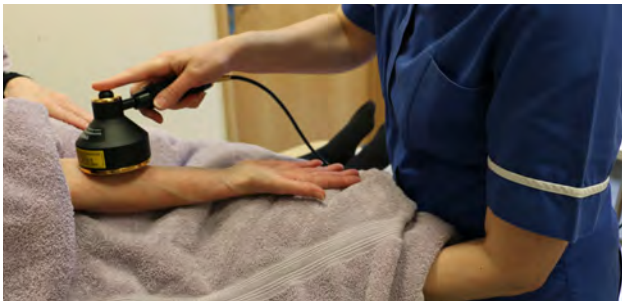
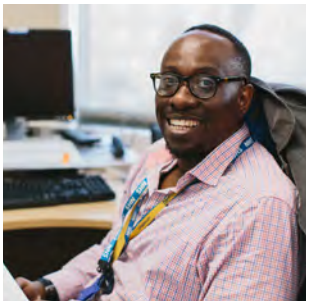
#weareNHFT

Northamptonshire Healthcare
NHS Foundation Trust

ANNUAL REPORT & ACCOUNTS 2019/20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MAKING A DIFFERENCE FOR YOU, WITH YOU

NORTHAMPTONSHIRE HEALTHCARE NHS FOUNDATION TRUST

Annual Report and Accounts 2019/20

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

CONTENTS

ABOUT THIS REPORT

In this report, you can read what people have to say about our Trust. We have included some of the views of our patients, carers and staff members.

Not all the testimonials you read will be attributed to a name, as sometimes people ask to remain anonymous.

We make it clear whether they are a patient, carer, service user, friend, family member or staff member, and we make it clear that the statement is a testimonial by adding quotation or speech marks.

All of the images you see in this report are of our patients, carers, service users, friends, family members and staff members. However, photographs that are included near or next to text are not to be related to the text.

We also include explanations of terms and abbreviations in speech bubbles, like the one shown below. At the end of our Quality Report, you can also find an Easy Read section, with a summary explanation of our key quality priorities for next year.

We hope that you find this report informative and thank you for taking the time to read it.

WELCOME

FROM OUR CHIEF EXECUTIVE

Never have I been prouder to work with teamNHFT. From how we care for our patients, service users, carers, and their family and friends, to how we partner with the wider NHS, social care services, community organisations and education, every year I see our staff truly making a difference. And this year has been an extraordinary one. As I write this introduction to one of the most important documents we publish each year, the world is experiencing a healthcare crisis. The Trust, along with every other NHS and healthcare organisation in the UK, is working in unparalleled times to provide care during the Covid-19 pandemic. This means we have had to work differently, each of us in some new way.

At the start of 2019/20, we continued to be busy caring for our community in the context of complex and demanding pressures. We did so by furthering our care models that encourage working in partnership and by addressing pressure points such as improving care for high risk patients, and continuing our good progress with equality, diversity and inclusion at the Trust.

The work we have achieved this year has again been recognised by the Care Quality Commission (CQC). In December 2019, we received our second overall 'outstanding' rating from the CQC. The Trust is delighted that we are still rated 'outstanding' overall as well as for 'caring' and for 'well-led', and were also recognised as 'outstanding' overall in Mental Health and Community.

One of my proudest achievements of 2019/20 was the buddy relationship we formed with Leicestershire Partnership NHS Trust (LPT). The relationship has allowed us to share ideas and learning, and make service improvements. In July 2019, I was honoured to be appointed shared Chief Executive of NHFT and LPT, further strengthening our partnership.

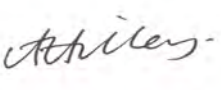
By the time the last quarter of the year arrived, we were adjusting to a 'new normal', with our office-based staff working from home, virtually and collaboratively across different channels, in line with our government's lockdown guidelines, and our frontline and clinical staff were working incredibly hard with increased demand during a national emergency. I do not underestimate how challenging this has been for our team, and for our patients, service users, carers and their family and friends.

Thank you to each and every member of teamNHFT, who have worked together so professionally, compassionately and successfully during this highly unusual time. Thank you to each and every patient, service user, carer and family member and friend, who has supported our Trust and the wider NHS with the Thursday evening 'Clap for Carers' – and with every other show of kindness and encouragement.

We will continue to give focus to putting patients at the heart of everything we do, and work in partnership within our community and in a joined up and respectful way across our team, and with our service users.

As keeping connected in these times is so important, and because we value your involvement, I hope you find the information in this report to be useful and encourage you to write to me with any feedback.

Angela Hillery



Chief Executive
28 May 2020

PERFORMANCE REPORT

INTRODUCTION

Every day, we deliver physical, mental health and specialty services to people across Northamptonshire and beyond, in the community, at home, work, in schools or in healthcare locations. We offer more than 100 services across the county – as well as some specialist services in bordering and nearby counties – to deliver care together in an integrated way. We work in partnership with other providers, bodies and groups, and are dedicated to *making a difference for you, with you*.

Welcome to our Annual Report and Accounts 2019/20. In this year's report, we share information about us, our strategy, objectives and achievements, as well as our challenges and risks.

SECTION ONE: AN OVERVIEW

We are proud to be a health and wellbeing organisation that is dedicated to making a difference.

We strive to continually innovate and make a difference to our community, and to those working for and with our Trust. We share a collective vision to provide outstanding, compassionate care to the people of Northamptonshire and the surrounding areas. Together, we listen closely to feedback from our service users and carers to make sure that our services are diverse, responsive and are delivered with care and compassion every day.

We are committed to delivering care to our patients in their own homes whenever possible and provide many services outside of hospitals and in the community.

In this section, we share information about our organisation and its history, its purpose and model, along with our strategies and objectives. We also highlight the risks we faced this year and review how we performed.

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

ABOUT US

We put the person at the centre of everything we do. We deliver compassionate care that is as easy to access as possible. We look after the health and care needs of people in Northamptonshire, including Corby, Daventry, Kettering, Northampton and Wellingborough, as well as in hospitals and clinics. We provide many of our services at home, work or in schools.

Our Board of Directors is responsible for overseeing our work and services, and for setting the Trust's strategy for the future. The Board has both Executive Directors (employed directly by the Trust) and non-Executive Directors (appointed by the Council of Governors).

Our Governors look after the interests of staff, patients, the public, service users and carers, as well as other local organisations, in the running of our Trust.

We face financial challenges because of the local health economy and because our population is significantly changing. Our organisational structure, objectives and strategic plans are designed to help us give high-quality, joined-up care that is always based on our community's needs.

We believe in *making a difference for you, with you*. Our values help us make decisions and decide what matters most, as you can see in our 54321 roadmap below.

OUR SERVICE PORTFOLIO

ADULT MENTAL HEALTH AND SPECIALTY SERVICES

- Acute Liaison Service and Psychiatry for Older Persons
- Adult Inpatient ICU
- Adult Inpatient Low Secure
- Adult Inpatient Specialist
- Adult Inpatient Acute
- CATSS (Crisis Telephone Support Services)
- Changing Minds IAPT Service
- Community Mental Health Adult – Early Intervention N'Step
- Crisis cafes
- Criminal Justice Liaison and Diversion Team
- Custody Healthcare Team
- Eating Disorders Service
- Forensic Team
- Gender Identity Clinic
- Health Based Place of Safety
- IPS Employment Service
- Learning Disabilities
- Memory Assessment Service
- Mental Health Navigators
- Older Adults Community Services
- Older People's Inpatient Acute
- Northants Personality Disorder Hub
- Planned Care and Recovery Treatment Service (PCRT)
- Police Liaison & Triage
- Prisons
- Recovery College NHFT
- Sexual Assault Referral Centre (SARC)
- Specialist Perinatal Mental Health
- The Warren
- Neuromodulation (rTMS/ECT)
- Urgent Care and Assessment Team (UCAT)
- Younger Persons with Dementia Team

ADULT SERVICES

- ADHD & Asperger's
- Adult Community Hospital Inpatient Beds
- Adults' Speech & Language Therapy Services
- Community Brain Injury
- Community Nursing
- Continence Service
- Community Therapy Service
- Diabetes and High-Risk Foot Service
- Diabetes MDT
- Diabetic Eye Screening Programme
- Dietetics
- Evening Community Nursing Team
- Falls Prevention Service
- MSK Occupational Therapy Hand Therapy
- Physiotherapy (MSK & ESP)
- Podiatric Surgery
- Sexual Health Service
- Specialist Dental Services
- Specialist Nursing – Heart Failure
- Specialist Nursing – Multiple Sclerosis
- Specialist Nursing – Parkinson's Disease
- Specialist Palliative Care
- Unplanned Intermediate Care Team

CHILDREN'S SERVICES

- CAMHS in the Community
- CAMHS Inpatients
- Children and Young People ADHD & Asperger's
- Children and Young People Community Eating Disorder Service
- Children's 0-19 Services
- Children's CTPLD (Learning Disabilities)
- Children's Therapy Services – Speech & Language Therapy Team
- Children's Therapy Services – Occupational Therapy
- Children's Therapy Services – Physiotherapy
- Community Children's Nursing
- Community Paediatrics
- Specialist Dental Services
- Looked After Children
- Short Breaks for Disabled Children and Young People
- Special School Nursing Team
- Referral Management Centre

OTHER SERVICES

- Communicare (Occupational Health)
- End of Life Care Practice Development Team
- Infection Prevention and Control
- Innovation and Research
- Library Services
- Pharmacy
- Safeguarding
- Spiritual Wellbeing
- Specialist Nursing – Tissue Viability
- TB Nursing Service

OUR HISTORY

We were formed in April 2001, when Northampton Community Healthcare NHS Trust and Rockingham Forest NHS Trust merged. At the time, we were called Northamptonshire Healthcare NHS Trust. We became a Foundation Trust in May 2009. Today, we are called Northamptonshire Healthcare NHS Foundation Trust. We provide outstanding healthcare for our community, making contact with patients more than 1.9 million times in 2019/20 alone.

OUR COMMUNITY

According to a report by the Northamptonshire Joint Strategic Needs Assessment – JSNA, made up of Northamptonshire Country Council, Public Health Northamptonshire and Northamptonshire Health and Wellbeing Board – published in September 2019, Northamptonshire's current population of 747,622 people (and growing) has seen an increase of 30% in the past 30 years, compared to an increase of 18% in England overall. Of this population, 68.8% live in urban areas and the overwhelming majority come from a white ethnic background (91.5%). Our population is predicted to continue to rise, increasing by 14% by 2041. This places, and will continue to place, demand on our health and wellbeing systems.

Based on public health data from Northamptonshire County Council, one in every 100 adults are dependent on alcohol, 66% are overweight, and 16% smoke. They also report that just under 36% of adults are physically inactive and life expectancy for women is lower than the national average, at 83 years.

OUR DRIVERS

We are focused on how to make a difference to those we care for, those who work for us and those who work with us. We know that partnership working and listening to our stakeholders is crucial to the success of all we do, so we have put it at the core of our strategic and operational approaches. This means we work very closely with our commissioners, our health and social care colleagues, and our service users and carers to ensure we meet the needs of local communities.

We have developed many innovative partnerships locally, and we have also followed national good practice to enhance and evolve our care provision with local providers. We are committed to jointly delivering on our local Sustainability and Transformation Plan (STP) with our local colleagues 3Sixty Care, Northampton GP and Community Alliance (NGCA), and the Northamptonshire Health and Care Partnership (NHCP).

3Sixty Care Partnership (3Sixty) covers Corby, East Northants, Wellingborough and surrounding areas. Formed of local GPs and NHFT, 3Sixty has developed and delivered innovative new primary care services and medical education programmes across the patch. Children under five can now access a same-day appointment with a specialist paediatric nurse from several primary care hubs in the area. Medical students at Leicester Medical School are now learning about integrated care through a multi-disciplinary placement facilitated by 3Sixty in north Northants.

Northampton GP and Community Alliance (NGCA) is a joint venture between NHFT and General Practice Alliance (a local GP federation), which aims to deliver: better value primary, community and mental health services in Northampton, new contracts and investment for members, and improved links and partnerships with other local organisations.

An equal partnership between GPs and NHFT, NGCA has fostered new primary care service models (such as first contact physiotherapy and mental health), developed a local GP extended access service and has supported emerging Primary Care Networks (PCNs) in the town.

Northamptonshire Health and Care Partnership (NHCP), formerly known as the Northamptonshire STP, consists of key health, social care and voluntary sector providers in the county. NHCP is not a new organisation, but a new way of working in partnership to improve health and care for people living in Northamptonshire. All partnership organisations remain as separate organisations with their own local responsibilities for the services they provide, however they are committed to working together towards the shared NHCP vision for a positive lifetime of health, wellbeing and care in our community. Further information about NHCP is available at www.northamptonshirehcp.co.uk.

First for Wellbeing (FfW) is a community interest company limited by guarantee in which the Trust holds shares along with Northamptonshire County Council and the University of Northampton. FfW ceased trading in 2018/19 and services were transferred to Northamptonshire County Council. On 2 December 2019, at a General Meeting of the company, a special resolution was passed that the company be wound up voluntarily. The company is now in a members' voluntary liquidation (MVL).

OUR LOCAL COMMISSIONERS

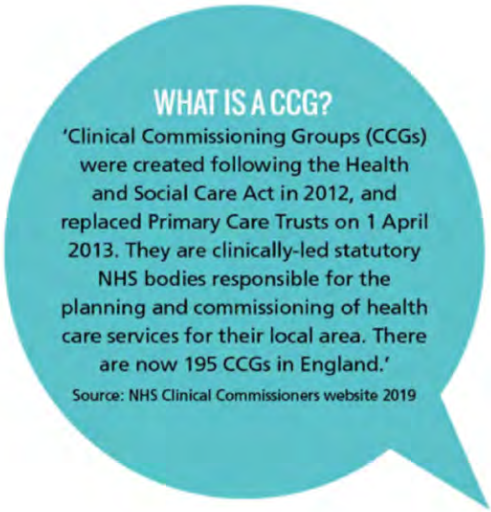
We are working closely with our commissioners to develop services for the future. The Trust holds contracts with four main commissioners – Corby Clinical Commissioning Group (CCG), Nene CCG, NHS England and Northamptonshire County Council (NCC).

Being ready for change

Our contracts with commissioners range from universal services for children, young people and families to specialist services for older people with complex physical and mental health needs and those in prison.

We must be ready for the changes that come with new models of care. Local commissioners are focussing on:

- Improving primary and community service support for high-risk patients, so they are less likely to need urgent care
- District general hospital services working together, so patients will get the best outcomes if they need these services
- Introducing more ways to support patients' health and wellbeing in our community.



Covid-19

Towards the end of this year, the Trust – along with all NHS providers and healthcare organisations – faced a significant new challenge with the Coronavirus pandemic.

Working within this new context has impacted how we have set our quality objectives for the year ahead, which you can read about in our Quality Report.

It has impacted the Trust and its focus, and will likely continue to as we move into 2020/21. As this report reflects on our actions, activity and performance up to March 31 2020, we expect to share more on the impact of Covid-19 in our Annual Report and Accounts 2020/21.

HOW THIS AFFECTS US

We are working in a challenging economic, social and health context, but we must continue building effective ways of working with organisations, patients, service users and carers. These partnerships are really important to delivering our strategy. They are based on the following strategic observations:

- The Trust needs to plan for demographic growth, which is expected to be slightly higher than the national average, and this will mean more demand for our services
- In particular, we need to focus on improvements to services in the most health deprived areas of the county
- Likewise, we must give more attention to services for frail and older people, and those with long-term conditions, who are significant users of health services
- The health and social care system has financial challenges, so the Trust must continue to work with its partners on ways of using the available resources to the best effect for patients and carers
- We must continue to work towards population health systems and outcomes-based approaches
- When services are tendered in our community, we must be prepared for strong local and national competition – tenders in neighbouring regions could offer opportunities to grow
- Our leading opportunity is to develop integrated services with partners in the community.

We want to make sure that our services are always improving in quality and safety, efficiency and cost effectiveness. This gives us more capacity to meet the health and wellbeing needs of our population, work in harmony with health economy stakeholders, minimise competitive threats and capitalise on any business development opportunities.

However, the key risk facing our ability to deliver high quality services is the impact of and recovery from the Covid-19 pandemic, which is difficult to assess at this stage in 2020. The Trust will continue to use its robust governance and risk management arrangements to continually evaluate the risk and put effective mitigations in place to ensure the continued delivery of safe and clinically effective services.

OUR VISION AND STRATEGY

The Trust's strategy and objectives are designed to keep safe, quality care at the heart of everything we do every day.

Our vision is to be a leading provider of outstanding, compassionate care. Our strategy will help and guide us on our way. The Trust has been rated 'outstanding' overall by the Care Quality Commission (CQC) for the second time in a row. These ratings are important milestones on our journey to achieving our vision. They show how dedicated our 5,000 colleagues are to giving outstanding, compassionate care each and every day.

We call our overall strategy DIGBQ. The letters stand for its five themes, which Develop, Innovate, Grow, Build and Quality. These words describe what we need to do to achieve our vision.

We have objectives that support each theme. These are:

- Develop in partnership
- Innovate
- Grow our staff capability
- Build a sustainable organisation
- Quality and safety at the foundation of all we do.

OUR MISSION

Our mission is *making a difference for you, with you* and was chosen by our own staff and stakeholders. It means that in everything we do and through every service we provide, we want to make a difference in people's lives – for those we care for, those we work with and those who work for us. Everyone is part of our team.

OUR STRATEGIC PLANS

The Board of Directors endorsed the 2018/19 - 2022/23 strategic plan at its March 2018 meeting and then approved our strategic objectives for 2019/20 in March 2019. Our plans support the delivery of Northamptonshire's Health and Care Partnership, NHS England's Five Year Forward View and the NHS Long Term Plan.

To achieve our vision to be a leading provider of outstanding, compassionate care during 2019/20, we have worked to co-design and lead innovative integrated care pathways that bring together partners from the NHS, local government, voluntary and community sectors. We have sought to ensure our services are continually improving in quality and cost effectiveness to enable us to meet the increasing needs of the population we serve, aligning our intentions with those of the key health and care stakeholders, minimising competitive threats and capitalising on business development opportunities as they arise.

The Trust's strategy centres on our five strategic themes as noted earlier in this report, each of which are led by an executive director. We set a number of strategic objectives for 2019/20 under each strategic theme. These were to:

Develop in partnership

- Continue to build our partnerships through co-production with patients, carers, our members, our staff and stakeholders
- Work collaboratively with commissioners to maximise patient and partnership benefits
- Gain partnership agreement to new ways of working across Northamptonshire
- Develop opportunities to support NHFT, innovate, grow and build.

Innovate

- Develop the culture, capacity and capability to support innovation and research within the Trust
- Change practices and services whilst demonstrating improved clinical effectiveness through a programme of clinical and technological innovation and research
- Maximise involvement and participation in innovation and research within the Trust, with patients/service users and carers, and with our partners.

Grow our staff capability through

- Leadership
- Wellbeing
- Workforce
- Diversity and inclusion.

Build a sustainable organisation with

- Integrated finance: Develop and implement a robust financial strategy to enable current and future operational performance and efficiency for our contracted patient responsibilities
- Business Intelligence: Operate a Performance Management Framework that enables reporting, empowers accountable decision making at all levels in the organisation and supports service and productivity delivery in line with commissioning specifications, contractual and regulatory requirements
- Digital first: Through digital technology and information, become a Global Digital Exemplar to deliver efficient diagnosis and care to our patients
- Effective estate: Rationalise and re-profile the Trust's estate in line with the Estates Strategy, working in partnership to support sustainable contracted service delivery models for the future.

Quality and safety at the foundation

- Safe: Improve patient safety across all clinical services to reduce avoidable harm

- Effective: Increase the effectiveness of services as measured by improved outcomes
- Caring: Enable a culture of compassion, kindness, dignity and respect
- Responsive: embed our public and patient involvement strategy, based on the successes of our patients and carer involvement model
- Strengthen the governance of quality by reviewing and embedding the NHFT quality framework.

NHFT staff come together at the 2019 Wellbeing Festival, held at Wicksteed Park in Kettering.

OUR BIGGEST RISKS

Set out below are the most significant risks that the Trust faced throughout 2019/20 and that will carry forward to 2020/21:

- Financial underperformance
- Workforce supply, capacity, capability, diversity and inclusivity
- Staff wellbeing
- Appropriate safeguarding arrangements
- Demand exceeding supply
- Operations disruption due to partner or supplier failure or lack of internal expertise or good systems.

The Trust has put in place a number of controls and action plans to mitigate these risks, including effective financial governance arrangements, contractual performance target monitoring and internal safeguarding groups.

In March 2020, following discussions at the Board's Quality and Governance Committee and Strategic Executive Board about the evolving Coronavirus situation, the Board of Directors agreed to add to the Organisational Risk Register (ORR) a new risk about the Covid-19 pandemic, which was rated as 20, with a residual risk score of 15. This significant risk will also continue into 2020/21 and has had an impact on the scoring and assessment of a number of the existing ORR risks going into the new financial year.

In March 2020, the Board also agreed to a new ORR risk relating to the CQC 'Should Do' requirement to complete a review of the environment of the Health-Based Place of Safety suites at Berrywood and St Mary's hospital. This is to ensure they meet the expectations of the Mental Health Act Code of Practice though at the time, of the Board meeting, this risk had not been assessed or scored and therefore was not on the ORR.

Risk of European Union (EU) exit

In March 2020, the Board agreed to the de-escalation of the risk of disruption to services and detrimental impact on patient safety as a result of EU exit. This was because the revised risk score reflecting post exit arrangements had reduced from 15 to 10. Planning management is ongoing with the project management office (PMO). They maintain a daily monitoring role over the risk to identify any changes or uncertainties as they arise, with an escalation process in place to address.

Summary Closing Position of ORR in March 2020

The risks referenced in the table below represents the position on the ORR following the Board meeting in March 2020.

Current risk levels given the existing set of controls

Consequence					
5		3746 Staff engagement and leadership	3870 Financial performance 3744 Staff wellbeing 3750 Unable to sustain and influence 4043 Safeguarding adults 3911 Workforce supply and capacity 2385 Workforce capability	2386 Safeguarding children 4234 Covid-19	
4		2384 Regulatory non-compliance 3740 Innovation capacity	4172 LPT buddy arrangement 4165 Executive capacity 3739 Partnership working 3738 Partnership compliance/performance 3736 Partners impact income 3735 Partnership delivery 3581 System leadership 2387 Poor practice 2383 Care delivery	3745 Diverse and inclusive workforce 3757 Service capacity	3748 Ability to achieve
3		3742 Innovation business as usual (BAU) 2563 Clinical audit	2972 PPM NHSPS properties 2562 EPRR	3741 Innovation return on investment (ROI) 2771 Medical staffing levels 3751 Commercial finance benefits 4042 Unmitigated demand	3871 Operations disruption 3926 Falsified Medicines Directive 2859 Parking demand
2					
1					
	1	2	3	4	5

Likelihood

The Trust's ORR Board reports, which are available on our website, describe all the ORR risks in more detail, including their overall articulation, assessment and scoring.

Busy at our Moving Ahead conference – the Trust's first Mental Health and Black and Minority Ethnic Communities (BAME) conference.

PERFORMANCE AGAINST TARGETS

In 2019/20 we achieved seven out of the 10 statutory targets at fourth quarter. Performance for the year is summarised in the following table. Unless indicated otherwise, Trust performance against indicators is based on data collected by the Trust and held on the Trust's IT systems.

Indictor	2018/19 year performance	2019/20 Target	2019/20 Performance - Q1	2019/20 Performance - Q2	2019/20 Performance - Q3	2019/20 Performance - Q4	Overall 2019/20 Year Performance
EIP within 2 weeks	85.5%	56%	92.9%	80.6%	87.5%	92.9%	88.2%
Cardio-metabolic assessment (a) Inpatients	92.0% (Q4)	90%	98.0%	96.4%	97.1%	97.2%	NA
(b) EIP	88.8% (Q4)	90%	86.1%	84.5%	85.2%	87.1%	
c) Community Mental Health (people on Care Programme Approach or CPA)	47.6% (Q4)	65%	48.7%	51.3%	51.1%	53.1%	
IAPT - (a) Recovery	48.8%	50%	51.4%	51.1%	51.2%	50.9%	51.2%
IAPT - (b).i 6 weeks referral	95.5%	75%	97.3%	98.1%	97.9%	98%	97.8%
IAPT - (b).ii 18 weeks referral	99.7%	95%	99.9%	99.8%	99.8%	99.6%	99.8%
CPA 7 days	98.5%	95%	98.3%	95.2%	99.1%	99%	97.8%
Admissions to Adult patients < 16 years old	0	0	0	0	0	0	0
Inappropriate out of area (OOA) placements for Adult MH*	1,891 (157.6 per month)	0	162	341	300	207	1,010 (84.2 per month)

* Inappropriate OOA placements for Adult MH – monthly breakdown

PERFORMANCE ANALYSIS

At the Trust, performance analysis is critical to our effectiveness and continuous improvement.

EXTERNAL ANALYSIS

Like all Trusts, our performance is measured by NHS Improvement (NHSI) and NHS England (NHSE) reviews using the Single Oversight Framework. We are also required to comply with the Care Quality Commission's (CQC) and Ofsted's regulatory frameworks.

INTERNAL ANALYSIS

In order to continually improve the quality of care we provide to our patients, service users, families and carers, we internally analyse performance, as well as obtain feedback from our service commissioners and partners. We use surveys to determine qualitative and quantitative performance feedback, as well as service reviews and audits to identify areas of effectiveness, challenges and areas to focus on for improvement. In addition to reviews and surveys, we set financial, governance, incident and quality metrics for targets that we measure, review and analyse.

We also use external benchmarking available to us, in particular NHSI Model Hospital comparisons, and we are a member of the NHS Benchmarking Network.

MEASURING OUR PERFORMANCE

We measure our performance in the following areas:

- Staff productivity, resource and performance
- Environmental matters
- Organisational equality and diversity
- Quality performance, assurance and improvement
- Patient safety, experience and feedback
- Health and safety
- Financial targets, plan and performance.

The Board of Directors routinely receives and discusses an Integrated Performance Dashboard Report, which provides a summary of performance against key metrics and supporting narrative across the domains of Quality, Workforce, Operational Performance and Finance. The dashboard is subject to regular review and ongoing development.

ANTI-BRIBERY

The Trust has a Conflicts of Interest Policy, which was based on NHS England's model policy. The policy was developed following the issue of new guidance on managing conflicts of interest in the NHS, which came into effect 1 June 2017. The new policy incorporates an all-encompassing approach to managing conflicts of interest and has an increased focus on transparency.

ENVIRONMENTAL MATTERS

Sustainable development and carbon management are corporate responsibilities that the Trust takes very seriously. Our Sustainable Development Management Plan (SDMP) shows our objectives on environmental matters, sustainable development and climate change. It has been approved by our Board of Directors. The plan was reviewed in 2017 and will be renewed in 2020.

What is in the SDMP?

- The Trust's vision for sustainability
- The rules for complying with all our legal responsibilities, while providing high quality healthcare
- Our plan of action for becoming a more sustainable provider of healthcare services.

Based on the right mix of social, economic and environmental factors that are key to creating a sustainable health service, our SDMP helps us meet our carbon reduction commitments and make essential efficiency savings.

Our SDMP helps us to:

- Meet minimum statutory and policy requirements of sustainable development
- Save money by being more efficient and resilient
- Improve the care environment for patients and staff
- Have robust governance arrangements in place to monitor progress
- Demonstrate a good reputation for sustainability
- Align sustainable development requirements with the strategic objectives of the organisation.

Our environmental performance:

- The latest carbon footprint (2018/19) shows a 32.85% decrease in direct carbon emissions compared with the 2011/12 baseline
- Emissions from electricity and gas have decreased considerably
- There have been issues with collecting accurate water data, which are being investigated
- Travel emissions have reduced since 2011/12
- Greenhouse gas (GHG) emissions from waste disposal have increased considerably over the same period
- There are outstanding questions regarding the validity of GHG emissions from waste disposal in 2011/12.

In 2019, we were recognised with the Investors in the Environment (iiE) Level Accreditation certificate. The accreditation shows we have made good progress with lowering our carbon footprint. It acknowledges our commitment to reducing our environmental impact and the improvement of our environmental performance.

We have completed the Sustainable Development Unit's (SDU) Sustainable Development Assessment Tool (SDAT) for the third consecutive year and increased our score to 75%, up from 67% in 2017/18. The Trust was one of the first in the country to complete the full SDAT as per the Organisational Summary published by the SDU. The SDU organisational summary tracks performance of NHS trusts across 23 different sustainability metrics. This data has been used to benchmark the Trust against the 11 other community and mental health trusts. The Trust is in the top 50% of similar Trusts for 13 of the 23 areas. Progress has been made on the remaining ten areas, eight of which relate to issues with data, which the Trust is working to correct. This will be reflected when the new Organisational Summary is published by the SDU.

