executive directors that risks to the Trust are being appropriately assessed and managed.

In 2019/20, the Isle of Wight NHS Trust Board met formally in public on ten occasions. There were no meetings in August 2019 and January 2020. The Annual General Meeting to present the 2018/19 Annual Report and Accounts was held on 17 July 2019.

The Trust Board has a duty to operate in a way that is transparent and to comply with best practice in probity. To this end, the Trust Board signs up annually to following the Nolan principles of good governance, the NHS Code of Conduct and Accountability, the NHS Code of Openness, and the NHS Constitution. The Trust Board has also subscribed to principles of board etiquette as set out in the NHS Integrated Governance Handbook.

Throughout 2019/20, the Trust Board has continued to undertake a programme of collective and individual development. The Trust Board regularly hears specific stories from or about individual patients or services at the start of its meetings in public. Briefing and development sessions are also run to provide Trust Board members with dedicated time to increase their strategic understanding and develop specific areas of knowledge related to the Trust's services and the environment in which it operates.

The voting members of the Trust Board also act as the corporate trustees for the Isle of Wight NHS Trust's charitable funds, for which a separate report and accounts are published.

More information about the Trust's governance arrangements can be found in the Annual Governance Statement, see page 49.

Trust Board Committees

The business of the Trust is managed through Board Assurance Committees. The Trust has established monthly meetings of the Quality Committee, Performance Committee and, with effect from June 2019, the Human Resources and Organisational Development Committee. In addition, quarterly meetings of the Audit Committee and Charitable Funds Committee are held. A Nominations and Remunerations Committee is held at least twice a year.

Full details of these committees, their membership and terms of reference are available on our website https://www.iow.nhs.uk/about-us/our-trust-board/trust-board-committees.htm

The table below shows the tenures of both Executive and Non-Executive Directors and Associate Non-Executive Directors and their participation in Trust committee meetings.

CHAIR AND NON-EXECUTIVE DIRECTORS MEMBERSHIP & RESPONSIBILITIES												
			Non Executive Directors						Associate Non Executive Directors			
			Vaughan Thomas (Chair)	Kemi Adenubi	Paul Evans	Tim Peachey (Vice Chair & SID)	Caroline Spicer	Anne Stoneham	Phil Berrington	Julia Ross	Sara Weech	
Term of Office												
Start Date			07/09/2016	29/01/2019	01/01/2019	01/04/2018	01/01/2018	01/01/2018	01/01/2019	01/02/2020	01/01/2018	
End of 1st Term			02/10/2017	28/01/2021	31/12/2020	31/03/2020	31/12/2019	31/12/2019	31/12/2021	31/01/2022	31/12/2019	
End of 2nd Term			01/10/2019			31/03/2022	31/12/2021	31/12/2021			31/12/2021	
End of 3rd Term			04/10/2021									
New Structure Committee Membership and Chairs	**Frequency**	**ToR No. of NEDs**										
Quality Committee	Monthly	3			Vice Chair	Chair					Member	
Performance Committee	Monthly	3		Member			Chair	Vice Chair	Member			
HR & OD Committee	Monthly	3			Vice Chair			Chair			Member	
Charitable Funds Committee	Quarterly	3					Chair	Member			Vice Chair	
Audit Committee	Quarterly	All NEDs		Member	Member	Member	Vice Chair	Member	Chair	Member	Member	
Nominations & Remuneration Committee	Bi Annual	Chair & All NEDs	Chair	Member	Member	Vice Chair	Member	Member	Member	Member	Member	

In accordance with good corporate governance, the Trust has undertaken an annual review of the effectiveness of its corporate governance framework and will be making further revisions to the committee structures in 2020/21. The Trust is planning to move monthly meetings to meet on alternate months and this will be implemented as soon as possible after the recovery from the Covid-19 major incident.

Trust Board and committee meeting attendance 2019/20

In 2019/20, the membership and attendance records for meetings in 2019/20 was as indicated in the table below (number attended/total meetings held in year eligible to attend as a committee member).

ISLE OF WIGHT NHS TRUST

Trust Board Members

OVERALL COMMITTEE ATTENDANCE REGISTER 2019/20

Member	Post	Voting/Non - Voting	Trust Board		Quality Committee		Performance Committee		HR&OD Committee		Charitable Funds Committee		Audit Committee	
Number of meetings held >			10		10		11		8		4		3	
			Poss	No. Att	Poss	No. Att	Poss	No. Att	Poss	No. Att	Poss	No. Att	Poss	No. Att
Non Executives														
Vaughan Thomas	Chair	Voting	10	10										
Kemi Adenubi	Non-Executive Director	Voting	10	9			11	9					3	3
Paul Evans	Non-Executive Director	Voting	10	7	10	8			8	7			3	2
Tim Peachey	Non-Executive Director	Voting	10	9	10	10							3	2
Caroline Spicer	Non-Executive Director	Voting	10	8			11	10			4	4	3	3
Anne Stoneham	Non-Executive Director	Voting	10	9			11	10	8	7	4	3	3	2
Phil Berrington	Associate Non-Executive Director	Non-Voting	10	9			11	9					3	3
Charles Godden	Associate Non-Executive Director (left beginning April 2019)	Non-Voting	1	0	1	0							0	0
Julia Ross	Associate Non-Executive Director (From Feb 2020)	Non-Voting	2	1	2	2			2	2			0	0
Sara Weech	Associate Non-Executive Director	Non-Voting	10	9	10	8			8	7	4	3	3	2
Executive Team														
Maggie Oldham	Chief Executive	Voting	10	9	1	0	2	0						
Darren Cattell	Director of Finance, Estates and IM&T & Deputy Chief Executive	Voting	10	9			11	10			4	2		
Alistair Flowerdew	Medical Director	Voting	10	9	10	8			8	5	4	2		
Suzanne Rostron	Director of Quality Governance	Voting	10	9	10	10								
Alice Webster	Director of Nursing, Midwifery, AHPs & Community Services	Voting	10	10	10	10	11	8	8	7	4	2		
Tim Lynch	Director of Integrated Urgent & Emergency Care (up to July 19)	Non-Voting	4	4	4	1	4	2	2	0				
Julie Pennycook	Director of Human Resources & Organisational Development	Non-Voting	10	10	4	1	11	10	8	7				
Joe Smyth	Chief Operating Officer - Acute & Ambulance (from Oct 19)	Non-Voting	5	2	5	0	6	4	5	0				
Lesley Stevens	Director of Mental Health & Learning Disabilities	Non-Voting	10	9	10	8	11	8	8	5	4	1		
Nikki Turner	Director of Acute Services (up to Aug19) Director of Acute & Ambulance (Sept 19) Director of Acute Transformation (from Oct19....)	Non-Voting	10	9	5	3	11	9	4	3				

Anti-fraud and Corruption including the Bribery Act 2010

Under the Bribery Act 2010 it is a criminal offence for commercial organisations to fail to prevent bribes being paid on their behalf. The Trust therefore has a duty to ensure that all its business is conducted to the highest possible standards of openness, honesty, and probity. To support staff the 'Standards of Business Conduct' policy prescribes what is acceptable ethical and legal business conduct for all employees in respect of business conduct, sponsorship, hospitality, and gifts. Provision is also made for the declaration and registration in certain circumstances of interests, hospitality and gifts received. Every year, senior staff and Board members are required to declare any interests, particularly those that could conflict with the business of the Trust. This serves to demonstrate openness and protect employees from allegations of improper or illegal conduct.

Details of these declarations are published on our website here https://www.iow.nhs.uk/Downloads/TrustBoard/2019/Trust%20Board%20Declaration%20of%20Interests%20Register%20as%20at%2017.05.19.pdf

Being Open and the Duty of Candour

The Trust fully supports the need to be open and transparent in line with national guidance and the Duty of Candour placed on organisations and staff.

During the year, the Trust has reviewed its Being Open and Duty of Candour Policy and continues to ensure that staff have the relevant knowledge and are supported to apply the duty. During the latter part of the year, the systems and process have been further refined to enable robust reporting and monitoring of our compliance with Duty of Candour, in support of the Trust's commitment to be open and transparent.

Modern Slavery and Human Trafficking Act 2015 statement

At the Isle of Wight NHS Trust, we are committed to maintaining and improving systems, processes, and policies to avoid complicity in human rights violation in any part of our business or our supply chain. We realise that slavery and human trafficking can occur in many forms, such as forced labour, domestic servitude, sex trafficking and workplace abuse.

Our policies, governance and legal arrangements are robust, ensuring that proper checks and due diligence take place in our employment procedures to ensure compliance with this legislation. We are guided by a strict set of ethical values in all our business dealings and expect our suppliers (i.e. all companies we do business with) to adhere to these same principles.

Personal Data related Incidents

As noted in the Annual Governance Statement, the Trust had no incidents regarding data security that had to be reported to the Information Commissioner's Office during 2019/20.

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, recognised gains and losses 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.

The directors are responsible for keeping proper accounting records that 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.

Annual Governance Statement – 2019/20

Statement of Accountable Officer's responsibilities

The 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 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 achieving the policies, aims and objectives of the Isle of Wight NHS Trust, to evaluate the likelihood of those risks being realised and their potential impact and to manage them efficiently, effectively and economically. The system of internal control has been in place at the Isle of Wight NHS Trust for the year ended 31 March 2020 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The Director of Quality Governance is the executive lead for risk management and is supported by the Associate Director of Corporate Affairs and the Head of Quality Governance.

The governance structure within the Trust enables an embedded risk management approach across all corporate and operational services. The Trust has an Operational Risk Sub-Committee which reviews all risks across the operational and corporate areas of the Trust. This sub-committee reports to the Trust Leadership Committee. The Trust Board and its Committees receive regular reports on the key risks facing the organisation and review the Board Assurance Framework, which contains a risk assessment of the Trust's strategic objectives for the year. This ensures identification, assessment, management and monitoring of strategic and operational risks at all levels of the organisation; allowing the organisation to continually learn and develop from good practice. In addition, an annual audit of risk management including escalation/de-escalation of risk to and from the Corporate Risk Register and the impact upon the Board Assurance Framework is undertaken by the internal auditors.

The risk management process is supported by clearly defined roles in all levels of the Trust from operational/corporate staff to Board members. Every staff member is responsible for identifying, escalating, and managing risks within their sphere of competency and operation, supported by their managers, as outlined in the Risk Management Policy.

Managers are required to demonstrate that appropriate control measures are in place and actions are being undertaken to mitigate negative risk and enable positive risk achievement, reporting to their respective lead Executive Director responsible for the aligned portfolio of services.

The Trust uses an electronic risk management system. All staff undertake generic risk management awareness training and an introduction to the electronic risk management system as part of their induction. Focused risk management training and support in risk assessment, recording, management and monitoring risk, relevant to their area of responsibility, is provided to all staff. The Trust is developing a comprehensive programme of risk management, incident, and patient experience training, to complement the guidance tools embedded into the electronic risk management system utilised by the Trust.

There are named key specialists within the Trust who offer further specialist risk management training and guidance to all Trust employees, including health and safety, back awareness, patient handling training, infection prevention and control, safeguarding adults, safeguarding children and information governance. The Trust's annual training programme reflects this provision. Key elements are recorded within staff mandatory training records, a summary of which is monitored at Executive Team and through the Human Resources and Operational Development Committee to the Board.

The risk and control framework

Risk Management

Risk management processes continue to be embedded within the Trust with incident reporting being openly and actively encouraged to ensure a culture of continuous improvement and learning. The organisation understands that successful risk management requires participation, commitment, and collaboration from all staff. Working dynamically, the Trust has created training options to support staff with identifying, evaluating, and controlling risks effectively. A revised training module, with 1 to 1 training sessions, and additional new "drop in" sessions have been developed to offer training and support to colleagues using a varied and flexible approach that fits around their day-to-day roles. The Trust has found that this approach to managing risks ensures it remains a high priority and offers colleagues the ability to be engaged and confident in managing risks.

The Trust's approach to risk management is embedded in a variety of ways and covers both clinical and non-clinical areas whilst considering aspects such as:

- Financial risks
- Counter Fraud activity
- Organisational responsibilities
- Mandatory and Statutory targets
- Reputational and Project risks
- Consultation with Staff and Patients
- Service reviews.

This is achieved through:

- an appropriate framework; delegating authority, seeking competent advice and assurance.
- a risk culture which includes an agreed risk appetite.
- the integration of risk management into all strategic and operational activities.
- the identification and analysis, active management, monitoring and reporting of risk across the Trust.
- the appropriate and timely escalation of risks.
- an environment of continuous learning from risks, complaints, and incidents, underpinned by open communication and fair scrutiny.
- consistent compliance with relevant standards, targets, and best practice.
- business continuity plans and recovery plans that are established and maintained.

- fraud deterrence including the proactive work conducted by the Local Counter Fraud Service through TIAA, policies on fraud, corruption, anti-bribery, debt recovery and the threat of prosecution and the recent nomination of a Fraud Champion.

Fraud deterrence is integral to the management of risk across the organisation especially as there could be clinical or health and safety implications which could then impact upon the organisation. Staff are encouraged to report any potential fraud including anonymous reporting if necessary. We are not aware of any specific areas within the organisation that are at risk of material fraud, however we cannot be complacent. Notifications from the Counter Fraud team improve our knowledge and awareness of the risk of fraud and the introduction of a Fraud Champion to the Trust will help promote awareness and an understanding of the threat posed by fraud, bribery and corruption and offer best practice to counter fraud.

Equality impact assessments are carried out to assess the impact of the Trust's decisions and design of services as part of the Trust's legal duty under the Equality Act 2010. The Trust also uses assessments in the development of policies and in consideration of cost improvement plans, and Quality Impact Assessments form part of all change programmes.

Risk Management Strategy

The Risk Management Strategy was formally approved in June 2018 with the Risk Management Policy approved in July 2019. The Strategy sets out the strategic direction for risk management for the Trust over the three years 2018 to 2021 and is refreshed each year. It has been developed to comply with legal and statutory requirements, assist in compliance with national standards, promote proactive risk management and to improve the safety and quality of patient care.

In March 2020, the assessment of the second year of the strategy demonstrated that all key milestones had been achieved by the end of the financial year. Milestones have also been proposed and agreed for 2020/21.

The Strategy states that risks are managed at two levels: strategic risks and operational risks.

Strategic risks can be considered as those business risks that, if realised, would fundamentally affect the way in which the organisation exists or conducts its business. These risks may have a detrimental effect on the Trust's Annual Business Plan and achievement of its key business objectives. This risk realisation could lead to material failure, loss, or lost opportunity. Strategic risks are detailed in the Trust's Board Assurance Framework (BAF) and mapped against the Trust's strategic aims. Each of the Board Committees is responsible for managing the strategic risks aligned to them, with oversight at the Audit Committee and ownership at Trust Board level.

Operational risks can be considered as the risks associated with the key business processes at specialty and clinical business unit level. The issues arising from these will be considered at specialty and clinical business unit level in the first instance, and then escalated to the Operational Risk Sub-Committee and the Trust Leadership Committee before reaching the Audit Committee, if required. This approach ensures effective use of key business processes, streamlining information and risks towards the Trust's strategic aims.

The Strategy expresses that an awareness of, and responsibility for, risk issues must be linked explicitly to key objectives to build a sustainable risk management culture. There must be delegated responsibility for risks at every level in the organisation. This is crucial to embedding risk management into the organisation and its culture, with risk management

seen as a fundamental part of the way the organisation works.

The Trust is committed to the management of risk to:

- Monitor continuously and seek to improve the quality of care provided in partnership with patients, carers, staff, and the public.
- Provide a safe environment for the benefit of patients, staff, and visitors by reducing and, where possible, eliminating the risk of loss/harm.
- Protect its assets and reputation.

The Trust is committed to mitigating those risks within its control and preparing contingencies for risks beyond its control. As the Trust seeks to manage risks according to the appetite for those risks, it recognises the need to balance the costs and benefits of measures to reduce risk levels.

To succeed, risk management must be embedded at all levels within the Trust. To this end, the following components are critical:

- Clear and effective governance arrangements.
- Strong, respected, and impactful leadership with accountability.
- Explicit strategic objectives.
- Appropriate resource allocation.
- Integrated planning arrangements.
- Effective stakeholder involvement.
- Education and training strategies.
- Recognising the value of innovation that all staff can contribute to the management of risk.
- A system of risk identification, recording and action planning (Risk Register).
- Learning lessons and changing practice both within the corporate and operational divisions and organisation wide.
- Sharing lessons to learn with the wider health community.
- Promotion of a fair and open culture.

Risk Management Strategy priorities are:

- To ensure that risks that could prevent objectives being achieved are proactively identified, evaluated, and controlled to an acceptable level and in doing so provide a robust risk management framework with appropriate reporting arrangements and individual responsibilities clearly identified.
- For all strategic risks to be managed in line with the Trust Board's risk appetite.
- To improve organisational risk maturity, at all levels of the Trust.

As part of the reporting of the Board Assurance Framework for each quarter in 2019/20, risk appetite has been considered for each strategic objective and agreed at each of the respective Board Committees and Trust Board. This supports a dynamic approach to the consideration of risk appetite as part of strategic decision-making processes regarding the mitigation of risk.

Risk Management Policy

A refreshed Risk Management Strategy was introduced in July 2019 which clearly sets out the expectations, guidance and requirements of individuals and meetings regarding the management of risk through the governance structure at each level within the Trust. It includes several useful templates as appendices to support the practical implementation of the Policy.

The Policy outlines and emphasises that all staff have a responsibility for risk management, and this is embedded in the activity of the organisation through effective governance structures. As previously mentioned, all staff are routinely trained and supported with risk management to ensure a contribution to learning from best practice. This includes risks to data security and outlines the key role of an Information Asset Owner and Administrator in controlling critical data.

Quality Governance Standards and Structures Framework

All Executive Directors are responsible for supporting the Trust Board in maintaining high quality governance standards, and identifying, assessing, and managing risks in their portfolio areas. The Director of Quality Governance is the executive lead for quality governance and is responsible for Patient Experience. The Director of Nursing has executive responsibility for Patient Safety. The Medical Director has executive responsibility for Clinical Effectiveness.