CONCLUSION

The Trust is well placed to meet the ambitions set out in the NHS Long Term Plan (LTP). The LTP makes a renewed commitment to improve and widen access to care for children and adults needing mental health support, through delivery of the fastest expansion in mental health services in the NHS's history.

This builds on our local performance where the Care Quality Commission (CQC) said the availability of support, care and treatment for those people in mental health crisis at the Trust was exemplary. NHS Improvement also praised the support and advice that Trust colleagues provided to other systems in the Midlands to support the elimination of inappropriate Out of Area (OOA) adult acute mental health placements, which has been one of a number of focus areas undertaken by the Trust Board.

The LTP set out a framework to boost community care, and finally dissolve the historic divide between primary and community health services. The Trust is in a good position to meet the national challenge to increase the capacity and responsiveness of community and intermediate care services to those who are clinically judged to benefit more.

Our Trust Board has led the way by continuing to prioritise community capacity and patient safety, even when there was funding uncertainty. Our innovation extends to the development of Brackley Health Centre, approved in year, as part of expected new investment set out in the LTP. This will fund expanded community multidisciplinary teams, aligned with new primary care networks, based on neighbouring GP practices that work together typically covering 30-50,000 people.

Our financial performance

The Trust met and slightly exceeded its financial targets with a boost of additional mental health funding, which we welcomed late in the year.

In a year of significant financial risk, this was achieved by four key aspects supporting finance and quality for our patients:

1. Control and reduction in agency spend
2. Control and reduction in Mental Health Out of Area (OOA) placements
3. Considerable input and strength in system negotiations during the whole year
4. Financial flexibilities being constructed to support the financial challenges and mitigate financial risk.

Our regulatory performance

In 2019/20, we achieved seven out of the 10 statutory targets at fourth quarter – the same amount as last year. Performance for the year is summarised in our 'Performance against targets' table, which you can find earlier in this Performance Report. Overall this year, we have improved our performance against eight of these relevant indicators compared to 2018/19.

Our quality performance

We have achieved much this past year for equality, diversity and inclusion (EDI), and for our 2019/20 priorities – including our work on increasing hospital-acquired venous thromboembolism assessments, reducing the number of prone restraints used in mental health services, and implementation of National Early Warning Score (NEWS) 2 in key service areas.

The work we have achieved this year has been recognised by the CQC and by our patients, services users, carers, their family and friends. In December 2019, we received our second overall 'outstanding' rating from the CQC, with improved ratings of 'outstanding' for Mental Health and Community. We are also delighted that we are still rated outstanding overall as well as for 'caring' and for 'well-led'.

The CQC recognised that since our last inspection, we have continued to deliver high quality, safe services across the five mental health services we inspected. They also observed that there was a strong focus on patient and staff safety as a priority agenda and that in the services they visited, we continue to engage with carers and received positive feedback from the users of services.

Our staff survey supports this: we were recommended as a place to receive care by 80%. And from our iWantGreatCare survey, 93.98% would recommend us to friends and family, and our average rating across all areas was 4.82 out of 5 stars.

Angela Hillery

Chief Executive
28 May 2020

ACCOUNTABILITY REPORT

INTRODUCTION

Putting the views and feelings of our service users, families and carers at the heart of everything we do is very important. Only by doing this can we provide outstanding care to all the people who need us. We also need to effectively engage with our staff and the wider Trust community.

This is how we capture and use feedback, create improvements and develop our services in a practical and professional way. To keep providing safe, compassionate care, we also have to govern effectively, review our processes, check on our progress and look for opportunities to get better. In this report, we share how we govern our Trust, and engage with our stakeholders and the community.

DIRECTORS' REPORT

STATEMENT OF RESPONSIBILITIES

Statement of the chief executive's responsibilities as the accounting officer of Northamptonshire Healthcare NHS Foundation Trust NHS Foundation Trust

The NHS Act 2006 states that the chief executive is the accounting officer of the NHS foundation trust. The relevant responsibilities of the accounting officer, including their responsibility for the propriety and regularity of public finances for which they are answerable, and for the keeping of proper accounts, are set out in the NHS Foundation Trust Accounting Officer Memorandum issued by NHS Improvement.

NHS Improvement, in exercise of the powers conferred on Monitor by the NHS Act 2006, has given Accounts Directions which require Northamptonshire Healthcare NHS Foundation Trust to prepare for each financial year a statement of accounts in the form and on the basis required by those Directions. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of Northamptonshire Healthcare NHS Foundation Trust and of its income and expenditure, other items of comprehensive income and cash flows for the financial year.

In preparing the accounts and overseeing the use of public funds, the Accounting Officer is required to comply with the requirements of the Department of Health and Social Care Group Accounting Manual and in particular to:

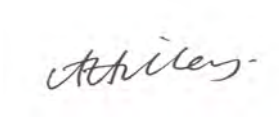
- Observe the Accounts Direction issued by NHS Improvement, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- Make judgements and estimates on a reasonable basis
- State whether applicable accounting standards as set out in the NHS Foundation Trust Annual Reporting Manual (and the Department of Health and Social Care Group Accounting Manual) have been followed, and disclose and explain any material departures in the financial statements
- Ensure that the use of public funds complies with the relevant legislation, delegated authorities and guidance
- Confirm that the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for patients, regulators and stakeholders to assess the NHS foundation trust's performance, business model and strategy and
- Prepare the financial statements on a going concern basis and disclose any material uncertainties over going concern.

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in the NHS Foundation Trust Accounting Officer Memorandum.

The accounting officer is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the NHS foundation trust and to enable them to ensure that the accounts comply with requirements outlined in the above mentioned Act. The Accounting Officer is also responsible for safeguarding the assets of the NHS foundation trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Angela Hillery



Chief Executive
28 May 2020

Northamptonshire Healthcare NHS Foundation Trust has complied with the cost allocation and charging requirements set out in HM Treasury and Office of Public Sector Information guidance. The directors consider the annual report and accounts, taken as a whole, to be fair, balanced and understandable and provides the information necessary for patients, regulators and stakeholders to assess the Trust's performance, business model and strategy.

NHFT colleagues at our Moving Ahead conference – the Trust's first Mental Health and Black and Minority Ethnic (BAME) Communities conference.

BOARD OF DIRECTORS

Our 'outstanding' rating from the Care Quality Commission (CQC) was encouraged by our culture of involvement, collaboration and engagement. Our Board of Directors lead this culture and ensure that we are efficiently and effectively balancing safety and quality, with the right governance. Their specialist skills, knowledge and experience are critical to our organisation's delivery of this standard of care.

Our Board of Directors are accountable for the development and implementation of our strategy, monitoring progress and leading strategic projects. The Board is satisfied that each director is appropriately qualified to carry out key functions, including setting strategy, monitoring and managing performance, and ensuring management capacity and capability. The finance director, medical director and director of nursing, AHP's and quality (now chief nurse) are professionally qualified, with relevant and substantial experience. They also maintain their registration in accordance with the requirements of their professional bodies. All other Board members have the appropriate qualifications, skills or experience to support the services we provide.

We are required by the Health and Social Care Act 2008 (Regulated Activities) Regulations 2014 to ensure that our directors are fit and proper for their roles. To fulfil this responsibility, the Trust has undertaken appropriate Fit and Proper Persons checks for all directors during 2019/20.

Our directors are also committed to ensuring that the Board operates effectively as a team, and that this commitment is supported by ongoing Board development activity. All Board members regularly visit clinical service areas to directly gain insight and feedback from our staff and patients, as well as to identify areas of positive practice and issues requiring further attention.

The directors are responsible for preparing the Annual Report and Accounts, and consider the Annual Report and Accounts 2019/20 as a whole is fair, balanced, understandable and provides the necessary information.

OUR DIRECTORS

Directors with voting rights

The Board of Directors has responsibility for setting the strategic future of the Trust, as well as overseeing all the work we do and the services we provide. There are Executive Directors (employed directly by the Trust) and Non-Executive Directors (appointed by the Council of Governors) on the Board of Directors.

Crishni Waring, Chair

Crishni joined the Trust in 2016. Previously, she was at Coventry and Warwickshire Partnership NHS Trust (CWPT), where she was a Non-executive Director (NED) for over five years. Crishni brings a great deal of senior leadership experience in executive and non-executive roles to the Trust. While working as a NED, Crishni was also CWPT Senior Independent Director. She supported Board members and Governors in bringing about more effective working. She also championed the Trust's Raising Concerns policy.

Crishni has worked in business, change and HR management for more than 20 years, in sectors as diverse as healthcare, business services, retail, public sector, logistics and distribution. She is also the Chair of Warwickshire Wildlife Trust, a charity that helps to protect wildlife and wild places in the region.

Angela Hillery, Chief Executive

Angela's career in the NHS spans more than 30 years. She has held many leadership positions during that time, including Director of Operations. Angela has been listed in the HSJ Top 50 rated CEOs twice, in 2017 and 2018. In 2015 she was a finalist for 'Chief Executive of the Year' at the HSJ Awards. Angela is dedicated to upholding the highest values and developing compassionate cultures for those we care for and work with. Co-production and involvement with patients, service users and carers are particularly important to Angela, as they are with the wider Trust.

Angela has a clinical background as a Speech and Language therapist. She has served on the National Management Board of the Royal College of Speech and Language Therapy and held a partner role with the Health Professional Council. In August 2017, Angela became leader of the Northamptonshire Sustainability and Transformation Plan (STP). She is committed to achieving parity of esteem for Mental Health Services and has family experiences that are the foundation stone of her drive for continual improvements. Angela has championed many projects, including the 'Moving Ahead' project, which aims to deliver equalities in mental health services for BAME communities. In July 2019, Angela was appointed shared chief executive of NHFT and Leicestershire Partnership NHS Trust (LPT), a move that signalled further strengthening of the Trust's partnership with LPT.

Scott Adams, Non-Executive Director

Scott is Director of Strategy and Business Development for NHS Professionals, having moved to this new role during 2018/19. Prior to this, he was Director of Integrated Health and Social Care within the Major and Public Sector of British Telecom where he had responsibility for the definition and investment prioritisation of major and public sector growth strategy.

Scott has 20 years' experience working at senior managerial and director level in British Telecom. He has vast experience of delivering transformational growth programmes and holds a Master of Business Administration degree.

Melanie Hall, Non-Executive Director

Melanie has 16 years' board experience within the life sciences and healthcare sector, starting with the NHS Logistics Authority and latterly as Global Special Projects Officer at DHL, Global Life Sciences and Healthcare Division. She is currently Chair of Pathology First, an NHS-Synlab joint venture serving trusts in Essex with Pathology Services.

Melanie has worked as a partner with the NHS for many years. She has broad experience in business and service transformation, and a deep understanding of the challenges and strategic direction of the NHS. Melanie also brings knowledge and high standards of quality assurance and governance levels with regards to Care Quality Commission standards and audits.

Moira Ingham, Non-Executive Director and Senior Independent Director

Moira is a registered nurse with a great deal of experience and a Master of Science from Kings College. She has worked in various NHS trusts in the south and east of England, specialising in critical, high-dependency care, including the management of a 35-bed respiratory medicine unit.

Moira has held several senior academic roles at the University of Northampton, most recently as Dean of the School of Health. Since leaving the university in 2016, Moira has consulted on curriculum design and is a clinical assessor for the NMC Test of Competence. She is now studying for a Doctor of Business Administration in higher education management at the University of Bath.

Nicky McLeod, Non-Executive Director

Nicky started her career by training as a General Nurse in London and following extensive travels went on to work in sales and marketing roles in the pharmaceutical industry for 11 years. After 11 years, Nicky moved back into direct healthcare taking a role in Cygnet Health Care, an independent mental healthcare provider.

After 10 years, Nicky became the Chief Operating Officer of a national company with 22 hospitals. At the same time, she held a school Governor role for five years. Nicky has a focus and a passion for organisational culture based on values and extensive experience in in-patient specialist mental health services.

Alastair Watson, Non-Executive Director

Alastair is Investment Director at Innisfree, a leading infrastructure investment group. He brings great expertise to the Trust, including more than 20 years of project finance and infrastructure experience. He has worked in the public and private sectors for businesses that range from start-ups to large multi-national corporates.

Alastair has worked in roles covering audit, financial advisory, equity and debt investment and he currently sits as a magistrate on the Leicestershire and Rutland bench. Alastair is a Fellow of the Institute of Chartered Accountants in England and Wales.

Maria Wogan, Deputy Chair

Maria has held senior positions in national and local health organisations and local government, and has over 15 years' board level experience of working in the NHS as a commissioner, provider and regulator. Maria has a Master of Public and Social Administration and is a qualified Chartered Secretary.

Maria has extensive experience in corporate governance, planning and strategy and has a track record in delivering significant transformation programmes, managing people, budgets and projects. Most recently, Maria was the Executive Lead for System Redesign in the Bedfordshire, Luton and MK Sustainability and Transformation Partnership. Maria is a Member of the Inspiring Futures Through Learning Multi-Academy Trust and Chair of Arts for Health MK.

Julie Shepherd, Chief Nurse

Julie leads by example and has had a nursing career spanning over 35 years, with many years in senior leadership roles and five years as Director of Nursing, AHP's and Quality. Julie regularly spends time with clinical services to ensure she understands patient and carer needs, as well as staff challenges.

Julie is on the cutting edge of innovation and quality improvement. Through her approach to quality and patient safety, Julie has been instrumental in improving the CQC's rating of 'requires improvement' in 2015 to 'outstanding' in 2018 by working with staff and colleagues at Northamptonshire Healthcare Foundation Trust. Julie is passionate about safe, quality care and has ensured that this has remained at the foundation of all her strategic planning. She has a leadership role as one of the Nurses in the Northamptonshire STP (Health Care Partnership) and has a Master of Managing Partnerships in Health and Social Care. During her career Julie has spent a period of time working in social care.

Richard Wheeler, Finance Director

Richard is a Chartered Accountant with 15 years of NHS experience. In 2005 he became Head of Finance at the Leicestershire, Northamptonshire and Rutland Strategic Health Authority, before taking on the role of Deputy Director of Finance at Oxford University Hospitals. Before joining the Trust, Richard was Director of Finance for East Midlands Ambulance Service (EMAS).

Richard worked as Finance Lead for the Northamptonshire Health and Care Partnership (previously known as STP or Sustainability and Transformation Partnership) from July 2017 to December 2018. He has a maths degree and was awarded Healthcare Finance Managers Association (HFMA) Deputy Finance Director of the Year in December 2012.

Prof Alex O'Neill-Kerr, Medical Director

Alex has been Medical Director for the Trust since 2003 and has 26 years' experience as a general adult consultant psychiatrist. He is a Fellow of the Royal College of Psychiatrists and a Fellow of the College of Psychiatry of South Africa. He is a visiting Professor in Neuromodulation at the University of Northampton.

Alex is the clinical lead for the Northamptonshire Centre for Neuromodulation based at Berrywood Hospital providing: Electroconvulsive Therapy (ECT) and nurse administered ECT, Repetitive Transcranial Magnetic Stimulation (rTMS), Theta Burst Treatment (TBS), Transcranial Direct Current Stimulation (tDCS) and Ketamine infusion. The Northampton Centre was the first in the NHS to provide clinical rTMS to NHS patients and opened in 2015. It is the only NHS Trust providing these treatment modalities in a single clinical area.

DIRECTORS IN ATTENDANCE
Without voting rights

Jean Knight, Chief Operating Officer

Jean has a wealth of operational management experience both within the NHS and the private sector. Jean first joined the NHS in 2007 and has mainly managed a variety of services predominantly in the Acute Hospital Sector. She joined NHFT in 2017 as the Deputy Director of Adult and Children's Services and after a selection process was appointed to Chief Operating Officer in March 2020.

Jean holds a Master of Healthcare Leadership and has completed the NHS Leadership Elizabeth Garrett Anderson programme. Jean is committed to the values of NHFT and working in partnership to make a difference for teamNHFT and our population.

Sandra Mellors, Deputy Chief Executive

Sandra has a wealth of healthcare experience with a 30-year career in the NHS, 22 of which were as a physiotherapist before moving into managerial roles. Previously, she was Associate Director of adult, primary and urgent care at Tower Hamlets Primary Care Trust (PCT) and General Manager of Borough and Specialist Services at Bart's and London NHS Trust.

Sandra joined NHFT in 2012 as locality manager for Kettering. In 2014, Sandra was promoted to Deputy Director of Adult Services for the Trust and in February 2016 took on the role of Acting Director of Operations. After a recruitment and selection process, Sandra was appointed as Chief Operating Officer starting in August 2016 and Deputy Chief Executive in 2019.

Chris Oakes, Director of Human Resources and Organisational Development

Chris has wide experience in healthcare, both in the NHS and the independent sector. He has worked in developing human resources services and leading culture change and organisational development (OD) projects.

Chris was director of Workforce and OD at the Black Country Partnership NHS Foundation Trust and prior to that was the Director of HR at St Andrew's Healthcare. Chris is a member of the Chartered Institute of Personnel and Development, has an MBA from Cass Business School (City University) and recently completed a Master of Science in Leadership at the University of Birmingham. In January 2020, Chris joined the Board of Leicester Partnership Trust as Director of Corporate Governance and Risk on a part-time basis.

David Williams, Director of Business Development

David was previously a Locality Director for NHS England in the West Midlands. His responsibilities included commissioning primary care, dentistry and public health services, as well as supporting a number of Sustainability Transformation Partnerships (STPs).

David was also the Accountable Emergency Officer for the West Midlands with responsibility for ensuring the NHS was prepared and able to respond to major incident situations. David has extensive experience in education, the voluntary healthcare sectors, as well as experience in partnership working and developing ways to work differently. In January 2020, David joined the Board of Leicester Partnership Trust as Director of Strategy and Business Development on a part-time basis.

What our directors deliver

The purpose of our Board of Directors is to govern the Trust effectively, so that our patients, service users, families and carers, as well as service partners and stakeholders, are assured of safe, quality healthcare.

Our directors' specific terms of reference:

1. To formulate strategy for our organisation
2. To ensure accountability for the delivery of our strategy, and seek assurance that systems of control are robust and reliable
3. To shape a positive culture for the Board and organisation
4. To regularly hold meetings in public as part of its commitment to be accountable to the public and other stakeholders.

Our Board of Directors follow the Trust's constitution and scheme of delegation. The constitution sets out the duties of the Board and Council of Governors, and the scheme of delegation sets out the type of decisions that should be taken by the full Board and/or the Executive Board and individual directors.

NHS Improvement expects foundation trusts to carry out an external review of their governance arrangements every three years. In 2015/16, following a tender process, we asked Ernst and Young LLP (EY) to do an external well-led governance review. EY, who had no other connection to our Trust, produced a report with positive feedback on our Board of Directors with no major deficiencies. The Board's own self-assessment was very similar to EY's independent assessment of how well the organisation was performing in each of these areas.

To improve our good governance practices even more, we looked at everything the report said and made an action plan. We checked on our plan regularly to make sure that all the things we wanted to do were built into 'business as usual' for either the Board of Directors or its committees. We also undertake an annual self-assessment of our performance against the well-led framework, through which we consider our performance, internal controls, organisational risk register, and overall compliance with good corporate governance in setting our Board development plan for the following year.

During 2018/19, the Care Quality Commission (CQC) rated the Trust overall as 'outstanding' following an inspection visit. This included a rating of 'outstanding' for the 'caring' and 'well-led' domains. During 2019/2020, NHFT retained the overall 'outstanding' rating and the 'outstanding' ratings for 'caring' and 'well led' domains.

At its July 2018 meeting, the Board of Directors agreed to extend the external review timescale from three to five years. NHS Improvement had indicated there was a potential need at a national level for the rationale and timing of development reviews to be looked at again, because of the introduction of CQC annual well-led inspections. The Board decided that extending the external review timescale from three to five years was a sensible approach, as it allows time for NHS Improvement to decide on the future of development reviews.

As a result, the development review will take place during 2020/21. This was agreed and confirmed by NHS Improvement in January 2019.

How our leaders are evaluated:

- Each **executive director's** performance is evaluated every year by the chief executive, with contributions from the Chair
- Our **Non-Executive Directors** are reviewed by the Chair, and this appraisal process has been developed with and agreed by the Council of Governors, who approve the outcomes of the appraisal
- Our **chief executive's** performance is managed by the Chair
- Our **Chair's** performance is appraised using specific, measurable and clearly defined objectives, following an agreed process with the Council of Governors. An appraisal panel leads this process. The panel is made up from the senior independent director and members of the Council of Governors' Nominations and Remuneration Committee. The Council of Governors then approves the outcomes of the appraisal of the Chair.

Leadership workshops to improve performance

To help us continue making improvements to our leaders' performance, a number of Board development days and workshops were held during the year. Some of these were externally facilitated, and others managed within the Trust. Topics included:

- NHS Long Term Plan
- Integrated Care Proposal: moving towards integrated care services
- Leicestershire Partnership NHS Trust buddy arrangements
- System-wide planning
- Urgent care/system partnership
- Suicide prevention
- Safeguarding
- Dementia friends training
- Board effectiveness review
- CQC inspection: well-led preparation
- Quality improvement
- NHS Long Term Plan
- Financial challenges going forward
- Preliminary approach to stakeholder mapping
- Board Committee effectiveness reviews
- Benchmarking Board governance arrangements
- Improving Board effectiveness
- NHFT and system financial plans: joint working
- Overview of approach to disciplinary proceedings
- Leadership challenge in the area of cyber and data security for NHS organisations.

A joint Board of Directors and Council of Governors annual event took place in June 2019 and was well-attended by both Governors and directors. The workshop built on the joint presentation given by the Trust Chair and the lead Governor at the council meeting in March 2019. The presentation was about how Governors, Executive Directors and Non-Executive Directors could work effectively together.

The workshop was designed as a chance to talk to council and Board colleagues, strengthening working relationships. The workshop focused on three things in particular:

1. Appreciation of each other and our respective roles ('what do we value about each other?')
2. Understanding what each person needs to function effectively in their role ('what helps?')
3. Awareness of barriers to success ('what gets in the way?').

OUR BOARD MEETINGS

Directors meet regularly, at both public and private sessions. Additional meetings are arranged when urgent items require immediate decision-making. Our Board of Directors and committees routinely review their performance against specific criteria at every meeting. Individual Board committees have either reviewed their performance against their terms of reference or have plans to review this in the near future.

Crishni Waring chairs the Board of Directors' meetings and meetings of the Council of Governors. She has no significant conflicts to declare. Her current term of office was due to expire on 31 October 2019, however she was re-appointed by the Council of Governors to serve for a further three-year term, which expires on 31 October 2022. The Chair is supported by a Deputy Chair, and Moira Ingham supported the Chair as her deputy until 1 August 2019 when Maria Wogan became the Deputy Chair.

In the event that Governors of our organisation wish to express concerns, and when other contact channels are inappropriate or have been ineffective, the Senior Independent Director is available for consultation. Moira Ingham is the Trust's Senior Independent Director.

OUR NON-EXECUTIVE DIRECTORS

Our Non-Executive Directors share their independent judgement, experience and expertise with the Trust. They apply the experience they have gained outside the Trust to benefit of our organisation, its stakeholders and the wider community. There are no relationships or circumstances that are likely to affect, or appear to affect, any director's independent judgement. For these reasons, the Board of Directors considers all Non-Executive Directors to be independent.

Our Council of Governors is responsible for Non-Executive Director appointment and termination. The normal appointment term is three years. Non-Executive Directors can be reappointed, though usually only for one further period of three years.

ATTENDANCE AT BOARD OF DIRECTORS MEETINGS

1 April 2019 to 31 March 2020

Date	Crishni Waring	Scott Adams	Melanie Hall	Moira Ingham	Nicky McLeod	Alastair Watson	Maria Wogan	Angela Hillery	Prof Alex O'Neill-Kerr	Julie Shepherd	Richard Wheeler
22 May 2019 (Board/ISA 260 meeting)	√	A	√	√	A	√	A	√	A	√	√
30 May 2019	√	√	√	√	√	√	√	√	√	√	√
27 June 2019 (extra-ordinary meeting)	√	√	√	√	√	√	√	A	√	√	A
15 July 2019 (extra-ordinary meeting)	√	√	A	√	√	A	√	√	A	√	A
25 Jul 2019	√	√	A	√	A	√	A	√	√	√	√
26 Sept 2019	√	√	√	√	√	√	√	A	√	√	√
10 October 2019 (extra-ordinary meeting)	√	√	√	√	√	√	√	√	√	√	√
28 Nov 2019	√	√	√	√	√	√	√	A	√	√	√
30 Jan 2020	√	√	√	√	√	A	√	√	√	√	√
26 Mar 2020	√	√	√	√	√	√	√	√	√	√	√

A denotes apologies for absence
√ denotes present

NOMINATIONS AND REMUNERATION COMMITTEE

The Board Nominations and Remuneration Committee is made up of all Non-Executive Directors. The Trust's Chair leads the committee, which meets at least bi-annually. The committee reports to the Board of Directors at least once a year. The Chief Executive is automatically co-opted as a voting member for all nominations (except for the identification and nomination of the Chief Executive). The committee acts in line with the relevant provisions of the Fit and Proper Persons Requirements and NHS Improvement's Code of Governance (this was formerly Monitor's). The director of human resources and organisational development supports the committee and attends meetings as a matter of course. Other directors and external advisors are invited to attend, where appropriate.

During 2019/20, the committee oversaw the appointment of Angela Hillery as joint Chief Executive of NHFT and LPT, the appointment of Sandra Mellors as Deputy Chief Executive (from 2 September 2019) and Jean Knight as Chief Operating Officer (from 1 March 2020). It also oversaw the appointments of two 12-month secondment arrangements to LPT (effective from 1 January 2020) for Chris Oakes as Director of Governance and Risk and David Williams as Director of Strategy and Business Development. The committee received external advice, as required, in line with its terms of reference.

Nomination functions of the committee are:

1. To ensure there is a formal, rigorous and transparent procedure for the appointment of Executive Directors
2. To agree and lead the process for the identification and nomination of the Chief Executive, for approval by the Council of Governors
3. To agree and lead the process for the identification and appointment of Executive Directors
4. To regularly review, with the Council of Governors' Nominations and Remuneration Committee, the structure, size and composition of the Board of Directors
5. To evaluate the balance of skills, knowledge and experience of the Board of Directors and, in light of this evaluation, prepare a description of the role and capabilities required for executive director appointments
6. To give full consideration to succession planning, taking into account the future challenges, risks and opportunities facing the Trust, and the skills and expertise required within the Board to meet them
7. To appoint executive search consultants with respect to executive director recruitment as required
8. To ensure there is a robust and transparent procedure for the appointment of nominated representatives, who are not already Trust employees, to boards (or equivalent) of partnership/joint venture bodies.

Remuneration functions of the committee are:

1. To make sure there is a formal and transparent policy on executive director remuneration
2. To decide on and review the contractual arrangements of Executive Directors including, where appropriate, severance packages
3. To set the structure and levels of remuneration packages of all Executive Directors
4. To make sure there is a formal and transparent procedure for the appraisal of executive director performance
5. To monitor the performance of Executive Directors
6. To appoint independent consultants to advise on executive director remuneration, if appropriate
7. To consider and agree appropriate remuneration and contractual terms for the appointment of nominated representatives, who are not already Trust employees, to boards (or equivalent) of partnership/joint venture bodies.

ATTENDANCE AT NOMINATIONS AND REMUNERATION COMMITTEE

Date	Crishni Waring	Scott Adams	Melanie Hall	Moira Ingham	Nicky McLeod	Maria Wogan	Alastair Watson
30 May 2019	√	√	√	√	√	√	A
25 July 2019	√	√	A	√	A	A	√
21 November 2019	√	A	√	√	√	√	√
30 January 2020	√	√	√	√	√	√	A
26 March 2020	√	√	√	√	√	A	√

A denotes apologies for absence
√ denotes present

AUDIT COMMITTEE

The Audit Committee consists of four Non-Executive Directors, with the finance director, the chief operating officer and other Executive Directors in attendance, as needed. The committee welcomes representatives of internal and external audit services. PricewaterhouseCoopers were internal auditors for the Trust until 31 May 2019. TIAA took over this role from 1 June 2019.

KPMG are the Trust's external auditors. The local counter-fraud specialist attends meetings regularly and senior managers attend by invitation. The committee aims to meet five times a year. The specific terms of reference of the Audit Committee cover:

1. Integrated governance, risk management and internal control
2. Internal audit
3. External audit
4. Relationship with the Council of Governors
5. Other assurance functions
6. Counter fraud
7. Management
8. Financial reporting
9. Whistleblowing.

Our directors are accountable for the management of the Trust's effectiveness and risk factors. Our Audit Committee reviews the reports and work programmes of our internal and external auditors. This provides assurance to the Board that our systems and processes are effective. The Audit Committee reviews its own effectiveness and the effectiveness of the internal and external auditors. At each of the committee's meetings they review the work being done and challenge anything they feel is not right.

The Audit Committee meets individually with the internal and external auditors every year so that they can raise any issues of concern or clarification about their working relationship with the finance director and his team. They can also comment on their relationship with the internal or external auditors. Only Non-Executive Director Audit Committee members are involved in this, as the Trust's Executive Directors and senior managers do not attend these sessions.

OUR AUDITORS

INTERNAL AUDIT

PricewaterhouseCoopers (PwC) provided our internal audit service until 31 May 2019. From 1 June 2019, TIAA took over as internal auditors, following a procurement exercise. Their work includes appropriate local counter fraud work. Our local counter fraud specialist (LCFS) regularly attends Audit Committee meetings.

Making sure everyone feels free to speak up

The LCFS is available for Trust staff who wish to raise concerns about financial matters. We make sure that everyone knows about LCFS's availability to talk in confidence about possible improprieties in financial irregularity or bribery. We get this message across through LCFS briefings and through the work of the Freedom to Speak Up Guardian.

Our whistleblowing policy: *Raising issues of concern - freedom to speak up*, is there for all team members who want to raise a concerns about clinical quality, patient safety or any other matters. The policy explains how staff can bring their concerns to the attention of senior management. The policy defines the role of our Freedom to Speak Up Guardian, who reports directly to the Chief Executive.

Our internal auditors have an annual work programme that is agreed at both Executive Board and Audit Committee level. This programme covers clinical and non-clinical aspects. Through the Audit Committee they make sure that there is an effective internal audit function that meets mandatory government internal audit standards and offers appropriate independent assurance to the Audit Committee, the Chief Executive and the Trust's Board of Directors.

EXTERNAL AUDIT

A process for the appointment of the Trust's External Auditors from 1 November 2017 was agreed with the Finance, Planning and Performance Governor Sub-group of the Council of Governors. The sub-group was given delegated authority to do this at the July 2017 Council of Governors meeting.

Members of this sub-group formed the Governor Audit Working Group. The group met in September 2017 and discussed the tenders received and the scoring, raising points of clarification where needed. This group, working alongside the Board's Audit Committee, made a recommendation to the September 2017 Council of Governors meeting based on this discussion. This recommendation was approved and KPMG were re-appointed as the Trust's External Auditors for a further four-year period from 1 November 2017.

The external audit plan equates to audit services only. The Audit Committee agreed a policy for the engagement of external auditors for non-audit work in December 2012. Any non-audit services are commissioned in line with this policy. It outlines any threats to audit independence that theoretically exist and the safeguards that will be applied to make sure that auditors are objective and that independence is appropriately protected. During 2019/20, the Trust did not commission any non-audit services from KPMG.

REPORTING ON AUDITING

The Audit Committee meets regularly to review audit reports and provide assurance to the Board. While preparing and reviewing the annual accounts 2019/20, the Audit Committee considered accounting policies, accounting estimates and material judgements and the main changes as listed in the DH Group Accounting Manual (GAM) 2019/20.

The Audit Committee must look at review any significant issues to be considered in the preparation of our Annual Accounts. These are considered to be as follows:

Valuation of property, plant and equipment

Each year the Trust must do a review of the valuation of its property, plant and equipment, in line with accounting standards. A formal valuation must be carried out every five years. The latest valuation has an effective valuation date of 31 March 2019. Movement in the value of property, plant and equipment can be material to the overall financial position of the Trust and so is included as a significant item.

A formal valuation was carried out in 2018/19. During 2019/20, a desktop valuation was carried out. The results of the valuation of the Foundation Trust's property, plant and equipment are included in the accounts section of this report.

Accounting for joint ventures, joint operations and investments

As the Trust is now working in partnership with other organisations, consideration needs to be given as to whether the financial transactions resulting from the arrangements need to be consolidated into the Trust's financial statements (such as identifying if joint arrangements exist).

While the joint nature of an agreement may suggest a joint arrangement exists, the detail of each agreement might point to a different approach. It is possible that different accounting treatments may apply to different elements. The arrangements that have been considered for joint venture accounting for 2019/20 are listed below.

ARRANGEMENT	DESCRIPTION
First for Wellbeing (FfW)	A Community Interest Company limited by guarantee. The Trust 'owns' a £38 guarantee along with Northamptonshire County Council (£51) and University of Northampton (£11). This company is now in a Members' Voluntary Liquidation (MVL).
3SixtyCare Ltd	A company limited by shares. Shareholding is on a 50:50 basis with the GPs, and the total shareholding changing is in line with patient lists.
Northampton GP and Community Alliance Limited Liability Partnership	A company registered with Companies House July 2018. There was no trading activity during 2019/20.

Accounting estimates and judgements

Included in note 1.4 of the accounting policies are those areas of critical accounting judgements and key sources of estimation likely to be included in the draft accounts for 2019/20. Given the short timescale available for producing the accounts it is inevitable that estimates and judgements will be necessary. The likely areas of estimate and judgement are:

- Accruals for invoices and for annual leave not taken by staff in year
- Depreciation, based on the useful economic lives of capital assets
- PFI payments, including finance costs
- Provision of impairment of receivables, with an estimate made for irrecoverable debt
- Segmental analysis.

Going concern assessment

In preparing accounts in accordance with the GAM, the Trust must consider whether the going concern assumption is appropriate. The Audit Committee discussed this at its meeting in March 2020 and concluded that, subject to clarification of the guidance in the FT Annual Reporting Manual and the Department of Health and Social Care Group Accounting Manual, that the accounts should be prepared on a going concern basis.

The basis of this planning assumption is:

- The Trust continues to have a sound system of control and governance in place, with numerous sources of both internal and external assurance over the ongoing viability of the Trust operationally and financially
- The Trust continues to develop and refine its financial plans and scenario planning, which should ensure that management has planned for and can cope with the adverse effects of risks as they are identified.

ATTENDANCE AT AUDIT COMMITTEE MEETINGS 1 April 2019 to 31 March 2020

Date	Alastair Watson	Scott Adams	Melanie Hall	Nicky McLeod
25 April 2019	√	√	√	√
13 June 2019	√	A	√	√
11 October 2019	√	√	√	√
5 December 2019	√	√	A	A
5 March 2020	√	√	√	√

A denotes apologies for absence
√ denotes present

CHARITABLE SUPPORT

There are three main charities providing support to the Trust: Cynthia Spencer Trust, Cransley Hospice Trust and Northamptonshire Health Charitable Fund. They give support to Cynthia Spencer Hospice, Cransley Hospice, and other causes and projects across the Trust.

They each hold funds that have been received as donations, specific legacies to support activities and monies generated by fundraising. All three charities are governed by groups of independent trustees, and their involvement and support is much appreciated by the Trust.

Local governance of funds

Our local managers and directors recommend the specific projects where funds should be spent and there is a formal grant process for the two hospices. Each year, money is raised and spent across all areas of the Trust.

This year, we received the following grants:

- Cynthia Spencer £864,982
- Cransley Hospice £734,274
- Mental health and community services £105,000.

Northamptonshire Health Charitable Fund contributed towards the following activities and equipment in 2019/20:

- Purchase of equipment in Danetre Hospital
- Purchase of photography equipment for MH inpatient wards.

The Charity Team has also worked with a number of the smaller care units.

DISCLOSURES

Northamptonshire Healthcare NHS Foundation Trust has complied with the cost allocation and charging requirements set out in HM Treasury and Office of Public Sector Information guidance. There are no political donations to declare.

The Better Payment Practice Code requires the Trust to aim to pay all undisputed invoices by the due date or within 30 days of receipt of good or a valid invoice, whichever is later. The Trust's payment performance against this code is shown in the Notes to the Accounts, which can be found in our Finance Report of this Annual Report and Accounts.

The income received by the Trust, other than from the provision of goods and services for the purpose of the health service in England relates to rental income from non-NHS tenants of Trust properties, income generation from Communicare (occupational health services) and income from catering. This is deemed insignificant in value and had no material impact on the Trust meeting its principal obligations. There are no known events after the reporting period that impact on the financial statements for 2019/20.

The major financial risks to the Trust in 2019/20 will be the achievement of its financial strategy, including savings target of £3.28 million, and the impact of the continuation of planned structural and organisational change in local health and social care services.

The risk associated with the savings target is managed through the development of detailed savings plans, with clinical and service managers and an established performance management process that enables review and action planning on a routine basis, including at Trust Board level.

Risk associated with structural and organisational change is managed through joint planning and ongoing engagement with the Trust's main commissioners and developing risk-sharing arrangements.

OUR QUALITY GOVERNANCE FRAMEWORK

Our quality agenda is supported by a systematic quality governance framework. The structure identifies the core governance arrangements at both a tactical (for example, team meetings) and strategic level, and links closely to the corporate governance agenda.

Improving the governance of quality

Again this year, we continued to ensure that our governance arrangements are robust and streamlined, using an evaluation of our current framework, systems and processes. This means that issues can be resolved at a tactical level, and assurance can be provided to the Quality and Governance Committee in a more succinct and measured way.

The Trust uses a robust self-assessment process, which is based on the CQC's key lines of enquiry and is supported by a 'confirm and challenge' system. This is how clinical senior leaders establish the validity of the self-assessment methodology. In addition, the annual audit plan identifies key areas of patient care that are to be reviewed in line with internal and external requirements.

This provides the organisation with baseline and performance data for clinical activities such as record keeping and nutritional screening. These systems identify where improvements could be made, which is monitored locally by clinical leads and the quality team.

We make sure that data relating to patient safety and our core quality indicators is brought together on a service line dashboard. This provides clear indication to managers and team leaders where there are any potential issues, concerns or areas of good practice across their area. It a platform for planning improvements. This data is routinely interrogated as part of the internal triangulation process.

PATIENT CARE AND FEEDBACK

We are continuously striving to improve outcomes for patients and their carers and developing our services to meet the needs of our community. We were delighted to receive an 'outstanding' rating from the CQC in 2019, with a 'good' rating for 'safety' and 'outstanding' for 'well-led' and 'caring'. The teams reviewed the feedback and identified improvement strategies to address each area of concern.

These were then fed into a robust action plan that was bound by clear governance, with clear reporting arrangements to the Board of Directors through the Quality and Governance Committee. This plan is updated regularly as CQC/Mental Health Act and CQC/Her Majesty's Inspectorate of Prisons inspections continue to be undertaken.

A systematic quality governance framework supports quality improvement in the Trust. This is continuously reviewed to ensure that it is fit for purpose and provides quality assurance that is central to patient care.

iWantGreatCare (iWGC)

The head of patient experience, iWGC manager, and head of quality surveillance work closely together to ensure that these varying forms of feedback are triangulated and inform other quality improvement and assurance processes.

These include serious incident investigations and lessons learned as well as service reviews. We gain assurance from services through our management reporting structure, governance meetings and patient experience groups.

Reviews, comments and responses through iWGC are also published on the iWGC public website. The Trust uses iWGC to continuously collect feedback from patients and carers in all services, including prisons.

All comments are publicly available through the iWGC website with the exception of prisons, some sensitive services and where the respondent has expressly requested that the feedback is not publicly displayed.

Friends and Family Test

Responses can be given in a variety of formats and respondents are asked to comment on a variety of patient experience measures. There is also room for free text.

The numerical data is integrated with our performance reporting system, while free text comments are used to improve services through our patient experience and governance groups. Service managers respond to comments with details of actions taken.

Staff feedback

Our staff survey is also used to improve quality and drive service development. During the year, the Trust focused on driving a robust and interactive leadership framework that included training, reverse mentoring opportunities, senior leadership team meetings and Leadership Matters events. Staff wellbeing support has also been prioritised with the launch of a new wellbeing policy and initiatives.

QUALITY MONITORING

Internal reviews and audit plans

Quality and improvements are monitored and measured using a number of indicators, as part of our robust internal review process. Our annual audit plan identifies key areas of patient care, which are reviewed in line with internal and external requirements.

This provides the organisation with baseline and performance data for clinical activities such as the National Early Warning Score (NEWS). These systems also identify where improvements could be made, which are then monitored locally by clinical leads. Information is reported directly to the Quality Forum, and outputs are channelled to the Quality and Governance Committee as required.

Quality improvement is routinely identified from national initiatives and from best practice guidance such as The National Institute for Health and Care Excellence (NICE). Directorate leads map this guidance against each service based on relevance and suitability. When new implementation measures are recommended, our deputy medical directors work together with services to develop the improvement plan and monitor progress.

Patient safety and quality dashboard

We bring data relating to patient safety and our core quality indicators together on one service line dashboard. This dashboard features patient safety measures, for example the number of complaints, falls, and serious incident reviews, as well as quality indicators such as clinical supervision activity, self-assessment outcome and staffing levels. This provides clear indications to managers and team leaders of where any potential issues, concerns or areas of good practice are.

Our dashboard also provides a platform for action planning, so that any improvements required are managed. It supports our reporting arrangements to clinical commissioners for the quality schedule.

Quality Forum, Quality and Governance Committee

Data is routinely interrogated as part of the internal triangulation process prior to the Quality Forum, the directorate quality meetings and as part of our internal quality summit process. Externally, the Trust works closely with commissioners to develop and maintain quality driven services that are responsive to the needs of the local population.

The Quality Forum is the central quality channel for the organisation. Core quality indicators, data, patient feedback and safety requirements are routinely reported via this monthly meeting. An escalation process to the Trust Board, via the Quality and Governance Committee, is also in place.

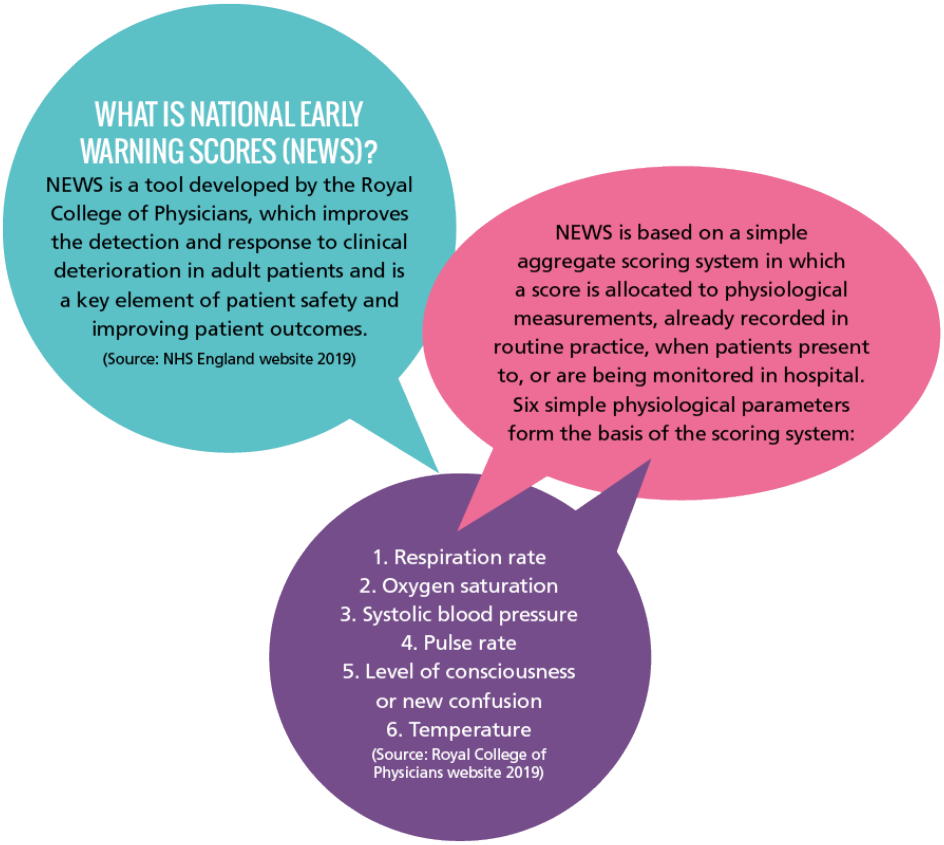
Services and performance against targets

Measuring our performance against targets requires focus on service user and patient needs, service development and the effectiveness of care delivery. Our transformation programmes are linked to these key factors and rely on patient, carer and staff feedback to understand our progress. This year, we responded positively to the requirements of the local and national quality schedules. Our Commissioning for Quality and Innovation (CQUIN) goals supported developments in our flu vaccination programme and our falls work within in-patient community services.

Our evolution of services will continue as we move forward alongside Northamptonshire Health and Care Partnership (previously known as STP or Sustainability and Transformation Partnership), and the integrated and personalised care agenda.

Reviewing our performance against targets is a detailed, involved process that includes CQC rating reviews, staff survey results, NHSE/I's core indicators, improvements in care from local and national audits, local and national quality metrics, and measures from our Datix reporting system.

As our community's healthcare needs grow, we are continually reviewing our performance of these healthcare targets, and recognise areas that are challenging to us, such as waiting times. This year, further work was undertaken to refine and develop the quality dashboards across the clinical services. This will support teams with defining the areas of need and good practices.



Complaints handling

Internally, our complaints process and outcomes are reported to the Trust Board via the Complaints Review Committee (CRC). Monitoring arrangements for complaints processes are in place, and information about complaints is held centrally. In order to further improve the complaints process, peer reviewing has been successfully introduced to ensure objectivity in the way investigations are completed. This involves our service users and carers, who use a pre-agreed proforma to review the process and the investigation pathway. The outcomes are then fed back to the CRC for evaluation. We have a robust complaints policy that is reviewed a minimum of once every two years.

All complaint investigators are sent an 'investigation pack', which details the process and the steps needed to support them with reviewing the complainant's issues and concerns. All complainants are responded to within three working days to acknowledge the complaints and to identify next steps – the mode by which communication will take place is also agreed at that point. The complaints timeframe for a response to be formulated is 25 working days. In some cases, the timeframe may need to be negotiated with the complainant so a full and detailed analysis of their complaint can be undertaken. During the CQC visit, the complaints process was reviewed, and no improvement points were identified.

Improvements in patient and carer information

Patient and carer information continue to evolve. We ensure that we include language and accessibility information on all our leaflets, so that staff, patients and carers are aware that we can provide the required information in a number of different languages and fonts. PALS and complaints information is available across the Trust in a variety of formats. In addition, the Trust produces leaflets with information about the services that we offer.

Patient and carer information has also improved through technology. An example of this is the Trust's Twitter account, which is widely used to promote wellbeing and publicise events. The Health Visiting Service and School Nurses have their own social media accounts, which has been popular with families across Northamptonshire.

Stakeholder relations

We continually strive to develop positive partnerships with key stakeholders. This year, these relationships have been even more integral to the facilitation of quality improvement and healthcare across our patient, service user and carer population.

Our collaboration with our commissioners, NHS England and Northamptonshire County Council (NCC), has helped shape what we provide locally and influenced care priorities that offer an opportunity to work more jointly across the health economy.

Using quality data and information to understand local needs has allowed us to identify gaps in service and link safe, quality-driven transformation to effective care. Working with local commissioning groups for the Commissioning for Quality and Innovation (CQUIN) development has enabled us to pilot new healthcare initiatives, which will feed into any future planning and decision-making for care priorities.

Regular local level communication with Northamptonshire carers and other voluntary organisations has provided us with rich feedback on our services, and our relationship with local education providers remains positive and productive. We continue to look for ways to partner for the development and delivery of services that enhance the physical, emotional, social and economic wellbeing of the county's population.

In addition, services linked to third sector organisations such as Marie Curie continue to be run in partnership with our palliative pathways. Our positive relationship with mental health charity provider Mind has supported an increased capacity to run county-wide crisis cafes for our mental health service users.

Internal processes are also in place to ensure staff, service users, patients and carers are involved and able to feedback on current and future service planning. Service user, patient and carer involvement is a core activity for us and we are passionate about ensuring it is embedded within our core values.

EQUALITY, DIVERSITY AND INCLUSION

We are proud of our work in Equality, Diversity and Inclusion (EDI) and the initiatives we have put in place over the last year to improve our culture and make a real difference for our staff, patients, service users, carers and their families. In line with our obligations as an employer and provider of NHS services, we have equality and inclusion policy and rigorous governance arrangements monitored by the Equality and Inclusion Assurance Board (EIAB). These help to make sure that the Trust is compliant with the Equality Act 2010 and Human Rights Act 1998.

We published our Annual Equality Information report in 2020. This showed how we met our duties under the Equality Act 2010 and the Public Sector Equality Duty (PSED), demonstrating our transparency about the progress we are making on equality and enables us to be more accountable to our patients, local communities and staff. We developed a tool to measure performance of various dimensions of EDI culture in the Trust. These included leadership, innovation, openness, unity and opportunity.

The tool was piloted with the Black, Asian, Minority and Ethnic (BAME) Staff Network and is now being used by other staff groups. Plans are in progress to extend the tool to patient groups, as information received will help us to find out if we are delivering services that are equal and fair.

Staff Networks

Our Staff Networks and allies groups for BAME, Lesbian, Gay, Bi-sexual, Transgender (LGBTQ+), and Colleagues Questioning their Sexuality, Disability and Working Carers are key stakeholder groups. They support the Trust with meeting its PSED. Each staff network is sponsored by a dedicated Trust executive to support the sustainability and growth of the network and provide links with external networks to support growth and development. They report to the Trust's Diversity Network Leads Group, which is co-chaired by the Chief Executive Officer and the Chair of the BAME Staff Network and work is reported in to the EIAB.

We have seen the relaunch of our Equality & Diversity Champions virtual network, a mixture of both clinical and non-clinical staff who give the EDI team a rounded view of our equality issues.

Awards for equality and diversity

Our EDI initiatives and staff engagement activities have received several awards. During 2019/20, this included the HSJ Staff Engagement award and the Effective use of Diversity at the Healthcare People Management Awards. We were also highly commended in the Wellbeing Award category. Another mark of recognition came from the Nursing Times Workforce Awards, where we received the Best Wellbeing and Staff Engagement Initiative Award for our Let's Talk plan. This plan focuses on staff engagement, including equality as a work stream. We were also shortlisted for the Best Diversity and Inclusion Practice award, as well as being honoured with the Best Employee Experience award by the Chartered Institute of Personnel and Development (CIPD) Awards for our 'Let's Talk' plan.

Accessible Information Standard

The NHS England Accessible Information Standard (AIS) provides a framework for patients, service users, carers and relatives with a communication need as a result of a disability, impairment, or sensory loss – and who must not be put at a substantial disadvantage relative to individuals without a disability. Because of this, the standard must be able to be read, received and understood by the individual or group it is intended for. The AIS also outlines the importance of 'communication support', which means that a health service provider like NHFT must facilitate for an effective and correct dialogue between a professional and a service user.

Ensuring that services are equitably accessible to all who need them is at the heart of our values. In compliance with the AIS requirements, we pay due regard to the information and communication needs of our patients, service users, carers and relatives. We have continued to work hard to build on the implementation of a robust system that supports a range of verbal and non-verbal communication needs.

In accordance with AIS, we acknowledge that providing information in a way that service users are able to understand helps them to:

- Make informed choices and decisions about their health, wellbeing, care, treatment and procedures they receive
- Self-manage their health conditions
- Independently access required services
- Decide on whether they wish to provide or withhold consent about treatment and procedures.

In order to remain compliant with AIS, we have this year continued to channel the standard through the SystmOne system. Initial reviews have highlighted that service communication needs are being captured and responded to. However, it is also clear that there is still considerable room for improvement. Over the last year some common needs captured through SystmOne codes include but are not limited to:

- Sign-supported English interpreter
- Hands-on signing interpreter
- SES British Sign Language interpreter.

We remain dedicated to ensuring that the AIS is effectively applied and that our performance around this standard is regularly monitored. The Trust is considering a range of methods to get information out about the importance of the standard, so that AIS is embedded in all services offered across the Trust. We are looking to develop an effective training programme and Trust-wide campaign to ensure that all staff understand what the standard requires, and regular internal audits will continue to be conducted to ensure that AIS is appropriately followed.

Our Equality Analysis

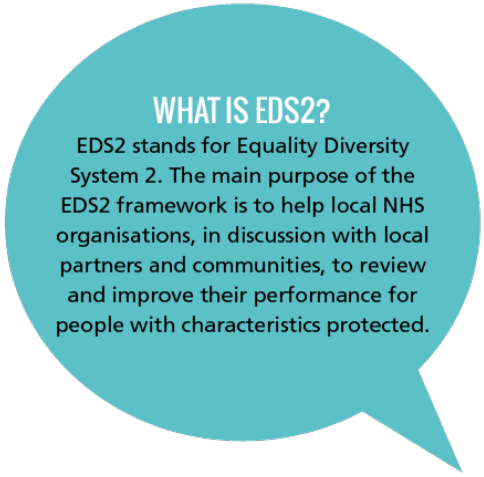
As a public sector organisation, the Trust has a responsibility to assess the impact of our services, policies and practices on equality across each of the protected characteristics. Assessing equality impacts gives our Trust an opportunity to verify that our services, policies and practices will be right for the intended groups, and to work in a way to prevent negative impacts or discrimination and promote good relations between different groups.

The EDI team closely monitors policies and procedures through Trust Policy Board and projects are reviewed carefully by the Project Management Office (PMO).

We have worked with our local NHS organisations and the local Clinical Commissioning Group to design a collaborative equality analysis template, to help streamline the equality analysis process for Northamptonshire's health economy. This makes sure that we have a consistent approach when there are changes to policies, programmes and services, as well as any relevant strategies or initiatives.

Equality Delivery System (EDS2)
The main purpose of the EDS2 framework is to help local NHS organisations, in discussion with local partners and communities, to review and improve their performance for people with protected characteristics as laid out in the Equality Act 2010.

This year, the Trust reviewed its Ambulatory, Therapy and Diabetes Service using the EDS2 framework. The service was internally graded by self-assessment and produced an evidence document. Following the self-assessment, the Trust will work with patients, service users and carers to form an external grading panel and externally grade the service.



Equality Objectives

The Public Sector Equality Duty (PSED) section 149 of the Equality Act 2010 requires public organisations to publish one or more Equality Objectives at least every four years, to demonstrate progress in advancing equality for protected groups and beyond. NHFT is dedicated to embedding Equality, Diversity and Inclusion (EDI) in all activities pursued in the Trust.

The Equality Objectives 2020 - 2024 publication document outlines NHFT's new statutory SMART Equality Objectives in accordance with the PSED which are applicable to patients, service users, carers and those working for the Trust. Setting equality objectives enables us to demonstrate how we are continuing to meet the needs of our diverse workforce. It also helps us to provide services that are improving outcomes and patient experience for all our protected groups in our local community.

Our work on embedding equality into the provision of health services is underpinned by engagement with a range of stakeholders, which included our Equality Inclusion Assurance Board (EIAB) members, patient experience pathway groups, Patient and Public Experience Steering PEG members which include our partner organisations, volunteers and Governors. The clinical and corporate directorate management teams were also consulted.

In developing our new statutory Equality objectives 2020-2024, we drew on the experiences and data analysis of patients, services users, and the public, as we believe that this is critical in shaping services that are of high quality and are reflective of the needs of our diverse community.

The equality objectives were approved by the Trust Board on 26 March, and you can visit www.nhft.nhs.uk for the Trust Board report. The intention is to review progress on an annual basis in order to identify any new information and emerging needs and issues, and to adjust our objectives to respond and meet these needs.

In response to the unprecedented pressure and uncertainty presented by the Covid 19 pandemic, the Trust Board has agreed to suspend active progression of the new Equality objectives until further notice, in order to prioritise delivery of the best possible clinical care to our patients. The decision to suspend active progression with the equality objectives will be reviewed in July 2020. Once the suspension has been lifted the delivery and performance review of Equality Objectives will be undertaken via the Trusts robust governance processes.

We have complied with the general duty under the Equality Act 2010, which requires the Trust to prepare and publish one or more equality objectives at least every four years. Setting equality objectives allows us to demonstrate the progress we are making each year for all protected groups and beyond. The intention is to review our progress on an annual basis in order to identify any new information and emerging needs and issues, and to adjust our objectives to respond and meet these needs. We co-produced the following new objectives to support progress in achieving equality outcomes for the next four years (2020-2024):

1. Improve the experience of work at NHFT for colleagues from Black, Asian & Minority Ethnic (BAME)
2. backgrounds Improve the experience of work at NHFT for colleagues with a long-term medical condition/disability
3. Demonstrate that a minimum of 90% of new or re-designed services, projects or policies have undergone a consistent and robust equality Analysis (EA process) by 2024 to improve quality of service provision
4. Identify local health needs and reduce health inequalities within the Perinatal Team due to an underrepresentation of people from BAME communities.

WRES

The Workforce Race Equality Standard (WRES) is a requirement for NHS organisations through the NHS standard contract. Since it began in 2015, the WRES means that every year, all NHS organisations must check their own performance against nine indicators. This is to help us clearly understand any challenges to making sure that all our staff are treated equally and helped to fulfil their potential. WRES is a key driver of our work on equality and diversity and we are committed to implementing actions which make a difference for colleagues from BAME backgrounds at NHFT.