The Board receives a quality report at each of its meetings, in which good practice, issues of concern and performance against all CQC domains and metrics are reported. The Board has established a Quality Committee to scrutinise the detail of quality governance and provide assurance to the Board. Both the Board and Quality Committee, at their monthly meetings, review specific examples of patient and staff feedback with the view to learning from this and ensuring that appropriate action is taken to safeguard quality and improve the patient and staff experience. The Quality Committee also undertakes “deep dive” reviews of particular aspects of quality. These are undertaken in conjunction with the Performance Committee where there is some cross-over in responsibility.

The Performance Committee has an overview of the Trust’s Cost Improvement Programme (CIP). Many CIP schemes have quality components and the quality aspects of each scheme are assessed by the Executive Directors to ensure that service quality and patient safety are not compromised by the actions proposed.

The Board is actively engaged in quality improvement and is assured that quality governance is subject to rigorous challenge through Non-Executive Director engagement and chairing of board-level assurance committees.

The Quality Governance Department is responsible for the systems and processes required to support the delivery of quality governance. The Department must evaluate continuously the efficacy of risk management and assurance systems and committee communication to ensure the Trust Board and senior managers receive information and intelligence they require. Liaising with all inspectorates also falls into the remit of this department. The department implements systems and processes to ensure the Trust can demonstrate compliance with the Care Quality Commission Key Lines of Enquiry for Quality and Safety on a continuous basis. Any gaps in assurance are identified and escalated in a timely manner.

Each Divisional Director is the accountable officer within their Division. They are accountable to the Chief Executive and Trust Board for the delivery of quality governance within their Division and should ensure robust systems and processes are in place to support this.

The Information Department is responsible for supporting quality governance through the provision of timely and accurate performance data.

Risks to Data Security

As noted elsewhere in this Annual Governance Statement the Trust had no incidents regarding data security that had to be reported to the Information Commissioner's Office during 2019/20. The Trust has begun to implement the NHS Information Risk Management Guidelines by establishing a register of key information assets, allocating each one to an Information Asset Owner who reports to the Senior Information Risk Owner. Information risk management is reviewed and monitored by the newly formed Information Group. The Trust has enforced the Information Security Policy to control where personal information is stored and to protect personal information that is stored on portable storage devices from unauthorised access through the encryption of all portable devices and remote access personal computers.

Major Risks

The Trust set out its strategic objectives and the strategic risks relating to these strategic objectives for 2019/20 at a Board Seminar in May 2019. This Board Assurance Framework is linked to the Corporate Risk Register which identifies all high scoring operational risks. The Board cycle ensures there is oversight, review, and challenge of both the Corporate Risk Register and the Board Assurance Framework. However, the Covid-19 emergency incident at the end of the year has caused progress on some of these risks to be reconsidered as part of that response.

Governance principles, as described above, are implemented in each of the Divisions, with a Divisional Board having responsibility for the overall management of the Division, a Quality and Performance Committee for Divisional oversight of clinical performance (mortality, audit data, benchmarking), service level patient feedback, team or ward audits, service level risk registers, complaints, incidents, key performance targets, financial performance and workforce management. Underpinning these meetings are specialty and service meetings to look at clinical performance (mortality, audit data, benchmarking), service level patient feedback, audits, service level risk register, complaints, incidents, and lessons learned. Additionally, ward and team meetings are held with the expectation that they will share knowledge and experience; in particular, good practice and lessons learned.

The Board Assurance Framework table can be seen below.

Quarter 4 risk ratings

RISK APPETITE	STRATEGIC OBJECTIVES AND STRATEGIC RISKS	INHERENT RISK SCORE (LxI)	CURRENT RISK SCORE AT Q3 (LxI)	CURRENT RISK SCORE AT Q4 (LxI)	TREND	TARGET RISK SCORE (LxI)	ACHIEVED TARGET RISK SCORE	LEAD COMMITTEE	EXECUTIVE LEAD
STRATEGIC OBJECTIVE 01: PROVIDE SAFE, EFFECTIVE, CARING AND RESPONSIVE SERVICES - GOOD BY 2020									
Minimal	Inability to achieve and maintain regulatory compliance	20 (4 x 5)	12(4 x 3)	9 (3 x 3)	↑	9 (3 x 3)	Yes	Quality	Director of Quality Governance
Cautious	Non-delivery of the outcomes of the Quality Strategy	16 (4 x 4)	12 (3 x 4)	6 (2 x 3)	↑	6 (2 x 3)	Yes	Quality	Medical Director / Director of Nursing / Director of Quality Governance
Avoid	Failure to deliver safe care	20 (4 x 5)	12 (3 x 4)	8 (2 x 4)	↑	8 (2 x 4)	Yes	Quality	Medical Director / Director of Nursing / Director of Quality Governance
STRATEGIC OBJECTIVE 02: ENSURE EFFICIENT USE OF RESOURCES									
Open	Expenditure incurred exceeds income by greater than agreed control total	25 (5 x 5)	20 (4 x 5)	15 (5 x 3)	↑	15 (3 x 5)	Yes - but not as planned	Performance	Director of FEIMT & Deputy CEO / Divisional Directors
Open	Inability to achieve productivity improvements as required across all areas	20 (5 x 4)	16 (4 x 4)	12 (3 x 4)	↑	12 (3 x 4)	Yes	Performance	Director of FEIMT & Deputy CEO / Divisional Directors
STRATEGIC OBJECTIVE 03: PATIENT STANDARDS									
Cautious	Failure to deliver patient standards of care to constitutional and contractual levels as agreed with commissioners	20 (4 x 5)	16 (4 x 4)	16 (4 x 4)	⇔	12 (3 x 4)	No	Performance	Divisional Directors
STRATEGIC OBJECTIVE 04: ACHIEVE EXCELLENCE IN EMPLOYMENT									
Open	Unable to recruit sufficient numbers of people with the right skills and values	20 (4 x 5)	12 (3 x 4)	12 (3 x 4)	⇔	12 (3 x 4)	Yes	Human Resources & Organisational Development	Director of Human Resources & OD
Open	Unable to retain the right people	20 (4 x 5)	12 (3 x 4)	12 (3 x 4)	⇔	12 (3 x 4)	Yes	Human Resources & Organisational Development	Director of Human Resources & OD
Open	Unable to achieve necessary cultural change	16 (4 x 4)	12 (3 x 4)	12 (3 x 4)	⇔	12 (3 x 4)	Yes	Human Resources & Organisational Development	Director of Human Resources & OD
STRATEGIC OBJECTIVE 05: IMPLEMENT THE ISLE OF WIGHT HEALTH AND SUSTAINABILITY PLAN									
Open	Pace of implementation of the IOW Health and Care Sustainability Plan for achieving clinical and financial sustainability is not delivered	20 (5 x 4)	12 (3 x 4)	8 (2 x 4)	↑	8 (2 x 4)	Yes	Performance	Chief Executive
Seek	Strategic partner to support delivery of phase two of the Acute Services Redesign may withdraw from agreement	16 (4 x 4)	12 (3 x 4)	8 (2 x 4)	↑	8 (2 x 4)	Yes	Performance	Chief Executive
Open	Underpinning and supporting Trust plans aligned to Sustainability Plan not implemented	16 (4 x 4)	12 (3 x 4)	8 (2 x 4)	↑	8 (2 x 4)	Yes	Performance	Chief Executive

The Well-Led Framework

The Trust Board undertook a self-assessment against the CQC Well-Led Framework in May 2019. The Trust underwent its Well-Led inspection in June 2019. This demonstrated an improvement from the 'inadequate' rating in 2018 to 'requires improvement'. The CQC concluded that: *'Since our last comprehensive inspection in January 2018, the Trust had formed an experienced leadership team with the skills, abilities, and commitment for the potential to provide high-quality services.*' They went on to say that *'the Trust had the basis of a structure for overseeing performance, quality and risk, with board members.'*

The Trust had rated itself as 'Requires Improvement' for a number of the prompts within the key lines of enquiry and was pleased to see this progress reflected in the CQC's findings. It developed an action plan to address these specific issues to ensure that the Trust could meet each of the statements for the Well-Led Framework during 2019/20.

Due to the Covid-19 emergency incident the self-assessment process has not been completed for 2019/20 and the Trust is therefore unable to confirm the progress made.

Board Regulatory Statements

Whilst NHS Trusts are exempt from the requirement to apply for and hold the NHS Provider Licence, directions from the Secretary of State require NHS Improvement to ensure that NHS Trusts comply with conditions equivalent to the licence as it deems appropriate. This includes compliance with Provider Licence Condition FT4.

The Board is satisfied that the Trust has established and implements:

- Effective board and committee structures.
- Clear responsibilities for its Board, for committees reporting to the Board and for staff reporting to the Board and those committees/.
- Clear reporting lines and accountabilities throughout its organisation.

The Board is satisfied that the systems and processes ensure:

- That there is sufficient capability at Board level to provide effective organisational leadership on the quality of care provided.
- That the Board's planning and decision-making processes take timely and appropriate account of quality of care considerations.
- The collection of accurate, comprehensive, timely and up to date information on quality of care.
- That the Board receives and takes into account accurate, comprehensive, timely and up to date information on quality of care.
- That the Trust actively engages on quality of care with patients, staff and other relevant stakeholders and takes into account views and information from these sources.
- That there is clear accountability for quality of care throughout the Trust including systems and processes for escalating and resolving quality issues.

During the year, the Trust addressed a number of strategic risks associated with being compliant with the terms of the Licence. At the close of 2019/20 the Board is satisfied that the Trust has established and effectively implemented systems and/or processes:

- To ensure compliance with the Licensee's duty to operate efficiently, economically, and effectively.
- For timely and effective scrutiny and oversight by the Board of the Licensee's operations.

- To ensure compliance with health care standards binding on the Licensee including, but not restricted to, standards specified by the Secretary of State, the Care Quality Commission, the NHS Commissioning Board, and statutory regulators of health care professions.
- For effective financial decision-making, management, and control (including but not restricted to appropriate systems and/or processes to ensure the Licensee's ability to continue as a going concern).
- To obtain and disseminate accurate, comprehensive, timely and up-to-date information for Board and Committee decision-making.
- To identify and manage (including, but not restricted to, through forward plans) material risks to ensure compliance with the Conditions of its Licence.
- To generate and monitor delivery of business plans (including any changes to such plans) and to receive internal and, where appropriate, external assurance on such plans and their delivery.
- To ensure compliance with all applicable legal requirements.

Workforce Strategies and Staffing

The NHS faces huge workforce challenges with national shortages in most professions, many trained staff leaving the NHS prematurely, and limitations on international recruitment. As a Trust providing services to an island population, we are faced with some unique circumstances which offer both additional challenges and, at the same time, opportunities.

To meet these challenges and seize opportunities the Trust recognises that it must be ambitious in its efforts to create a reputation and an environment that encourages the very best people with the right skills and values to join and remain with the Trust.

The Trust has a Workforce Strategy and Recruitment & Retention Strategy, further strengthened by a Leadership Strategy. These three documents describe how over the short, medium and long term we will confront the workforce challenges, embrace the opportunities and work tirelessly to create an environment in which our staff can, confidently, realise their potential and give the very best care possible to our patients and clients.

The Trust continues to ensure appropriate assurance is provided to the Trust Board that staffing systems and levels are safe, sustainable, and effective. This is provided through monthly reports to each of the Human Resources and Organisational Development Committee, Performance Committee, and Trust Board.

Safe staffing reviews are undertaken at least twice daily in the acute setting on a dynamic basis, and reports on a monthly basis comply with the requirements of the Developing Workforce Safeguards recommendations.

Quality Impact Assessments are carried out for all planned changes, service developments, and introduction of new models of care such as the use of nursing apprentices, and involve executive leadership from the Director of Nursing, Midwifery, Allied Health Professionals and Community Services, Medical Director and Director of Quality Governance.

Risks in relation to staffing levels are clearly sighted at Board level and the Trust has taken action to adjust service delivery, following discussion with commissioners, to mitigate the impact on patients' safety and experience of staffing level risks. Where appropriate the Trust considers benchmarking data to ensure appropriate and sustainable workforce planning and uses available evidence – particularly the Getting It Right First Time (GIRFT) Programme – to identify what good looks like and to take account of financial restraints, for example, by reducing agency staff.

Care Quality Commission Compliance

The Trust was not fully compliant with the registration requirements of the Care Quality Commission (CQC). Consequently, the Trust was placed into Special Measures by NHS Improvement in April 2017.

The Trust remains in Special Measures following a further inspection by CQC during May and June 2019. However, this inspection saw several services achieve a rating of 'Good' and the Trust overall rating improve to 'Requires Improvement'. Unfortunately following the Covid-19 emergency incident it is highly unlikely that the Trust will be inspected in 2020/21. The CQC is therefore unable to recommend to NHS Improvement that the Special Measures status be lifted without undertaking an inspection.

The Trust received a warning notice from the CQC in relation to a visit to its Emergency Department in February 2019 which it has worked to address throughout the period to April 2019. CQC reviewed the actions undertaken during its inspection in May 2019 and confirmed the requirements of the warning notice had been met.

The Trust received two warning notices in relation to Mental Health and Learning Disabilities. The first of these was in relation to community mental health services. It should be acknowledged that the Section 29a was issued in place of a Section 31 notice to recognise both the improvements made and the need to improve further by the end of November 2019. The CQC undertook an unannounced inspection of community mental health services in December 2019 and confirmed that the requirements of the warning notice had been met. The second warning notice for Mental Health and Learning Disabilities related to inpatient care for older people and specifically to one ward. The Trust Board ultimately took the decision to close the ward and deliver the service in a different way. The CQC confirmed it would not take any further actions on that basis.

A further Section 29a warning notice was issued in relation to Acute services in July 2019. This had an end date of the 31 December 2019. The CQC undertook an unannounced inspection in February 2020 and confirmed that the requirements of the warning notice had been met.

At the end of 2019/20, the Trust had no restrictions in place or unmet warning notices.

Conflicts of Interest

The Trust has published on its website an up-to-date register of interests, including gifts and hospitality, for decision-making staff (as defined by the Trust with reference to the guidance) within the past twelve months, as required by the '*Managing Conflicts of Interest in the NHS*' guidance.

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.

Equality, Diversity and Human Rights

Control measures are in place to ensure that all the organisation's obligations under

equality, diversity and human rights legislation are complied with.

Carbon Reduction Delivery Plans

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

Summary

As part of its role in ensuring effective direction of the Trust, the Board continuously seeks assurances on the detection and management of significant issues. As Accountable Officer, I ensure that Board members are apprised of real or potential significant issues on a no-surprises basis, both within formal Board meetings and as required between meetings. Electronic briefings or conference call updates are circulated to Non-Executive Directors to inform them of any emerging issues in between Board meetings. The Board Assurance Framework is updated to reflect significant issues and the mitigation thereof.

The general duty of the Trust Board and each Director individually, is to act with a view to promoting the success of the Trust so as to maximise the benefits for the members of the corporation as a whole and for the public.

The Trust Board exercises all the powers of the Trust on its behalf, and the Trust Board may delegate powers to an assurance committee of the Board or to one or more executive director(s). This is detailed in the Scheme of Reservation and Delegation.

The Trust produces detailed Annual Plans reflecting its service and operational requirements and its financial targets in respect of income and expenditure and capital investments. These plans incorporate the Trust's plans for improving productivity and efficiency to minimise the income losses, fund investments and meet the national efficiency targets applied to all NHS providers. The financial and workforce plans are reviewed by the Performance Committee prior to Board approval.

The resource utilisation is monitored monthly by the Board and its committees through detailed reports covering finance, activity, capacity, workforce management and risk. In addition, this has been complemented by a series of Integrated Performance Review Meetings with Divisions where their performance is assessed across a full range of financial and quality indicators and identifies any risks and challenges that need to be addressed. These meetings are held fortnightly, monthly, or quarterly as required.

The CQC inspected the Trust for Use of Resources in May 2019 and rated the Trust 'Inadequate'. The Trust developed an action plan to address the issues throughout 2019/20.

To ensure that the Trust is able to demonstrate the effectiveness of its services, it participates in local and national benchmarking exercises such as the GIRFT programme for Acute services and more recently for Mental Health and Community services, and the national reference costs collection process. This enables the Trust to compare itself with peer organisations and allows consideration of best practice and identification of any areas for potential improvement in services.

The Trust remained in financial special measures during 2019/20 and has continued to hold a Financial Recovery Board, which has been led by executive directors and senior managers, to consider opportunities for improving financial processes and routines and to review key business cases.

In addition, the Trust remained in quality special measures in the year and has continued with its Quality Improvement Board led by executive directors and senior managers to consider opportunities to improve the quality of services provided by the Trust.

The combination of the Use of Resources Inspection action plan, Quality Improvement Board, the Financial Recovery Board, and the Integrated Performance Review meetings have provided significantly improved governance arrangements for ensuring that resources are used economically, efficiently, and effectively.

The Financial Recovery Board reports through the finance report to the Trust's Performance Committee where scrutiny and challenge regarding financial performance and the effective use of resources has enabled the Trust Board to receive overall reports from the Director of Finance, triangulated with reports from the Chair of Performance Committee. Likewise, the Quality Improvement Board has reported to the Quality Committee and, following scrutiny and challenge, the Director of Quality Governance has been able to report on quality performance to the Trust Board. Also, these reports are triangulated by reports from the Chair of the Quality Committee.

The Trust's Audit Committee performs a pivotal role in providing the Trust Board with assurance on the use of resources. Each year the Audit Committee commissions the internal auditors to undertake reviews of key internal risks with a view to gaining assurance that there are sufficient and appropriate processes in place to demonstrate the economic, efficient, and effective use of resources. The external auditors annually review the use of resources as part of the annual audit programme

In summary, any concerns on the economy, efficiency, and effectiveness of the use of resources are well monitored and addressed.

Information Governance

Serious Incidents Relating to Information Governance

During 2019/20 the Trust is pleased to report that there were no Information Governance related incidents which met the threshold of scoring 6 or above against the breach assessment matrix within NHS Digital's Guide to the Notification of Data Security and Protection Incidents. Consequently, there were no reportable breaches to the Information Commissioner's Office.

The Trust was subject to an assessment by the Information Commissioner's Office during the year and issued with a preliminary enforcement notice in March 2020. The Trust took action to address the issues raised and responded accordingly to the Information Commissioner's Office.