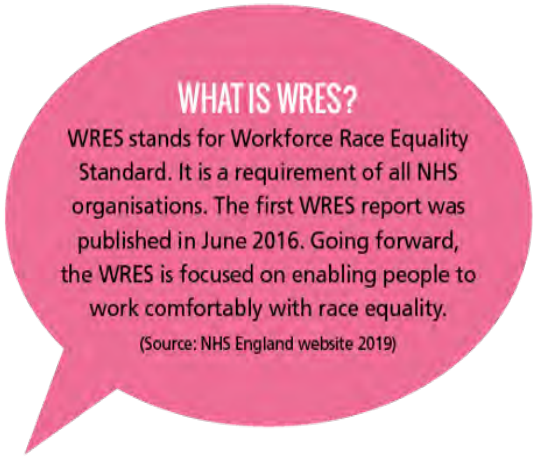
This year, our WRES action plan was co-produced between our BAME Staff and the Trust's executive team. The WRES data and plan is monitored by a Diversity Steering Group, which is co-chaired by the Chief Executive and the Chair of the BAME Staff Network.

We have recently received our targets and aspirational goals from the National WRES Team. These set out the ambitious challenge of having BAME representation at all levels of the workforce. This includes leadership being representative of the overall BAME workforce by 2028.

Over the past 12 months we have introduced WRES initiatives including our Reverse Mentoring, which sees senior managers in the Trust mentored by a colleague from a BAME background about race issues to increase cultural awareness, and Career Development Workshops to support the progression of BAME staff. We have implemented diversity learning initiatives for senior managers and worked with NHFT Cultural Ambassadors to improve our HR processes.

We recognise the need for expertise when advancing race equality. The Trust's equality leads are part of the national WRES Experts Programme, which has been tasked to support the implementation of WRES by working collaboratively with NHS organisations to embed and provide support to improve race equality and fairness.

The Trust is committed to working with our staff and local communities to address discrimination and improve patient experience and outcomes for all.



Through our journey with WRES we are starting to see improvement in the experience of BAME colleagues in our Trust. Representation of non-white colleagues is increasing at middle to senior management grades.

WRES indicators report our recruitment processes are more equal and the application of our HR processes is having less of an adverse impact. We do however recognise we have more to do and we will work with our colleagues from BAME background to ensure we develop actions which make a real difference to the experience of work at NHFT.

Workforce Disability Equality Standard (WDES)

The WDES was introduced into the NHS Standard Contract in April 2019. We have welcomed this first year of reporting which helps us consider the experiencing of disabled colleagues through a set of 10 specific measures. Our first WDES data set was submitted to NHS England in August 2019, and was accompanied by an action plan co-produced with our Disability Staff Network, aimed to develop a more inclusive environment for disabled people working in the NHS.

We recognise there are common themes when considering inequality across protected characteristics and have transferred some of our learning from five years of working with WRES to the WDES. Our first action plan has focused on understanding the make-up of our organisation and encouraging colleagues to share if they have a long-term health condition or disability. We held an event in December 2019 which brought together managers, disabled colleagues and experts to advance our understanding of the experience of disabled colleagues in our Trust. We are working on implementing 'Disability Reverse Mentoring' and have launched a 'Health Passport' to capture information on the adjustments colleagues have in place to support them at work. This makes sure that adjustments are maintained as colleagues progress to other roles. We look forward to analysing our second WDES data set this year and continuing to work with disabled colleagues in the Trust to remove barriers, improve understanding and advance equality of opportunity.

NHFT approved its co-produced Patient and Public Involvement (PPI) strategy in March 2019. Built on a foundation of co-production, NHFT's PPI strategy consists of five elements: information, experts by experience, membership, Governors and volunteering. The strategy defines co-production as "a process where involvees (patients and carers), the public and Trust staff work together, to design, develop and manage projects, sharing responsibility to monitor, manage and assess the impacts and recommendations".

As equality and diversity are a key priority for NHFT, we aligned the Trust's 'Moving Ahead' community BAME engagement work to the PPI strategy. This makes sure that behaviours expected to support equality and inclusion are part of normal working life and support cross-system working.

To deliver the identified actions from the strategy, a team representing each of the departments (and including a mix of both staff and Governors) was formed and has been working together throughout 2019/20.

The involvement team continue to discuss their actions and progress through the Patient and Public Experience pathways and Steering groups.

The PPI team delivered a number of engagement events throughout the year, including wellbeing festivals, Leadership Matters events, service/facility launches and volunteer events, as well as the recruitment of more new Foundation Trust members, volunteers and involvees. The Volunteering Team have developed a training handbook, designed to support our volunteers who may have difficulty either accessing the training or ensuring that the level of training is proportionate to their volunteering role. This new approach will ensure these volunteers are informed of their responsibilities under each of the training modules in a relevant and inclusive way.

Engaging and involving patients, service users, staff, volunteers, members of the general public and other stakeholders is a fundamental part of how we work. We are proud to have been a key contributor working with Northamptonshire Health and Care Partnership (NHCP) Communications and Engagement Team to create a guide to help NHCP colleagues understand and lead engagement activities effectively and productively. Together, through our experiences of being part of it, we have defined the most productive ways of engaging our community.

These have been collated to form a practical tool kit called **'Start the conversation'** (visit https://www.northamptonshirehcp.co.uk/get-involved/). In the spirit of engagement, this was developed by listening, involving and co-producing – to make sure it is useful for everyone. One of our patient carers stated, "*how privileged she was to be involved with this initiative which will help ensure that the whole health and social care providers will be supported to involve the service users, carers and staff within service delivery".*

NHFT has sponsored in excess of 160 involvement opportunities during the year, of which the majority of the opportunities were within Mental Health. Involvees have supported the Trust in all areas by:

- Providing joint urgent care and mental health training to staff at Northampton General Hospital and Kettering General Hospital
- Working together on our suicide prevention strategy action plan
- Developing our Recovery College courses, which included an autism awareness session this year
- Providing input within our complaints peer review process, reviewing anonymised complaint responses to ensure we have addressed the points accurately in an honest and compassionate manner
- Jointly leading our bi-weekly in-patient carers group and the multi-agency crisis concordat carer sessions
- Establishing a dedicated child patient and parent experience group – the first session was reported to the Patient and Public Experience groups as extremely supportive and successful
- Involvment in co-producing business transformation programmes.

The Trust won the innovation category at the NHS Providers Membership Showcase Awards, which was held on 8 October 2019. The innovation category achievement was awarded for the new Public and Patient Involvement (PPI) Strategy which was a joint submission between Involvement, Volunteering and Membership.

Specifically, the judges said, "*We were really pleased to see an example of really joined up working across an organisation, where PPI is so embedded throughout*".

We are delighted to report that we have appointed a patient carer who attends our own bi-weekly in-patient mental health carer group as a Carer Governor. It is envisaged that they will undoubtedly support the ongoing need for including our patient carers during the time we are caring for our patients, and will ensure that our links with Northamptonshire Carers remain as successful as they are today.

QUALITY PERFORMANCE, ASSURANCE AND IMPROVEMENT

The Care Quality Commission (CQC) domains are central to how we plan and develop our culture of continuous quality improvement.

What are the CQC domains?

Safe: Everyone is protected from abuse and avoidable harm.
Effective: Care, treatment and support achieves good outcomes, helps maintain quality of life and is based on the best available evidence.
Caring: Staff involve and treat patients with compassion, kindness, dignity and respect.
Responsive: Services are organised so that they meet patient needs.
Well-led: The leadership, management and governance of the organisation ensure high-quality care based around individual needs encourage learning and innovation, and it promotes an open and fair culture.

Our priorities are linked to the CQC domains

Priority One: We will strengthen and monitor the percentage of appropriate staff who undertake local induction (safe, well led).
Priority Two: We will implement National Early Warning Score (NEWS) 2 across the relevant services (safe).
Priority Three: We will increase five of the protected characteristic category baselines by either 10 or 20% in 2019/20 (safe, effective).
Priority Four: We will reduce the numbers of prone restraints used within Mental Health Inpatient Services (safe).
Priority Five: We will increase our compliance with the number of appropriate VTE assessments completed based on an agreed target of 95% (safe).

PATIENT SAFETY, EXPERIENCE AND FEEDBACK

The quality of patient care, patient safety and experience is central to our philosophy. This philosophy is summed up in our mission of 'making a difference for you, with you.' We measure this through a number of quantitative and qualitative methods:

- Performance data
- Internal and external quality benchmarking
- Our response to incidents, complaints and Patient Advice and Liaison Service (PALS) concerns
- Feedback, including compliments, PALS and iWantGreatCare
- Information from our key stakeholders, such as commissioners, Healthwatch and the voluntary sector
- Our patient involvement workstream and patient experience group.

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STATEMENT OF DISCLOSURE

The Board of Directors of the Northamptonshire Healthcare NHS Foundation Trust is accountable for supplying all relevant information to the auditor. The individual directors have each made sure that they are aware of all relevant information and enquired with their fellow directors and the auditors to this effect.

The directors have exercised reasonable care, skill and diligence to make sure that the auditor has been made aware of all relevant information when preparing their report.

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REGISTERS OF INTERESTS

Directors' interests are available from the Trust Board secretary on 01536 452036. Governors' interests can be supplied by the Foundation Trust office on 01536 452061/452257 or by emailing foundationtrust@nhft.nhs.uk.

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STAKEHOLDER RELATIONS

We never stop developing ways to create and keep partnerships that can help us develop and deliver services that enhance the physical, emotional, social and economic wellbeing of the county's population.

Strong relationships have a big impact on how we provide healthcare to and with our patients, service users and carer population. We are always working hard on making sure that we have positive partnerships with all our key stakeholders. This year, as we take more actions to deliver integrated health and care, these relationships have been more important than ever to our quality improvements.

Our collaboration with Nene and Corby Clinical Commissioners, NHS England and Northamptonshire County Council (NCC), has helped to shape the care we provide locally.

Working closely together has made an impact on those care priorities where we can work in partnership across the health economy. Our joint working with GP Federations and Primary Care Networks (PCNs) is enabling new partnerships and joint ways of working that support the delivery of connected and integrated care, across the voluntary and community sector, primary care, social care and community care. Internal processes are also in place to make sure that staff, service users, patients and carers are involved and able to feedback on current and future service planning.

Service user, patient and carer involvement is a core activity for us and we are passionate about making sure it is embedded in our core values.

Thinking and working more locally

Because we have used quality data and information to understand local needs, we have successfully identified some gaps in service. As a result, we have been able to link safe, quality-driven transformation to effective care.

Working with our commissioners for Commissioning for Quality and Innovation (CQUIN) development has meant we can pilot new healthcare initiatives. These will feed into our future plans and decision-making for care priorities.

Regular local engagement and joint service delivery with Northamptonshire Carers, MIND, Age UK, the REACH collaborative and other voluntary organisations has given us some rich feedback on our services. Our relationship with local education providers remains positive and productive.

At our Moving Ahead Conference, staff heard from keynote speakers cover topics including shaping our services and improving outcomes in mental health for our BAME communities, as well as stigma and unconscious bias.

REMUNERATION REPORT

This report provides information about the salaries and pensions of our Non-Executive Directors and Executive Directors, who, as in previous years and for the purpose of this report, have been classed as our most senior managers.

The Nominations and Remuneration Committee is responsible for determining the pay and contractual arrangements for our Executive Directors and for monitoring and evaluating their performance. Further information about the Nominations and Remuneration Committee can be found in the section on the Board of Directors and in the code of governance.

Standardised terms and conditions of service apply to the Executive Directors, who are employed on open-ended contracts. The contracts provide for six months of notice of termination, except in cases of gross misconduct when summary dismissal would be imposed. Directors' performance is assessed formally through our individual performance and development review process. Any termination payments made to Executive Directors were in accordance with agreed terms and conditions. All elements of executive reward are based on performance. Where an exceptional contribution had been made, non-recurrent cash awards were agreed. The Nominations and Remuneration Committee agree the reward policy for Executive Directors. Payments in 2019/2020 were made in line with this policy, which reflected the impact of public sector pay restraint on other staff within the Trust, market data, and affordability, corporate and individual performance.

For 2019/20 there were three specific elements agreed that would determine any rewards paid: the achievement of Monitor (NHSI/E) and CQC driven corporate targets, the achievement of key strategic goals and individual contribution.

Also this year, the Nominations and Remuneration Committee undertook a benchmarking review of directors' salaries and the joint roles with Leicestershire Partnership Trust (LPT). Corporate, strategic and individual performance objectives will again be agreed for 2020/2021. All directors (executive and non-executive) are paid through the payroll system as they are treated as office holders. Details of directors' remuneration and pension entitlements are covered in the following tables. The Trust Board Secretary holds a register of directors' interests.

During 2019/20, the committee oversaw the appointment of Angela Hillery as joint Chief Executive of NHFT and LPT, the appointment of Sandra Mellors as Deputy Chief Executive (from 2 September 2019) and Jean Knight as Chief Operating Officer (from 1 March 2020), and two 12-month secondment arrangements to LPT (effective from 1 January 2020) for Chris Oakes as Director of Governance and Risk and David Williams as Director of Strategy and Business Development.

The Trust's overall strategy, as shared in our Performance Report, has five key areas of focus:

1. Develop in Partnership
2. Innovation to improve quality
3. Grow our staff capability
4. Build a sustainable organisation
5. Quality and safety at the foundation of all we do.

Grow, our third strategy focus area, flows through and connects to all our staff, including our directors. It is broken down into key deliverables, one of which is focused on diversity. An example of this is the coproduction of our Workforce Race Equality Standard delivery plan. Quality, part of our fifth strategy focus area, also includes our approach to Equality, Diversity and Inclusion.

All executive director appointments are made in accordance with NHFT's Equality, Inclusion and Human Rights policy and the Trust's recruitment procedure, which complies with all relevant equality legislation. This policy sets out NHFT's commitment to tackle discrimination, promote human rights, equality and diversity for service users, patients, staff and carers in all areas of employment practice and service delivery.

In accordance with Public Sector Equality Duty under Equality Act 2010 and in consultation with stakeholders, the Trust is committed to preparing and publishing specific and measurable equality objectives every four years and reviewing progress annually at Board level. Further information on this can be found in the 'Equality, diversity and inclusion' section of our Annual Report.

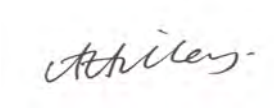
The four overarching Equality Objectives for 2016-2020, agreed by the Board of Directors to help meet the general duty under the Equality Act 2010, are to improve equality as detailed in the table below. In addition to this, the Trust has put initiatives in place to develop diversity and inclusion across all staff, which includes directors. The Trust has a Diversity Network for staff and the network leads the co-production of both a Workforce Race Equality Standards Plan and a Workforce Disability Equality Standards Plan. These plans set out specific actions and outcomes to be achieved, for example all Executive Directors have participated in reverse mentoring.

Staff at our Moving Ahead Conference also heard the latest on the Trust's equality objectives.

SMART Equality Objectives 2016-2020	
Equality Objective 1 Increase the proportion of staff disclosing their disability from 3% and sexual orientation from 1.25% by 1% percentage as a minimum each year.	A partial achievement of our 1% minimum increase goal was recorded this year again as disability disclosure for staff increased this year by 0.3%, from 4.6% in 2018 to 4.9% in 2019. This, in turn, means a gap of 0.7% from our annual target of at 1%. Similarly, a 0.4 % increase in the proportion of staff disclosing sexual orientation was recorded as it increased from 1.82% to 2.23%. This means the increase in sexual orientation fell short from the 1% target increase by 0.6%. Monitoring of service user data will be included within the 2020/24 equality objectives.
Equality Objective 2 Increase the proportion of service user data completed on the patient profiles (single patient profile) setting baseline figures 2017 across all the protected groups and then setting targets in 2018 to meet by 2020.	This target has been achieved for 2019 for the following protected characteristics: age, disability, marital status and gender. Data completeness for religion and ethnicity has decreased. This means the average data completed for 2019 is 41.52%. This is lower than in 2018 when the average proportion of data completed was 45.14%. The Equality and Inclusion Assurance Board (EIAB) has agreed to increase the baseline for the following protected characteristics by these proportions: disability 10%, ethnicity 10%, marital status 20%, sexual orientation 10% and religion and belief 20%. There has been considerable focus on improvement since September 2019, linked to the Equality priority. It is important that patient records contain complete equality data as this will help us to identify whether services are equitable and fair. This is so we can be assured that service users and patients from different backgrounds are not disproportionately affected. The Trust uses the Single Patient Profile record system to provide service user data and collect patient information across the protected characteristics. Our electronic patient records are linked to the SystmOne spine covering 111 out of 150 service lines, whose fields now collect data on all protected characteristics, except for gender reassignment or pregnancy and maternity.
Equality Objective 3 Increase the representation of BAME Staff above at Bands 7-8 (and above) by 5% by 2020 (implementing WRES - action plan), this excluded medical staffing.	The Trust has achieved the targeted 5% representation of BAME staff. Our WRES figures indicate that 11.3% (71 out 629) of our BAME workforce is at Bands 7-8. We have continued to make significant progress with our WRES Action plan.

Equality Objective 4 Each pathway to develop one (SMART) Equality Objective by 2018 that will be reviewed annually until 2020.	One objective was to develop the cultural competency toolkit by both care pathways. We started this work at the Moving Ahead Conference in February 2019 – feedback from the audience was that toolkits do not work. We decided to turn the objective into a training model (cultural awareness training), which has been developed and provided to two different teams. This is an area that we will be expanding in 2020. In addition to the target set for each service we focused on the Ambulatory, Therapy and Diabetes Services who have progressed their equality work by optimising community partnerships, using real-time data, local community knowledge, and service user engagement to inform their decision-making process, making them highly agile in addressing health inequalities.

Angela Hillery



Chief Executive
28 May 2020

SALARIES AND ALLOWANCES 1 APRIL 2019 -31 MARCH 2020

Name and title	2019/20			
	Salary (bands of £5,000)	Performance pay and bonuses (bands of £5,000)	Clinical Excellence Awards (bands of £5,000)	Total (bands of £5,000)
Angela Hillery, Chief Executive*	160-165	15-20	0	175-180
Dr Alex O'Neill-Kerr, Medical Director *	150-155	0-5	45-50	205-210
Julie Shepherd, Director of Nursing, AHPs and Quality*	125-130	5-10	0	130-135
Chris Oakes, Director of Human Resources and Organisational Development	115-120	5-10	0	125-130
Sandra Mellors, Deputy Chief Executive (from 1 March 2020), previously Chief Operating Officer	60-65	5-10	0	65-70
David Williams, Director of Strategy & Business Development	115-120	5-10	0	125-130
Richard Wheeler, Finance Director*	125-130	5-10	0	135-140
Jean Knight, Chief Operating Officer (from 1 March 2020)	10-15	0	0	10-15

* Denotes voting right

At the end of March 2019 Sandra Mellors retired and returned on 1 May 2019 as Chief Operating Officer (COO). On 2 September 2019 Sandra agreed to also act on an interim basis as Deputy Chief Executive (DCEO) and continue to cover the COO role.

On 1 March 2020 Jean Knight was substantively appointed to the COO role and Sandra Mellors solely fulfilled the interim DCEO.

On 8 July 2019 Angela Hillery commenced the role of Joint Chief Executive across Leicestershire Partnership Trust (LPT) and Northamptonshire Healthcare NHS Foundation Trust (NHFT).

On 1 January 2020 David Williams commenced the joint role of Director of Strategy and Business Development across LPT and NHFT, Chris Oakes also commenced the joint role of Director of Human Resources and Organisational Development for NHFT and Director of Governance and Risk for LPT. Both of these roles are for a period of one year.

Performance-related bonuses are awarded solely at the discretion of the Nominations and Remuneration Committee.

In 2019/2020 seven awards were made for significant contributions above and beyond those expected of Directors.

Dr Alex O'Neill-Kerr has a clinical element to his role which is included in the table above.

Expenses

Expenses paid to governors, executive and non-executive directors are detailed in the table below:

	2019/2020			2018/2019		
	Number			Number		
	Total	Receiving expenses	Expenses £'00	Total	Receiving expenses	Expenses £'00
Directors	8	7	117	7	7	113
Non-Executive Directors	7	4	78	9	6	65
Governors	38	9	39	46	13	35

SALARIES AND ALLOWANCES 1 APRIL 2019 -31 MARCH 2020

Name and title						
	Salary (bands of £5,000)	Taxable Benefits to the nearest £100*	Performance pay and bonuses (bands of £5,000)	Long-term performance pay and bonuses (bands of £5,000)	All pension-related benefits (bands of £2,500)	Total (bands of £5,000)
Crishni Waring, Chair*	40-45	0	0	0	0	40-45
Melanie Hall, Non Executive Director*	10-15	0	0	0	0	10-15
Scott Adams, Non Executive Director*	10-15	0	0	0	0	10-15
Moira Ingham, Non Executive Director*	10-15	0	0	0	0	10-15
Alastair Watson, Non Executive Director*	10-15	0	0	0	0	10-15
Nicola McLeod, Non Executive Director	10-15	0	0	0	0	10-15
Maria Wogan, Non Executive Director	10-15	0	0	0	0	10-15
Angela Hillery, Chief Executive*	160-165	0	15-20	0	15-17.5	175-180
Dr Alex O'Neill-Kerr, Medical Director *	200-205	0	0-5	0	45-47.5	205-210
Julie Shepherd, Director of Nursing, AHPs and Quality*	125-130	0	5-10	0	7.5-10	130-135
Chris Oakes, Director of Human Resources and Organisational Development	115-120	0	5-10	0	0	125-130
Sandra Mellors, Deputy Chief Executive (from 1 March 2020), previously Chief Operating Officer	60-65	0	5-10	0	0	65-70
David Williams, Director of Business Development	115-120	0	5-10	0	25-27.5	125-130
Richard Wheeler, Finance Director*	125-130	0	5-10	0	12.5-15	135-140
Jean Knight, Chief Operating Officer (from 1 March 2020)	10-15	0	0	0	2.5-5	10-15

* Denotes voting right

No Benefits in Kind were paid during 2019/20

Performance-related bonuses are awarded solely at the discretion of the Nominations and Remuneration Committee. In 2019/20 seven awards were made for significant contributions above and beyond those expected of Directors.

Dr Alex O'Neill-Kerr has a clinical element to his role which is included in the table above.

SALARIES AND ALLOWANCES 1 APRIL 2018 -31 MARCH 2019

Name and title						
	Salary (bands of £5,000)	Taxable Benefits to the nearest £100*	Performance pay and bonuses (bands of £5,000)	Long-term performance pay and bonuses (bands of £5,000)	All pension-related benefits (bands of £2,500)	Total (bands of £5,000)
Crishni Waring, Chair*	40-45	0	0	0	0	40-45
Melanie Hall, Non Executive Director* (from 1 January 2018)	10-15	0	0	0	0	10-15
Scott Adams, Non Executive Director* (from 8 May 2017)	10-15	0	0	0	0	10-15
Bev Messinger, Non Executive Director* (until 31 December 2018)	10-15	0	0	0	0	10-15
Moira Ingham, Non Executive Director*	10-15	0	0	0	0	10-15
Alastair Watson, Non Executive Director*	10-15	0	0	0	0	10-15
Nicola McLeod, Non Executive Director (from 1 January 2019)	0-5	0	0	0	0	0-5
Maria Wogan, Non Executive Director (from 1 November 2018)	5-10	0	0	0	0	5-10
Angela Hillery, Chief Executive*	160-165	0	5-10	0	0-2.5	175-180
Dr Alex O'Neill-Kerr, Medical Director *	185-190	0	0-5	0	0-2.5	185-190
Julie Shepherd, Director of Nursing, AHPs and Quality*	110-115	0	0-5	0	0-2.5	115-120
Chris Oakes, Director of Human Resources and Organisational Development	110-115	0	0-5	0	0	115-120
Sandra Mellors, Chief Operating Officer	110-115	0	0-5	0	0-2.5	115-120
David Williams, Director of Business Development (from November 2017)	110-115	0	0-5	0	20-22.5	130-135
Richard Wheeler, Finance Director*	125-130	0	0-5	0	72.5-75	205-210

* Denotes voting right

No Benefits in Kind were paid during 2018/19

Performance-related bonuses are awarded solely at the discretion of the Nominations and Remuneration Committee. In 2018/19 seven awards were made for significant contributions above and beyond those expected of Directors.

Dr Alex O'Neill-Kerr has a clinical element to his role which is included in the table above.

PENSION BENEFITS

Name and title	Real increase in pension at pension age	Real increase in pension lump sum at pension age	Total accrued pension at pension age at 31 March 2020	Lump sum at age 60 related to accrued pension at 31 March 2020	Cash Equivalent Transfer Value at 1 April 2019	Real Increase in Cash Equivalent Transfer Value	Cash Equivalent Transfer Value at 31 March 2020	Employers Contribution to Stakeholder Pension
	(bands of £2,500) £000	(bands of £2,500) £000	(bands of £5,000) £000	(bands of £5000) £000	£000	£000	£000	£000
Angela Hillery, Chief Executive	0-2.5	0	65-70	160-165	1,287	35	1,359	0
Dr Alex O'Neill-Kerr, Medical Director	2.5-5	7.5-10	40-45	125-130	914	73	1,029	0
Julie Shepherd, Director of Nursing, AHPs and Quality	0-2.5	2.5-5	50-55	160-165	1,154	41	1,239	0
Sandra Mellors, Deputy Chief Exective (from 1 March 2020)	0	0	0	0	828	0	0	0
David Williams, Director of Strategy & Business Development	0-2.5	0	20-25	40-45	339	16	380	0
Richard Wheeler, Finance Director	0-2.5	0	45-50	100-105	825	16	879	0
Jean Knight , Chief Operating Officer (from 1 March 2020)	0-2.5	0-2.5	15-20	20-25	185	2	225	0

As Non-Executive Directors do not receive pensionable remuneration, there will be no entries in respect of pensions for Non-Executive Directors.
As Chris Oakes is not in the pension scheme there are no entries in this table.

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 from 2004-05 the other pension details, include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

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

PENSION BENEFITS

Name and title	Real increase in pension at pension age	Real increase in pension lump sum at pension age	Total accrued pension at pension age at 31 March 2019	Lump sum at age 60 related to accrued pension at 31 March 2019	Cash Equivalent Transfer Value at 1 April 2018	Real Increase in Cash Equivalent Transfer Value	Cash Equivalent Transfer Value at 31 March 2019	Employers Contribution to Stakeholder Pension
	(bands of £2,500) £000	(bands of £2,500) £000	(bands of £5,000) £000	(bands of £5000) £000	£000	£000	£000	To nearest £100
Angela Hillery, Chief Executive	0-2.5	0	65-70	160-165	1,112	142	1,287	0
Dr Alex O'Neill-Kerr, Medical Director	0	0	35-40	110-115	818	72	914	0
Julie Shepherd, Director of Nursing, AHPs and Quality	0	0	50-55	155-160	1,018	106	1,154	0
Sandra Mellors, Deputy Chief Exective (Retired April 2019)	0-2.5	0-2.5	30-35	100-105	728	78	828	0
David Williams, Director of Strategy & Business Development	0-2.5	0	20-25	35-40	269	62	339	0
Richard Wheeler, Finance Director	2.5-5	5-7.5	40-45	100-105	652	153	825	0

As Non-Executive Directors do not receive pensionable remuneration, there will be no entries in respect of pensions for Non-Executive Directors.
As Chris Oakes is not in the pension scheme there are no entries in this table.

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 from 2004-05 the other pension details, include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

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

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 mid point banded remuneration of the highest-paid director in Northamptonshire Healthcare Foundation Trust in the financial year 2019/20 was £207,500 (2018/19 was £187,500).
This was 6.8 times (2018/19, 6.7) the median remuneration of the workforce, ***which was £30,112*** (2018/19 was £28,050).
In 2019/20 no employee received remuneration in excess of the highest paid director. Remuneration ranged from £17,652 to £206,000 (2018/19 was £17,460 to £189,060)
Total remuneration includes salary, non-consolidated performance-related pay and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of

	2019/2020	2018/2019
	Total	Total
	£	£
Band of highest paid director's total (£000s)	207.5	187.5
Trust median remuneration	30,112	28,050
Ratio	6.8	6.7

In 2019/20 the median employee was a band 5, this was a band 6 in 2018/19. The actual rate for the band 5 has increased due to the new agenda for change rates which came into effect during 2018/19
The highest banding of Director was the Medical Director. During 2019/20 the Medical Director received a Silver Clinical Excellence Award.

Highest remuneration	206,000	189,060
Lowest remuneration	17,652	17,460

STAFF REPORT

OUR STAFF

We want to be an employer of choice, a great place to work and be known for our diverse and inclusive culture, with staff who feel valued. To achieve this, we are focused on our strategic objective to 'Grow our staff capability'.

Every year, the Human Resources and Organisational Development Team put a workforce plan in place to make sure we effectively and efficiently allocate people and resources. We adopt a multi-faceted approach and often include reviews of service needs, analysis of key people and management data. We also gain feedback from key internal and external stakeholders.