Annual Quality Account

The Directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 (as amended) to prepare Quality Accounts for each financial year. Due to the Covid-19 emergency incident in place at the end of 2019/20, NHS Improvement has issued revised guidance on the form and content of the annual Quality Account, one factor is that the Quality Account for 2019/20 will not be audited.

The Quality Account priorities are selected each year in consultation with the Board, clinicians, and other relevant stakeholders. Priorities that will require implementation over several years are carried forward alongside new priorities selected. All the priorities considered form part of the three-year Quality Strategy (approved April 2018) and the following priorities were selected for 2019/20:

- *Patient Safety:* Releasing time to care – using information systems appropriately.
- *Clinical Effectiveness:* Right Person, Right Place, Right Time.
- *Patient Experience:* Dementia Care.

The Director of Quality Governance is the executive lead in the Trust for the Quality Account. The Trust's policies, procedures and clinical guidelines provide a robust foundation for and support of delivery of quality care. All policies, procedures and guidelines are stored centrally to ensure that only current versions are available to staff.

Data is collected throughout the year to provide assurance of progress against priorities and comes from a range of sources both internal and external to the Trust. These include clinical audit, falls risk assessments, performance metrics such as elective waiting times, and national patient and staff surveys. The Quality Committee received regular reports on progress against the selected priorities for 2019/20 to identify trends and issues of concern along with assurance of the accuracy of the data.

The Trust's Quality Account is shared with key stakeholders who are all invited to comment.

Each year, the Trust follows a process to enable completion of the Quality Account. This commences in December by identifying potential Quality Priorities for the forthcoming year and producing a long list of options which are then consulted upon. The consultation goes out on an electronic survey to over 70 key areas including all Trust staff, CCG, Healthwatch, local police, Local Authority, and multiple other agencies. Although this commenced as planned, COVID-19 planning then took priority and this did not conclude with the stakeholder event held in previous years.

Priorities for 2020/21

Given the Covid-19 emergency incident at the end of 2019/20 and the difficulty this presented in consulting on new priorities and the fact that the Trust is continuing its journey to being rated as 'Good' by the CQC, the Trust Board agreed to adopt the same priorities in 2020/21 as for 2019/20:

- *Patient Safety:* Releasing time to care – using information systems appropriately.
- *Clinical Effectiveness:* Right Person, Right Place, Right Time.
- *Patient Experience:* Dementia Care.

Monitoring throughout 2020/21 will continue to be through committee work-plans and alignment to the Quality Strategy at both Divisional and Trust-wide level.

Review of Effectiveness

Effectiveness of the System of Internal Control

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 directors 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 Annual Audit 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, Audit Committee, Quality Committee, Human Resources and Organisational

Development Committee and Performance Committee. A plan to address weaknesses and ensure continuous improvement of the system is in place.

Head of Internal Audit Opinion 2019/20

The Head of Internal Audit provides me with an opinion on the overall arrangements for gaining assurance through the Assurance Framework and on the controls reviewed as part of the internal audit work.

The overall Head of Internal Audit Opinion for 2019/20 is:

"Based solely on our coverage during the year, TIAA is satisfied that the Isle of Wight NHS Trust has limited effective risk management, control and governance processes in place in those areas reviewed. This assessment does not extend to those areas where we were not able to complete work due to the restrictions brought about by Covid-19.

This opinion is based solely on the matters that came to the attention of TIAA during the course of the internal audit reviews carried out during the year and is not an opinion on all elements of the risk management, control and governance processes or the ongoing financial viability or your ability to meet financial obligations which must be obtained by the Isle of Wight NHS Trust from its various sources of assurance."

Internal Audit was able to complete 10 reviews, which were designed to ascertain the extent to which the internal controls in the system are adequate to ensure that activities and procedures are operating to achieve the Trust's objectives. Four reviews were delayed due to the Covid-19 emergency incident.

For each assurance review an assessment of the combined effectiveness of the controls in mitigating the key control risks was provided. Specific actions were identified in Estates Management and Soft Services, Cyber Security, Financial Review including non-pay expenditure, and Data Security and Protection Toolkit. The Trust is the process of implementing the actions to close the gap on the weaknesses identified. The Trust also has some overdue actions relating to the previous year's work covering procurement and GDPR. The Trust is actively resolving these outstanding actions as soon as possible.

Assurances as to the effectiveness of internal controls

I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Audit Committee, Quality Committee, Performance Committee, Human Resources and Organisational Development Committee and the Executive Team.

The following have a role in maintaining and reviewing the effectiveness of the system of internal control:

The **Board** has been actively involved in developing and reviewing the Trust's risk management processes including receiving and reviewing minutes and chair's observations from all committees which report to the Board. The Board also reviews the Board Assurance Framework, Corporate Risk Register, Performance reports and Quality reports

The **Audit Committee** has been a directing force in relation to reviewing the framework of internal control particularly regarding corporate risk, the Assurance Framework, the Corporate Risk Register, and counter fraud

The **Quality Committee** is responsible for overseeing all aspects of quality, including patient safety, patient experience, regulatory standards, clinical risk, and clinical outcomes

The **Performance Committee** is responsible for overseeing all aspects of financial performance and use of resources, operational performance, and workforce performance.

The **Human Resources and Organisational Development Committee** is responsible for overseeing compliance with all regulatory and statutory requirements relating to workforce.

Additionally, a Financial Recovery Board accountable to the Performance Committee for overseeing the financial recovery plans and a Quality Improvement Board accountable to the Quality Committee for overseeing the quality improvement plans, has met monthly and has provided an impetus for driving further cost savings and improvements during 2019/20.

In conjunction with the above Boards, Integrated Performance Review Meetings have also been held on a fortnightly, monthly or quarterly basis dependent on the level of need within particular areas of the Trust, creating the opportunity for detailed challenge to Divisions and Corporate Functions.

Executive Directors within the organisation, who have responsibility for the development and maintenance of the system of internal control, provide me with assurance. The Board Assurance Framework itself provides me with evidence that the effectiveness of controls that manage the risks to the organisation achieving its strategic objectives have been reviewed. My review is also informed by:

- Internal audit reports and the Head of Internal Audit's opinion.
- External audit.
- Minutes and papers to the Trust Board and Committees including monthly activity, quality, finance, and workforce performance reports.
- Corporate and clinical division reports to Trust Leadership Committee.
- Reports to the Board from Audit Committee.
- Regular review of the Board Assurance Framework and Corporate Risk Register, through the Trust Board.
- CQC confirmation of registration of all regulated activities and outcomes.
- CQC inspection reports.
- Reports from the local counter fraud specialist.
- Submissions to, and feedback from, NHS Improvement.
- Quality and contract review meetings with commissioners.
- Board and Executive Director site visits and “deep dives” into services.
- Compliance with the NHS Data Security and Protection Toolkit (DSPT).
- Board self-certification of compliance with NHS Provider Licence conditions GC6 and FT4.

However, despite these controls, the Trust remains in Special Measures for quality and finance.

As Chief Executive and Accountable Officer I have advised the Trust Board, the Audit Committee, and the Trust Leadership Committee on the implications of the result of my review of the effectiveness of the system of internal control. Collectively we have generated quality, workforce, financial and operational plans which will continue to be monitored and delivered during 2020/21 through the assurance committees.

Conclusion

In summary, there have been several significant internal control issues during 2019/20.

The Trust remains in financial special measures and had a year-end deficit of £17.7m. This compares to an original Trust plan of £4.0m deficit. The Internal Auditors’ opinion on the

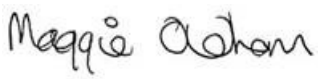
organisation's system of internal control has taken this factor into account.

The Head of Internal Audit's opinion is that the Trust has limited effective risk management, control, and governance processes in place in those areas reviewed. Actions plans are in place to address the weaknesses identified.

Additionally, the Care Quality Commission published a report for the Trust, based on the inspection visits undertaken in May/June 2019. The resulting overall rating from the visit to the organisation was 'Requires Improvement', with a 'Good' rating attributed to a range of services, the whole of Community Services and to the individual CQC domain of 'Caring'. On the recommendation of the CQC, the Trust has remained in Special Measures for Quality. The Trust received Warning Notices, as part of this inspection, from the CQC for Acute Services and Mental Health services. The Trust acted upon these and all requirements were met by the year end.

The Trust did not achieve a number of NHS constitutional targets during 2019/20 and has been addressing these through its performance improvement programme.

It is reassuring to note the improvements in governance, structures, performance management and risk management have continued to be embedded during the year. We are on a journey of continuous improvement which has good foundations to continue during 2020/21. Unfortunately, the recommendation to leave quality special measures is generally only made by the CQC following a comprehensive inspection. It is unlikely that a comprehensive inspection will happen during 2020 due to Covid-19.



Maggie Oldham

Chief Executive

24 June 2020

Remuneration and Staff Report

Section 421 of the Companies Act 2006 requires the preparation of a Remuneration Report containing an annual report on the remuneration in accordance with the requirements of Part 3 of Schedule 8 of Statutory Instrument 2008 No.410.

Within the NHS this remuneration report looks at the senior managers of the NHS body. Senior managers are defined as those persons in senior positions having authority or responsibility for directing or controlling the major activities of the NHS body. This means those who influence the decisions of the entity as a whole rather than the decisions of individual directorates or departments. For the purpose of this report this covers the Trust's Non-Executive Directors and Executive Directors.

Employment summary

The Isle of Wight NHS Trust employed an average of 3,202 (3,100 in 2018/19) staff and at 31 March 2020, the equivalent of 2,809 (2,717 in 2018/19) full-time staff were employed.

Employees by staff group

Average Staff Numbers	Permanent Staff	Other	Total
Medical and dental	234	70	**304**
Ambulance staff	123	2	**125**
Administration and estates	789	2	**791**
Healthcare assistants and other support staff	562	124	**686**
Nursing, midwifery, and health visiting staff	760	147	**907**
Scientific, therapeutic, and technical staff	341	48	**389**
Other	0		**0**
Total average numbers	2,809	393	**3,202**
Number of employees (WTE) engaged on capital projects	6	0	**6**

Composition by gender

Just under three quarters of the workforce (74.6%) are female (figures excluding bank staff).

Gender	Headcount	%	FTE
Female	2,494	74.6	2099.00
Male	851	25.4	778.86
Grand Total	**3,345**	**100.0**	**2877.85**

Staff sickness absence

For 2019/20 staff sickness absence data is not required by the DHSC GAM to be disclosed in annual reports. The information is published by NHS Digital: https://digital.nhs.uk/data-and-information/publications/statistical/nhs-sickness-absence-rates

Remuneration policy – Executive and Non-Executive Directors

NHS Improvement determines the remuneration of the Chairman and Non-Executive Directors nationally and provides guidelines for senior appointments in NHS Trusts, and the Trust has no reason to believe this position will change in the near future.

Exit packages, payment for loss of office or payments or awards to past senior managers.

During 2019/20, the Trust did not pay any exit packages or compensation for loss of office to senior managers.

Exit packages

The remuneration of any senior managers on 'Agenda for Change' terms and conditions of employment should be in line with National Agreements, as negotiated by the Staff Council. Any other Executive Directors contract is in accordance with national guidance on executive pay. Where no guidance is given, a discussion would be held at the local Remuneration and Nominations Committee. The membership of this committee is detailed in the Annual Governance Statement. The Trust has no reason to believe that this position will change in the future.

Exit package cost band (including any special payment element)	**Number of compulsory redundancies**	**Cost of compulsory redundancies**	**Number of other departures agreed**	**Cost of other departures agreed**
	No.	**£000**	**No.**	**£000**
<£10,000	3	3	8	49
£10,000 - £25,000	0	0	8	147
£25,001 - £50,000	1	47	9	267
£50,001 - £100,000	0	0	0	0
£100,001 - £150,000	0	0	0	0
£150,001 - £200,000	-0	0	0	0
>£200,000	0	0	0	0
Total	**4**	**50**	**25**	**463**

Notes:

This disclosure reports the number and value of exit packages agreed in year.

Ill health retirement costs are met by the NHS Pension Scheme and are not included in these costs.

The redundancies were due to workforce restructuring. Twenty-four of the other departures have been paid in accordance with the Trust's MARS (Mutually Agreed Resignation Scheme), with the remaining one being a contractual payment in lieu of notice. Exit costs in the note are the full costs of departures agreed in year.

Other departures

Analysis of other departures	Payments agreed	Total value of agreements £000s
Voluntary redundancies including early retirement contractual costs	0	0
Mutually agreed resignations (MARS) contractual costs	24	443
Early retirements in the efficiency of the service contractual costs	0	0
Contractual payments in lieu of notice	1	20
Exit payments following employment tribunals or court orders	0	0
Non-contractual payments requiring HMT approval (special severance payments) *	0	0
Total	**25**	**463**

Salary and pension entitlements of senior managers (audited)

Remuneration Name and Title	2019-20						2018-19					
	(a) Salary (inc Other remuneration) (bands of £5,000) £000	(b) Expense payments (taxable) To nearest £100 £00	(c) Performance Pay & Bonuses (bands of £5,000) £000	(d) Long Term Performance Pay & Bonuses (bands of £5,000) £000	(e) All pension related benefits (bands of £2,500) £000	(f) Total (a to e) (bands of £5,000) £000	(a) Salary (inc Other remuneration) (bands of £5,000) £000	(b) Expense payments (taxable) To nearest £100 £00	(c) Performance Pay & Bonuses (bands of £5,000) £000	(d) Long Term Performance Pay & Bonuses (bands of £5,000) £000	(e) All pension related benefits (bands of £2,500) £000	(f) Total (a to e) (bands of £5,000) £000
Mr V Thomas - Chair (note 3)	35-40	-	-	-	-	35-40	35-40	-	-	-	-	35-40
Ms C Spicer - Non-Executive Director (note 3)	5-10	-	-	-	-	5-10	5-10	-	-	-	-	5-10
Ms A Stoneham- Non-Executive Director (note 3)	5-10	-	-	-	-	5-10	5-10	-	-	-	-	5-10
Mr C Godden- Associate Non-Executive Director (note 1,4)	0-5	-	-	-	-	0-5	5-10	-	-	-	-	5-10
Ms S Weech- Associate Non-Executive Director (note 1,3)	5-10	-	-	-	-	5-10	5-10	-	-	-	-	5-10
Ms O Adenubi - Non Executive Director (note 3)	5-10	-	-	-	-	5-10	0-5	-	-	-	-	0-5
Mr P Evans - Non Executive Director (note 3)	5-10	-	-	-		5-10	0-5	-	-	-		0-5
Mr P Berrington - Associate Non Executive Director (note 1,3)	5-10	-	-	-	-	5-10	0-5	-	-	-	-	0-5
Mr T Peachey - Non Executive Director (note 3)	5-10	-	-	-	-	5-10	5-10	-	-	-	-	5-10
Mrs J Ross - Associate Non Executive Director (note 1,2)	0-5	-	-	-	-	0-5	-	-	-	-	-	-
Mrs M Oldham - Chief Executive (note 3, 6)	190-195	-	-	-	0-2.5	195-200	190-195	15,000	-	-	0-2.5	210-215
Mr D Cattell - Director of Finance, Estates & IM&T (note 3,5,6)	175-180	-	-	-	0-2.5	180-185	200-205	-	-	-	0-2.5	205-210
Mrs J Pennycook - Director of Human Resources and Organisational Development (note 1,3,5)	125-130	-	-	-	17.5-20	145-150	125-130	1,585	-	-	17.5-20	145-150
Mrs S Rostron - Director of Quality Governance (note 3,5)	110-115	-	-	-	15-17.5	130-135	110-115	10,000	-	-	15-17.5	140-145
Ms A Webster - Director of Nursing, Midwifery, AHPs & Community Service (note 3)	135-140	-	-	-	17.5-20	155-160	20-25	-	-	-	2.5-5	25-30
Mrs N Turner - Director of Acute Transformation (note 1,3,10)	115-120	-	-	-	15-17.5	135-140	105-110	-	-	-	15-17.5	125-130
Ms L Stevens - Director of Mental Health (note 1,3)	165-170	-	-	-	22.5-25	190-195	155-160	-	-	-	17.5-20	175-180
Mr A Flowerdew - Medical Director (note 3)	180-185	-	-	-	0-2.5	185-190	155-160	-	-	-	0-2.5	160-165
Mr T Lynch - Director of Integrated Urgent Care (note 1,4)	80-85	-	-	-	0-2.5	85-90	35-40	-	-	-	0-2.5	40-45
Mr J Smyth - Chief Operating Officer (Acute & Ambulance) (note 1,2)	75-80	-	-	-	0-2.5	80-85	-	-	-	-	-	-
Mr C Rogers - Non-Executive Director (note 8)	-	-	-	-	-	-	5-10	-	-	-	-	5-10
Mr D King - Non-Executive Director (note 8)	-	-	-	-	-	-	0-5	-	-	-	-	0-5
Mr R Ghosh - Director of Clinical Improvement - Advisor to Board (note 8)	-	-	-	-	-	-	70-75	-	-	-	0-2.5	75-80
Mr K Bond - Director of Operations - Mental Health Services (note 8)	-	-	-	-	-	-	5-10	-	-	-	0-2.5	10-15
Mrs B Stuttle - Director of Nursing (note 8)	-	-	-	-	-	-	120-125	3,900	-	-	0-2.5	130-135
Mr A Sheward - Executive Director of Nursing & Quality (note 8,9)	-	-	-	-	-	-	20-25	-	-	-	2.5-5	25-30
Mr J Burwell - Executive Director of Strategy & Planning (note 8,9)	-	-	-	-	-	-	95-100	-	-	-	12.5-15	105-115
Mr S Parker - Medical Director (note 8)	-	-	-	-	-	-	50-55	-	-	-	5-7.5	60-65
Mr P Evans - Medical Leadership - Adviser to Board (note 8)	-	-	-	-	-	-	5-10	-	-	-	0-2.5	10-15
Mr S Stacey - Chief Operating Officer (note 8)	-	-	-	-	-	-	15-20	-	-	-	0-2.5	20-25
Band of Highest Paid Director's Total Remuneration (£000)	195-200						210-215					
Median Total Remuneration (£)	24,214						25,934					
Ratio (note 7)	8.0						8.0					

Notes to salary and pension entitlements for senior managers

(1) All the above senior managers are/were voting members of the Board of Directors except:
T Lynch (until 10.07.19)
L Stevens (throughout 19/20)
N Turner (throughout 19/20)
J Pennycook (throughout 19/20)
P Berrington (throughout 19/20)
C Godden (until 01.05.19)
S Weech (throughout 19/20)
J Smyth (from 23.09.19)
J Ross (from 01.02.20)

(2) The following appointments were made in the year:
23.09.19 J Smyth as Chief Operating Officer (Acute & Ambulance)
01.02.20 J Ross as Associate Non Executive Director

(3) The remaining Directors not shown in note 2 - continued to serve on the Board throughout the year and remain as Directors as at the date of this Annual Report and Accounts.

(4) The following persons were Directors at 1st April 2019 but ceased to serve on the Board during the year:
01.05.19 C Godden resigned as Associate Non Executive Director
10.07.19 T Lynch resigned as Director of Integrated Urgent Care

(5) The above named executive directors have service contracts with the Trust.

(6) The Chief Executive Officer and Director of Finance, Estates & IM&T are contractually entitled to performance bonuses as part of their remuneration but both declined to be paid this element.

(7) 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 the Isle of Wight NHS Trust in the financial year 2019/20 was £195,000 - £200,000 (2018/19 - £210,000 - £215,000). This was 8 times (2018/19 - 8 times) the median remuneration of the workforce, which was £24,214 (2018/19 - £25,934). In 2019/2020, 3 employees received remuneration which was proportionately higher than that received by the highest paid director (2018/19 - 3 employees). Total remuneration includes salary, on-call payments, non-consolidated performance related pay as well as benefits in kind and is calculated on a Full Time Equivalent basis. It does not include employer pension contributions and the cash equivalent transfer value of pensions. Remuneration ranged from £6k to £301k.

(8) These are only included to show comparative figures for 2018/19.

(9) These senior managers paid until the contract end date - Sheward 23.06.18, Burwell 28.02.19.

(10) N Turner was Director of Acute Services until 22.09.19 and due to re-organisation became Director of Acute Transformation from 23.09.19 onwards

Salary and pensions entitlements for senior managers continued (audited)

Pension Benefits Name and title	(a) Real increase in pension at age 60 (bands of £2500) £000	(b) Real increase in pension lump sum at age 60 (bands of £2500) £000	(c) Total accrued pension at age 60 at 31 March 2020 (bands of £5000) £000	(d) Lump sum at age 60 related to accrued pension at 31 March 2020 (bands of £5000) £000	(e) Cash Equivalent Transfer Value at 1 April 2020 £000	(f) Real Increase in Cash Equivalent Transfer Value £000	(g) Cash Equivalent Transfer Value at 31 March 2019 £000	(h) Employers Contribution to Stakeholder Pension £000
Mrs N Turner - Director of Acute Transformation	0.0 - 2.5	0	30.0 -35.0	70.0 - 75.0	582	32	538	0
Mrs J Pennycook - Director of Human Resources and Organisational Development	0.0 - 2.5	0	25.0 - 30.0	70.0 - 75.0	585	23	548	0
Mrs S Rostron - Director of Quality Governance	0.0 - 2.5	0	20.0 - 25.0	50.0 - 55.0	379	21	350	0
Ms L Stevens - Director of Mental Health	2.5 - 5.0	0.0 - 2.5	60.0 - 65.0	165.0 - 170.0	1,367	88	1,250	0
Ms A Webster - Director of Nursing, Midwifery, AHPs & Community Service	2.5 - 5.0	7.5- 10.0	50.0 - 55.0	150.0 - 155.0	1,055	89	943	0
Mr J Smyth - Chief Operating Officer (Acute & Ambulance)	2.5 - 5.0	2.5 - 5.0	40.0 - 45.0	95.0 - 100.0	838	63	701	0
OPTED OUT OF PENSION SCHEME								
Mrs M Oldham - Chief Executive	0.0 - 2.5	0.0 - 2.5	0.0 - 5.0	0.0 - 5.0	0	0	0	0
Mr D Cattell - Director of Finance, Estates & IM&T	0.0 - 2.5	0.0 - 2.5	0.0 - 5.0	0.0 - 5.0	0	0	0	0
Mr A Flowerdew - Medical Director	0.0 - 2.5	0.0 - 2.5	0.0 - 5.0	0.0 - 5.0	0	0	0	0
OPTED OUT OF PENSION SCHEME & NO LONGER WITH THE TRUST								
Mr T Lynch - Director of Integrated Urgent Care	0.0 - 2.5	0.0 - 2.5	0.0 - 5.0	0.0 - 5.0	0	0	0	0

There are no entries for Non-Executive Directors in the table because their remuneration is non-pensionable.

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 the 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, the value of any benefits transferred from another pension scheme or arrangement and uses common market valuation factors for the start and end of the period. A CETV is not provided once a scheme member reaches age 60.

Employee benefits 2019/20

Employee Benefits	2019/20 Total	2018/19 Total
Employee Benefits - Gross Expenditure	**£000s**	**£000s**
Salaries and wages	110,077	106,115
Social security costs	11,033	10,641
Apprenticeship levy	536	500
Employer's contributions to NHS pensions	18,574	12,223
Pension cost - other	32	21
Other post-employment benefits	0	0
Other employment benefits	0	0
Termination benefits	71	242
Temporary staff	10,658	11,678
Total Employee Benefits	**150,981**	**141,420**
Employee Costs Capitalised	277	403
Gross Employee Benefits	**150,704**	**141,017**

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 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 because of their total membership of the pension scheme, not just their service in a senior capacity to which the disclosure applies. The CETV figures and 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.

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, the value of any benefits transferred from another pension scheme or arrangement and uses common market valuation factors for the start and end of the period. A CETV is not provided once a scheme member reaches the age of 60.

Fair pay disclosure

The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 requires that from 31 March 2017, any public sector organisation that has 250 or more employees must publish and report specific figures about their gender pay gap. The gender pay gap is the difference between the average earnings of men and women, expressed relative to men's earnings. For example, 'women earn 15% less than men per hour'. Employers must both publish their gender pay gap data and a written statement on their website and report their data to government online - using the gender pay gap reporting service. The overall pay difference at the Isle of Wight NHS Trust is 19.3% higher for men than women. More information can be found in our Gender Pay Gap Report published at https://www.iow.nhs.uk/Publications/gender-pay-gap-report.htm

Appraisal and performance

The review of the performance of any senior manager on agenda for change terms and conditions of employment would be in accordance with the Trust's appraisal policy. The Trust Board are also appraised. The Chairman undertakes the appraisal of the Chief Executive and Non-Executive Directors. The Executive Directors are appraised by the Chief Executive. Any pay award to other directors would take account of national guidance and appraisal outcomes.

Duration of contracts, notice periods and termination payments

Substantive appointments are made on a permanent basis, and temporary arrangements would be on the appropriate period of a fixed-term contract. Senior managers on Agenda for Change terms and conditions of employment (Pay Band 8 and above) are on three months' period of notice. Other director contracts (VSM) are required to give six months' period of notice.

Off-payroll engagements

As part of the Review of Tax Arrangements of Public Sector Employees, published by the Chief Secretary to the Treasury on 23 May 2012, NHS bodies are required to publish information in their Annual Report regarding off-payroll engagements where payment was more than £245 per day and lasted six months or longer. Between 1 April 2019 and 31 March 2020, the Trust had no 'off-payroll' engagements of this nature.

Consultancy services

The financial accounts show that the Trust spent £2.8m on consultancy services during 2019/20 compared to £2.9m in 2018/19 and £1.6m in 2017/18.

Equality disclosures

The Trust has a comprehensive range of policies and procedures promoting equality and the elimination of harassment, bullying and discrimination.

The Trust's Equality and Diversity Strategy was published in June 2018. It set out how the Trust will increase the visibility of equality and diversity over the period to 2022. The strategy document can be found here https://www.iow.nhs.uk/about-us/Equality-and-diversity/equality-and-diversity.htm Other reports relating to Equality and Diversity, Gender Pay Gap and Workplace Race Equality Standard Reports can also be found in this section of our website.

Staff receive equality and diversity training.

Staff who raise concerns of bullying, harassment or discrimination can also be supported by our anti-bullying advisors and/or our freedom to speak up advocates as well as human resources, trade union representatives and occupational health. Staff can also seek help and support from our dedicated staff Mental Health and Wellbeing Practitioner.

Staff policies in respect of disabled persons

The NHS Workforce Disability Equality Standard (WDES) came into force on 1 April 2019 and is a set of ten specific measures (metrics) that will enable NHS organisations to compare the experiences of disabled and non-disabled staff.

The metrics cover areas such as the Board membership, recruitment, bullying and harassment, staff engagement and the voices of disabled staff. The information is used by

organisations to develop a local action plan, enabling them to demonstrate progress against the indicators of disability equality.

The Trust does not have specific policies in relation to disabled staff, however, each relevant policy has an equality and disability section included stating that there is a commitment to comply with the Equality Act and the nine protected characteristics. For example, the recruitment and selection policy states that we will guarantee an interview to those candidates that meet the person specification for a vacancy and offer to make reasonable adjustments required for interview and for successful applicants in the work place. During FY 2019/20, 2.3% of candidates that declared a disability were appointed to the Trust.

We seek to have a fuller understanding of the proportion of our workforce with a disability and work took place in 2019 for Divisions to review the Equality standard and to raise awareness.

An Equality Impact group was set up in January 2019 to take an action plan forward to increase awareness in areas of the Trust and the Trust launched an Equality Standard to transform the delivery of Equality & Diversity.

During FY2020/21 work will continue to develop and introduce a standard procedure for staff with disabilities and how to request reasonable adjustments in the workplace should they become disabled during employment. This will help managers and individuals have a clear objective about what adjustments need to be in place in the work environment.

We use data from the Electronic Staff Record (ESR) system to gather information on all the protected characteristics, however disability declaration is particularly low, this is across the whole of the NHS with 2.8% of our staff having disclosed their disability. Of our total staff, 40.1% of staff have chosen not to disclose.

WDES is a key step for NHS organisations to improve equality for the NHS workforce.

During FY2020/21 we intend to address the known data quality issues by implementing and encouraging staff to complete the self-declaration on equality information on the Electronic Staff Record (ESR) via employee self-service, so we can better understand the needs of our workforce.

We intend to implement a multi-methods approach to improving WDES performance with a strong programme of staff engagement with protected groups to build trust and insight across all protected groups.

In partnership with *Care in the Garden* social enterprise, we have created opportunities for people with a disability to gain paid work experience within our organisation. A pilot is underway within our communications team who are supporting a colleague in partnership with Care in the Garden.

Plans for FY2020/21 will be to increase our awareness across the Trust as part of our ongoing organisation and development work combined with Health and Wellbeing enhancements.

Values & Behaviours

Professor Michael West, an expert in leadership, team and organisational innovation and effectiveness, highlights that successful groups, teams and organisations have key things in common: (i) they recognise they are a “team”; (ii) they have shared goals/objectives; (iii) they have a mutually agreed shared “way of doing things”; and (iv) they get together regularly to work out how to do things better. The Trust has embraced this ethos and launched a Values Behaviour Framework to inspire our people to demonstrate effective behaviours such as providing compassionate care to encourage active listening; role model behaviours that enable people to be happy, healthy and motivated at work; and integrating a learning culture through quality improvement.

Our values are being integrated across the employee journey; the way we attract people to join the organisation; recruitment and selection; organisational induction; appraisal; and learning and development. Furthermore our leadership development and human factors programmes were established for managers and leaders from all professional backgrounds to ensure they are equipped with the behaviours, skills and knowledge needed to perform effectively and building confidence to "speak up" and raise concerns. Conversations during the leadership programmes were focussed on how our people can connect with our vision and values; respond positively to our quality, safety, and operational obligations; and recruit, retain and develop skilled and committed people.

In quarter 4 2019/20; the Trust designed a new Organisational Development Priority Plan and integrated the organisational values into key objectives including: Leadership; Staff Engagement; Health and Wellbeing; and Diversity and Inclusion - with the aim of exceeding expectations at all times.

Our organisational development journey aims to create an environment where staff are valued and able to take responsibility; where career development and progression is enabled; a learning culture embedded; where we make things simple for staff to have their say and feel engaged; and work in partnership across the health and social care economy as part of a system. Whilst ambitious, this plan will enable us to move forward to continue to ensure that our people are valued and supported to create a culture and environment to thrive.

Education and Training

Education, Learning and Development is aligned with the Trust's Workforce Strategy and much of the activity is monitored through the Health Education England (HEE) 'Learning and Development Agreement' (LDA). A quarterly self-assessment is submitted to HEE who visit the Trust for an annual Education Quality Review. The most recent HEE Quality Meeting was held on 11 September 2019, attended by members of the Trust Executive Team, HEE senior team and Education Centre leads. Very positive feedback was received for all aspects of non-medical education, with the Trust being compliant in all these areas. The Clinical Education Team were commended for their quality assurance processes.

Apprenticeships

Apprenticeship programmes start and finish at differing times throughout the year.

As of March 2020, 123 staff are currently on a range of apprenticeship programmes funded through the Apprenticeship Levy. Since the introduction of the Levy and new Apprenticeship standards (May 2017) 19 staff have completed and achieved their qualification.

In June, the Trust signed an employer pledge with the Apprenticeship Support Network to provide additional advice and guidance for all apprenticeships, adding value to our service and ensuring that staff have access to high quality learning. The Trust also joined the National Numeracy Campaign with HEE Wessex to provide additional resource and support for our staff on apprenticeship programmes.

In August 2019, following an assurance visit from HEE the Trust, was assessed as 'Mature' across all elements of the NHS Maturity Model for apprenticeships based on performance and quality of provision and support.

Like many NHS organisations we face challenges in workforce supply for Registered Nurses and we are maximising opportunities to 'grow our own' future workforce. Since 1 April 2019 there have been 2 cohorts of Registered Nurse Degree Apprentices (RDNA) and three cohorts of Trainee Nurse Associates (TNA). In total, there are 74 Apprentice Nurses on the programme and recruitment for a further 16 RNDA's for October 2020 is underway.

Medical Education

Through HEE Global Engagement scheme, we employed 5 WAST (Widening Access to Speciality Training Scheme) which has proved to be highly successful. All 43 Foundation doctors had successful Annual Review of Competence Progression outcomes.

The new academic skills suite has been a much-welcomed facility in the education centre. It is a training space utilised by multi professional staff. We have expanded the numbers of our clinical simulation faculty to deliver clinical simulation in the new skills suite. We have been successful in recruiting a number of middle grade doctors to support our workforce

Mandatory Training

In April 2019, the Trust's Mandatory Training compliance percentage reached 86% and ended the year at 88%, the highest position that the Trust has achieved.

Mandatory Training compliance for doctors in training has improved with the latest figures for March 2020 at 82%. We also introduced the pass-porting of information between NHS Organisations during 2019.

The introduction of a new clinical induction programme was introduced during the year which has seen staff able to access all their essential training within the first two weeks of commencing their role.

We are making improvements to our learning management system and during FY2020/21 we will be implementing ESR OLM (Electronic Staff Record Offer Learning Management) so that all training records and bookings are held centrally.

Library and Knowledge Services

During 2019, the service has completed a pilot 'embedded librarian' project. This has been analysed for impact on practice with a case study developed. The pilot was presented at an International Clinical Librarian's conference.

To support the Trust's staff health and wellbeing agenda, a 'wellbeing' corner has been configured in the library promoting self-help books, this has been positively received by staff. The team also attended an event at the Lord Louis Library to support Health Information Week.

Regular sessions have been scheduled to support staff to develop their IT and computer skills in order to undertake their e-learning. A focussed programme of support has been put into place for bank workers to complete their mandatory e-learning.

Trade Union (Facility Time Publication Requirements) Regulations 2017

Information on the amount and cost of facility time given to Trade Union representatives as specified within the Trade Union (Facility Time Publication Requirements) Regulations 2017 is shown below:

Table 1: Relevant Union Officials

Number of employees who were relevant union officials 2019/20	Full time equivalent employee number
12	11.69

Table 2: Percentage of time spent on facility time

The number of employees who were relevant union officials employed during 2019/20 and who spent a) 0%, b) 1%-50%, c) 51%-99%, or d) 100% of their working time on facility time.

Percentage of time during 2010/20	Number of employees

0%	4
1% - 50%	7
51% - 99%	1
100%	0

Table 3: Percentage of pay bill spent on facility time

Pay bill	Value
The total cost of facility time	£69,434.94
Total pay bill	£150,703.824
The percentage of the total pay bill spent on facility time	0.05%

Table 4: Paid trade union activities

Time spent on trade union activities as a percentage of total paid facility time	76.92%

Health, Safety and Security

The Isle of Wight NHS has an excellent health and safety record and, as a responsible employer, we encourage and support staff to report any incidents as part of a healthy, open, and pro security culture. We have a comprehensive policy covering health, safety, and security, which is available on request.

In 2019/20, 13 reports were submitted to the Health and Safety Executive under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations. This compares with eight reports in 2018/19 and seven reports in 2017/18.

There were 23 manual handling incidents (such as strains and sprains), compared with 40 in 2018/19, 23 incidents in 2017/18 and 30 incidents in 2016/17.

We continue to take a zero-tolerance approach towards violence and abuse directed at staff and will take legal action against those who are criminally responsible for their actions. Utilising the joint agreement framework with the Crown Prosecution Service, we ensure a more effective investigation and prosecution of cases where emergency workers are the victim of a crime, particularly in applying the provisions of the Assaults on Emergency Workers (Offences) Act 2018.

During the year:

- There were 238 physical assaults on staff (293 in 2018/19), which included 11 assaults that were criminal acts and dealt with by the police. Clinically challenging behaviours are a major contributor to the increase of assaults, for example patients with a diagnosis of dementia.
- There were 203 (228 in 2018/19) reports of verbal abuse. Owing to conflict resolution training, staff are more likely to report these incidents as there are more support mechanisms in place to safely manage these situations. This has seen the number of reports fall on the previous year.
- Security were called 302 times (428 in 2018/19) to assist the wards with situations such as violence and aggression, verbal altercations causing alarm and distress and missing patients. The security team have received more training and support.

INDEPENDENT AUDITORS REPORT

The Role of the Auditor

External auditors have two broad objectives:

- To review and report on the Trust's annual accounts and statement on governance.
- To review whether the Trust has made proper arrangements for securing economy, efficiency, and effectiveness in its use of resources.