We are committed to developing a flexible, skilled and motivated workforce, and aspire to be an employer of choice. We promote a positive organisational culture that attracts and retains staff.

Our values

The Trust has five core PRIDE values based on the national values that are set out in the NHS constitution.

1. People first
2. Respect and compassion
3. Improving lives
4. Dedication
5. Equality.

We use communication and staff engagement plans to embed these values in everything we do. These values are designed to inspire and motivate our workforce to take pride in everything they do, and to provide excellent patient care.

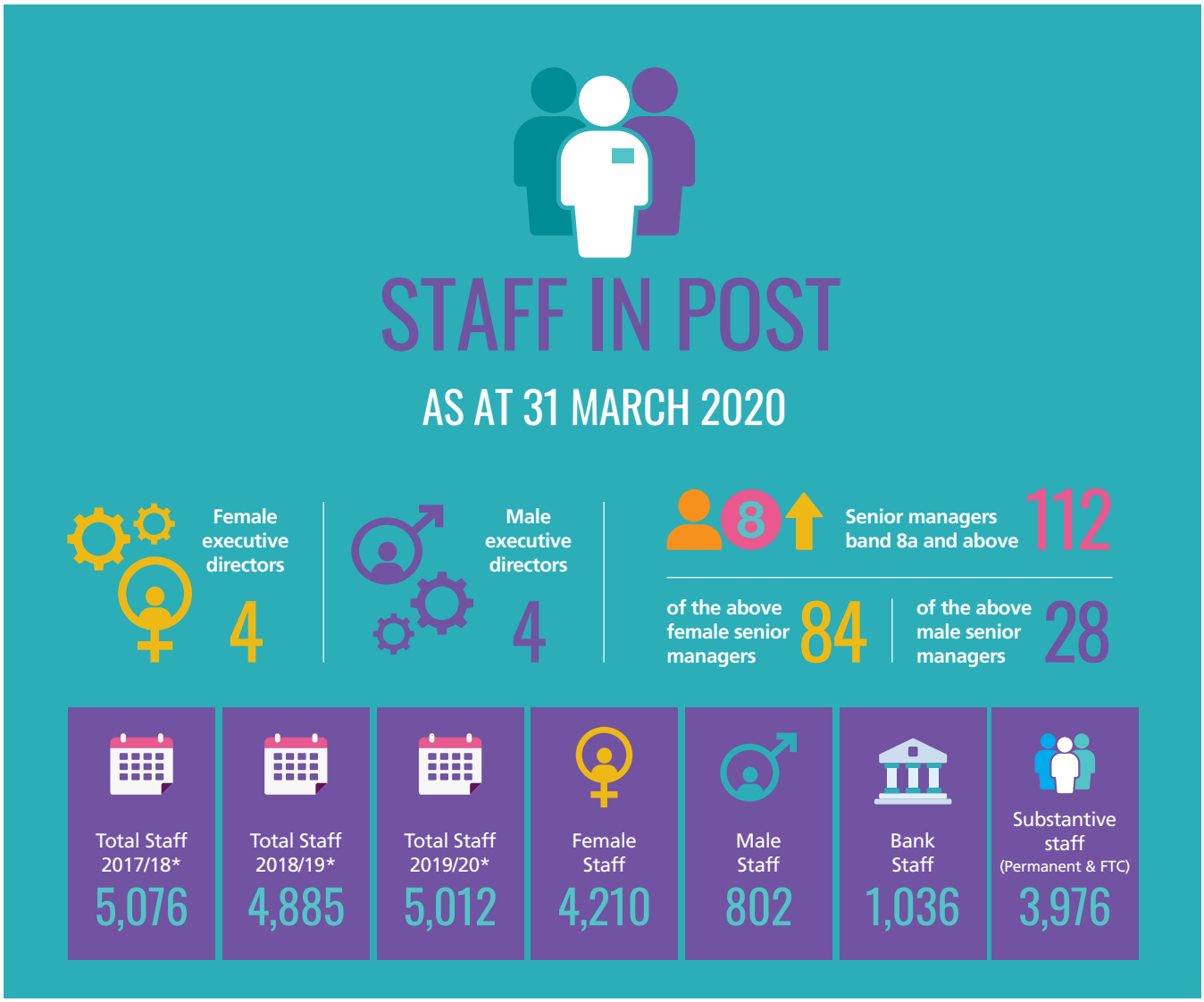
NUMBER OF EMPLOYEES

The table below displays the average number of employees (whole time equivalent or WTE basis). Our 2019/20 data has been revised to ensure it is consistent with our annual accounts data.

	Total 2019/20	Permanent	Other	Total 2018/19	Permanent	Other
Medical and dental	108	74	34	107	70	37
Ambulance staff	4	4	0	0	0	0
Administration and estates	850	736	114	838	718	120
Healthcare assistants and other support staff	953	746	207	894	691	203
Nursing, midwifery and health visiting staff	1,349	1,131	218	1,379	1,123	256
Nursing, midwifery and health visiting learners	16	4	12	0	0	0
Scientific, therapeutic and technical staff	539	512	27	499	475	24
Healthcare science staff	0	0	0	0	0	0
Social care staff	0	0	0	0	0	0
Other	0	0	0	0	0	0
Total average numbers	3,819	3,207	612	3,717	3,077	640
Of which:						
Number of employees (WTE) engaged on capital projects	**7**	**6**	**1**	**6**	**6**	**0**

STAFF SICKNESS ABSENCE 2019/20

For staff sickness absence rates, please visit NHS Digital here.



*Figures include substantive and bank staff, and only primary assignments. If an employee has a substantive post, and a bank post, only the substantive post is counted.

EXIT PACKAGES

Exit package cost band (number)	No. of compulsory redundancies	No. of other departures agreed	Total no. of exit packages by cost band	No. of departures where special payments have been made
2019/20				
<£10,000	0	0	0	0
£10,000 - £25,000	0	1	1	0
£25,001-£50,000	2	0	2	0
£50,001-£100,000	0	1	1	0
£100,001-£150,000	0	0	0	0
£150,001-£200,000	0	0	0	0
>£200,000	0	0	0	0
Total	2	2	4	0
2018/19				
<£10,000	0	0	0	0
£10,000 - £25,000	2	2	4	0
£25,001-£50,000	0	0	0	0
£50,001-£100,000	1	0	1	0
£100,001-£150,000	0	0	0	0
£150,001-£200,000	0	0	0	0
>£200,000	0	0	0	0
Total	3	2	5	0

Exit package cost band (value)	Value of compulsory redundancies	Value of other departures agreed (restated)	Total value of exit packages by cost band	Cost of special payment element included in exit packages
	£000	£000	£000	£000
2019/20				
<£10,000	0	0	0	0
£10,000 - £25,000	0	14	14	0
£25,001-£50,000	78	0	78	0
£50,001-£100,000	0	61	61	0
£100,001-£150,000	0	0	0	0
£150,001-£200,000	0	0	0	0
>£200,000	0	0	0	0
Total	78	75	153	0
2018/19				
<£10,000	0	0	0	0
£10,000 - £25,000	40	35	75	0
£25,001-£50,000	0	0	0	0
£50,001-£100,000	67	0	67	0
£100,001-£150,000	0	0	0	0
£150,001-£200,000	0	0	0	0
>£200,000	0	0	0	0
Total	107	35	142	0

In 2019/20, one of the exit packages was related to the financial year 2018/19. However, the payment was made in 2019/20, which is why it has been included within this financial year.

EXIT PACKAGES - OTHER (NON-COMPULSORY)

Exit packages in 2019/20 - other (non-compulsory)	Payments agreed Number	Total value of agreements £000
Voluntary redundancies including early retirement contractual costs	0	0
Mutually agreed resignation scheme (MARS) contractual costs	0	0
Early retirements in the efficiency of the service contractual costs	0	0
Contractual payments in lieu of notice	2	75
Exit payments following employment tribunals or court orders	0	0
Non-contractual payments requiring HM Treasury approval	0	0
Total	**2**	**75**

There were no non-contractual payments made to individuals where the payment value was more than 12 months of their annual salary.

Exit packages in 2018/19 - other (non-compulsory)	Payments agreed Number	Total value of agreements £000
Voluntary redundancies including early retirement contractual costs	0	0
Mutually agreed resignation scheme (MARS) contractual costs	0	0
Early retirements in the efficiency of the service contractual costs	0	0
Contractual payments in lieu of notice	2	35
Exit payments following employment tribunals or court orders	0	0
Non-contractual payments requiring HM Treasury approval	0	0
Total	2	35

RECRUITMENT

We are dedicated to building a fully inclusive organisation through the recruitment and retention of a high calibre workforce who are able to deliver a high-quality service.

Our practices ensure that the principles of diversity and inclusion underpin all our recruitment policies and procedures, and we remain committed to promoting equality, valuing diversity and protecting human rights.

The Trust has recruitment processes and procedures in place that provide equality of opportunity, as well as fair and effective recruitment and selection of all staff groups. We welcome applications from people regardless of age, disability, gender, gender reassignment, race, religion or belief, sexual orientation, marital or civil partnership status, pregnancy or maternity status – and encourage applications from groups who are currently underrepresented in the organisation.

We recognise underrepresented groups at times need to overcome additional barriers to enter work. We are a level 2 Disability Confident Employer with a commitment to employing, retaining and developing disabled people in our workforce. This means we guarantee interviews for disabled persons if they meet the minimum criteria. We provide dedicated career development workshops to protected groups to enhance diversity at all levels in the Trust. Additionally, in the last year we have implemented health passports, to enable staff a streamlined mechanism to support reasonable adjustments as staff obtain new roles within the Trust.

We also ensure that reasonable adjustments are made to our policies, processes and procedures to support disabled people to achieve their potential, with a centralised budget for reasonable adjustments now ensuring that adjustments are provided in a timely way. We treat physical and mental health with equal importance and are currently a Mindful Employer, as well as having a group of mental health first aiders in the workplace.

We have also signed the 'Time to Change' pledge, which means that we are positive about mental health and support staff with mental health issues to keep well at work and seek support.

During 20/21, the Trust has introduced recruitment experts who influence the selection process, to call out and challenge assumptions and bias, and ensure that sound decisions are made by the interview panel. All of our recruitment procedures and processes comply with the relevant legislation and NHS guidance, and we make the appropriate training available to all staff engaged in the recruitment process. These recruitment and selection procedures and guidance have been established to cover all staff groups. This ensures that recruitment practices are effective, non-discriminatory and help us to find the best person available for any identified vacancy.

To promote good practice throughout the recruitment process, these procedures cover all stages of recruitment – from the point a vacancy first arises through to appointment. Over the year we have increasingly targeted our recruitment activity, being proactive in our approach by making use of our bespoke approaches to attract to our traditionally hard to fill vacancies. We have improved the candidate experience of joining our Trust, streamlining processes and ensuring new colleagues are equipped to work on their first day, while receiving a positive on-boarding experience.

ABSENCE MANAGEMENT

Our target across all service areas is to achieve a sickness absence rate that is no greater than 4.6%. To help us to achieve this, we continued to embed our wellbeing strategy this year. This is because we recognise that staff can only deliver compassionate care if they are cared for themselves.

The impact that employment can have on health and wellbeing is now well documented. Evidence shows a healthy workforce can reduce sickness absence and staff turnover and boost productivity.

This is good for employers, workers and the wider economy. To support this, we held a wellbeing festival again this year for 400 staff. It promoted the importance and focus on staff wellbeing. In addition, an extensive range of support services continues to operate for staff on an opt-in basis. We made wellbeing discussions a regular part of attendance management with 'wellbeing wheel discussions'.

TRAINING AND DEVELOPMENT

It is really important to us that all our team members apply for training and development opportunities. Staff members are encouraged to take training that supports the objectives in their individual annual appraisals and the Trust's strategy.

Our learning objectives are linked to our annual plan. Training is monitored to make sure that it is fair to all different groups of staff. We believe that all our people must have opportunities to learn, train, develop and progress. Where a particular group is underrepresented in the workforce or at a senior level, we are taking steps to change that situation. This includes improving access to training and encouraging applications.

Training leaders of the future

Ongoing training helps us develop our own leaders. Our Leadership Matters programmes and conference programme support and reinforce our Leadership Behaviours: Taking Responsibility, Embracing Change, Being Authentic and Working Together.

STAFF ENGAGEMENT

Our people are at the heart of everything we do. So it is really important that everyone who works for the Trust is fully engaged in their work and feels valued and supported. We are continuing to invest in staff engagement. The Trust's 'Let's Talk' initiative is linked to the 5-4-3-2-1 campaign, under: '1 – Making a difference for you with you'. This has made sure we continue to work on staff engagement, resulting in us getting the Health Service Journal (HSJ) Staff Engagement Award in November 2019.

The Trust continues to have seven Trust-wide priorities that make up our 'Let's Talk' initiative, which has been recognised in awards both nationally and internationally:

1. Listening to and involving you
2. Supporting our managers
3. Helping you to speak up
4. Developing our employer promise
5. Supporting your health and wellbeing
6. Ending bullying and harassment
7. Equality for all.

A range of activities were conducted during 2019, all of which aimed to enhance the engagement of our staff and make a difference for them. Examples of work completed includes:

- Further expansion of the Trust's 'Freedom to Speak Up Champions' network.

The Trust now has over 20 champions encouraging a positive, speaking up culture and supporting our Freedom to Speak Up Guardian. In 2019, the Trust was recognised with 'Highly Commended' at the HSJ awards for Freedom to Speak Up Organisation of the Year. The Trust's Freedom to Speak Up index score has improved and is now ranked third of all trusts in England.

- Implementation of career development workshops for staff across the organisation.

This included targeted workshops for staff from minority backgrounds to support their development and further their careers at NHFT. This has been attended by over 100 staff across the organisation, with positive feedback and success stories being shared by staff who attended.

- Hosting a second 'Wellbeing Conference', attended by over 350 staff and maintained our focus on supporting the health and wellbeing of our staff.

The Trust has also increased support within Occupational Health, including psychology and expanding access to counselling services. The NSS 2019 results rank NHFT sixth of all trusts in England for the theme 'Health and Wellbeing'.

- Continuing to support our four staff networks: BAME, Disability, LGBTQ+ and Working Carers.

Each network lead has an executive sponsor and dedicated time set aside for their role. Listening events for BAME and Disability networks were completed during 2019, and the Trust also became a Stonewall Diversity Champion.

The Trust's work on staff engagement is measured through additional questions in the quarterly Friends and Family Test (FFT) to gain feedback and assurance on the impact on work conducted across the organisation.

How does staff engagement make a difference to patients?

We believe that when our team members feel good about their work at the Trust, it then positively impacts our patients. Research shows that people who are engaged feel more motivated, take fewer sick days and generally deliver a better service.

FRAUD

We recognise that while the majority of people who work in or use the NHS are honest, fraud does exist and is a serious issue. Fraud in the NHS – on any scale – diverts resources from patient care and services.

Our Local Counter Fraud Team's work includes making people aware that fraud is being tackled and of the methods used to combat fraud. This year, the team shared quarterly fraud awareness newsletters and urgent security alerts with our workforce. The purpose of these communications was to raise staff awareness, highlight key cases and provide details of who to contact should our staff have concerns.

UK MODERN SLAVERY ACT 2015

Section 54 of the Modern Slavery Act 2015 requires all organisations to set out the steps that the organisation has taken during the financial year to ensure that slavery and human trafficking is not taking place within the organisation or its supply chains. We make every effort to prevent slavery and human trafficking in our Trust, and in our supply chains. We do this by ensuring our employment standards, training, remuneration and policies reflect our commitment to be a high-quality employer, conscious of safeguarding.

Our safeguarding policies for adults and children are designed to minimise the risk of slavery and human trafficking and highlight to staff the steps they need to take if they come into contact with a vulnerable person they feel is at risk. Slavery and human trafficking has been highlighted as a category of abuse that we should all be aware of. In addition to this training and policy, we are committed to employment practices that are fair and equal, both internally and through our suppliers of services and equipment.

The Trust also subscribes to the UK Living Wage, which is significantly higher than the minimum wage. The Living Wage is calculated based on the basic cost of living in the UK and is voluntarily subscribed to by employers. The Trust believes it has low risk of slavery or human trafficking. As we believe the area of highest risk is with our suppliers, we have reviewed our procurement practice to explicitly include the requirements of the Act.

OCCUPATIONAL HEALTH AND WELLBEING

We are fully committed to supporting the health and wellbeing of our employees. We aim to make sure our staff are aware of services that are available to them and develop new services to help improve their lives. The Occupational Health and Wellbeing team provides an extensive range of services that are available to all staff.

Fitness testing, annual health checks and cholesterol testing continue to increase, as are our fitness classes at all of the larger main sites. In 2019, over 300 members of staff have participated in these wellbeing activities.

Wellbeing Festival

We held a Leadership Matters event on Friday 12 July 2019 at Wicksteed Park. The day was held as a day of celebration for staff wellbeing. 400 staff were in attendance and came from across all services. Two keynote speakers joined us – Dr Hazel Wallace ('The Food Doctor') and Colin Jackson, CBE who spoke about how he struggled with bulimia and anorexia and continues to deal with it. A number of taster sessions, including disco, salsa, yoga, mindful art, singing for wellbeing, self-compassion, mindfulness, menopause, sleep and also walking groups were available to staff. The event was hailed as a great success by attendees.

Psychological wellbeing services: Following demand on psychological services, in March 2019 we employed (on the staff bank) an extra counsellor who works for us for three days a week. We continue to work across three sites to ensure that the waiting time is kept to a minimum. The introduction of a clinical psychologist has seen a number of staff being offered a more treatment based psychological intervention and the feedback has been good. We also set up several mindfulness groups, along with the Cognitive Behavioural Therapy (CBT) for Menopause group and drop in mindfulness sessions for staff, which have seen over 350 members of staff participate.

Menopausal support

In 2019 one of our counsellors attended a CBT course focused on the menopause and has delivered this within the Trust. This is something we will continue to develop in 2020.

Pastoral care

The Trust's Chaplaincy Service provides help and support not only for service users and their families but for staff as well. Over the last year the Chaplaincy Service has seen a number of staff for bereavement counselling and emotional support when dealing with crisis situations. In 2019 we developed a Spiritual Wellbeing Strategy, which will go live in 2020.

Mental Health First Aiders
Over 120 members of staff received their mental health first aid (MHFA) training, with more training going forward in the year ahead. The team are now monitoring First Aiders and ensuring that they feel safe and happy to continue to provide this service for their colleagues. They are also running quarterly meetings for all of the MHFA's that have been trained and want to continue with the role.

Seasonal Flu Vaccination Programme
The 2019/20 seasonal flu vaccination programme was a great success with 83.13% of front line staff receiving the vaccination.

Physiotherapy
In-house physiotherapy service continues to provide treatment for musculoskeletal problems with back, knees and shoulders being the main symptoms for referrals. Staff on average were triaged and/or seen within 10-15 working days.

GENDER PAY GAP

A gender pay gap is the difference between the average hourly earnings of males and females with the figure expressed as a proportion of male earnings, however it is important to note that it is separate from equal (or unequal) pay. You can search and compare gender pay gap information at www.gender-pay-gap.service.gov.uk.

You can also access and read about the Trust's gender pay gap on our website at www.nhft.nhs.uk/equality.

HEALTH AND SAFETY

The health, safety and risk committee provides an overarching view of health, safety and welfare and assurance that non-clinical risks are managed effectively on behalf of the organisation. Key health and safety areas of focus during 2019/20 included:

- Development of specific Control of Substances Hazardous to Health (COSHH) training for domestic staff
- Programme of works relating to fire doors and subsequent programme of prioritisation for remedial actions
- Car parking safety
- Improving risk review timeframes

TRADE UNION FACILITY TIME

The Trade Union (Facility Time Publication Requirements) Regulations 2020/328 Schedule 2 Information is shown in the tables below. These regulations place a legislative requirement on the Trust to collate and publish, on an annual basis, a range of data on the amount and cost of facility time within their organisation. The Trust data published in line with the Cabinet Office guidance is listed in the following tables.

Relevant union officials
The total number of our employees who were relevant union officials during 2019/20.

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
8	2.75

Percentage of time spent on facility time
The number of employees who were relevant union officials employed during 2019/20 by percentage of their working hours on facility time.

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

Percentage of pay bill spent on facility time
The percentage of the Trust's total pay bill spent on paying employees who were relevant union officials for facility time during 2019/20.

Item	Amount
Total cost of facility time	£105,169.90
Total pay bill	£163,627,455
Percentage of the total bill spent on facility time, calculated as (total cost of facility time ÷ total pay bill) x 100	0.06%

Paid trade union activities
100% of time was spent on paid trade union activities. This was calculated as:
(total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100.

STAFF SURVEY

Our Trust took part in the annual NHS staff survey, 2019. All Trust staff could take part in the survey, between October and November 2019. Official results from NHS England were released in early February 2020. This Staff Survey section also appears in our Quality Report as it is published as a separate report.

OUR 2019 RESPONSE RATE

2018/19 (Previous year)	2019/20 (Current year)		Trust improvement/deterioration
Our Trust	Our Trust	Benchmarking group (trust type) average	
51.0%	58.3%	47.7%	+7.3%

Theme	2017		2018		2019	
	Trust score	Average^	Trust score	Average^	Trust score	Average^
Equality, diversity and inclusion	9.2	9.2	9.3	9.2	9.4	9.1
Health and wellbeing	6.5	6.1	6.7	6.1	6.6	6.1
Immediate managers	7.1	7.1	7.3	7.2	7.3	7.2
Morale	n/a	n/a	6.7	6.2	6.7	6.3
Quality of appraisals	5.9	5.4	6.0	5.5	6.3	5.7
Quality of care	7.6	7.4	7.7	7.4	7.7	7.4
Safe environment – bullying and harassment	8.4	8.2	8.4	8.3	8.3	8.2
Safe environment – violence	9.5	9.5	9.5	9.5	9.5	9.5
Safety culture	7.1	6.7	7.3	6.8	7.4	6.8
Staff engagement	7.3	7.0	7.5	7.0	7.5	7.1
Team working*	7.0	6.9	7.3	6.9	7.3	6.9

From 2018, the National Staff Survey replaced 32 key findings with 10 themes. Each theme is scored between 0-10, with 10 being the best possible score for each theme.

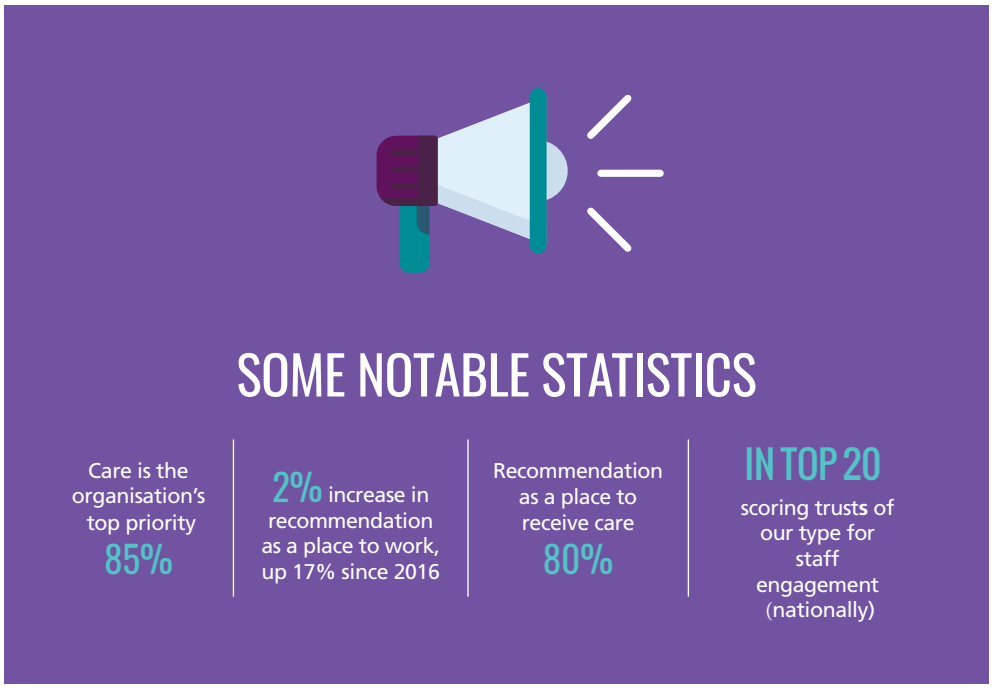
*In 2019, another theme of 'team working' has been added.
^Average for Trusts of our type (Combined Mental Health / Learning Disability and Community Trusts)

The Trust is benchmarked against 32 other trusts of our type (combined mental health/learning disability and community trusts). Our results are shown below:

TOP FIVE RANKING SCORES

Areas where we scored more favourably compared to trusts of a similar type:

1. The organisation takes positive action on health and wellbeing
2. Effective use of patient/service user feedback
3. Staff recommendation of the organisation as a place to receive care
4. Staff confidence that the organisation would address concerns about unsafe clinical practice
5. Staff recommendation of the organisation as a place to work.



Research shows these are the main factors that improve staff engagement. Because of this, they also improved patient experience and outcomes. They are exceptional improvements. The Trust has achieved its target of 80% recommendation as a place to receive care. We are also a step closer to receiving the same score as a place to work.

Following the introduction of the Trust Leadership Behaviours in 2017, the Trust has made significant efforts to improve both the compliance and quality of appraisals. The results of this year's survey show that the quality of appraisals has also improved and that appraisals are being valued by staff and not seen as a 'tick box' exercise.

Although not statistically significant changes, the results from this year's survey show that we need to think about how change occurs at the Trust, particularly at a local level. There are more change programmes, such as Adult Community Health Services, Mental Health Outcomes and Digital Transformation, so it is more important than ever that staff are involved in planning and co-producing. This is the way to make sure that benefits are felt by members of staff and by service users.

Our short-term plans to address our staff survey findings

The National Staff Survey 2019 saw a significant increase in responses. This has allowed us to gain additional feedback from services and teams across the Trust and provides an opportunity to provide targeted interventions for services and teams with low advocacy and staff engagement scores. The Trust is developing a robust framework to prioritise support for these teams and will work collaboratively with Directorate Management Teams and the Organisational Development team to deliver action plans for identified services and teams.

Our longer-term plans to address our staff survey findings

The results from this year's survey show that we need to think about how organisational changes occur within the organisation. With significant change programmes planned during 2020, such as Adult Community Health Services, Mental Health Outcomes and Digital Transformation, it is more important than ever that staff are involved in planning and co-producing. This is the way to make sure that benefits are felt by members of staff and by service users.

The Trust has also prioritised reducing incidents of bullying, harassment and abuse towards our staff. In order to see measurable, long-term improvements, the Trust is seeking to move beyond traditional approaches to 'grievances' and developing a solution-focused approach that delivers resolutions. Aligned with 'Civility Saves Lives', this piece of work will involve collaboration between patient safety teams, Human Resources, Organisational Development and Freedom to Speak Up to embed a new Resolution Policy and increase the support for staff to speak up and challenge uncivil behaviour in the workplace.

ANNUAL REPORT DISCLOSURES

Consultancy expenditure

Occasionally, the Trust has a need to bring in external consultants to assist with specific projects. The total consultancy expenditure in 2019/20, as disclosed in Note 6 of our Notes to the Accounts (you can find this towards the end of this Annual Report, in our Finance Report), was £148,000. During 2019/20, surveys and re-measurements of land and buildings were carried out and a company was engaged to assist with project management support.

Off-payroll engagements

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

Number of existing engagements as of 31 March 2020	12
Of which:	
Number that have existed for less than one year at time of reporting	6
Number that have existed for between one and two years at time of reporting	4
Number that have existed for between two and three years at time of reporting	1
Number that have existed for between three and four years at time of reporting	0
Number that have existed for four or more years at time of reporting	1

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

Number of new engagements, or those that reached six months in duration, between 1 April 2019 and 31 March 2020	6
Of which:	
Number assessed as within the scope of IR35	6*
Number assessed as not within the scope of IR35	0
Of which:	
Number engaged directly (via PSC contracted to trust) and are on the trust's payroll	0
Number of engagements reassessed for consistency/assurance purposes during the year	0
Number of engagements that saw a change to IR35 status following the consistency review	0

*All engagements noted here concern agency staff, so the payroll deductions are made by the agency engaging the worker following an IR35 assessment and direction by the Trust.

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

Number of off-payroll engagements of Board members, and/or senior officials with significant financial responsibility, during the financial year.	0
Number of individuals that have been deemed 'Board members and/or senior officials with significant financial responsibility' during the financial year. This figure must include both off-payroll and on-payroll engagements.	29

GOVERNANCE

Effective governance is essential for us to grow and improve. This is because good oversight of our processes helps us to maintain a compassionate, inclusive environment. It also ensures that we offer safe, quality care and high standards of welfare for all our service users.