Auditors are required to comply with the Code of Audit Practice (published by the Audit Commission) and International Standards on Auditing (United Kingdom and Ireland) (ISAs (UK&I).

The appointed auditor will audit the Trust's annual accounts and give an opinion stating whether the accounts give a true and fair view of the organisation's affairs at the end of the financial year.

Auditors will also consider the Annual Report and make a statement, in their audit opinion, if its contents are inconsistent with their knowledge of the organisation. In addition to their opinion on the accounts, auditors are also required to issue:

- A report to those charged with governance (in most cases the Audit Committee) incorporating the report required under ISA (UK&I) 260 and setting out the main matters arising from the audit of the annual accounts.
- An annual audit letter summarising the key issues arising from audit work throughout the year.

Auditors also have special reporting powers and can issue a public interest report or make a referral to the Secretary of State.

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF ISLE OF WIGHT NHS TRUST

Qualified opinion

We have audited the financial statements of Isle of Wight NHS Trust for the year ended 31 March 2020 under the Local Audit and Accountability Act 2014. The financial statements comprise the Trust's Statement of Comprehensive Income, the Trust Statement of Financial Position, the Trust Statement of Changes in Equity, the Trust Statement of Cash Flows and the related notes 1 to 39. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union, and as interpreted and adapted by the 2019/20 HM Treasury's Financial Reporting Manual (the 2019/20 FReM) as contained in the Department of Health and Social Care Group Accounting Manual 2019/20 and the Accounts Direction issued by the Secretary of State with the approval of HM Treasury as relevant to the National Health Service in England (the Accounts Direction).

In our opinion, except for the possible effects of the matter described in the basis for qualified opinion section of our report, the financial statements:

- give a true and fair view of the financial position of Isle of Wight NHS Trust as at 31 March 2020 and of its expenditure and income for the year then ended; and
- have been prepared properly in accordance with the National Health Service Act 2006 and the Accounts Directions issued thereunder.

Basis for Qualified opinion

Due to the restrictions on movement imposed as a result of the Coronavirus pandemic, we were unable to observe the counting of physical inventories at the end of the year. We were unable to satisfy ourselves by alternative means concerning the inventory quantities held at 31 March 2020, which are included in the balance sheet at £2.862 million, by using other audit procedures. Consequently, we were unable to determine whether any adjustment to this amount was necessary.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and the Comptroller and Auditor General's (C&AG) AGN01 and we have fulfilled our other ethical responsibilities in accordance with these requirements.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Material uncertainty related to going concern

The Trust has an underlying deficit and, is reliant on additional support funding from NHSE&I, receipt of this additional support funding is dependent on achieving certain operational targets. As stated in Note 1.2, these events or conditions, indicate that a material uncertainty exists that may cast significant doubt on the Trust's ability to continue as a going concern. Our opinion is not modified in respect of this matter

Emphasis of matter – Property Plant and Equipment valuation

We draw attention to Note 1.26 *Sources of estimation uncertainty* and Note 19 *Revaluations of property, plant and equipment* of the financial statements, which describes the valuation uncertainty the Trust is facing as a result of COVID-19 in relation to property valuations. Our opinion is not modified in respect of this matter.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

As described in the basis for qualified opinion section of our report, we were unable to satisfy ourselves concerning the inventory quantities of £2.862 million held at 31 March 2020. We have concluded that where the other information refers to the Inventory balances, it may be materially misstated for the same reason.

Opinion on other matters prescribed by the Health Services Act 2006

In our opinion the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with the Health Services Act 2006 and the Accounts Directions issued thereunder.

Matters on which we are required to report by exception

We are required to report to you if:

- in our opinion the governance statement does not comply with the NHS Improvement's guidance; 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; or

We have nothing to report in these respects

In respect of the following we have matters to report by exception:

Referral to the Secretary of State

We have a duty under the Local Audit and Accountability Act 2014 to refer the matter to the Secretary of State if we have reason to believe that the Trust, or an officer of the Trust, is about to make, or has made, a decision involving unlawful expenditure, or is about to take, or has taken, unlawful action likely to cause a loss or deficiency.

On 23 May 2019 we referred a matter to the Secretary of State under Section 30(1)(a) and (b) of the Local Audit and Accountability Act 2014 on the basis that the Trust breached its break-even duty. That was on the basis that the unaudited financial statements for 2018/19 showed an in year £30.1 million deficit with a cumulative breakeven position of £69.913 million deficit. Furthermore, the Trust's 2019/20 Operating Plan budgeted for a further deficit of £3.999 million.

For 2019/20 the statutory accounts indicate the Trust has a cumulative deficit at 31 March 2020 of £87.637 million over the five-year period from 1 April 2015 to 31 March 2020. On 26 May 2020 we made a further referral to the Secretary of State under Sections 30(1)(b) to confirm that the Trust is still in breach of its break-even duty.

Proper arrangements to secure economy, efficiency and effectiveness

We report to you, if we are not satisfied that the Trust has put in place proper arrangements to secure economy efficiency and effectiveness in its use of resources

Basis for qualified conclusion

The Trust reported a deficit of £17.724 million in its financial statements for the year ending 31 March 2020, thereby breaching its duty under paragraph 2 (1) of Schedule 5 of the National Health Service Act 2006, to break even. The Trust's cumulative deficit is now £87.637 million. The variance to the planned deficit for the year of £3.999 million represents an inability to control expenditure within financial targets. A significant element was the under delivery of the planned £10.5 million cost improvement programme by £3.87 million. The Trust has not yet succeeded in addressing the underlying deficit in its budget and before contract negotiations were suspended due to the impact of Covid-19, the Trust had not identified sufficient plans to demonstrate how to deliver its agreed targets. The Trust has been in financial special measures since March 2019.

The Care Quality Commission (CQC) issued the Trust with an overall rating of 'Requires Improvement' in its report in September 2019 and the Trust remains in quality special measures. Although improvements were noted in most areas the report highlighted concerns in respect of quality, safety and staffing levels.

These issues are evidence of weaknesses in proper arrangements for planning finances effectively to support the sustainable delivery of strategic priorities and maintain statutory functions.

Qualified conclusion (Adverse)

On the basis of our work, having regard to the guidance issued by the Comptroller and Auditor General in April 2020, we are not satisfied that, in all significant respects, Isle of Wight NHS Trust put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2020.

Responsibilities of the Directors and Accountable Officer

As explained more fully in the Statement of Directors' Responsibilities in respect of the Accounts, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. In preparing the financial statements, the Accountable Officer is responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accountable Officer either intends to cease operations, or have no realistic alternative but to do so.

As explained in the statement of the Chief Executive's responsibilities, as the Accountable Officer of the Trust, the Accountable Officer is responsible for the arrangements to secure economy, efficiency and effectiveness in the use of the Trust's resources.

Auditor's responsibility for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Scope of the review of arrangements for securing economy, efficiency and effectiveness in the use of resources

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the guidance on the specified criterion issued by the Comptroller and Auditor General 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. The Comptroller and Auditor General determined this criterion as that necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the Trust put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2020.

We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary to form a view on whether, in all significant respects, the Trust had put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

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. Section 21(5)(b) of the Local Audit and Accountability Act 2014 requires that our report must not contain our opinion if we are satisfied that proper arrangements are in place.

We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

Certificate

We certify that we have completed the audit of the accounts of Isle of Wight NHS Trust in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice.

Use of our report

This report is made solely to the Board of Directors of Isle of Wight NHS Trust, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014 and for no other purpose. Our audit work has been undertaken so that we might state to the Directors of the Trust 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 Directors, for our audit work, for this report, or for the opinions we have formed.

Kevin Suter.
Ernst + Young LLP

Kevin Suter (Key Audit Partner)
Ernst & Young LLP (Local Auditor)
Southampton
24 June 2020

ANNUAL ACCOUNTS

Isle of Wight NHS Trust

Annual accounts for the year ended 31 March 2020

Statement of Comprehensive Income

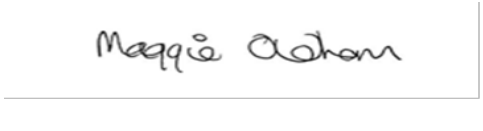
	Note	2019/20 £000	2018/19 £000
Operating income from patient care activities	3	174,216	160,771
Other operating income	4	25,656	14,909
Operating expenses	7, 9	(214,840)	(202,947)
Operating surplus/(deficit) from continuing operations		**(14,968)**	**(27,267)**
Finance income	12	69	38
Finance expenses	13	(2,100)	(1,186)
PDC dividends payable		(717)	(1,837)
Net finance costs		**(2,748)**	**(2,985)**
Other gains / (losses)	14	(21)	(36)
Share of profit / (losses) of associates / joint arrangements		-	-
Gains / (losses) arising from transfers by absorption		-	-
Corporation tax expense		-	-
Surplus / (deficit) for the year from continuing operations		**(17,737)**	**(30,288)**
Surplus / (deficit) on discontinued operations and the gain / (loss) on disposal of discontinued operations		**-**	**-**
Surplus / (deficit) for the year		**(17,737)**	**(30,288)**
Other comprehensive income			
Will not be reclassified to income and expenditure:			
Impairments	8	-	(17,418)
Revaluations	19	(3,916)	3,809
Share of comprehensive income from associates and joint ventures		-	-
Fair value gains / (losses) on equity instruments designated at fair value through OCI		-	-
Other recognised gains and losses		-	-
Remeasurements of the net defined benefit pension scheme liability / asset		-	-
Gain / (loss) arising from on transfers by modified absorption		-	-
Other reserve movements		-	-
May be reclassified to income and expenditure when certain conditions are met:			
Fair value gains/(losses) on financial assets mandated at fair value through OCI		-	-
Recycling gains/(losses) on disposal of financial assets mandated at fair value through OCI		-	-
Foreign exchange gains / (losses) recognised directly in OCI		-	-
Total comprehensive income / (expense) for the period		**(21,653)**	**(43,897)**
Adjusted financial performance (control total basis):			
Surplus / (deficit) for the period		(17,737)	(30,288)
Remove net impairments not scoring to the Departmental expenditure limit		-	105
Remove (gains) / losses on transfers by absorption		-	-
Remove I&E impact of capital grants and donations		13	81
Prior period adjustments		-	-
Remove non-cash element of on-SoFP pension costs		-	-
Remove 2018/19 post audit PSF reallocation (2019/20 only)		-	
Adjusted financial performance surplus / (deficit)		**(17,724)**	**(30,102)**

Statement of Financial Position

	Note	31 March 2020 £000	31 March 2019 £000
Non-current assets			
Intangible assets	16	4,410	2,956
Property, plant and equipment	17	105,485	108,542
Investment property		-	-
Investments in associates and joint ventures		-	-
Other investments / financial assets		-	-
Receivables	21	317	251
Other assets	22	-	-
Total non-current assets		**110,212**	**111,749**
Current assets			
Inventories	20	2,862	2,278
Receivables	21	7,747	10,552
Other investments / financial assets		-	-
Other assets		-	-
Non-current assets for sale and assets in disposal groups		279	-
Cash and cash equivalents	22	12,285	4,487
Total current assets		**23,173**	**17,317**
Current liabilities			
Trade and other payables	23	(19,649)	(19,133)
Borrowings	25	(91,395)	(351)
Other financial liabilities	26	-	-
Provisions	28	(235)	(187)
Other liabilities	24	(2,091)	(1,944)
Liabilities in disposal groups		-	-
Total current liabilities		**(113,370)**	**(21,615)**
Total assets less current liabilities		**20,015**	**107,451**
Non-current liabilities			
Trade and other payables	23	-	(21)
Borrowings	25	(191)	(68,240)
Other financial liabilities	26	-	-
Provisions	28	(142)	(170)
Other liabilities	24	-	-
Total non-current liabilities		**(333)**	**(68,431)**
Total assets employed		**19,682**	**39,020**
Financed by			
Public dividend capital		10,176	7,861
Revaluation reserve		29,668	33,592
Financial assets reserve		-	-
Other reserves		-	-
Merger reserve		-	-
Income and expenditure reserve		(20,162)	(2,433)
Total taxpayers' equity		**19,682**	**39,020**

The notes on the following pages form part of these accounts.

Name Maggie Oldham
Position Chief Executive
Date 22 June 2020



Signed

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	**7,861**	**33,592**	**-**	**-**	**-**	**(2,433)**	**39,020**
Surplus/(deficit) for the year	-	-	-	-	-	(17,737)	**(17,737)**
Gain/(loss) arising from transfers by mofieid absorption	-	-	-	-	-	-	**-**
Transfers by absorption: transfers between reserves	-	-	-	-	-	-	**-**
Transfer from revaluation reserve to income and expenditure reserve for impairments arising from consumption of economic benefits	-	-	-	-	-	-	**-**
Other transfers between reserves	-	-	-	-	-	-	**-**
Impairments	-	-	-	-	-	-	**-**
Revaluations	-	(3,916)	-	-	-	-	**(3,916)**
Transfer to retained earnings on disposal of assets	-	(8)	-	-	-	8	**-**
Share of comprehensive income from associates and joint ventures	-	-	-	-	-	-	**-**
Fair value gains/(losses) on financial assets mandated at fair value through OCI	-	-	-	-	-	-	**-**
Fair value gains/(losses) on equity instruments designated at fair value through OCI	-	-	-	-	-	-	**-**
Recycling gains/(losses) on disposal of financial assets mandated at fair value through OCI	-	-	-	-	-	-	**-**
Foreign exchange gains/(losses) recognised directly through OCI	-	-	-	-	-	-	**-**
Other recognised gains and losses	-	-	-	-	-	-	**-**
Remeasurements of the defined net benefit pension scheme liability/asset	-	-	-	-	-	-	**-**
Public dividend capital received	2,315	-	-	-	-	-	**2,315**
Public dividend capital repaid	-	-	-	-	-	-	**-**
Public dividend capital written off	-	-	-	-	-	-	**-**
Other movements in public dividend capital in year	-	-	-	-	-	-	**-**
Other reserve movements	-	-	-	-	-	-	**-**
Taxpayers' and others' equity at 31 March 2020	**10,176**	**29,668**	**-**	**-**	**-**	**(20,162)**	**19,682**

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	**7,722**	**47,290**	**-**	**-**	**-**	**27,766**	**82,778**
Prior period adjustment	-	-	-	-	-	-	**-**
Taxpayers' and others' equity at 1 April 2018 - restated	**7,722**	**47,290**	**-**	**-**	**-**	**27,766**	**82,778**
Impact of implementing IFRS 15 on 1 April 2018	-	-	-	-	-	-	**-**
Impact of implementing IFRS 9 on 1 April 2018	-	-	-	-	-	-	**-**
Surplus/(deficit) for the year	-	-	-	-	-	(30,288)	**(30,288)**
Transfers by absorption: transfers between reserves	-	-	-	-	-	-	**-**
Transfer from revaluation reserve to income and expenditure reserve for impairments arising from consumption of economic benefits	-	-	-	-	-	-	**-**
Other transfers between reserves	-	(89)	-	-	-	89	**-**
Impairments	-	(17,418)	-	-	-	-	**(17,418)**
Revaluations	-	3,809	-	-	-	-	**3,809**
Transfer to retained earnings on disposal of assets	-	-	-	-	-	-	**-**
Share of comprehensive income from associates and joint ventures	-	-	-	-	-	-	**-**
Fair value gains/(losses) on financial assets mandated at fair value through OCI	-	-	-	-	-	-	**-**
Fair value gains/(losses) on equity instruments designated at fair value through OCI	-	-	-	-	-	-	**-**
Recycling gains/(losses) on disposal of financial assets mandated at fair value through OCI	-	-	-	-	-	-	**-**
Foreign exchange gains/(losses) recognised directly through OCI	-	-	-	-	-	-	**-**
Other recognised gains and losses	-	-	-	-	-	-	**-**
Remeasurements of the defined net benefit pension scheme liability/asset	-	-	-	-	-	-	**-**
Public dividend capital received	139	-	-	-	-	-	**139**
Public dividend capital repaid	-	-	-	-	-	-	**-**
Public dividend capital written off	-	-	-	-	-	-	**-**
Other movements in public dividend capital in year	-	-	-	-	-	-	**-**
Other reserve movements	-	-	-	-	-	-	**-**
Taxpayers' and others' equity at 31 March 2019	**7,861**	**33,592**	**-**	**-**	**-**	**(2,433)**	**39,020**

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)		(14,968)	(27,267)
Non-cash income and expense:			
Depreciation and amortisation	7	6,096	6,731
Net impairments	8	-	105
Income recognised in respect of capital donations	4	(62)	(48)
Amortisation of PFI deferred credit		-	-
Non-cash movements in on-SoFP pension liability		-	-
(Increase) / decrease in receivables and other assets		2,595	420
(Increase) / decrease in inventories		(584)	1
Increase / (decrease) in payables and other liabilities		(368)	118
Increase / (decrease) in provisions		20	(120)
Tax (paid) / received		-	-
Operating cash flows from discontinued operations		-	-
Other movements in operating cash flows		-	-
Net cash flows from / (used in) operating activities		**(7,271)**	**(20,060)**
Cash flows from investing activities			
Interest received	12	69	38
Purchase and sale of financial assets / investments		-	-
Purchase of intangible assets		(1,398)	(1,318)
Sales of intangible assets		-	-
Purchase of PPE and investment property		(6,301)	(7,134)
Sales of PPE and investment property		-	23
Receipt of cash donations to purchase assets		62	-
Prepayment of PFI capital contributions		-	-
Investing cash flows from discontinued operations		-	-
Cash from acquisitions / disposals of subsidiaries		-	-
Net cash flows from / (used in) investing activities		**(7,568)**	**(8,391)**
Cash flows from financing activities			
Public dividend capital received		2,315	139
Public dividend capital repaid		-	-
Movement on loans from DHSC		22,993	30,102
Movement on other loans		-	-
Other capital receipts		-	-
Capital element of finance lease rental payments		(113)	(109)
Capital element of PFI, LIFT and other service concession payments		-	-
Interest on loans		(1,956)	(995)
Other interest		(18)	(2)
Interest paid on finance lease liabilities		(11)	(15)
Interest paid on PFI, LIFT and other service concession obligations		-	-
PDC dividend (paid) / refunded		(573)	(2,173)
Financing cash flows of discontinued operations		-	-
Cash flows from (used in) other financing activities		-	(8)
Net cash flows from / (used in) financing activities		**22,637**	**26,939**
Increase / (decrease) in cash and cash equivalents		**7,798**	**(1,512)**
Cash and cash equivalents at 1 April - brought forward		**4,487**	**5,999**
Prior period adjustments			-
Cash and cash equivalents at 1 April - restated		**4,487**	**5,999**
Cash and cash equivalents transferred under absorption accounting		-	-
Unrealised gains / (losses) on foreign exchange		-	-
Cash and cash equivalents at 31 March	22	**12,285**	**4,487**

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, in accordance with the definition as set out in section 4 of the Group Accounting Manual (GAM) which outlines the interpretation of IAS1 'Presentation of Financial Statements' as 'anticipated continuation of the provision of a service in the future, as evidenced by the inclusion of financial provision for that service in published documents.

This year the Trust achieved its financial targets in quarters 1 to 3. In quarter 4, against a backdrop of increased financial and patient activity pressures across the NHS and Social Care, the Trust was unable to meet its financial targets. The Trust continued in Financial Special Measures throughout 2019/20. The Trust has returned an in-year deficit of £17.7m, which includes receipt of £11.4m of Financial Recovery and Provider Sustainability funding (FRF/PSF) and achieved £6.6m savings or 75% achievement through the Cost Improvement Programme. The DHSC provided deficit funding of £17.7m as revenue support loans in year bringing the total revenue support loan funding to £90.9m at 31 March 2020, of which £5.3m is in lieu FRF/PSF.

On 2 April 2020, the Department of Health and Social Care (DHSC) and NHS England and NHS Improvement (NHSE&I) announced reforms to the NHS cash regime for the 2020/21 financial year. During 2020/21 existing DHSC interim revenue and capital loans as at 31 March 2020 will be extinguished and replaced with the issue of Public Dividend Capital (PDC) to allow their repayment. The affected loans totalling £90.9m (including £5.3m in lieu FRF/PSF) are classified as current liabilities within these financial statements. As the repayment of these loans will be funded through the issue of PDC, this does not present a going concern risk for the Trust.

The Trust will therefore no longer be required to generate surpluses to eliminate its historic debt, and the total net assets will increase by £85.6m thereby strengthening the value of the balance sheet.

The Trust has an underlying deficit and is currently reliant on additional support funding. Pre the impact of Covid-19 NHSE&I have issued the Trust with a financial improvement trajectory and indicative financial recovery funds which will continue on a reducing basis for the remaining four years of the Long Term Plan up to 2023/24. The additional support funding is linked to achieving quarterly and annual financial plans each year.

The Trust had refreshed its financial plan consistent with the trajectory and this has been reviewed by Board members. The Trust and NHSE&I have a clear understanding of the financial position of the Trust and the position is well recognised and understood.

DHSC have also previously confirmed the availability of ongoing interim support (where required) to ensure that NHS providers remain operationally viable.

In March 2020 NHSE&I announced revised arrangements for NHS contracting and payment to apply for the first four months of the 2020/21 year due to the Covid-19 pandemic. This has effectively paused planning against the above trajectory and targets, although the Trust intends to work towards these as best it can.

The contracting arrangements for the rest of 2020/21 and beyond have not yet been definitively announced but it remains the case that the Government has issued a mandate to NHS England for the continued provision of services in England in 2020/21 and CCG allocations have been set for the remainder of 2020/21. The Trust can therefore continue to expect NHS funding to flow at similar levels to that previously provided where services are reasonably still expected to be commissioned.

The Trust has prepared a cash forecast modelled on the expectation that the revised contracting and payment arrangements will remain in place until October 2020. The cash forecast shows sufficient liquidity for the Trust to continue to operate but interim support can be accessed if it were required.

These factors all support the adoption of the going concern concept. The underlying deficit and reliance on future additional support funding from NHSE&I which is linked to achieving financial plans, does however indicate the existence of material uncertainty which may cast significant doubt about the Trust's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Trust were unable to continue as a going concern.

Note 1.3 Interests in other entities

The Isle of Wight NHS Trust Charitable Funds Accounts, for which the Isle of Wight NHS Trust is a Corporate Trustee, are not material and are therefore not consolidated.

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.

Commissioners are typically invoiced at the beginning of the month in which the performance obligation is to be performed, and payment is recived during that month. A full and final adjustment settlement for performance is then made at the end of the financial year. All other income is within NHS payment terms.

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.

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.

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. 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 grants 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.

The Trust also makes contributions to an occupational pension scheme set up in accordance with the Automatic Enrolment (Miscellaneous Amendments) Regulations 2012. The scheme is a defined contribution scheme, for which the Trust accounts for its employer contributions within 'other pension costs' in these financial statements.

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 Discontinued operations

Discontinued operations occur where activities either cease without transfer to another entity, or transfer to an entity outside of the boundary of Whole of Government Accounts, such as private or voluntary sectors. Such activities are accounted for in accordance with IFRS 5. Activities that are transferred to other bodies within the boundary of Whole of Government Accounts are ‘machinery of government changes’ and treated as continuing operations.

Note 1.9 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.
• Items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, 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 – modern equivalent asset value using the alternative site method (site optimisation)
- 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.

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. The Trust has recognised The Gables as fulfilling this criteria with imminent sale to the Mountbatten Hospice.

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.

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	53
Dwellings	-	-
Plant & machinery	4	25
Transport equipment	5	15
Information technology	3	10
Furniture & fittings	5	15

Finance-leased assets (including land) are depreciated over the shorter of the useful life or the lease term, unless the trust expects to acquire the asset at the end of the lease term in which case the assets are depreciated in the same manner as owned assets above.

Note 1.10 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 Years	Max life Years
Information technology	1	10
Development expenditure	-	-
Websites	-	-
Software licences	-	-
Licences & trademarks	-	-
Patents	-	-
Other (purchased)	-	-
Goodwill	-	-

Note 1.11 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 1.12 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 Climate Change Levy (CCL) formerly the Carbon Reduction Commitment scheme (CRC)

The CCL scheme is a mandatory cap and trade scheme for non-transport CO2 emissions. The trust is registered with the CCL scheme, and is therefore required to surrender to the Government an allowance for every tonne of CO2 it emits during the financial year. A liability and related expense is recognised in respect of this obligation as CO2 emissions are made.

The carrying amount of the liability at the financial year end will therefore reflect the CO2 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.

Financial liabilities classified as subsequently measured at amortised cost.

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

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

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

Impairment of financial assets

For all financial assets measured at amortised cost including lease receivables, contract receivables and contract assets, the Trust recognises an allowance for expected credit losses.

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

For financial assets that have become credit impaired since initial recognition (stage 3), expected credit losses at the reporting date are measured as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate.

Expected losses are charged to operating expenditure within the Statement of Comprehensive Income and reduce the net carrying value of the financial asset in the Statement of Financial Position.

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 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.

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 28.1 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 29 where an inflow of economic benefits is probable.
Contingent liabilities are not recognised, but are disclosed in note 29, 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 Foreign exchange

The functional and presentational currency of the trust is sterling.

A transaction which is denominated in a foreign currency is translated into the functional currency at the spot exchange rate on the date of the transaction.

Where the trust has assets or liabilities denominated in a foreign currency at the Statement of Financial Position date:

• monetary items are translated at the spot exchange rate on 31 March
• non-monetary assets and liabilities measured at historical cost are translated using the spot exchange rate at the date of the transaction and
• non-monetary assets and liabilities measured at fair value are translated using the spot exchange rate at the date the fair value was determined.

Exchange gains or losses on monetary items (arising on settlement of the transaction or on re-translation at the Statement of Financial Position date) are recognised in income or expense in the period in which they arise.

Exchange gains or losses on non-monetary assets and liabilities are recognised in the same manner as other gains and losses on these items.

Note 1.21 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 Early adoption of standards, amendments and interpretations

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

Note 1.24 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 defined by HM Treasury. Currently this rate is 1.27% but this may change between now and 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.

The trust has estimated the impact of applying IFRS 16 in 2021/22 on the opening statement of financial position and the in-year impact on the statement of comprehensive income and capital additions as follows:

	£000
Estimated impact on 1 April 2021 statement of financial position	
Additional right of use assets recognised for existing operating leases	2,923
Additional lease obligations recognised for existing operating leases	(2,559)
Changes to other statement of financial position line items	-
Net impact on net assets on 1 April 2021	**364**
Estimated in-year impact in 2021/22	
Additional depreciation on right of use assets	(475)
Additional finance costs on lease liabilities	(25)
Lease rentals no longer charged to operating expenditure	463
Other impact on income / expenditure	-
Estimated impact on surplus / deficit in 2021/22	**(37)**
Estimated increase in capital additions for new leases commencing in 2021/22	**-**

Other standards, amendments and interpretations

IFRS 17 Insurance Contracts - Application required for accounting periods beginning on or after 1 January 2023, as interpreted and adapted by the FREM to be effective from 1 April 2023

Note 1.25 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:
Inventories – In general the value of all inventories is determined by annual stock take as at 31st March or as close to that date as is reasonably practical. Inventories are valued at the lower of cost and net realisable value using the first-in first-out formula (except pharmacy stocks which are at weighted average cost).

Income Accruals – Where possible these are based on actual activity and price. Where it is not possible to quantify actual activity, accruals are estimated based on historical data available for the specific activity taking into account cyclical patterns where this is considered relevant.

Impairment of and Reversals of Financial Assets – All non-NHS receivables are assessed on an expected credit loss basis as required by IFRS 9. All debts relating to the Compensation Recovery Unit will be provided for at 21.89% as per the Accounting Manual guidance.

Expenditure Accruals – Where possible these are based on actual activity and price applicable. Where it is not possible to quantify actual activity, accruals are estimated based on historical data available for the specific activity taking into account cyclical patterns where this is considered relevant.

Employee Benefits – Accrual for untaken annual leave is based on number of days carried forward and calculated at the mid-point on the scale. Overtime and travel costs for March have been estimated based on the average of the preceding months.

Note 1.26 Sources of estimation uncertainty

There is one key assumptions concerning the future, or other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. This relates to the Land and Property revaluation as follows:-

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 ('Red Book'), the valuer has declared a "material valuation uncertainty" in the valuation report. This is 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, and we await further advice from DHSC.

Although the Trust has not carried out any sensivity analysis around the "material uncertainty valuation", which mainly affects Land values, a change of 5% would mean an adjustment to the asset values shown in these accounts of circa. £4.6m as follows:-

	5% Value £ m
Land	0.4
Buildings	4.2
Total	**4.6**

Note 2 Operating Segments

The Board receives regular reports of the financial performance and financial position of the Trust, and as an integrated Trust the key financial information for decision making is based on the entity as a whole. It is therefore considered that the Trust has just one reportable segment, a healthcare segment. There are no other segments that constitute 10% or more of the Trust's operations. The Trust receives income from a number of healthcare commissioners, and the respective income levels are disclosed in note 3 to these accounts.

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 £000	2018/19 £000
Acute services		
Elective income	14,942	14,172
Non elective income	37,134	28,800
First outpatient income	4,938	4,968
Follow up outpatient income	4,930	3,924
A & E income	6,955	5,052
High cost drugs income from commissioners (excluding pass-through costs)	7,197	6,388
Other NHS clinical income	41,653	38,800
Mental health services		
Cost and volume contract income	-	-
Block contract income	21,671	21,209
Clinical partnerships providing mandatory services (including S75 agreements)	-	-
Clinical income for the secondary commissioning of mandatory services	-	-
Other clinical income from mandatory services	-	-
Ambulance services		
A & E income	7,041	5,467
Patient transport services income	788	1,789
Other income	4	4
Community services		
Community services income from CCGs and NHS England	16,673	22,723
Income from other sources (e.g. local authorities)	3,106	3,943
All services		
Private patient income	1,069	1,224
Agenda for Change pay award central funding*		1,910
Additional pension contribution central funding**	5,658	
Other clinical income	457	398
Total income from activities	**174,216**	**160,771**

*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)

Income from patient care activities received from:	2019/20 £000	2018/19 £000
NHS England*	17,536	11,072
Clinical commissioning groups	152,048	142,158
Department of Health and Social Care	-	1,910
Other NHS providers	40	66
NHS other	-	-
Local authorities	3,106	3,943
Non-NHS: private patients	1,069	1,224
Non-NHS: overseas patients (chargeable to patient)	37	28
Injury cost recovery scheme	377	313
Non NHS: other	3	57
Total income from activities	**174,216**	**160,771**
Of which:		
Related to continuing operations	174,216	160,771
Related to discontinued operations	-	-

*NHS England income included the additional pension contribution central funding

Note 3.3 Overseas visitors (relating to patients charged directly by the provider)

	2019/20	2018/19
	£000	£000
Income recognised this year	37	28
Cash payments received in-year	23	11
Amounts added to provision for impairment of receivables	5	10
Amounts written off in-year	18	6

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	722	-	**722**	808	-	**808**
Education and training	5,189	-	**5,189**	4,976	-	**4,976**
Non-patient care services to other bodies	3,890		**3,890**	5,297		**5,297**
Provider sustainability fund (PSF)	1,752		**1,752**	-		**-**
Financial recovery fund (FRF)	9,625		**9,625**			
Marginal rate emergency tariff funding (MRET)	-		**-**			
Income in respect of employee benefits accounted on a gross basis	569		**569**	521		**521**
Receipt of capital grants and donations		62	**62**		48	**48**
Charitable and other contributions to expenditure		-	**-**		-	**-**
Support from the Department of Health and Social Care for mergers		-	**-**		-	**-**
Rental revenue from finance leases		-	**-**		-	**-**
Rental revenue from operating leases		344	**344**		305	**305**
Amortisation of PFI deferred income / credits		-	**-**		-	**-**
Other income	3,503	-	**3,503**	2,954	-	**2,954**
Total other operating income	**25,250**	**406**	**25,656**	**14,556**	**353**	**14,909**
Of which:						
Related to continuing operations			**25,656**			**14,909**
Related to discontinued operations			**-**			**-**

Material items included within Other Income include NHS Creative Income Generation £1,772k, Car Parking £390k, Catering £463k, Estates Recharges £204k, Occupational Health Commercial £132k, Printroom £91k, Ferry Ticket sales £86k and Pharmacy Sales £84k

Note 5 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	481	459
Revenue recognised from performance obligations satisfied (or partially satisfied) in previous periods	-	-

Note 5.1 Transaction price allocated to remaining performance obligations

Revenue from existing contracts allocated to remaining performance obligations is expected to be recognised:	31 March 2020 £000	31 March 2019 £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 Fees and charges

The Trust hosts NHS Creative and undertakes income generation activities with an aim of achieving profit, which is then used in patient care. The following provides details of income generation activities whose full cost exceeded £1m or was otherwise material.

	2019/20	2018/19
	£000	£000
Income	1,772	1,757
Full cost	(1,829)	(1,831)
Surplus / (deficit)	**(57)**	**(74)**

Note 7 Operating expenses

	2019/20	2018/19
	£000	£000
Purchase of healthcare from NHS and DHSC bodies	2,637	2,355
Purchase of healthcare from non-NHS and non-DHSC bodies	-	-
Purchase of social care	-	-
Staff and executive directors costs	150,654	140,775
Remuneration of non-executive directors	107	85
Supplies and services - clinical (excluding drugs costs)	15,183	14,035
Supplies and services - general	1,826	1,970
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	13,610	13,955
Inventories written down	19	8
Consultancy costs	2,812	2,880
Establishment	3,646	3,110
Premises	8,621	7,536
Transport (including patient travel)	2,023	1,880
Depreciation on property, plant and equipment	5,592	5,879
Amortisation on intangible assets	504	852
Net impairments	-	105
Movement in credit loss allowance: contract receivables / contract assets	33	(147)
Movement in credit loss allowance: all other receivables and investments	-	-
Increase/(decrease) in other provisions	-	-
Change in provisions discount rate(s)	-	-
Audit fees payable to the external auditor		
audit services- statutory audit	81	78
other auditor remuneration (external auditor only)	10	10
Internal audit costs	70	71
Clinical negligence	2,758	2,781
Legal fees	465	388
Insurance	77	41
Research and development	-	-
Education and training	744	687
Rentals under operating leases	832	748
Early retirements	-	-
Redundancy	50	242
Charges to operating expenditure for on-SoFP IFRIC 12 schemes (e.g. PFI / LIFT)	-	-
Charges to operating expenditure for off-SoFP PFI / LIFT schemes	-	-
Car parking & security	310	331
Hospitality	32	96
Losses, ex gratia & special payments	-	-
Grossing up consortium arrangements	-	-
Other services, eg external payroll	180	174
Other	1,964	2,022
Total	**214,840**	**202,947**
Of which:		
Related to continuing operations	214,840	202,947
Related to discontinued operations	-	-

Material items of Other Expenditure include External Contractors £1,440k, Patient Expenses £84k and Interpreting Services £31k

Note 7.1 Other auditor remuneration

	2019/20	2018/19
	£000	£000
Other auditor remuneration paid to the external auditor:		
1. Audit of accounts of any associate of the trust	-	-
2. Audit-related assurance services	10	10
3. Taxation compliance services	-	-
4. All taxation advisory services not falling within item 3 above	-	-
5. Internal audit services	-	-
6. All assurance services not falling within items 1 to 5	-	-
7. Corporate finance transaction services not falling within items 1 to 6 above	-	-
8. Other non-audit services not falling within items 2 to 7 above	-	-
Total	**10**	**10**

Note 7.2 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

	2019/20	2018/19
	£000	£000
Net impairments charged to operating surplus / deficit resulting from:		
Loss or damage from normal operations	-	-
Over specification of assets	-	-
Abandonment of assets in course of construction	-	-
Unforeseen obsolescence	-	-
Loss as a result of catastrophe	-	-
Changes in market price	-	-
Other	-	105
Total net impairments charged to operating surplus / deficit	**-**	**105**
Impairments charged to the revaluation reserve	-	17,418
Total net impairments	**-**	**17,523**

Note 9 Employee benefits

	2019/20 Total £000	2018/19 Total £000
Salaries and wages	110,077	106,115
Social security costs	11,033	10,641
Apprenticeship levy	536	500
Employer's contributions to NHS pensions	18,574	12,223
Pension cost - other	32	21
Other post employment benefits	-	-
Other employment benefits	-	-
Termination benefits	71	242
Temporary staff (including agency)	10,658	11,678
Total gross staff costs	**150,981**	**141,420**
Recoveries in respect of seconded staff	-	-
Total staff costs	**150,981**	**141,420**
Of which		
Costs capitalised as part of assets	277	403

Note 9.1 Retirements due to ill-health

During 2019/20 there was 1 early retirement 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 £27k (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. The employer contribution rate for 2019/20 is 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 Isle of Wight NHS Trust as a lessor

This note discloses income generated in operating lease agreements where Isle of Wight NHS Trust is the lessor.