Northamptonshire Healthcare NHS Foundation Trust has applied the principles of the NHS Foundation Trust Code of Governance on a comply or explain basis. The NHS Foundation Trust Code of Governance, most recently revised in July 2014, is based on the principles of the UK Corporate Governance Code issued in 2012. The NHFT review is compliant with the NHS Foundation Trust Code of Governance each year and has identified no areas of non-compliance in 2019/20 financial year.

WHO CAN BE A GOVERNOR?

Any member of the Trust aged 16 or over can stand for election as a Governor. There are three constituencies: public, service users or carers, and staff. Each elected Governor belongs to and is appointed by one of these constituencies.

We engage Trust members, the Council of Governors and the public on various topics of a strategic and operational nature, for example, the annual plan creation or local service redesigns.

We welcome views from anyone associated with the Trust in any way and we actively encourage input in a number of ways. The public can use forums such as the Board of Directors' meeting. Our Annual Public and Members' Meeting was held on 19 September 2019 and was held jointly with the Council of Governors Annual General Meeting. Further detail about the 2019 meeting can be found later in this section. Members are invited to these meetings as a further opportunity to share their views with the Board of Directors. A register of Governors' interests is updated annually and is available from the Northamptonshire Healthcare NHS Foundation Trust office.

OUR MEMBERSHIP STRATEGY

Historically, the Trust has had separate strategies on membership, volunteering and involvement. A number of workshops on membership and involvement have been held in 2017/18 and 2018/19, working towards integrating the current, separate strategies. These workshops had representatives attend from the Council of Governors, involvement team, and volunteering and communication teams.

As of 1 April 2019, the Trust has a merged Patient and Public Involvement (PPI) Strategy. Merging the three strategies builds on the work that helped secure our CQC 'outstanding' rating and represents good governance. By joining the strategies together, there will be cross-promotion of involvement, which should positively impact our engagement with service users, staff and members of the public. NHFT's PPI strategy revolves around co-production and integrates the Trust's work on membership, with Governors, volunteers and experts by experience. It describes the actions the Trust intends to take in relation to its partnerships, training and support, projects and engagement, promoting involvement, and leadership development.

Each element of the strategy includes its own action plan. In August 2019, the Membership & Governance Sub-group endorsed a Membership & Governor activity action plan. Updates against the action plan are provided at each sub-group meeting. Additionally, through joint working across the elements of the strategy, three key priority areas have been proposed as below:

1. **Equality and diversity.** There is limited diversity amongst the members of our Trust Board, Council of Governors and, although to a lesser extent, our Members. Beyond our legal duty simply to know and understand how age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion/belief, sex, and sexual orientation ('protected characteristics') impact on our work as an organisation, 'equality' is central to our Trust values. We know greater equality and diversity in involvement leads to more effective teams and better health outcomes for all groups.

2. **Children and young people.** Ensuring everyone gets the best start in life has been part of Northamptonshire's health and wellbeing strategy for some time as there is clear evidence that behaviours established in childhood and the teenage years set patterns for later life. Although we have evidence of the effective involvement/engagement of children, young people and their families at a service level, our corporate approach is less consistent and will be addressed in the Children's Patient Experience group which commenced in January 2020.

3. **Adults of working age.** The largest segment of our population, adults of working age make up a significant number of our service users. Evidence shows many adults are living with one or more long-term conditions and will therefore have a long-term relationship with us. Despite this, we often struggle to engage and involve them in developing our strategy and in improving services. Expanding and/or tailoring our range of involvement/co-production opportunities is likely help us to achieve a greater engagement amongst adults of working age across the county and ascertain the key priorities for them.

4. **Capability and capacity for involvement/co-production and peer support.** Some of our staff are well equipped, knowledgeable and confident in involving patients, service users, carers and the public. However, some are not. We want greater consistency with this across our staff population, so that they obtain both lived experience feedback and suggestions to improve the service delivery. This is the same for our Governor body, who have a statutory duty to represent the interests of members, as it is for staff. For some, involvement is seen as a 'specialist' activity rather than an essential part of service delivery.

The introduction of our Recovery College has been a positive development that set a new standard for involvement and co-production. It builds capacity, capability and confidence and encourages the routine sharing of activity with patients, service users, staff and the public to improve learning and understanding. Further work is needed to spread knowledge, skills and experience in involvement and normalise its use across the organisation.

The Council of Governors Membership & Governance Sub-group endorsed these three priority areas at their December 2019 meeting. The governance structure that supports the delivery of the PPI strategy has two strands that reflect the division of responsibilities in legislation/national guidance. Firstly, the responsibilities of the Council of Governors regarding representing members are delivered through the Membership & Governance Sub-group (M&G). Secondly, the Board of Directors uses the Quality and Governance Committee (Q&G), which is supported by Patient & Public Experience Groups, for responsibilities regarding the involvement of staff, stakeholders and the public. The relationship between M&G and Q&G (and that of its chairs) helps avoid duplication at a strategic level.

NHS Providers held their Membership Managers Event on 28 November 2019 and asked for nominations for awards on projects that trusts might be working on. The Trust entered its Patient & Public Involvement Strategy under the Innovation category, which it won. The Trust's Director of Corporate Governance gave a short explanation of the project at the event and copies of the strategy were distributed to other trusts. The Trust will be asked to develop a case study with NHS Providers on this project.

There is also significant focus being given to identifying the best ways to engage with members, and the Trust is considering more targeted communications to members, with the possibility of holding more localised events. This is actively being discussed via the Membership & Governance Sub-group. Promoting the role of the Governor has been actively worked on in 2019/20. The number of 'Become a Governor' sessions was increased from two sessions to four sessions and a video was produced (featuring current Governors) explaining the role of a Governor.

ENGAGING OUR GOVERNORS

We aim to make membership, volunteer and involvement engagement a central part of how we gain an even better understanding of our patients, service users, families, carers, staff and community. We have 12,100 members and their input directly contributes to the development of the Trust.

How we engaged our members this year:

1. **Initial communications**

All new members receive a welcome letter and introductory information.

2. **Ongoing communications**

We continue to issue regular Member bulletins and reports from the Chair. These include Governor and organisational updates, and an e-newsletter that is sent out every 6-8 weeks to members (called Editions). The Members' Bulletin has received a refresh in 2019/20 and now includes patient and staff stories.

3. **Website members' area**

We maintain a dedicated place to find information and updates. This includes information about Governor elections.

4. **Promotional materials**

These help to encourage member recruitment of staff, service users and local carers.

For example, the Trust's services send out membership application forms to our service areas and staff inductions promote the benefits of membership to new employees. A new pack has been introduced for attending events that includes information from membership, involvement and volunteering.

5. **Events**

The PPI strategy has started to lead to improvement of the Trust's membership activities. The Trust held its Annual Public and Members' meeting and its Annual General meeting of the Council of Governors on 19th September 2019. Over 100 people attended and there were stands from NHFT services and external partners.

The event was held at the Northampton Saints' Rugby Ground where some of the players gave a talk on 'The pressures of being an elite sportsperson'. There was also an update on '5 Ways to Wellbeing' and a patient story video. The event was organised by involving Trust Governors in the planning group with our staff.

The type of events held and attended will be based on the strategy priorities going forward. There has been attendance at a number of events such as health and wellbeing festivals, volunteer fairs, local library events and events such as International Disability Day.

Our ultimate aim is to increase our members' sense of engagement with the Trust.

Our membership recruitment programme has been ongoing since 2007. This is in accordance with the Health and Social Care Act 2012 section 153 (2) (2), which requires Trust membership to be representative of the people we serve.

To make sure that our membership is a true representation of the population we serve, we commissioned information from membership engagement services in February 2020. Our membership base was found to have no significant outliers, though there were areas with potential for improvement. This report will be further reviewed by the Council of Governors Membership & Governance Sub-group in 2020. Non-Executive Directors routinely attend the Council of Governors Membership and Governance Sub-group, at which regular reports on membership are presented and discussed.

OUR MEMBERSHIP TARGETS

We review our membership targets carefully before agreeing them. As part of this review, we balance aims for membership growth with investment in the meaningful involvement of existing members.

The Council of Governors' Membership and Governance Sub-group oversees recruitment activities and recommends annual membership targets. These are passed to the Council of Governors for endorsement.

In 2019/20 the 'target' was to maintain the same number of members as in 2018/19 and this has not been achieved. This is due to a data cleanse of the membership database, which resulted in members being removed from the data.

The Council of Governors Membership and Governance Sub-group was made aware of this and agreed it was important to have clean, accurate data and agreed it was acceptable to not hit the 'to maintain' target in 2019/20. The sub-group have made a commitment to work on engaging with the members and recognised this does link to increase mailings and data cleansing. The Council of Governors' Membership and Governance sub-group agreed the 2020/21 'target' will be to maintain the 2019/20 membership numbers.

MEMBERSHIP AT YEAR-END

	March 2016	March 2017	March 2018	March 2019	March 2020
Public members	7,963	8,111	8,299	8,450	8,230
Patient and carer members	2,354	2,344	2,359	2,376	2,309
Public members	7,963	8,111	8,299	8,450	8,230
Total members	11,891	12,012	12,295	12,450	12,144

If you would like to know more about becoming a member of the Trust or would like to contact your Governor or directors, please contact us using the details below.

Foundation Trust Office
Front Block
St Mary's Hospital
London Road
Kettering NN15 7PW
Phone: 01536 452257
Email: foundationtrust@nhft.nhs.uk
www.nhft.nhs.uk/governors

COUNCIL OF GOVERNORS

The Council of Governors is a key element of the Trust's governance framework. Comprised of elected and appointed Governors, the Council discharges specific statutory responsibilities. It represents the interests of members and the public, offers views on our forward plan and holds Non-Executive Directors to account for the performance of the Board. Governors always operate in accordance with our constitution.

Elected Governors are appointed for up to three years at a time. There are three constituencies: public, patients and carers, and staff. Each Governor belongs to, and is appointed by, one of these constituencies. During 2019/20, we held elections for new Governors to fill seats on the Council that had become vacant:

- One Wellingborough & East Northants (Public) seat: the seat was contested, and the previously elected Governor was re-elected from 24 April 2019
- One Unregistered Nurse (Staff) seat: the seat was uncontested, and the previously elected Governor was re-elected from 24 April 2019
- One Adult Service User seat: the seat was contested, and a Governor previously elected in the Younger Service User constituency was elected from 24 April 2019
- One Younger Service User seat: the seat was contested, and a new Governor was elected from 24 April 2019
- Three Carer seats (became or remained vacant).

Governor Elections commenced in February 2020 and concluded in April 2020, all eight seats were filled as below:

- Two Public Kettering & Corby seats (contested)
- One Public Northampton seat (contested)
- Two Adult Service User seats (contested)
- Three Carer seats (uncontested)

Governors stay in post until:

- There is a change in the constitution or
- There is a change in the Governor's personal circumstances, which means they are no longer able to continue, or
- Their tenure expires.

The Council of Governors appoint a lead Governor from its membership to facilitate communication between NHS Improvement and the Council where it may not be appropriate to communicate through the normal channels. From 2 July 2018 Tony Locock, Adult Service User Governor has been Lead Governor and from 23 September 2019, Tremaine Richard-Noel, Adult Service User Governor was re-appointed Deputy Lead Governor (having had to re-stand for the role owing to the expiration of his previous term as a Governor).

One of the ways in which Governors can contribute to the Trust is through their work on committees and sub-groups. They are responsible for appointing or removing the Chair and Non-Executive Directors, as well as setting their remuneration. They also appoint or remove the external auditor.

ROLES OF OUR COMMITTEES AND SUB-GROUPS

Nominations and remuneration committee

This committee appoints, removes and re-appoints the Chair and Non-Executive Directors and determines their terms and conditions.

<u>Committee developments in 2019/20</u>

In 2019/20, the Nominations and Remuneration Committee embarked on a programme of continuous improvement, following a workshop held in April 2019. The committee wished to review a number of its procedures to ensure they were robust and followed 'best practice'.

In July 2019, the committee invited NHS Providers to run a Governwell Course for the Trust on the Governor Role in Non-Executive Recruitment. Alongside the course, NHS Providers reviewed the Trust's procedure and found it was comprehensive and robust.

The committee members did however make a series of further improvements to its '*Procedure For Appointment Or Re-Appointment Of A Non-Executive Director (including the Trust Chair)*' which was endorsed by the Council of Governors at its September and November 2019 meetings. Additional annexes were added to the procedure as follows:

- Role of the executive search company
- Use of stakeholder groups as part of the interview process.

Additionally, some further amendments were made to strengthen processes on the re-appointment of a Non-Executive Director (NED) or Chair.

In 2019/20, the committee worked to strengthen its 'Policy and Procedure for Appraisal and Evaluation of the Chairperson and Non-Executive Directors (NEDs)'. The updated procedure (approved by the Council of Governors in January 2020) now includes a specific questionnaire for Governors to complete for the Chair appraisal, as well as updated questionnaires for the Governors to complete for NED appraisals. Updates were also made to the questionnaires to be used by Board members for the NED appraisals.

The committee has also considered the new NHS England/Improvement Chair Appraisal Framework to ensure its own approach is appropriately aligned. The committee has also made further improvements to its workplan, NED exit interview arrangements and its terms of reference. The committee has also reviewed the new NHS England/Improvement Framework on Chair and NED remuneration. It will be recommending a way forward on this to the March Council of Governors meeting. This item was deferred from the March 2020 meeting and will be discussed at a later 2020 Council of Governors' meeting.

Chair and Non-Executive Appointments and Re-appointments in 2019/20

In 2019/20, the Council of Governors:

- Confirmed the re-appointment of the Trust Chair (Crishni Waring from 1 November 2019) and a Non-Executive Director (Scott Adams from 8 May 2020) for further three-year terms based on recommendations from the Committee.
- A new Deputy Chair was appointed by the Council of Governors (Maria Wogan, from 1 August 2019) following a strengthened process led by the committee. This included updating the role description for the Deputy Chair.
- The Council of Governors endorsed an updated role description for the Non-Executive Directors at its November 2019 meeting.

The committee is currently looking at its 2020/21 workplan and a tender process is currently happening to appoint an executive search company for planned NED recruitment.

Membership and governance sub-group
This sub-group works on membership strategy (via the Patient and Public Involvement Strategy) and considers general items about the Council and the Trust.

This sub-group looked at the size and structure of the Council of Governors during 2019/20. This resulted in some changes to the constitution, as below:

Change to constitution	Date from
Partner Governor Criminal Justice seat renamed to Criminal Justice (Youth)	1 October 2019
Addition of Partner Governor Criminal Justice Seat (Adult)	1 October 2019
Removal of Elected Carer Governor seat	1 December 2019
Addition of Partner Governor Carer seat	1 October 2019
Removal of Older Service User Constituency and Governor seat	24 April 2021*
Adult Service User Constituency to have no upper age limit and additional Adult Service User Governor seat created	24 April 2021*

*Unless the older service user Governor seat becomes vacant earlier

Finance, planning and performance sub-group
Providing views on the forward plan, this sub-group examines financial and non-financial performance in specific areas, dictated by a defined work plan. This sub-group examines the 'resources' elements such as estates and IM&T. This sub-group links with the Board of Director's Performance Committee in order for the Governors to gain assurance from the Non-Executive Directors.

Patient and staff sub-group
This sub-group aims to study and seek assurance on the quality of specific services the Trust provides. It has a particular focus on patient and staff experience. This sub-group undertook an effectiveness review in 2019/20 and is currently looking at how it can further improve its function and agenda planning. It plans to embed these improvements in 2020/21. This sub-group links with the Board of Director's Quality & Governance Committee in order for the Governors to gain assurance from the Non-Executive Directors.

Chairs' sub-group
Comprising the Chair of the Council of Governors, the chairs of each Governor committee/sub-group and the Lead and Deputy Lead Governors, this sub-group plans and discusses agendas for the Council of Governors meetings. This sub-group also now reviews the Board of Directors' minutes and agendas. The Board of Directors' minutes and agendas are also shared with the wider Council.

Governor training and development
The Membership and Governance Sub-group monitors ongoing Governor training. In 2019/20 we made significant progress with identifying and meeting the training and development needs of Governors. Governors have previously agreed to undertake mandatory training, which aligns with the Skills for Health programme that all our staff must also follow. Governors have accessed a range of other training and development opportunities, some of which are NHS-wide and some of which are developed and delivered internally. As highlighted above, in July 2019 NHS Providers facilitated a course on the Governor Role in NED Recruitment. The Membership & Governance Sub-group are currently looking at the Governor Training and Development plan for 2020/21.

HOW WE INVOLVE OUR GOVERNORS
Directors attend the Council of Governors main meeting and Non-Executive Directors also attend the sub-group meetings. This allows them to listen and respond to views and questions from Governors.

Directors routinely receive a written report from the Chair that outlines key issues raised at Council meetings. Governor sub-groups have a Non-Executive Director lead which allows Governors to undertake their statutory duty of holding the Non-Executive Directors, individually and collectively, to account for the performance of the Board of Directors. Executive directors may still attend for relevant agenda items.

The Council of Governors also features partner organisations. These organisations will sometimes carry out their own engagement activities within the local community. Governors will announce any conflicts of interest or make declarations of interest where appropriate. The Chief Executive reports on meetings with key partners in the local health and social care economy. This is communicated in a regular report and gives Governors another opportunity to declare shared interests of themselves or their members. The Chair's report to the Board of Directors' meetings is also included on the Council of Governors agenda. This provides additional opportunities for Governors to be informed of and raise any questions on issues covered by the Chair's report.

Contribution to our annual plan
The Council of Governors and the Finance Planning and Performance Sub-group contribute to the Trust's forward plan each year. Governors and members were also engaged through a series of events in the process to refresh the Trust's Strategic Plan 2018/19 to 2022/23. Governors have a specific duty to engage members and are expected to seek their view on performance and progress. Governors have utilised the Members' Bulletin to invite members to express views and highlight any concerns.

GOVERNORS

We held six meetings of the Council of Governors during 2019/20. Sandra Wright (Carer Governor) was in post from 1 April to 23 April 2019, but no Council of Governors meetings were held during this time. Governor attendance at meetings during the year is listed in the following table.

Constituency	Class	Name	Number of meetings attended
Public	Corby and Kettering	Chris Davison	6 of 6
	Corby and Kettering	Richard Dobson	4 of 6
	Corby and Kettering	Paul Joy	3 of 6
	Northampton	Des Savage	4 of 6
	Northampton	Howard Wood (until 26 June 2019)	1 of 1
	Northampton	Saher Anwar	2 of 6
	Wellingborough and East Northants	John Walker	6 of 6
	Wellingborough and East Northants	Janet Hathaway	6 of 6
	Wellingborough and East Northants	David Robinson (until 9 December 2019) Ranjit Singh (from January 2020)	0 of 4 2 of 2
	Daventry and South Northants	Carol Phillips	4 of 6
	Daventry and South Northants	Gary Telford	3 of 6
	Daventry and South Northants	Michael Darling	4 of 6
	Rest of England	Colin Cohen	4 of 6
Patients and carers	Adult service user	Kevin Boyce	3 of 6
	Adult service user	Tremaine Richard-Noel (From 24 April 2019)	4 of 6
	Adult service user	Beverley Sturdgess (until 17 May 2019)	0 of 1
	Adult service user	Jane Petch (until 8 August 2019)	0 of 2
	Adult service user	Alan Clark	4 of 6
	Adult service user	Tony Locock	6 of 6
	Younger service user	Bradley Devlin (join 23 August 2019 until January 2020)	1 of 4
	Older service user	Margaret Horne	2 of 6
	Carer	Sandra Bemrose	0 of 6
Staff	Registered nurses	Cazz Broxton	4 of 6
	Non clinical	Samantha Benfield	4 of 6
	Other clinical	Kirsty Harris (until September 2019) Manda Mellors (from October 2019)	3 of 3 3 of 3
	Doctors and dentists	Shahid Hussain	0 of 5
	Unregistered nurses	Stuart Fitzgerald (until March 2020)	5 of 5
Partners	Borough and District councils	Rosemary Herring	3 of 6
	Northamptonshire County Council	Christina Smith-Haynes	2 of 6
	Northamptonshire Rights and Equality Council	Martin Sawyer (Until January 2020) Wendi Buccanhan (From 30 January 2020)	2 of 4 1 of 1
	Older people – Age UK Northamptonshire	Sue Watts	5 of 6
	The University of Northampton	John Turnbull	6 of 6
	Carer	Mark Major (From January 2020)	2 of 2
	Criminal Justice-Youth	Liz Fowler (From 15 November 2019)	2 of 3

DIRECTOR ATTENDANCE

AT COUNCIL OF GOVERNOR MEETINGS

Members of the Board of Directors are invited to attend Council of Governors meetings. Directors are routinely invited to contribute to discussions and to present information on key issues.

NAME OF DIRECTOR	TITLE	NUMBER OF MEETINGS ATTENDED (SIX MEETINGS)
Crishni Waring	Chair	6 of 6
Scott Adams	Non-Executive Director	4 of 6
Alastair Watson	Non-Executive Director	4 of 6
Moira Ingham	Non-Executive Director	6 of 6
Maria Wogan	Non-Executive Director	4 of 6
Nicky Mcleod	Non-Executive Director	6 of 6
Melanie Hall	Non-Executive Director	5 of 6
Angela Hillery	Chief Executive	4 of 6
Prof. Alex O'Neill-Kerr	Medical Director	5 of 6
Richard Wheeler	Finance Director	4 of 6
Julie Shepherd	Director of Nursing, AHP's and Quality (until 1 Jan 2020) Chief Nurse (from 1 Jan 2020)	5 of 6
Sandra Mellors	Deputy Chief Executive (From 2 September 2019) and chief operating officer (until 29 Feb 2020)	4 of 6
Chris Oakes	Director of Human Resources and Organisational development	3 of 6
David Williams	Director of Strategy and Business Development	4 of 6
Jean Knight	Chief Operating Officer (From 1 March 2020)	1 of 1

The Trust works with key stakeholders on many issues that are strategic, for example, the annual plan, as well as operational, for example, local services redesign. Patients and the local community are represented in a number of ways, including through the Council of Governors, public access to Board of Directors meetings and the annual public and members' meeting.

The Council of Governors is made up of partner organisations. Some of these organisations are connected to, and work in, our local community. Governors will declare any conflicts of interest or declarations of interest, as appropriate. The Chief Executive, in her regular report to the Council of Governors, will highlight meetings with key partners in the local health and social care economy. This gives Governors the opportunity to raise any issues in which they and their members may have a shared interest. Staff Governors are routinely invited to attend the Trust's staff partnership forum meetings.

NHS SINGLE OVERSIGHT FRAMEWORK

In August 2019 NHS Improvement and NHS England published a joint NHS Oversight Framework for 2019/20, with changes to oversight characterised by several key principles:

- NHS England and NHS Improvement teams speaking with a single voice, setting consistent expectations of systems and their constituent organisations
- A greater emphasis on system performance, alongside the contribution of individual healthcare providers and commissioners to system goals
- Working with and through system leaders, wherever possible, to tackle problems
- Matching accountability for results with improvement support, as appropriate
- Greater autonomy for systems with evidenced capability for collective working and track record of successful delivery of NHS priorities.

Segmentation
The segment or category in which an organisation is placed is determined by the level of support teams have decided is appropriate (universal, targeted or mandated).

The Trust is one of 45 trusts that have been categorised as Segment 1, operating under maximum autonomy, with no actual support needs identified and able to access universal support on a voluntary basis. There is an expectation that the Trust supports providers in other segments. Current segmentation information for NHS trusts and foundation trusts is published on the NHS Improvement website.

Finance risk rating

The finance risk rating, scored from '1' to '4', where '1' reflects the strongest performance, is based upon the scoring of five measures:

- Capital service cover rating
- Liquidity rating
- I&E margin rating
- I&E margin: distance from financial plan
- Agency rating.

Finance and use of resources rating	Plan 31 March 2020 Year to date	Actual 31 March 2020 Year to date
Capital service cover rating	2	2
Liquidity rating	1	1
I&E margin rating	2	2
I&E margin: distance from financial plan		1
Agency rating	1	1

ANNUAL GOVERNANCE STATEMENT

Scope of responsibility

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

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of Northamptonshire Healthcare NHS Foundation Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Northamptonshire Healthcare NHS Foundation 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 Quality and Governance Committee and the Performance Committee have delegated responsibility as part of the organisation's risk management strategy on behalf of the Trust's Board of Directors. This ensures the best leadership, coordination and prioritisation is received, on a strategic and operational basis, of the risk management agenda in relation to clinical, quality, workforce, operational and financial risks. This includes the identification of the full range of risks that are inherent in the delivery of healthcare.

The Health, Safety and Risk Committee provides an overarching view of health, safety and welfare and assurance that non-clinical risks are managed effectively on behalf of the organisation. Key health and safety areas of focus during 2019/20 were the development of specific Control of Substances Hazardous to Health (COSHH) training for domestic staff, a programme of works relating to fire doors and subsequent programme of prioritisation for remedial actions, car parking safety and improving risk review timeframes.

The risk management structure is detailed in the Trust's risk management strategy. It describes the responsibilities and accountabilities of all directors, managers and staff, including the duty to identify and report risks of all kinds, and the duty to act upon these using their own skills and competencies in the management of risk. The Trust ensures, through our management structure, that we provide training and support on the delivery of risk management activities such as:

- Local and corporate induction training
- Health, safety and risk awareness
- Incident reporting and monitoring
- Risk management systems and processes.

The risk and control framework

As part of their routine 2019/20 audit plan, the Trust's Internal Auditors reviewed the Organisational Risk Register (ORR) and systems underpinning risk management and concluded that "The framework for monitoring and management of the ORR and Trust risks is thorough and well defined. Areas for further development have been identified to strengthen the control environment for risk review, use of the Trust Risk Appetite and improve the clarity of ORR content".

The significant risks in relation to the Trust's strategic objectives are described in the Trust-wide ORR. During 2019/20, the most significant risks included:

- Financial performance does not meet plan due to internal and external risks crystallising and mitigations being insufficient
- Lack of expertise and good systems inhibits our ability to achieve
- Appropriate safeguarding arrangements
- Excess demand results in patients being unable to access community adult services
- Failure to deliver a diverse and inclusive workforce.

These risks will carry forward into 2020/21. The Trust has put in place controls and action plans to mitigate these risks and these are described in the ORR, including effective financial governance arrangements, contractual performance target monitoring and internal safeguarding groups. The risks and mitigations relating to Covid-19 are also being reflected in the Trust's ORR. Emergency Preparedness Risk and Resilience (EPRR) remains on the ORR as the Trust's EPRR arrangements continue to develop.

During 2017/18, the Trust moved from 'substantial' to 'fully compliant' with EPRR Core Standard. This fully compliant rating was maintained in 2018/19 and again in 2019/20.

The Trust's internal audit programme supports the organisation in continuously strengthening its governance processes. The Head of Internal Audit opinion was that **Reasonable** assurance could be given that the Trust has a generally sound system of internal control, designed to meet the organisation's objectives, and that controls were generally being applied consistently. However, some weakness in the design and/or inconsistent application of controls, put the achievement of particular objectives at risk.

The Trust recognises the on-going challenges and risks associated with cyber security and therefore has a continuing focus on the issue, including initiatives designed to mitigate these risks and to meet NHS Digital requirements. As part of its Board Development Programme, the Board participated in Cyber Security Training delivered by NHS Digital.

Future risks and associated mitigations are identified in a number of ways, including the Board's regular 'horizon scanning' of the environment in which the Trust is operating, as well as through the regular refresh of the organisational risk register following the annual planning process. The Trust also reviews and reports on the determination of its risk appetite using a matrix that comprises risk levels and key elements (for example financial, compliance, quality and patient benefit).

The principal risks to compliance with the Trust's condition 4 of the NHS provider licence relate to poor corporate governance arrangements, including ineffective performance management and reporting systems (with respect to quality, operations and finance), and inadequate business planning processes.

Key measures in place to mitigate against these risks include:

1. The effectiveness of governance structures:
    - During 2019/20, the Trust's internal auditors undertook as part of their routine audit plan an assurance review, which assessed the effectiveness of the Trust's Governance Framework and benchmarked the Board governance processes and structures. The outcome of the review provided an overall assurance assessment of 'substantial assurance' by the internal auditors.

    - Appropriate governance structures have been developed and are subject to regular review in respect of the Trust's 'buddy' arrangement with Leicestershire Partnership NHS Trust.

    - The Trust has established effective operational and corporate governance arrangements to respond to the challenge associated with the coronavirus and these will be subject to ongoing review. However, the Trust's existing governance arrangements were flexible enough to enable the Trust to respond adequately and quickly to the Covid-19 pandemic.

    - Continued work has been undertaken to further improve Board processes including content and format of papers, agenda planning and assurance reporting. Board Governance training workshops continue to be delivered to senior leaders across the Trust. Part of these workshops has focused on the development of the requisite report writing skills.