The Leases comprise of rental of the Renal and Audiology Units by Portsmouth Hospitals NHS Trust and other smaller value leases of Land and Buildings

	2019/20 £000	2018/19 £000
Operating lease revenue		
Minimum lease receipts	344	305
Contingent rent	-	-
Other	-	-
Total	**344**	**305**

	31 March 2020 £000	31 March 2019 £000
Future minimum lease receipts due:		
- not later than one year;	315	305
- later than one year and not later than five years;	853	1,026
- later than five years.	-	-
Total	**1,168**	**1,331**

Note 11.2 Isle of Wight NHS Trust as a lessee

This note discloses costs and commitments incurred in operating lease arrangements where Isle of Wight NHS Trust is the lessee.

The Trust leases medical equipment, property and vehicles under operating lease arrangements.

	2019/20 £000	2018/19 £000
Operating lease expense		
Minimum lease payments	832	748
Contingent rents	-	-
Less sublease payments received	-	-
Total	**832**	**748**

	31 March 2020 £000	31 March 2019 £000
Future minimum lease payments due:		
- not later than one year;	445	568
- later than one year and not later than five years;	1,221	487
- later than five years.	1,401	267
Total	**3,067**	**1,322**
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	69	38
Interest income on finance leases	-	-
Interest on other investments / financial assets	-	-
Other finance income	-	-
Total finance income	**69**	**38**

Note 13 Finance expenditure

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

	2019/20	2018/19
	£000	£000
Interest expense:		
Loans from the Department of Health and Social Care	2,071	1,169
Other loans	-	-
Overdrafts	-	-
Finance leases	11	15
Interest on late payment of commercial debt	7	2
Main finance costs on PFI and LIFT schemes obligations	-	-
Contingent finance costs on PFI and LIFT scheme obligations	-	-
Total interest expense	**2,089**	**1,186**
Unwinding of discount on provisions	-	-
Other finance costs	11	-
Total finance costs	**2,100**	**1,186**

Note 13.1 The late payment of commercial debts (interest) Act 1998 / Public Contract Regulations 2015

	2019/20	2018/19
	£000	£000
Total liability accruing in year under this legislation as a result of late payments	-	-
Amounts included within interest payable arising from claims made under this legislation	7	2
Compensation paid to cover debt recovery costs under this legislation	-	-

Note 14 Other gains / (losses)

	2019/20	2018/19
	£000	£000
Gains on disposal of assets	-	-
Losses on disposal of assets	(21)	(36)
Total gains / (losses) on disposal of assets	**(21)**	**(36)**
Gains / (losses) on foreign exchange	-	-
Fair value gains / (losses) on investment properties	-	-
Fair value gains / (losses) on financial assets / investments	-	-
Fair value gains / (losses) on financial liabilities	-	-
Recycling gains / (losses) on disposal of financial assets mandated as fair value through OCI	-	-
Other gains / (losses)	-	-
Total other gains / (losses)	**(21)**	**(36)**

Note 15 Discontinued operations

	2019/20	2018/19
	£000	£000
Operating income of discontinued operations	-	-
Operating expenses of discontinued operations	-	-
Gain on disposal of discontinued operations	-	-
(Loss) on disposal of discontinued operations	-	-
Corporation tax expense attributable to discontinued operations	-	-
Total	**-**	**-**

Note 16 Intangible assets - 2019/20

	Internally generated information technology	Intangible assets under construction	Total
	£000	£000	£000
Valuation / gross cost at 1 April 2019 - brought forward	**9,614**	**103**	**9,717**
Transfers by absorption	-	-	**-**
Additions	1,979	-	**1,979**
Impairments	-	-	**-**
Reversals of impairments	-	-	**-**
Revaluations	-	-	**-**
Reclassifications	103	(103)	**-**
Transfers to / from assets held for sale	-	-	**-**
Disposals / derecognition	(186)	-	**(186)**
Valuation / gross cost at 31 March 2020	**11,510**	**-**	**11,510**
Amortisation at 1 April 2019 - brought forward	**6,761**	**-**	**6,761**
Transfers by absorption	-	-	**-**
Provided during the year	504	-	**504**
Impairments	-	-	**-**
Reversals of impairments	-	-	**-**
Revaluations	-	-	**-**
Reclassifications	-	-	**-**
Transfers to / from assets held for sale	-	-	**-**
Disposals / derecognition	(165)	-	**(165)**
Amortisation at 31 March 2020	**7,100**	**-**	**7,100**
Net book value at 31 March 2020	**4,410**	**-**	**4,410**
Net book value at 1 April 2019	**2,853**	**103**	**2,956**

Note 16.1 Intangible assets - 2018/19

	Internally generated information technology	Intangible assets under construction	Total
	£000	£000	£000
Valuation / gross cost at 1 April 2018 - as previously stated	**8,369**	**183**	**8,552**
Prior period adjustments	-	-	**-**
Valuation / gross cost at 1 April 2018 - restated	**8,369**	**183**	**8,552**
Transfers by absorption	-	-	**-**
Additions	1,091	74	**1,165**
Impairments	-	-	**-**
Reversals of impairments	-	-	**-**
Revaluations	-	-	**-**
Reclassifications	154	(154)	**-**
Transfers to / from assets held for sale	-	-	**-**
Disposals / derecognition	-	-	**-**
Valuation / gross cost at 31 March 2019	**9,614**	**103**	**9,717**
Amortisation at 1 April 2018 - as previously stated	**5,909**	**-**	**5,909**
Prior period adjustments	-	-	**-**
Amortisation at 1 April 2018 - restated	**5,909**	**-**	**5,909**
Transfers by absorption	-	-	**-**
Provided during the year	852	-	**852**
Impairments	-	-	**-**
Reversals of impairments	-	-	**-**
Revaluations	-	-	**-**
Reclassifications	-	-	**-**
Transfers to / from assets held for sale	-	-	**-**
Disposals / derecognition	-	-	**-**
Amortisation at 31 March 2019	**6,761**	**-**	**6,761**
Net book value at 31 March 2019	**2,853**	**103**	**2,956**
Net book value at 1 April 2018	**2,460**	**183**	**2,643**

Note 17 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	**7,355**	**95,696**	**-**	**444**	**14,276**	**2,035**	**5,161**	**1,735**	**126,702**
Transfers by absorption	-	-	-	-	-	-	-	-	**-**
Additions	-	-	-	3,187	2,753	12	645	133	**6,730**
Impairments	-	-	-	-	-	-	-	-	**-**
Reversals of impairments	-	-	-	-	-	-	-	-	**-**
Revaluations	35	(7,161)	-	-	-	-	-	-	**(7,126)**
Reclassifications	-	2,448	-	(2,533)	85	-	-	-	**-**
Transfers to / from assets held for sale	(100)	(190)	-	-	-	-	-	-	**(290)**
Disposals / derecognition	-	-	-	-	(18)	-	-	-	**(18)**
Valuation/gross cost at 31 March 2020	**7,290**	**90,793**	**-**	**1,098**	**17,096**	**2,047**	**5,806**	**1,868**	**125,998**
Accumulated depreciation at 1 April 2019 - brought forward	**-**	**5,553**	**-**	**-**	**8,609**	**1,474**	**2,240**	**284**	**18,160**
Transfers by absorption	-	-	-	-	-	-	-	-	**-**
Provided during the year	-	3,254	-	-	1,020	151	1,018	149	**5,592**
Impairments	-	-	-	-	-	-	-	-	**-**
Reversals of impairments	-	-	-	-	-	-	-	-	**-**
Revaluations	-	(3,210)	-	-	-	-	-	-	**(3,210)**
Reclassifications	-	-	-	-	-	-	-	-	**-**
Transfers to / from assets held for sale	-	(11)	-	-	-	-	-	-	**(11)**
Disposals / derecognition	-	-	-	-	(18)	-	-	-	**(18)**
Accumulated depreciation at 31 March 2020	**-**	**5,586**	**-**	**-**	**9,611**	**1,625**	**3,258**	**433**	**20,513**
Net book value at 31 March 2020	**7,290**	**85,207**	**-**	**1,098**	**7,485**	**422**	**2,548**	**1,435**	**105,485**
Net book value at 1 April 2019	**7,355**	**90,143**	**-**	**444**	**5,667**	**561**	**2,921**	**1,451**	**108,542**

Note 17.1 Property, plant and equipment - 2018/19

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2018 - as previously stated	**8,895**	**105,209**	**-**	**3,570**	**12,999**	**1,994**	**3,921**	**1,712**	**138,300**
Prior period adjustments	-	-	-	-	-	-	-	-	**-**
Valuation / gross cost at 1 April 2018 - restated	**8,895**	**105,209**	**-**	**3,570**	**12,999**	**1,994**	**3,921**	**1,712**	**138,300**
Transfers by absorption	-	-	-	-	-	-	-	-	**-**
Additions	85	-	-	3,562	1,283	40	764	23	**5,757**
Impairments	(1,670)	(15,853)	-	-	-	-	-	-	**(17,523)**
Reversals of impairments	-	-	-	-	-	-	-	-	**-**
Revaluations	45	239	-	-	-	-	-	-	**284**
Reclassifications	-	6,101	-	(6,688)	84	27	476	-	**-**
Transfers to / from assets held for sale	-	-	-	-	-	-	-	-	**-**
Disposals / derecognition	-	-	-	-	(90)	(26)	-	-	**(116)**
Valuation/gross cost at 31 March 2019	**7,355**	**95,696**	**-**	**444**	**14,276**	**2,035**	**5,161**	**1,735**	**126,702**
Accumulated depreciation at 1 April 2018 - as previously stated	**-**	**5,462**	**-**	**-**	**7,506**	**1,333**	**1,426**	**135**	**15,862**
Prior period adjustments	-	-	-	-	-	-	-	-	**-**
Accumulated depreciation at 1 April 2018 - restated	**-**	**5,462**	**-**	**-**	**7,506**	**1,333**	**1,426**	**135**	**15,862**
Transfers by absorption	-	-	-	-	-	-	-	-	**-**
Provided during the year	-	3,616	-	-	1,133	167	814	149	**5,879**
Impairments	-	-	-	-	-	-	-	-	**-**
Reversals of impairments	-	-	-	-	-	-	-	-	**-**
Revaluations	-	(3,525)	-	-	-	-	-	-	**(3,525)**
Reclassifications	-	-	-	-	-	-	-	-	**-**
Transfers to / from assets held for sale	-	-	-	-	-	-	-	-	**-**
Disposals / derecognition	-	-	-	-	(30)	(26)	-	-	**(56)**
Accumulated depreciation at 31 March 2019	**-**	**5,553**	**-**	**-**	**8,609**	**1,474**	**2,240**	**284**	**18,160**
Net book value at 31 March 2019	**7,355**	**90,143**	**-**	**444**	**5,667**	**561**	**2,921**	**1,451**	**108,542**
Net book value at 1 April 2018	**8,895**	**99,747**	**-**	**3,570**	**5,493**	**661**	**2,495**	**1,577**	**122,438**

Note 17.2 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	7,290	84,808	-	1,098	6,923	420	2,548	1,394	**104,481**
Finance leased	-	-	-	-	287	-	-	-	**287**
On-SoFP PFI contracts and other service concession arrangements	-	-	-	-	-	-	-	-	**-**
Off-SoFP PFI residual interests	-	-	-	-	-	-	-	-	**-**
Owned - government granted	-	-	-	-	-	-	-	-	**-**
Owned - donated	-	399	-	-	275	2	-	41	**717**
NBV total at 31 March 2020	**7,290**	**85,207**	**-**	**1,098**	**7,485**	**422**	**2,548**	**1,435**	**105,485**

Note 17.3 Property, plant and equipment financing - 2018/19

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2019									
Owned - purchased	7,355	89,724	-	444	5,002	556	2,921	1,408	**107,410**
Finance leased	-	-	-	-	398	-	-	-	**398**
On-SoFP PFI contracts and other service concession arrangements	-	-	-	-	-	-	-	-	**-**
Off-SoFP PFI residual interests	-	-	-	-	-	-	-	-	**-**
Owned - government granted	-	-	-	-	-	-	-	-	**-**
Owned - donated	-	419	-	-	267	5	-	43	**734**
NBV total at 31 March 2019	**7,355**	**90,143**	**-**	**444**	**5,667**	**561**	**2,921**	**1,451**	**108,542**

Note 18 Donations of property, plant and equipment

Donations towards equipment to the value of £62k have been provided by Friends of St.Marys Hospital.

Note 19 Revaluations of property, plant and equipment

Land and property assets are carried at valuation on the Statement of Financial Position. All of the Trust's land and building assets have been revalued as at 31 March 2020 by the District Valuers of the Revenue and Customs Government Department.

The valuations have been carried out in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual insofar as these terms are consistent with the agreed requirements of the Department of Health and Social Care and HM Treasury.

Land and non-specialised buildings are valued as modern equivalent asset value using the alternative site method (site optimisation).

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 ('Red Book'), the valuer has declared a "material valuation uncertainty" in the valuation report. This is 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, and we await further advice from DHSC.

The Trust's plant and equipment assets continue to be carried at depreciated historical cost as a proxy for fair value. Property, plant and equipment is depreciated at rates calculated to write them down to estimated residual values on a straight-line basis over their estimated useful lives. No depreciation is provided on freehold land and assets under construction.

Note 20 Inventories

	31 March 2020 £000	31 March 2019 £000
Drugs	1,436	981
Work In progress	-	-
Consumables	1,405	1,272
Energy	21	25
Other	-	-
Total inventories	**2,862**	**2,278**
of which:		
Held at fair value less costs to sell	-	-

Inventories recognised in expenses for the year were £17,316k (2018/19: £17,742k). Write-down of inventories recognised as expenses for the year were £19k (2018/19: £8k).

Note 21 Receivables

	31 March 2020 £000	31 March 2019 £000
Current		
Contract receivables	5,539	8,224
Contract assets	-	-
Capital receivables	-	-
Allowance for impaired contract receivables / assets	(246)	(225)
Allowance for other impaired receivables	-	-
Deposits and advances	-	-
Prepayments (non-PFI)	1,155	1,312
PFI prepayments - capital contributions	-	-
PFI lifecycle prepayments	-	-
Interest receivable	-	-
Finance lease receivables	-	-
PDC dividend receivable	183	327
VAT receivable	521	382
Corporation and other taxes receivable	-	-
Other receivables	595	532
Total current receivables	**7,747**	**10,552**
Non-current		
Contract receivables	-	-
Contract assets	-	-
Capital receivables	-	-
Allowance for impaired contract receivables / assets	-	-
Allowance for other impaired receivables	-	-
Deposits and advances	-	-
Prepayments (non-PFI)	-	-
PFI prepayments - capital contributions	-	-
PFI lifecycle prepayments	-	-
Interest receivable	-	-
Finance lease receivables	-	-
VAT receivable	-	-
Corporation and other taxes receivable	-	-
Other receivables	317	251
Total non-current receivables	**317**	**251**
Of which receivable from NHS and DHSC group bodies:		
Current	3,648	6,128
Non-current	-	-

Note 21.1 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	**225**	**-**	**-**	**392**
Prior period adjustments			-	-
Allowances as at 1 April - restated	**225**	**-**	**-**	**392**
Impact of implementing IFRS 9 (and IFRS 15) on 1 April 2018			392	(392)
Transfers by absorption	**-**	**-**	-	-
New allowances arising	133	-	70	-
Changes in existing allowances	(27)	-	(32)	-
Reversals of allowances	(73)	-	(185)	-
Utilisation of allowances (write offs)	(12)	-	(20)	-
Changes arising following modification of contractual cash flows	-	-	-	-
Foreign exchange and other changes	-	-	-	-
Allowances as at 31 Mar 2020	**246**	**-**	**225**	**-**

IFRS 9 and IFRS 15 are adopted without restatement therefore this analysis is prepared in line with the requirements of IFRS 7 prior to IFRS 9 adoption. As a result it differs in format to the current period disclosure.

Note 22 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	**4,487**	**5,999**
Prior period adjustments		-
At 1 April (restated)	**4,487**	**5,999**
Transfers by absorption	-	-
Net change in year	7,798	(1,512)
At 31 March	**12,285**	**4,487**
Broken down into:		
Cash at commercial banks and in hand	14	13
Cash with the Government Banking Service	12,271	4,474
Deposits with the National Loan Fund	-	-
Other current investments	-	-
Total cash and cash equivalents as in SoFP	**12,285**	**4,487**
Bank overdrafts (GBS and commercial banks)	-	-
Drawdown in committed facility	-	-
Total cash and cash equivalents as in SoCF	**12,285**	**4,487**

Note 22.1 Third party assets held by the trust

Isle of Wight 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	**-**	**-**

Note 23 Trade and other payables

	31 March 2020 £000	31 March 2019 £000
Current		
Trade payables	7,808	8,803
Capital payables	3,235	2,225
Accruals	3,494	3,310
Receipts in advance and payments on account	-	-
PFI lifecycle replacement received in advance	-	-
Social security costs	1,622	2,798
VAT payables	-	-
Other taxes payable	1,347	-
PDC dividend payable	-	-
Other payables	2,143	1,997
Total current trade and other payables	**19,649**	**19,133**
Non-current		
Trade payables	-	-
Capital payables	-	-
Accruals	-	21
Receipts in advance and payments on account	-	-
PFI lifecycle replacement received in advance	-	-
VAT payables	-	-
Other taxes payable	-	-
Other payables	-	-
Total non-current trade and other payables	**-**	**21**
Of which payables from NHS and DHSC group bodies:		
Current	2,789	1,620
Non-current	-	-

Note 23.1 Early retirements in NHS payables above

The payables note above includes amounts in relation to early retirements as set out below:

	31 March 2020 £000	31 March 2020 Number	31 March 2019 £000	31 March 2019 Number
- to buy out the liability for early retirements over 5 years	-		-	
- number of cases involved		-		-

Note 24 Other liabilities

	31 March 2020 £000	31 March 2019 £000
Current		
Deferred income: contract liabilities	2,091	1,944
Deferred grants	-	-
Deferred PFI credits / income	-	-
Lease incentives	-	-
Other deferred income	-	-
Total other current liabilities	**2,091**	**1,944**
Non-current		
Deferred income: contract liabilities	-	-
Deferred grants	-	-
Deferred PFI credits / income	-	-
Lease incentives	-	-
Other deferred income	-	-
Net pension scheme liability	-	-
Total other non-current liabilities	**-**	**-**

Note 25 Borrowings

	31 March 2020 £000	31 March 2019 £000
Current		
Bank overdrafts	-	-
Drawdown in committed facility	-	-
Loans from DHSC*	91,278	238
Other loans	-	-
Obligations under finance leases	117	113
Obligations under PFI, LIFT or other service concession contracts	-	-
Total current borrowings	**91,395**	**351**
Non-current		
Loans from DHSC	-	67,932
Other loans	-	-
Obligations under finance leases	191	308
Obligations under PFI, LIFT or other service concession contracts	-	-
Total non-current borrowings	**191**	**68,240**

*The DHSC has confirmed changes to the NHS Cash Regime effective 1 April 2020. The Trust will be issued Public Dividend Capital (PDC) to effect repayment of all outstanding revenue support loans and accrued interest at 31 March 2020. This action will take place in September 2020 making the Loans a current liability being due within one year.

Note 25.1 Reconciliation of liabilities arising from financing activities - 2019/20

	Loans from DHSC	Other loans	Finance leases	PFI and LIFT schemes	Total
	£000	£000	£000	£000	£000
Carrying value at 1 April 2019	**68,170**	**-**	**421**	**-**	**68,591**
Cash movements:					
Financing cash flows - payments and receipts of principal	22,993	-	(113)	-	**22,880**
Financing cash flows - payments of interest	(1,956)	-	(11)	-	**(1,967)**
Non-cash movements:					
Transfers by absorption	-	-	-	-	**-**
Additions	-	-	-	-	**-**
Application of effective interest rate	2,071	-	11	-	**2,082**
Change in effective interest rate	-	-	-	-	**-**
Changes in fair value	-	-	-	-	**-**
Early terminations	-	-	-	-	**-**
Other changes	-	-	-	-	**-**
Carrying value at 31 March 2020	**91,278**	**-**	**308**	**-**	**91,586**

Note 25.2 Reconciliation of liabilities arising from financing activities - 2018/19

	Loans from DHSC	Other loans	Finance leases	PFI and LIFT schemes	Total
	£000	£000	£000	£000	£000
Carrying value at 1 April 2018	**37,830**	**-**	**531**	**-**	**38,361**
Prior period adjustment	**-**	**-**	**-**	**-**	**-**
Carrying value at 1 April 2018 - restated	**37,830**	**-**	**531**	**-**	**38,361**
Cash movements:					
Financing cash flows - payments and receipts of principal	30,102	-	(109)	-	**29,993**
Financing cash flows - payments of interest	(995)	-	(15)	-	**(1,010)**
Non-cash movements:					
Impact of implementing IFRS 9 on 1 April 2018	72	-	-	-	**72**
Transfers by absorption	-	-	-	-	**-**
Additions	-	-	-	-	**-**
Application of effective interest rate	1,169	-	15	-	**1,184**
Change in effective interest rate	-	-	-	-	**-**
Changes in fair value	-	-	-	-	**-**
Early terminations	-	-	-	-	**-**
Other changes	(8)	-	(1)	-	**(9)**
Carrying value at 31 March 2019	**68,170**	**-**	**421**	**-**	**68,591**

Note 26 Other financial liabilities

	31 March 2020	31 March 2019
	£000	£000
Current		
Derivatives held at fair value through income and expenditure	-	-
Other financial liabilities	-	-
Total current other financial liabilities	**-**	**-**
Non-current		
Derivatives held at fair value through income and expenditure	-	-
Other financial liabilities	-	-
Total non-current other financial liabilities	**-**	**-**

Note 27 Finance leases

Note 27.1 Isle of Wight NHS Trust as a lessor

Future lease receipts due under finance lease agreements where the trust is the lessor:

	31 March 2020 £000	31 March 2019 £000
Gross lease receivables	**-**	**-**
of which those receivable:		
- not later than one year;	-	-
- later than one year and not later than five years;	-	-
- later than five years.	-	-
Unearned interest income	-	-
Allowance for uncollectable lease payments	-	-
Net lease receivables	**-**	**-**
of which those receivable:		
- not later than one year;	-	-
- later than one year and not later than five years;	-	-
- later than five years.	-	-
The unguaranteed residual value accruing to the lessor	-	-
Contingent rents recognised as income in the period	-	-

Note 27.2 Isle of Wight NHS Trust as a lessee

Obligations under finance leases where the trust is the lessee.

	31 March 2020 £000	31 March 2019 £000
Gross lease liabilities	**308**	**421**
of which liabilities are due:		
- not later than one year;	117	113
- later than one year and not later than five years;	191	308
- later than five years.	-	-
Finance charges allocated to future periods	-	-
Net lease liabilities	**308**	**421**
of which payable:		
- not later than one year;	117	113
- later than one year and not later than five years;	191	308
- later than five years.	-	-
Total of future minimum sublease payments to be received at the reporting date	-	-
Contingent rent recognised as expense in the period	-	-

Note 28 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	**-**	**-**	**110**	**-**	**-**	**76**	**171**	**357**
Transfers by absorption	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Change in the discount rate	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Arising during the year	**-**	**-**	**-**	**-**	**-**	**-**	**175**	**175**
Utilised during the year	-	-	(24)	-	-	(65)	-	**(89)**
Reclassified to liabilities held in disposal groups	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Reversed unused	**-**	**-**	**(14)**	**-**	**-**	**(11)**	**(41)**	**(66)**
Unwinding of discount	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
At 31 March 2020	**-**	**-**	**72**	**-**	**-**	**-**	**305**	**377**
Expected timing of cash flows:								
- not later than one year;	-	-	40	-	-	-	**195**	**235**
- later than one year and not later than five years;	-	-	32	-	-	-	**110**	**142**
- later than five years.	-	-	-	-	-	-	**-**	**-**
Total	**-**	**-**	**72**	**-**	**-**	**-**	**305**	**377**

Other provisions include figures for Industrial Tribunal cases (£20k), provision for various property dilapidations (£110k) and Climate Change Levy (£175k)

It is not possible to be precise regarding dates of settlement for industrial injury and other legal claims and therefore there is uncertainty over the calculation and timings of amounts due.

Note 28.1 Clinical negligence liabilities

At 31 March 2020, £52,659k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of Isle of Wight NHS Trust (31 March 2019: £41,233k).

Note 29 Contingent assets and liabilities

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

Note 30 Contractual capital commitments

	31 March 2020 £000	31 March 2019 £000
Property, plant and equipment	2,883	1,431
Intangible assets	443	20
Total	**3,326**	**1,451**

Note 31 Financial instruments

Note 31.1 Financial risk management

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

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 (the lender) at the point 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 Clinical Commissioning Groups and NHS England, 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.

Market risk
Because the Trust contracts mainly with other NHS bodies the risk that fair value of future cash flows of a financial instrument will fluctuate due to market risk (currency risk, interest rate risk and other market risk) is minimal.

Foreign 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.

Note 31.2 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	6,205	-	-	**6,205**
Other investments / financial assets	-	-	-	**-**
Cash and cash equivalents	12,285	-	-	**12,285**
Total at 31 March 2020	**18,490**	**-**	**-**	**18,490**

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	8,782	-	-	**8,782**
Other investments / financial assets	-	-	-	**-**
Cash and cash equivalents	4,487	-	-	**4,487**
Total at 31 March 2019	**13,269**	**-**	**-**	**13,269**

Note 31.3 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	91,278	-	**91,278**
Obligations under finance leases	308	-	**308**
Obligations under PFI, LIFT and other service concession contracts	-	-	**-**
Other borrowings	-	-	**-**
Trade and other payables excluding non financial liabilities	16,680	-	**16,680**
Other financial liabilities	-	-	**-**
Provisions under contract	-	-	**-**
Total at 31 March 2020	**108,266**	**-**	**108,266**

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	68,170	-	**68,170**
Obligations under finance leases	421	-	**421**
Obligations under PFI, LIFT and other service concession contracts	-	-	**-**
Other borrowings	-	-	**-**
Trade and other payables excluding non financial liabilities	16,356	-	**16,356**
Other financial liabilities	-	-	**-**
Provisions under contract	-	-	**-**
Total at 31 March 2019	**84,947**	**-**	**84,947**

Note 31.4 Maturity of financial liabilities

	31 March 2020 £000	31 March 2019 £000
In one year or less	108,075	16,686
In more than one year but not more than two years	120	37,967
In more than two years but not more than five years	71	30,294
In more than five years	-	-
Total	**108,266**	**84,947**

Note 31.5 Fair values of financial assets and liabilities

Book value (carrying value) is a reasonable approximation of fair value.

Note 32 Losses and special payments

	2019/20		2018/19	
	Total number of cases Number	Total value of cases £000	Total number of cases Number	Total value of cases £000
Losses				
Cash losses	2	1	3	-
Fruitless payments	-	-	-	-
Bad debts and claims abandoned	31	25	31	24
Stores losses and damage to property	12	2	17	4
Total losses	**45**	**28**	**51**	**28**
Special payments				
Compensation under court order or legally binding arbitration award	5	24	6	25
Extra-contractual payments	-	-	-	-
Ex-gratia payments	26	12	9	3
Special severance payments	-	-	-	-
Extra-statutory and extra-regulatory payments	-	-	-	-
Total special payments	**31**	**36**	**15**	**28**
Total losses and special payments	**76**	**64**	**66**	**56**
Compensation payments received		-		-

Note 33 Related parties

The Isle of Wight NHS Trust is a body corporate established by order of the Secretary of State for Health.

During the year none of the Department of Health and Social Care Ministers, Isle of Wight NHS Trust board members or members of the key management staff, or parties related to any of them, has undertaken any material transactions with the Isle of Wight NHS Trust.

One of the Trusts Non-Executive Directors fulfills the same role for University Hospital Southampton NHS Foundation Trust.

The Department of Health and Social Care is regarded as a related party. During the year the Isle of Wight 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. These entries are :

	2019/20		2018/19	
	Expenditure £'000's	Revenue £'000's	Expenditure £'000's	Revenue £'000's
Isle of Wight CCG	0	149,656	0	139,998
NHS England	51	23,612	28	10,763
Health Education Engalnd	5	5,002	47	4,685
University Hospital Southampton NHS Foundation Trust	714	1,069	904	1,132
Portsmouth Hospitals NHS Trust	3,519	532	3,382	489
NHS Resolution (formerly NHS Litigation Authority)	2,759	0	2,781	0
Solent NHS Trust	21	69	4	132

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 HM Revenue and Customs, NHS Pensions Agency and the Isle of Wight Council.

The Trust has also received revenue and capital payments from the NHS Trust's charitable funds currently registered with the Charity Commission under number 1049606 in the name of Isle of Wight NHS Trust Charitable Funds. The Corporate Trustee of the charitable funds is Isle of Wight NHS Trust. The Trust makes purchases on behalf of the Charity in accordance with Standing Financial Instructions and procurement procedures for which the Charity reimburses the Trust on a monthly basis.

Note 34 Events after the reporting date

On 2 April 2020, the Department of Health and Social Care (DHSC) and NHS England and NHS Improvement announced reforms to the NHS cash regime for the 2020/21 financial year. During 2020/21 existing DHSC interim revenue and capital loans as at 31 March 2020 will be extinguished and replaced with the issue of Public Dividend Capital (PDC) to allow the repayment. The affected loans totalling £90,925k principal and £353k interest accrual are classified as current liabilities within these financial statements. As the repayment of these loans will be funded through the issue of PDC, this does not present a going concern risk for the Trust.

Note 35 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	27,242	67,040	27,994	65,189
Total non-NHS trade invoices paid within target	21,523	43,513	20,407	41,688
Percentage of non-NHS trade invoices paid within target	79.0%	64.9%	72.9%	63.9%
NHS Payables				
Total NHS trade invoices paid in the year	2,931	6,715	2,825	7,491
Total NHS trade invoices paid within target	2,117	2,370	1,589	2,745
Percentage of NHS trade invoices paid within target	72.2%	35.3%	56.2%	36.6%

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 36 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	17,397	31,644
Finance leases taken out in year	-	-
Other capital receipts	-	-
External financing requirement	**17,397**	**31,644**
External financing limit (EFL)	26,733	33,251
Under / (over) spend against EFL	**9,336**	**1,607**

Note 37 Capital Resource Limit

	2019/20 £000	2018/19 £000
Gross capital expenditure	8,709	6,922
Less: Disposals	(21)	(60)
Less: Donated and granted capital additions	(62)	(48)
Plus: Loss on disposal from capital grants in kind	-	-
Charge against Capital Resource Limit	**8,626**	**6,814**
Capital Resource Limit	8,652	6,820
Under / (over) spend against CRL	**26**	**6**

Note 38 Breakeven duty financial performance

	2019/20 £000
Adjusted financial performance surplus / (deficit) (control total basis)	(17,724)
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)	**(17,724)**

Note 39 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		-	-	-	543	1,613
Breakeven duty cumulative position	-	-	-	-	543	2,156
Operating income		-	-	-	168,757	171,867
Cumulative breakeven position as a percentage of operating income		0.0%	0.0%	0.0%	0.3%	1.3%

	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
	£000	£000	£000	£000	£000	£000
Breakeven duty in-year financial performance	15	(8,358)	(10,960)	(22,664)	(30,102)	(17,724)
Breakeven duty cumulative position	2,171	(6,187)	(17,147)	(39,811)	(69,913)	(87,637)
Operating income	174,386	170,276	171,110	171,395	175,680	199,872
Cumulative breakeven position as a percentage of operating income	1.2%	(3.6%)	(10.0%)	(23.2%)	(39.8%)	(43.8%)

The Trust has remained in Financial Special Measures throughout 2019/20 and continues to work closely with NHS Improvement for support in achieving longer term financial sustainability.

Glossary of Terms

This glossary is intended to clarify NHS-specific terms used in this document. If you cannot find the definition you are looking for, try here:
https://www.england.nhs.uk/participation/resources%20/involvejargon/

CCG – Clinical Commissioning Group

A clinically led group that includes all the GP groups in the geographical area. An NHS organisation set up by the Health & Social Care Act 2012 to organise the delivery of NHS services in England.

Covid-19

COVID-19 is a disease caused by a new strain of coronavirus. 'CO' stands for corona, 'VI' for virus, and 'D' for disease. Formerly, this disease was referred to as '2019 novel coronavirus' or '2019-nCoV.'

CQC – Care Quality Commission

The independent regulator of all health and social care services in England.

DHSC – Department of Health and Social Care

Department of Health and Social Care (DHSC) is a department of the UK government responsible for heath and adult social care policy matters in England, along with a few elements of the same matters which are not otherwise devolved to the Scottish Government, Welsh Government or Northern Ireland Executive. It oversees the NHS.

IM&T – Information Management & Technology

An umbrella term for the processes, systems, hardware, and software a company uses to conduct its day-to-day operations.

ICS – Integrated Care System

A close collaboration with NHS organisations, in partnership with local councils and others, taking collective responsibility for managing resources, delivering NHS standards, and improving the health of the population they serve.

Isle of Wight Local Care Board

A collaboration between the Isle of Wight NHS Trust, Isle of Wight Council, and Isle of Wight Clinical Commissioning Group.

Isle of Wight Health and Care Sustainability Plan

Produced by the Isle of Wight Local Care Board, the Isle of Wight Health and Care Sustainability Plan outlines the anticipated challenges and plans for delivering services to our population over the next three years.

KPIs – Key Performance Indicators

A way of monitoring and managing performance against a pre-determined target.

NHS Long Term Plan

Published in January 2019, this plan sets out how the NHS will spend its funding over the next 10 years to improve health and care services across the country.

NHSE / I – NHS England & NHS Improvement

From 1 April 2019, NHS England and NHS Improvement came together to act as a single organisation to better support the NHS and help improve care for patients.

NICE – National Institute for Health and care Excellence

Provides national guidance and advice to improve health and social care.

RTT – Referral to treatment

The time it takes between a GP referral and a definitive secondary care treatment being provided.

Special measures

Special measures apply when NHS Trusts and Foundation Trusts have serious problems and there are concerns that the existing leadership cannot make the necessary improvements without support.

STP – Sustainability and Transformation Partnerships

These are areas covering all of England, where local NHS organisations and councils drew up shared proposals to improve health and care in the areas they serve.

Get in touch or get involved

We want to know what you think of your NHS. How can we improve? You can make a difference by…

- Joining the Trust as a public member – and if you have time to spare, why not become one of our valued volunteers?
- Attending our Medicine for Members meetings and other events
- Becoming a Quality Champion (if you are a member of staff) and taking an active role in one of the many initiatives designed to improve patient and staff experience
- Becoming a member of our Patients Council

Please get in touch. Telephone: **01983 822099** ext. 5703 or e-mail **membership@iow.nhs.uk**

Tell us what you think

The Isle of Wight NHS Trust welcomes feedback and questions from staff, stakeholders, members and the wider public on this document and any other issue relating to our services. If you have feedback please contact the Corporate Communications, Engagement and Membership Team. You can email us: comms@iow.nhs.uk or you can write to us at:

Isle of Wight NHS Trust

Trust HQ

South Block

St. Mary's Hospital

Newport

Isle of Wight

PO30 5TG

You can also follow our social media accounts:

Twitter: @IoWNHSTrust

Facebook: www.facebook.com/IsleOfWightNHSTrust

Instagram: @iownhstrust

LinkedIn: www.linkedin.com/company/nhs-isle-of-wight

YouTube: www.youtube.com/IsleofWightNHS

For information about the Trust and its policies you can also visit our website www.iow.nhs.uk

This report is available on our website at www.iow.nhs.uk/Publications/publications.htm