    - In 2019/20, the Board of Directors and Council of Governors held two joint workshops. The first workshop, held in June 2019, focused on how the Board and Council Members could work effectively together, including consideration of the respective roles of Governors and Board Directors. The session considered how both the Board and Council of Governors contributed/continued to contribute to the Trust's 'Outstanding' CQC rating.

    - The second Joint Board and Council workshop was held in August 2019 and focused on Population Health Management and Local Health Inequalities, Integrated Community Teams and Patient and Public Involvement. Attendees were asked to consider each of these issues and the role that both Board and Governor members could contribute to these elements. NHS Improvement expects foundation trusts to carry out an external review of their governance arrangements every three years. In 2015/16, we engaged Ernst and Young LLP (EY) to undertake an external well-led governance review following a tender process. To further develop good governance practices in future, we responded to the report by developing and implementing an action plan. At its July 2018 meeting the Board of Directors agreed to the proposal to extend the external review timescale from three to five years. NHS Improvement had indicated there was a potential need at a national level for the rationale and timing of development reviews to be re-evaluated given the recent introduction of CQC annual well-led inspections. Having reflected on this feedback, the Board concluded that extending the external review timescale from three to five years was a sensible approach since it would thereby allow time for a definitive view to be gained from NHS Improvement on the future of development reviews. The development review is therefore scheduled to take place during 2020/21. This had been agreed and confirmed by NHS Improvement in January 2019, following the Performance Review Meeting held in October 2018.

    - Our Board of Directors and committees routinely review their performance against specific criteria at every meeting. Individual Board committees have either reviewed their performance against their terms of reference or have plans to review this in the near future.

- Representatives from the Council of Governors attend Board of Directors' meetings, at which Governors are given the opportunity to raise questions and comments at appropriate points on agenda items being discussed by the Board. Reports from Council of Governors' meetings are regularly presented at Board of Directors' meetings, thereby facilitating discussion and information sharing between these two forums.

- The Trust has robust information governance and data quality policies in place, accessible to all staff, which cover issues such as data security and systems' data quality. The Trust also has a Board-appointed Senior Information Risk Owner and Caldicott Guardian.

- The Trust's constitution is regularly reviewed and updated to reflect legislative changes or organisational requirements with appropriate advice obtained from the Trust's legal advisors. The Council of Governors, in conjunction with the Board of Directors, reviewed aspects of the FT Constitution. The Council of Governors (via the Membership & Governance Sub-group) reviewed the size and structure of the Council of Governors during 2019/20. This resulted in some agreed changes to the Constitution as below:

Change to Constitution	Date from
Partner Governor Criminal Justice seat renamed to Criminal Justice (Youth)	1 October 2019
Addition of Partner Governor Criminal Justice Seat (Adult)	1 October 2019
Removal of Elected Carer Governor seat	1 December 2019
Addition of Partner Governor Carer seat	1 October 2019
Removal of Older Service User Constituency and Governor seat.	24 April 2021*
Adult Service User Constituency to have no upper age limit and additional Adult Service User Governor seat created	24 April 2021*

*unless the Older Service User Governor seat becomes vacant earlier

- In January 2020 the Strategic Executive Board received a report which detailed analysis/benchmarking against the NHS Providers Governance survey results, which provided positive assurance that the Trust was performing well against the benchmarked areas of the survey.

- In preparing the Annual Governance Statement, there are no material inconsistencies identified between this Statement, the existing Corporate Governance Statement, Quality Report, Annual Report and reports arising from the CQC.

2. The responsibilities of directors and committees:
   - Board committee terms of reference and membership are regularly reviewed.

   - The Board of Directors' structure is regularly reviewed to ensure its continued effectiveness and that arrangements for talent management and succession planning are in hand. Executive Team capacity has been reviewed and strengthened to support the Trust's 'buddy' arrangement with Leicestershire Partnership NHS Trust and joint Chief Executive role.

   - The Trust has a policy and effective procedures in place to ensure compliance with Fit and Proper Persons regulations.

   - All Board Directors undertake regular service visits to clinical areas, identifying areas of positive practice and issues for further attention.

3. Reporting lines and accountabilities between the Board, its committees and the executive team:

- These are clearly defined within the overall governance structures of the Trust and within the terms of reference of the Board committees. Reports and minutes from Board committees are included in the public and private sessions of the Board of Directors' meetings respectively.

- The Trust's governance pack, which provides a comprehensive picture of the overall governance structures operating within the organisation, is regularly updated to ensure it continuously reflects current practices. Changes to the top-level governance structure are reported, through a standing item agenda, at the Trust's Audit Committee. The Governance Pack is now also regularly reviewed/reported to the Strategic Executive Board, which includes updates regarding any proposed changes to the pack.

- The structure and arrangements of executive team meetings were reviewed and strengthened during 2017/18, and the new format was introduced from April 2018. In November 2018, these arrangements were again further reviewed by the Strategic Executive Board and it was agreed that the effectiveness of the new executive governance structure was working effectively in line with the original vision, with some areas for further development identified. During 2019/20, a further review of elements of the executive meeting structure has taken place with resultant changes being implemented in 2020/21.

- Management of risk is allocated to two committees of the Board of Directors: the Performance Committee and Quality and Governance Committee, with the Board taking an overarching responsibility for risk (including ensuring effective exchange between the two committees). Following the lead of the Quality and Governance Committee in 2019/20, the Performance Committee also introduced the practice of deep diving into red-rated risks as a regular item at its meeting to further strengthen insight and scrutiny of key organisational risks.

- The Audit Committee's terms of reference also include risk management responsibilities: the committee reviews the establishment and maintenance of an effective system of integrated governance, risk management and internal control across the whole of the organisation's activities – both clinical and non-clinical – that supports the achievement of the organisation's objectives.

4. Submission of timely and accurate information to assess risks to compliance with the Trust's NHS provider licence:

- The Board routinely receives and reviews the ORR as part of the Trust's robust and well-embedded risk management strategy
- Monthly submissions and in-quarter ad-hoc exception reporting are made to NHSI
- Specific monitoring and assurance arrangements have been established and agreed by the Quality and Governance Committee to ensure ongoing compliance with the Trust's provider licence conditions.

5. The degree and rigour of oversight the Board has over the Trust's performance:

- The Trust has well-established performance management systems in place with respect to our quality, operational and financial obligations, with appropriate links to the ORR processes. The Board of Directors routinely receives and scrutinises performance reports at its meetings, with ongoing development of a Trust-wide integrated Performance Dashboard. The Performance Committee and Quality and Governance Committee have key responsibilities within the overall performance management framework and quality strategy of the Trust.

- The Board takes leadership of the Trust's planning processes (both operational and strategic) and receives and reviews regular progress reports on delivery. Board sessions are held as part of the overall planning process, to which deputy directors (operational and clinical) are regularly invited. As part of its Board Development programme, the Board discussed and reviewed its Strategy in the context of the NHS Long Term Plan during 2019/20.

The Trust has applied the principles of the NHS Foundation Trust Code of Governance on a 'comply or explain' basis. The NHS Foundation Trust Code of Governance, most recently revised in July 2014, is based on the principles of the UK Corporate Governance Code issued in 2012. The Trust is required to comply with its Foundation Trust Constitution, and governance processes are designed to underpin this requirement.

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

The risk management strategy includes an explanation of the Trust's philosophy towards risk management within our strategic aims and objectives, and clear definitions of individuals' roles and responsibilities. The strategy, which is reviewed by the Board annually, outlines the Trust's approach to the following:

- The responsibility of every member of staff to recognise, respond to, report, record and reduce risks while they are undertaking work for the Trust.

- The provision of high-quality services to the public in ways aimed at securing the best outcome for all involved. To this end, the Trust ensures that appropriate measures are in place to reduce or minimise risks to everyone for whom we have a responsibility. These include patients, staff, contractors and visitors who are on Trust premises.

- The implementation of policies and training to ensure that all appropriate staff are competent to identify risks, are aware of the steps needed to address them and have authority to act.

- Management action to assess all identified risks and the steps needed to minimise them. This comprises continuous evaluation, monitoring and reassessment of these risks and the resultant actions required.

- The designation of executive officers with responsibility for the implementation of this strategy and the execution of risk management through operational and monitoring committees, as described in the risk management strategy and policy.

- Action plans to maintain compliance with the requirements for Care Quality Commission (CQC) registration, which contribute to delivery of the risk control framework and registration standards assurance.

- The process by which risks are evaluated and controlled throughout the organisation. In support of the risk management strategy and policy, a range of policies exist that provide clear guidance for staff on how to deal with concerns, complaints, claims, accidents and incidents on behalf of patients, visitors or themselves. Risk management is embedded within the organisation as follows:

    - Compliance with the mechanisms for the reporting of all accidents and incidents.
    - Information from incident reporting data is integrated into new service developments through the Datix incident reporting system.
    - All serious incidents are actively managed and monitored to ensure compliance with action plans and being open. Progress is monitored by the Board of Directors at each meeting both in public and private session. Training and education programmes for staff, including induction programmes.
    - Use of local, directorate and corporate risk registers and the National Patient Safety Agency grading matrix throughout the organisation.
    - A financial risk assessment is incorporated into the bi-monthly financial reporting arrangements for the Performance Committee and the Board.

- A Freedom to Speak Up Guardian and policy are in place and awareness of this is promoted within the Trust, with clear reporting lines established within the Trust's governance structures.
- Outcomes from complaints, incidents and claims are used to mitigate future risks and these outcomes are also aggregated to identify Trust-wide risks.

The Trust's ORR fulfils the functions as described in the guidance as it:

- Covers all the organisation's main activities
- Identifies the Trust's strategic focus
- Identifies, scores and risk profiles the key risks to achieving its objectives
- Identifies and describes the significant systems of internal controls in place to manage the risk
- Identifies the review and assurance mechanisms, and therefore the effectiveness of the systems of internal control
- Identifies gaps in controls and assurance and the link to Board plans.

The ORR describes the risks to achieving the organisation's strategic objectives. They are drawn from operational indicators of risk and from horizon-scanning discussions about external risks to achieving the strategic objectives. The ORR is updated regularly through the year. Any gaps in controls that are identified are subject to the implementation of an action plan and assurances within the ORR.

The Performance Committee and Quality and Governance Committee continually review the ORR, and assurance of the process and management of risks is reported to the Board of Directors in public session.

The Trust has a robust risk assessment and risk register process in place to identify both clinical and non-clinical risks at local, directorate/service and organisational levels. Those risks that cannot be eliminated or managed at a local or directorate/service level, and are assessed to be a significant risk, are escalated to the organisational risk register.

The Trust uses DatixWeb, a risk management information system incorporating the use of dashboards for real-time reporting and escalation of identified risks.

The Trust has a Board-approved Workforce Strategy that underpins the Trust's mission, vision and strategic objectives. In assessing our priorities for action, we took into account: the NHS Interim People Plan, the NHS Staff and Learner's Mental Health Well Being Commission Report, the NHSI Developing Workforce Safeguards Report 2018, the NHS Developing People Improving Care Report 2016. In addition, consultation and engagement with key stakeholders was undertaken.

The strategy was developed in consultation with senior leaders from across the Trust and the resulting workforce objectives are part of the Trust's overall objectives. The strategy was reviewed and refreshed in October 2019 and approved by the Trust Board at the November 2019 Trust Board.

The strategy sets out an enabling framework to ensure that short, medium and long-term workforce strategies and staffing systems are in place, which assures the Board that staffing processes are safe, sustainable and effective. It outlines the approach to leadership, recruitment, retention, workforce efficiency and optimisation and provides a clear mechanism for engaging and developing leaders and staff to enable the cultural changes necessary to deliver the Trust's vision.

An integrated WorkForce Assurance dashboard has been developed at Trust and service level to support the assurance process.

NHFT uses a range of workforce-planning methods:

1. Professional judgement method – multi-disciplinary teams (MDTs) of lead clinicians and managers consider workforce requirements together with the Safe Care Leads, Human Resources and Organisational Development Team. Using their professional judgement, Multi-Disciplinary Teams (MDTs) will review the current performance standards, financial performance, patient feedback and commissioning intentions and consider the benefits/risks of alternative skill–mixes as part of this approach.
2. Workload quality method – the Trust uses evidence-based tools to calculate staffing levels based on a variety of inputs, including Keith Hurst (2016) Acuity and Dependency Tool, staffing requirements tool (Professional Judgment Tool, Keith Hurst 2015) and the MHOST (Mental Health Optimal Staffing Tool), to ensure that the nursing establishment supports the staffing level and skill mix for each ward. Whilst more common in ward-based services, the Trust is developing its own staffing models for some community-based services.
3. Triangulation of the above with quality, patient feedback, workforce and workflow metrics.
4. Benchmarking internally and externally (where information is available and applicable).

The resulting workforce plan is developed in consultation with senior leaders and is triangulated against performance, activity and finance data to ensure it is appropriate and affordable.

The Trust has a range of dashboards that provide data required for triangulation. NHFT is developing its dashboards in line with NHS Improvement 'best practice' recommendations. All service managers have access to appropriate dashboard(s), which ensures operational leads are fully aware of their current quality performance.

The Trust's Board and its committees receive triangulated data in a number of key documents including Safer Staffing, various reports related to Patient Safety, e.g. Serious Incident, Learning from Deaths etc. and Workforce and Financial reports.

The Trust utilises the information in a number of ways to:

- Assure the Board that the systems and processes are working to identify risk or good practice/outcome
- Challenge the data and request further information
- Identify internally driven, focused pieces of quality work
- Review dashboards
- Formulate ideas for change or for new ways of working
- Review the ORR
- Identify new quality indicators aligned to transformational programmes and
- Promote quality across the organisation utilising key messages/themes.

The Trust uses triangulated data to drive quality improvement initiatives across the organisation and to enhance service productivity, where appropriate. The Trust has a structured approach through its governance arrangements to ensure that changes that impact on staffing levels/skills mix etc. are subject to robust quality impact assessments. The approach to undertaking quality Impact assessments on new tender/bid applications has also been reviewed and improved.

The Trust is required to be registered with either or both the Care Quality Commission (CQC) and Ofsted for delivery of our services. The Trust achieved registration for all of our services with the CQC from 1 April 2010, and Ofsted from 1 August 2013, without any conditions of registration. The CQC have undertaken Mental Health Act inspections across appropriate services within the organisation in 2019/20. Ofsted have also undertaken inspections in 2019/20 with positive outcomes being demonstrated and, where needed, actions being undertaken. The CQC did not take any enforcement actions against the Trust during 2019/20, nor has the organisation been required to participate in any special reviews or investigation by the CQC during the year.

Under its routine inspection programme, the CQC inspected the Trust in September and October 2019 and published its report in December 2019. The Trust maintained its overall rating of 'Outstanding' in this inspection, with a rating of 'Outstanding' in the Caring and Well-Led domains. Prior to this, the CQC reviewed the organisation in June and July 2018. The Trust has taken forward the learning from the CQC inspection in 2019 and is currently delivering against the action plan reporting both to Trust Board and the Quality and Governance Committee.

The Trust is fully compliant with the registration requirements of both the CQC and Ofsted. The organisation has robust quality governance arrangements in place, which are underpinned by the Trust's quality and governance framework. The Trust has a compliance-monitoring process for all services, whereby each service undertakes a quarterly self-assessment, which is used to provide assurance that they are assessed against quality and safety standards.

The information gained from the internal assessment is reviewed and services are supported to develop solutions to any identified gaps or share good practice where this has been highlighted. Patients, service users, carers and visitors are encouraged to report any issue of concern, or suggest areas for improvement using iWantGreatCare, leaflets, comment cards (positioned in patient areas), and through discharge patient surveys. We also triangulate information relayed to us via the PLACE audit outcomes. Our robust involvement pathway includes gathering feedback from external stakeholders as well as using patients' and carers' views. This process enables these groups to feedback and scrutinise the Trust's activity, ensuring that the patient and carer view is incorporated into our systems.

The organisation has a number of patient experience groups, where patients and carers are members. These oversee and monitor involvement and patient experience activity in the Trust. Our patient advice and liaison service (PALS) provides central reporting of low-level concerns and issues raised by patients, General Practitioners (GPs) and the public. It is also fully integrated with the complaints management process.

These and other patient experience issues are considered at the pathway patient experience groups, which report to the public and patient experience steering group and then ultimately into the Quality and Governance committee.

Complaints, along with other quality data, are reported in a quality dashboard that all managers and service leads can view and evaluate in terms of their own performance. Additionally, the Trust continues to use iWantGreatCare, which has successfully generated unprecedented levels of feedback from our service users, carers and relatives.

Our Council of Governors has been in place from 1 May 2009, which has strengthened arrangements for the involvement and accountability of patients, carers, staff, partners and the public. The Council of Governors also has a sub-group structure in place, whose remits include finance, planning and performance, patient and staff, and membership and governance. These sub-groups help support the Trust's scrutiny and assurance processes. The Council of Governors' Chairs Sub-group reviews the agendas and minutes of the Board of Directors' meetings held in public and private session. The Board papers, agendas and minutes are also shared with the wider Council of Governors. Revisions to the Council of Governors Sub-group structure were implemented from April 2018 and, as part of this process, Council sub-groups were more closely aligned with Trust Board Committees.

As part of the on-going development of this work, one sub-group has undertaken an effectiveness review (Patient & Staff Sub-group). The outcome of the effectiveness review is currently being progressed and will result in changes to how the sub-group approaches its agenda and how it links with the Quality and Governance Committee.

The (Governor) Nominations and Remuneration Committee in 2019/20 also took the opportunity to further develop and improve some of the Trust's procedures/processes in relation to Chair/Non-Executive Directors Appointments and the Appraisal procedure for the Chair/Non-Executive Directors. Both procedures were updated and approved by the Council of Governors during 2019/20. It also reviewed its terms of reference and its workplan during 2019/20.

In 2019/20 the Council of Governors received presentations and had the opportunity to comment on a range of topics including Freedom to Speak Up, Northamptonshire Health and Care Partnership, Primary Care Networks, EU Exit and joint working with the voluntary sector. The Council of Governors is an important piece of the overall governance jigsaw of the Trust.

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

Control measures are in place to ensure that all the organisation's obligations under equality, diversity and human rights legislation are complied with. Compliance is reported on an annual basis in the published *Equality Information Report as required by the Public Sector Equality Duty (PSED)*. Regular progress/actions are taken to the Board of Directors and the Quality and Governance committee. The Equality, Inclusion and Human Right Assurance Board (EIAB), co-chaired by the Director of Nursing, AHP's and Quality and a Non-Executive Director provides the Trust with overarching assurance of compliance with the Equality Act 2010, Public Sector Equality Duty and gender pay reporting and has a clear focus on Patient Experience. Service users and carers, and community representatives are included in the membership. This EIAB oversees a number of sub-committees and groups, which strengthen the Trust's governance around Equality, Diversity and Inclusion.

The Diversity Network Leads (DNL) meeting takes place on a quarterly basis and is co-chaired by the Chief Executive and BAME Staff Network Chair and supported by the Director of Human Resources and Organisational Development. The DNL oversees work undertaken to improve the staff experience and leads on workstreams that develop an inclusive workplace culture. Our four Staff Networks (BAME, Disability, LGBTQ+ and Carers Networks) report into the DNL and the networks are recognised as a key stakeholder group within the Trust decision-making and consultative processes.

The Trust undertakes relevant and proportionate Equality Analysis (*due regard*) to consider the impact of our policies, functions and actions in relation to groups protected under the Equality Act 2010. Equality Analysis are embedded in our policy development frameworks and ratified through the Trust Policy Board. In addition, the same process is applied to organisational change, service redesign and cost improvement programmes managed through the Project Management Office (PMO). Equality Analysis is embedded into the PMO function. The Equality and Inclusion Compliance Manager provides the scrutiny for service re-design, improvements and policies, and final approval is given by Director of Nursing and the Medical Director.

The organisation implements all NHS England (NHSE) equality and diversity standards and requirements. The Trust uses the NHS Equality Delivery System (EDS2), Accessible Information Standard, and the NHS Workforce Race and Disability Equality Standards to improve patient and staff experience. For each regulation, performance is monitored by the EIAB and reported to commissioners and NHSE, as required and published in our annual Equality Information Report.

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.

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

The Trust reviews economy, efficiency and effectiveness through the review of finance and performance at budget manager, service director and overall Trust level. In addition to a system of devolved budget management, the Trust operates a service review process where achievement of performance, quality standards and financial targets is considered. There is also a system of reporting finance and performance to the Board of Directors, supported by detailed performance and financial reporting to the Performance Committee.

For an indication of economy and efficiency in the organisation, the Trust used benchmarking information from 1 April 2019 to 31 March 2020. Detailed work is being undertaken as part of the cost improvement planning process for 2020/21 and in support of on-going efficiency improvement via the Transformation Committee, this includes engagement with key senior managers (e.g. specific workshop held in January 2020). This work will enable the Trust to understand why costs of some of its individual services appear to be high and to identify opportunities to improve economy and effectiveness through our productivity and/or cost improvement programmes. The Trust is a member of the NHS Benchmarking Network and has participated in benchmarking exercises during 2019/20.

The Trust has implemented informal Service Line Reporting (SLR) since March 2015. In addition to showing profitability and contribution by service lines, the system also currently provides reference cost comparison with our service line unit costs and comparison by service line with reference costs of our statistical nearest neighbours, enabling internal benchmarking between wards and teams. This is underpinned by a high-level patient level costing that also enables comparison between patients and between clinicians.

Information governance

During the period 1 April 2019 to 31 March 2020 the Trust has continued to improve its information governance framework. The management of information governance risks has been reviewed through monitoring information assets, information flows and information governance incidents via our information governance team. This activity supports the application and monitoring of compliance against the requirements of the Data Security and Protection toolkit. Achievement against this is monitored through the Information Management and Technology (IM&T) Programme Board. The Trust has exceeded the minimum standard for the Data Security and Protection Toolkit and has established a framework to oversee information governance compliance within the organisation.

The IM&T Programme Board receives reports on all key information governance issues. The information governance team received reports of 665 incidents between 1 April 2019 and 31 March 2020. This figure includes any medical records incidents as well as the reported loss of smartcards. This figure also includes 122 incidents relating to other organisations that have been logged by Trust staff on the Trust reporting system.

There were 10 serious incidents reported to the Information Commissioner’s Office via the information governance incident national reporting tool. The incidents related to breaches of confidentiality. The incidents have been reviewed by the Information Commissioner's Office, who have determined that the Trust has taken appropriate action and no fines or penalties have been levied towards the Trust.

Data and Quality Governance

The organisation has clear governance and leadership arrangements to ensure the development and achievement of quality improvements across the organisation, which is underpinned by a robust framework. Executive responsibility for quality and safety rests with the Chief Nurse and the Medical Director.

The quality team works with operational managers and deputy directors to monitor progress in delivering our core quality initiatives inclusive of Commissioning for Quality and Innovation (CQUIN), the quality schedule and the Quality Account. Quality initiatives within the Trust continue to be reinforced by our quality framework, which was reviewed in 2019/2020. The organisation has established arrangements via the Quality Forum for the regular review of service performance and monthly monitoring of a range of quality and effectiveness indicators. Additional processes are in place to support innovation, inclusive of quality improvements in efficiency and cost effectiveness.

The key document for quality measurement and reporting is the Quality Account, of which a quarterly update of the quality indicators is delivered to the Quality and Governance Committee. The quality priorities identified in the account are sourced from a review of risks, innovation and internal discussion; these are then widely consulted upon to ensure they are appropriate. The account, once in draft format, will be reviewed in a number of forums, and will be audited against the national guidance by the organisation's internal audit team. In addition, the organisation has a dashboard, subject to continuous development, which allows pathways to receive detailed information relating to their services in line with all aspects of quality and safety. Data from the dashboard is reviewed and submitted in report format to the quality forum, where it is evaluated and areas of risk/good practice are escalated as appropriate to the Quality and Governance Committee. These concerns need to be highlighted so that actions can be developed to ensure the Trust maintains its vision to deliver high quality care for all.

Statutory reporting on elective wait times is required for only two Trust services, with wait lists and access times fully monitored and triangulated. Data quality is assured via existing automated processes to identify the incorrect patient demographics (correct NHS numbers, postcodes, GP registration etc.) and prevent duplicates in data.

This also includes prevention of impossible errors (gender and age patient treatments are appropriately aligned) at patient level reporting for each service, for the reporting of both access times for patients seen and wait times for patients still waiting to be seen, through the organisation's established performance framework meetings. Internally, performance in this area is measured against an 18-week expectation with action planning required as standard for areas of under attainment. Risks to data quality in this area are managed through weekly communication between the performance team and clinical service leads and dashboard reporting. A Data Quality and Referral to Treatment (RTT) Group was set up in quarter 3 2019/20, which pulls together the Clinical Support/Information Governance/Performance Team facilitation of the health record alongside operational input into strengthening data accuracy across the Trust. This group meets monthly and is chaired by the Director of Operations.

The Quality and Governance committee, on behalf of the Board of Directors, receives assurance on issues of patient safety and quality of care, patient experience and patient outcomes, and promotes the involvement of service users, carers and the public. In addition to this, thematic reviews of service areas or indicators of concern are commissioned by and shared with the Quality and Governance committee as they arise. Through these reviews and regular reporting, we have a clear understanding on where we need to focus to improve clinical practice and effectiveness and reduce the incidents of harm. In addition to this, the Trust's Board of Directors receives reports on issues impacting on quality, including:

- Patient stories
- Serious incidents, GP concerns and complaints
- Safer staffing
- Safeguarding
- Agency usage
- Organisational Risk Register.

Policy development is integral to quality, safe patient care; it underpins clinical practice and is used as a positive framework to meet the required standards. Policies are based on current evidence which is referenced; each document is updated at least every three years following a full consultation and is readily available to all staff to access and utilise.

Clinical quality issues, particularly relating to best practice and national guidance, are scrutinised and discussed at the quality forum. Representatives from all relevant profession groups attend this forum to ensure clinical quality is reviewed. The forum also evaluates, as needed, impact assessments on the quality of care when there are changes in services, either as a result of the cost improvement programme or because of service redesign. The forum receives papers from a variety of internal groups and quality-focused committees (including pathway specific ones); its role is to scrutinise quality activity and report to the Quality and Governance Committee.

Review of effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive managers and clinical leads within the NHS foundation trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on performance information available to me.

My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the Audit Committee, the Quality and Governance Committee and the Performance Committee, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The ORR provides me with evidence that the effectiveness of controls that manage the risks to the organisation achieving its principal objectives have been reviewed. My review is also informed by:

- Routine reporting on incidents to the Board of Directors
- PALS, GP concerns and iWantGreatCare feedback and complaints reports
- Patient stories at Board meetings
- Delivering workforce standards reports to the Board of Directors and the Quality and Governance Committee
- The Trust's assurance structure and reporting for statutory body registration requirements
- Internal audit assessment of the Trust's risk management structure processes
- Patient-led assessment of the care environment (PLACE) scores (which have replaced PEAT inspections)
- Board development days and workshops
- The work of the Audit Committee, the Quality and Governance Committee, the Performance Committee, the SI Review Committee and Complaints Review Committee
- Internal and external audit reports
- Reports from regulators
- The work of the local counter-fraud specialist and the Fraud Risk Group
- Operational service directorates presenting at the Trust Board and its committees
- Trust responses to external inquiries and reports
- Directorate and service performance reviews.

The review and maintenance of the effectiveness of the system of internal control is undertaken as follows:

- The Trust Board receives reports from the Quality and Governance Committee, the Performance Committee, the Audit Committee and the Council of Governors' in public session. These reports highlight issues of assurance and concern for the Board of Directors. In addition, minutes of Board committees are received in private session by the Board of Directors. The Audit Committee has oversight of corporate governance arrangements and receives appropriate external assurance.

- The Audit Committee ensures the establishment and maintenance of an effective system of internal control and risk management.

- All managers have the responsibility for developing and implementing the risk management strategy and policy through the line management of individual directorates. The risk management strategy is annually reviewed at the Board.

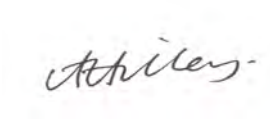
- The Performance Committee assures effective control on financial and performance matters.

- The internal auditors verify that a suitable and effective system of risk management and internal control is in place on an annual basis. They have direct access to the Chair of the Audit Committee to raise any issues of concern.

Conclusion

My review confirms that the Trust has a generally sound system of internal controls that supports the achievement of our policies, aims and objectives and that any control issues have been addressed. No significant internal control issues have been identified. The Trust is committed to the continuous improvement of processes of internal control and assurance and as such may introduce additional controls within the forthcoming financial year (2020/21), as the Trust Board of Directors deems necessary.

Angela Hillery



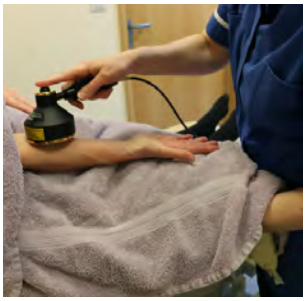
Chief Executive
28 May 2020

#weareNHFT

Northamptonshire Healthcare
NHS Foundation Trust

QUALITY REPORT
2019/20

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MAKING A DIFFERENCE FOR YOU, WITH YOU

QUALITY REPORT

CONTENTS

PART ONE

INTRODUCTION

About the Quality Report

Safety and quality are critical to our service as a leading healthcare provider. In this Quality Report, we share how we provide services at our sites across the county, in our community and beyond. This includes physical health, mental health, learning disabilities and specialty services. Our out-of-county responsibilities include, for example, integrated services focusing on primary care, mental health, and substance misuse in prisons such as Her Majesty's Prison Bedford.

What is a Quality Report?

A Quality Report is produced by providers of NHS healthcare services. It contains important information about the quality of the services they deliver. Quality Reports are published every year by each NHS healthcare provider and they are available to the public. They look back at the past year and forward to the year ahead. All NHS healthcare providers must produce a publicly available Quality Report, as set out in the vision for the National Quality Framework, 'High Quality Care for All', published by the Department of Health in 2008.

What are the aims of the Quality Report?

1. To help patients and their carers make informed choices about their healthcare providers
2. To empower the public to hold providers to account for the quality of their services
3. To engage the leaders of the organisation in their quality improvement agenda.

Who reads the Quality Report?

Lots of different kinds of people read the Quality Report. Some are people who use our services, their carers, staff, commissioners and regulating bodies. We produce our report for anyone who wants to know more about the quality of our services, and how we plan to maintain and improve them. For this reason, we provide explanations of terms and abbreviations in speech mark designs like the one below.

At the end of our Quality Report, you can also find an Easy Read section, with a short summary that explains our key quality priorities for next year.

What information can be found in the Quality Report?

In this report, you will find information about how we measure and review our performance. You will also find our priorities for improvements for the year ahead. Like all NHS healthcare providers, we measure the quality of our services by looking at:

- Patient safety
- The effectiveness of treatments that patients receive
- How patients experienced the care provided.

The content required in this Quality Report is identified in the Quality Account Toolkit, a document produced by the Department of Health. It provides a set of nationally mandated (required) statements that let readers make comparisons between organisations.

The Toolkit for 2010/11 said that every Quality Report must include:

- A statement from the Board (or equivalent) of your organisation summarising the quality of NHS services provided
- The organisation's priorities for quality improvement for the coming financial year
- A review of the quality of services in the organisation.

We hope you find the information in our Quality Report for 2019/20 worthwhile, interesting and informative.

We welcome your feedback on this report, by contacting us at:

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Tel: 01536 452036
Email: foundationtrust@nhft.nhs.uk

STATEMENT OF QUALITY

From Angela Hillery, Chief Executive

It is my honour to lead teamNHFT, a team who are so focused on providing outstanding care to our patients, service users, carers, and their family and friends. Again this year, like the year before, we have been recognised by the Care Quality Commission (CQ) for this – we were very proud to receive our second overall 'outstanding' rating in December 2019. This includes improved ratings of 'outstanding' for Mental Health and Community. We are also delighted that we are still rated outstanding overall as well as for 'caring' and for 'well-led'.

Our results clearly indicate the dedication and hard work of our staff, which has prevailed even as we have been challenged by the Covid-19 pandemic. The CQC noted what I have long been proud of and have witnessed during these difficult times – that our patients, service users and carers are, and have always been, our top priority. They noted that there was a strong culture of openness, honesty and learning. It was also observed that at the Trust, sharing practice with others and embracing constant opportunity for learning and improving is a key priority.

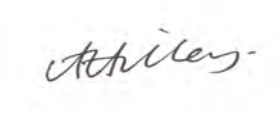
Our community also recognises the difference our staff make. This year, from our iWantGreatCare survey, 93.98% would recommend us to friends and family, and our average rating across all areas was 4.82 out of 5 stars. Their feedback illustrates how effectively the Trust involves people and makes them feel cared for.

Importantly, I want to recognise how valued our staff are, and how proud I am of their dedication, spirit and tenacity. I see the difference they make to our patients, service users, carers, friends and family, and how needed they are – in particular as we continue to overcome our current global healthcare crisis. I cannot express how grateful I am and how much I wish to thank each and every member of our staff.

This value in our staff is also why we continue to put equality, diversity and inclusion (EDI) in our priorities for the year ahead. While we have achieved much this past year for EDI, and for our 2019/20 priorities – including our work with hospital-acquired venous thromboembolism assessments, reducing the number of prone restraints used in mental health services, implementation of National Early Warning Score (NEWS) 2 in key service areas – we will again focus on our protected characteristics to drive this equality work.

We will also continue to put patients and our partnerships at the heart of everything we do. Thank you for taking the time to read this Quality Report. I hope you find the information in it to be useful and encourage you to write to me with any feedback.

Angela Hillery



Chief Executive
28 May 2020

STATEMENT OF QUALITY

From Julie Shepherd, Chief Nurse

Our drive to provide quality, compassionate care to make a difference to our patients, service users, carers and their family and friends this year has been nothing short of incredible. And this year, our staff's dedication and focus has been tested more than ever before. By the time this Quality Report was published, like other NHS and healthcare organisations, our Trust urgently prioritised the care and treatment of patients and their carers who were suffering from Covid-19.

Despite this pandemic challenge in the last quarter, our performance against our quality targets for this year was strong. We achieved our target for conducting 95% of hospital-acquired venous thromboembolism assessments by the end of quarter one and maintained compliance across the year. We also worked hard to reduce the number of prone restraints used in mental health services, and we implemented National Early Warning Score (NEWS) 2 across all inpatient areas, ICT and District Nursing by the end of 2019.

We anticipate our focus in quarter one of next year must be on doing everything we can to help reduce the risks of infection and continue to be on the care and treatment of patients and their carers who are suffering. However, we will also continue to work on our equality, diversity and inclusion to increase five of the protected characteristic category baselines (disability, ethnicity, marital status, sexual orientation and religion and belief).

Our priorities for the year ahead include improvements in our low and no harm incidents for Community Nursing and Intermediate Care services, number of physical health checks for services users within the Community Mental Health setting for people with Severe Mental Illness (SMI), and again to continue our reduction of the number of restraints used within Mental Health Inpatient Services.

The work we have achieved this year has been recognised by the Care Quality Commission (CQC) and by our patients, services users, carers, their family and friends. In December 2019, we were very proud to receive our second overall 'outstanding' rating from the CQC, with improved ratings being identified within Mental Health services. We are also delighted that we are still rated outstanding overall as well as for 'caring' and for 'well-led'. The CQC recognised that since our last inspection, we have continued to deliver high quality, safe services across the five mental health services we inspected. They also observed that there was a strong focus on patient and staff safety as a priority agenda and that in the services they visited, we continue to engage with carers and received positive feedback from the users of services. Our staff survey supports this: we were recommended as a place to receive care by 80%.

Indeed, co-production, involvement and engagement are strengths of our Trust that I am extremely proud of. Our ability to innovate and develop new ideas is truly supported by our involvement and encouragement of staff engagement. Finally, I am delighted to share that of nearly 24,000 people who shared their views in our iWantGreatCare survey, we were rated 4.92 out of 5 stars for kindness and compassion, 4.81 for involvement and 4.91 for dignity and respect. This is a clear indication of the difference that our staff make through their compassionate care. I hope you find this Quality Report insightful and interesting and look forward to hearing your feedback.

Julie Shepherd
Chief Nurse

28 May 2020

INVOLVEMENT: AT THE HEART OF QUALITY

NHFT approved its co-produced Patient and Public Involvement (PPI) strategy in March 2019. Built on a foundation of co-production, NHFT's PPI strategy consists of five elements:

1. Information
2. Experts by experience
3. Membership
4. Governors
5. Volunteering.

The strategy defines co-production as "a process where involvees (patients and carers), the public and Trust staff work together, to design, develop and manage projects, sharing responsibility to monitor, manage and assess the impacts and recommendations". We consider equality and diversity a key priority. We aligned our 'Moving Ahead' community BAME engagement work to the PPI strategy to make sure that behaviours that support equality and inclusion are part of normal working life and support cross-system working.

To deliver the identified actions arising from the strategy, a team representing each of the departments (and including a mix of both staff and Governors) was formed. The team delivered a number of engagement events throughout the year, including wellbeing festivals, Leadership Matters events, service/facility launches and volunteer events, as well as the recruitment of new Foundation Trust members, volunteers and involvees. Volunteers developed a training handbook designed to support volunteers who may have difficulty accessing the training. This new approach will ensure these volunteers are informed of their responsibilities under each of the training modules in a relevant and inclusive way.

Engagement activities

Engaging and involving patients, service users, staff, volunteers, members of the general public and other stakeholders is essential to how we work.

We are proud to have been a key contributor working with the Northamptonshire Health and Care Partnership (NHCP) communications and engagement team to create a guide to help NHCP colleagues understand and lead engagement activities effectively and productively.

Together, through our experiences of being part of it, we have defined the most productive ways of engaging our community. These have been gathered to form a practical tool kit entitled called **'Start the conversation'.** In the spirit of engagement, this toolkit was developed by listening, involving and co-producing – to make sure it is useful for everyone. One of our patient carers stated, "how privileged she was to be involved with this initiative which will help ensure that the whole health and social care providers will be supported to involve the service users, carers and staff within service delivery". You can take a look through the toolkit here: https://www.northamptonshirehcp.co.uk/get-involved/.

The Trust has sponsored more than 160 involvement opportunities during the year. These include:

- Providing joint urgent care and mental health training to staff at Northampton General Hospital and Kettering General Hospital
- Working together on our suicide prevention strategy action plan
- Developing our Recovery College courses, which included an autism awareness session this year
- Providing input within our complaints peer review process, reviewing anonymous complaint responses to ensure we have addressed the points accurately in an honest and compassionate manner
- Jointly leading our bi-weekly in-patient carers group and the multi-agency crisis concordat carer sessions

- Establishing a dedicated child patient and parent experience group – the first session was reported to the patient and public experience groups as extremely supportive and successful
- Being involved in co-producing business transformation programmes.

Winner in Innovation at NHS Providers Membership Showcase Awards

The Trust won the innovation category at the NHS Providers Membership Showcase Awards, which was held on the 8th of October 2019.

We were awarded the innovation category achievement for the new Public and Patient Involvement (PPI) Strategy, which was a joint submission between Involvement, Volunteering and Membership. Specifically, the judges said, "We were really pleased to see an example of really joined up working across an organisation, where PPI is so embedded throughout".

We are delighted to report that we have appointed a patient carer who attends our own bi-weekly in-patient mental health carer group as a Carer Governor. It is envisaged that he will undoubtedly support the ongoing need for including our patient carers during the time we are caring for our patients, and will ensure that our links with Northamptonshire Carers remain as successful as they are today.

PART TWO

OUR PRIORITIES 2020/21

In this section, we share our quality priorities for the year ahead. As with our priorities for this year (see Part Three), for the coming year we have set objectives and measure our work in three main areas: patient safety, patient experience and clinical effectiveness. Our priorities or indicators are not covered by a national definition unless indicated otherwise.

Following initial discussion and a review of quality data, risks and future innovation, we developed our priorities in collaboration with our staff and patients. We consulted a wide range of audiences, including members of the Trust's quality team, the Quality Forum attendees, our Patient Experience Group (including patients and carers), Quality Report meeting members, the executive team, the Nursing and Allied Healthcare Professional Advisory Committee, the Quality and Governance Committee, colleagues from training and our staff group networks.

Our priorities will support the Trust as we continue with our mission to make sure that safe, quality care is at the heart of all we do.

This coming year, our priorities for improvement are focused on the following areas:

1. **Our low and no harm incidents for Community Nursing and Intermediate Care services**
2. **The number of physical health checks for services users within the Community Mental Health setting for people with Severe Mental Illness (SMI)**
3. **The number of restraints used within Mental Health Inpatient Services**
4. **Our protected characteristics to drive our Equality, diversity and inclusion (EDI) work.**

WHAT IS PRONE RESTRAINT?

It is a type of physical restraint used in mental health services. It involves holding a person chest down, whether the patient placed themselves in this position or not, is resistive or not and whether the person is face down or has their face to the side.

(Source: CQC website, March 2019)

OUR PRIORITIES THIS YEAR

The following tables list our priorities for improvement in 2020/21 and specify which Care Quality Commission (CQC) domain(s) they belong to. We describe what the priorities mean, and why we chose them, as well as how we aim to achieve them, and how we will measure them. This then informs what we report on in our Quality Report next year and communicates how we will review our performance.

Because of our challenging environment with the outbreak of Coronavirus in the last quarter of 2020, our priorities next year have been set starting from **the second quarter**. Our focus in quarter one of 2020/21 must continue to be on doing everything we can to help reduce the risks of infection and continue to be prioritising the care and treatment of patients and their carers during the Covid-19 global epidemic.

PRIORITY ONE

Priority for improvement

To carry out a thematic review of low and no harm Datix incidents for Community Nursing Services and use the outcomes to inform our practice and training.

CQC domains: well led, effective and safe

What this means

This indicator was chosen because we recognise that an effective and consistent reporting of low and no harm incidents will enable targeted training of staff. It will also ensure greater understanding of any gaps within Community Nursing.

How we will do it

We will achieve this by:

<u>In quarter two</u>

- Develop and agree the terms of reference for the thematic review
- Undertake a thematic review of all low and no harm Datixes reported by Community Nursing
- Identify categories and subcategories in use within Datix
- Develop a Community Nursing working group to review the outcome and identify required actions.

How it will be measured

1. Agreeing the terms of reference
2. Thematic review completed
3. Working group implemented
4. Standardised categories and sub categories
5. Training needs identified
6. Reporting each quarter to the Quality Forum and The Quality and Governance Committee.

<u>In quarter three</u> • Using results of the thematic review, the working group will evaluate the clinical outcome of the review and identify actions • The working group will also review Datix and how categories and sub categories can be standardised to aid consistent reporting. <u>In quarter four</u> • Training needs will be identified, and an on-going educational plan will be developed • Clinical actions from the review of Datix will be concluded • Work will be conducted to make any required changes to Datix.	

PRIORITY TWO

Priority for improvement

We will increase the number of physical health checks for service users within the Community Mental Health setting for those priority groups with Severe Mental Illness (SMI) (identified as clusters 10-17).

CQC domains: effective and safe

What this means

People with severe mental illness (SMI) are at increased risk of poor physical health, and their life-expectancy is reduced by an average of 15–20 years mainly due to preventable physical illness. Two thirds of these deaths are from avoidable physical illnesses, including heart disease and cancer, mainly caused by smoking.

There is also a lack of access to physical healthcare for people with mental health problems – less than a third of people with schizophrenia in hospital receive the recommended assessment of cardiovascular risk in the previous 12 months. People with SMI are three times more likely to attend A&E with an urgent physical health need and almost five times more likely to be admitted as an emergency, suggesting deficiencies in the primary physical healthcare they are receiving.

How we will do it

We will achieve this by:

<u>In quarter two</u>

- Review of the physical health check clinics and processes
- Identification of all service users in cohort
- Prioritisation of service users in the identified cohort
- Identification of the 'Did not Attend' rate
- Implementation of the Quality Improvement Group
- Identification of why service users are not attending for their Physical Health Checks
- Identification of the number of service users with SMI who have received an annual Physical Health Check to use as benchmark

How it will be measured

1. Implementation of 'Did Not Attend Quality Improvement' project
2. Data collection, benchmarking against the baseline
3. Reporting each quarter to the Quality Forum
4. Reporting each quarter to the Quality and Governance Committee.

• Identification of the percentage increase of service users who will have had a physical health check by the end of quarter four. <u>In quarter three</u> • Reporting of number of physical health checks for identified service user cohort by month • Development and implementation of action plan to address issues around did not attend rates • Monitoring of did not attend rates. <u>In quarter four</u> • Did not attend rates have reduced by 15% from quarter two benchmark • Continued reporting of number of physical health checks for identified service user cohort by month • Reporting of percentage of physical health checks completed.	

PRIORITY THREE

Priority for improvement

Following our success achieving our prone restraint objective in 2019/20, this coming year we will reduce the numbers of prone restraints used within Mental Health Inpatient Services, in line with our reduction strategy. We will reduce them by 5% in quarter two, 5% in quarter three, and 10% in quarter four, compared to the initial number of prone restraints recorded in 2019/20.

CQC domain: safe

What this means

This indicator was chosen because our Care Quality Commission (CQC) inspection report identified that we need to review the number of prone restraints in accordance with the Mental Health Act Code of Practice. This review, in conjunction with the results of a national freedom of information request, indicated that the majority of prone restraints occurred both at NHFT and nationally. They occurred either as part of a procedure to exit seclusion or to administer Innovative Medicines Initiative (IMI) medication.

In 2019/20, the Trust purchased 20 Safety Pod devices that enabled staff to exit seclusion without using the prone position. Although the pods are not suitable for use in every seclusion exit, they provide an alternative on many occasions. The Prevention and Management of Violence and Aggression (PMVA) team have included the use of the pods on training courses.

The PMVA Team, in conjunction with our accrediting organisation, has reviewed and modified the course content. This system utilises a 'core skills approach', which provides staff with numerous alternatives to the use of the prone position.

How we will do it

We will achieve this by:

<u>In quarter two</u>

- Identification of baseline based on 2019/20
- Noting the training issues raised as a result of COVID 19, an action plan will be developed to support training in restraint in a safe environment
- Reduction of prone restraints by 5% compared to benchmark
- All prone incidents will be reviewed routinely and feedback given to wards.

How it will be measured

- Regular audits of restraint
- Staff training records
- The PMVA group will monitor the data from SMART
- Regular reports will be provided to Mental Health Act Scrutiny and the Quality Forum.

Quarter three • Restraint data to be reported to PMVA, Mental Health Act Scrutiny and Quality and Governance Committee • All prone incidents will be routinely reviewed and feedback given to wards • Monitoring of training action plan and adjustments to be made as necessary • Reduction of prone restraints by 5% compared to numbers reported in quarter two • Implementing and monitoring of service user and staff feedback around the safety pod devices. Quarter four • Restraint data to be reported to PMVA, Mental Health Act Scrutiny and Quality and Governance Committee • All prone incidents will be reviewed routinely and feedback given to wards • Monitoring of training action plan and adjustments to be made as necessary • Reduction of prone restraints by 10% compared to numbers reported in quarter three • Continuing implementation and monitoring of service user and staff feedback around the safety pod devices with actions developed where necessary • Annual report produced for Mental Health Act Scrutiny.	

PRIORITY FOUR

Priority for improvement

We will increase five of the protected characteristic category baselines by either 10 or 20%. The improvement difference is summarised below:

- **Disability 10%**
- **Ethnicity 10%**
- **Marital status 20%**
- **Sexual orientation 10%**
- **Belief 20%**

CQC domains: safe and effective

What this means

We chose this priority because we want quality information and data to help drive our equality, diversity and inclusion (EDI) work forward, and improve patient experience and outcomes.

We are aware that by improving data quality across our single patient profile we can continue to provide outstanding patient care, reduce safety incidents and improve patient experience and outcomes using the protected characteristics. Our continued focus will be on data completeness in patient records for: disability, ethnicity, marital status, sexual orientation and belief.

How we will do it

We will achieve this by:

<u>In quarter two</u>

- Running of a trust-wide data cleansing exercise to establish accurate numbers of unique patients with an open referral
- Performance team to provide on a monthly basis demographic data by service line for the data to be checked by individual teams
- Equality Compliance Manager to analyse missing demographic data by service line
- Develop a revised communication plan for managers to encourage them to undertake regular conversations with staff on the importance of recording service user profile data as part of their supervisions and ensure that the protected characteristics are added to their audit plan
- Reporting of progress to the Equality and Inclusion Assurance Board each quarter (2020/21)

How it will be measured

We will assess improvements around completeness of data recorded by monitoring the Trust's data performance systems on a monthly basis.

- We will discuss service user data completeness performance at monthly directorate management meetings
- Progress will also be reported to the Equality, Inclusion and Human Rights Assurance Board (EIAB) on a quarterly basis and a report will be provided to the Quality Forum for assurance
- The Quality and Governance Committee will be notified if targeted improvements have not been met
- Overall yearly progress will be documented in the annual Equality Information Report.

• Following the breakdown of service line data feedback to individual service managers to further encourage regular protected characteristic audit • Launching the second stage of the distributed survey by sending equality monitoring forms to service managers in community areas, to ensure the patient's key worker 'asks the protected characteristics questions' with their patient • Equality Compliance Manager to report results to directorate management meetings on a monthly basis • Continue to work with clinical teams, clinical systems, quality improvement leads, head of quality surveillance and performance to continue improving data quality for patient information. <u>In quarter three</u> • Equality Compliance manager to analyse missing demographic data by service line to review the improvements/necessary actions to be taken • Include results on the dashboard for presentation at the Equality and Inclusion Assurance Board (EIAB) • Continue to work with clinical teams, clinical systems, quality improvement leads, head of quality surveillance and performance to review progress. <u>In quarter four</u> • Reviewing annual performance regarding improving the data collected for each protected characteristics to be reported in the annual Equality Information Report • Presenting the Annual Report to EIAB and sharing any key results reported to the Trust as part of compliance with our legal duty to publish Equality Information.	

OUR STATEMENTS OF ASSURANCE

To provide reassurance of the quality of services, NHS healthcare providers provide a series of statements in Quality Reports regarding audits of services, income, registration and records, information governance, clinical coding and patient deaths. Our Board of Directors endorse the below statements of assurance.

Our services

During 2019/20, the Trust provided and/or sub-contracted 148 relevant health services (these are services we deliver within the Trust). 112 of these services were fully contracted service lines and 36 were sub-contracted services under service level agreement.

We have reviewed all the data available to us on the quality of care in 148 of these relevant health services.

The income generated by the relevant health services reviewed in 2019/20 represents 94% of the total income generated from the provision of relevant health services by the Trust for the year.

Our income

The total monetary income in 2019/20 that was conditional on achieving quality improvement and innovation goals was £1,628,386.

Of this, £1,513,775 was from Nene and Corby CCGs. As at the end of third quarter, 41% of the CCG CQUIN target had been met. As per national guidance, fourth quarter was suspended due to Covid-19.

Our records

NHS Number and General Medical Practice Code Validity

The Trust submitted records during 2019/20 for the Secondary Uses Service. These are included in the latest published data for Hospital Episode Statistics. The percentage of records in the published data that included the patient's valid NHS number were:

- 99.8% for admitted patient care
- 100.0% for outpatient care

The percentage of records in the published data that included the patient's valid general medical practice code were:

- 100.0% for admitted patient care
- 100.0% for outpatient care
- 99.8% for admitted patient care - if the valid 'not known' codes are excluded
- 99.5% for outpatient care - if the valid 'not known' codes are excluded

Our information governance

The Trust is required to complete the NHS Digital Data Security and Protection Toolkit annually. This toolkit is a self-assessment tool that requires organisations to provide assurance against the 10 National Data Guardian Standards. The toolkit sets all trusts 179 information governance and security requirements to be met across the 10 standards. Our overall score for the 2019/20 toolkit submission is 'Standards Met'.

Our clinical coding audit

A Terminology and Classifications Delivery Service approved auditor undertook the Clinical Coding Audit of ICD-10 in line with the Data Security and Protection Toolkit requirements using the suggested audit sample size of 50 episodes. These episodes contained a total of 366 individual codes with a 100% accuracy for primary diagnosis and 98.42% for secondary diagnosis. These results should not be extrapolated further than the actual sample audited.

Our learning from deaths

This year, 340 deaths were reported on the Datix system. The National Quality Board (2017) guidance directs us, as a community and mental health Trust, to focus upon a cohort of deaths from within our inpatient areas (deaths in scope). Inpatient areas for the purpose of this report are inclusive of community beds, prison healthcare, inpatient hospice care and mental health inpatients. It should be noted that of these 340 deaths, 29 occurred within this group.

The following numbers of deaths were reported in each quarter of the financial period:

- 85 in the first quarter
- 69 in the second quarter
- 88 in the third quarter
- 98 in the fourth quarter.

A case record review in this instance is defined as a Structured Judgement Review (SJR). This is a way of investigating what happened, that is recognised by the Royal College of Physicians (RCP) and the Royal College of Psychiatrists (RCPsych). It allows those investigating to make safety and quality judgements about phases of care, to provide clear written comments. This determines overall care delivery and provides the Trust with information about clinical services and systems of care.

This process may be referred to as a 'Mortality Review' in some literature, which is defined as a detailed case note review to identify areas of good practice as well as areas that may require improvement. The Structured Judgement Review (SJR) allows for the identification and feedback of good care which is summarised in each section and is integral to achieving an overall 'level of avoidability' of the death.

It is worth noting that an SJR would be requested for a death if it fits the definition in the National Quality Board (2017) learning from deaths guidance. However, in our Trust a desktop review of all Datix reported deaths is completed to identify any potential care/service delivery issues that may require further investigation through the Internal Assurance Meeting (IAM) process.

An investigation is defined as a death which meets the criteria under NHS England Serious Incident (SI) Framework (2015) and must be declared to Clinical Commissioning, or a death where there is potential for learning at a local level but does not meet the SI criteria. This would be achieved through an evaluated outcome of Root Cause Analysis known as Concise Investigation, incorporating NHS Improvement (2018) 'Just Culture Guide'.

By 31 March 2020, all 340 reported deaths were reviewed as described above. Of these, 51 were presented through IAM and16 investigations have been instigated, 4 of which were defined as being a 'death in scope'.18 SJR's have been completed, of which 12 were within the defined 'death in scope'. Deaths reported in each quarter for which either an SJR or investigation was instigated were:

- 11 in the first quarter
- 9 in the second quarter
- 8 in the third quarter
- 6 in the fourth quarter.

What is a 'death in scope'?

A 'death in scope' is defined by the National Quality Board as 'deaths that may be subject to further review'. This was published in 2017 in their National Guidance on Learning from Deaths. At the Trust, our policy on Identifying, Reporting, Investigating and Learning From Deaths in Care provides staff with guidance on which deaths need reporting via Datix that may meet the national criteria for further review.

Of the 29 deaths in scope, 1 (0.2% of the 340) was judged more likely than not to have been due to problems in patient care, as follows:

- For the first quarter 0 representing 0%
- For the second quarter 0 representing 0%
- For the third quarter 0 representing 0%
- For the fourth quarter 1 representing 0.2%.

Key learning and actions from deaths following review/investigation:

- We will work in collaboration with Northamptonshire Police to strengthen the 'Management of Missing Service Users' policy. This should be reviewed in a timely manner in light of Northamptonshire Police currently reviewing their Welfare Check policy. The purpose of the meeting will be to develop a shared understanding of the responsibilities from each organisation when a patient is absent or missing from a ward, particularly in relation to informal patients. These mutual expectations are to be reflected in both NHFT and Police protocols to support joint working.

- We worked collaboratively with Northamptonshire Police to agree a shared protocol for informing family and carers of a death. This included consideration for when formal identification has not taken place. This has been actioned and a protocol has been drawn up that will allow for individual circumstances to be considered around the sharing of such information.

- We took additional steps to promote and raise the profile of Common Sense Confidentiality and Carer Involvement within Adult Community Mental Health Services. A Learning Lessons Workshop was identified to look at Common Sense Confidentiality drawing on service user experiences to inform discussion. The workshops were run on a bi-monthly basis with a theme identified to complement sharing from incidents, investigations and complaints.

- A review of the Management of Violence and Aggression Policy - HSC029 was undertaken to provide support and guidance to community-based staff/one workers. This included a tool or flow chart to provide guidance, sources of support and appropriate actions. A draft flow chart has been devised to ensure this meets the requirements for all NHFT community services working with patients and for staff to feel safe and supported when working in patients' homes while fulfilling their duty of care.

- Specific action plans relating to investigations or SJR's of deaths are monitored by the Patient Safety Team and the Directorate Management Teams. Action plans for deaths in this reporting period are yet to be fully concluded.

- The Patient Safety Team is currently implementing a first draft impact assessment tool relating to identified actions from reviews or investigations. This is being supported by the Quality Team and collaborative working continues to support a robust monitoring tool.

- A co-ordinated approach is being used to liaise with medical colleagues who undertake quarterly morbidity and mortality (M&M) review meetings, to identify deaths that may be subject to further investigation and M&M contributing to this process through reviewing care and identifying additional learning.

- Increasing the scope of deaths that are reviewed has been considered and discussed at length with the Learning From Deaths Steering Group. A task and finish group is being established to review the Trust's current position and use the latest evidence-based thinking to inform next steps.

- 'Train the Trainer' training has been identified through an external provider and the cost of delivering bespoke training for the Trust is currently being sought. Once received, this will be presented for approval. The training will allow for a range of practitioners including Nurses, Medics and AHP's to access it with a view to increasing the scope of practitioners who are able to complete them.

- NHFT policy update for CRM012 – Identifying, Reporting, Investigating and Learning from Deaths in Care has been updated in light of discussions regarding SJR's and current NQB (2017) learning from deaths guidance.

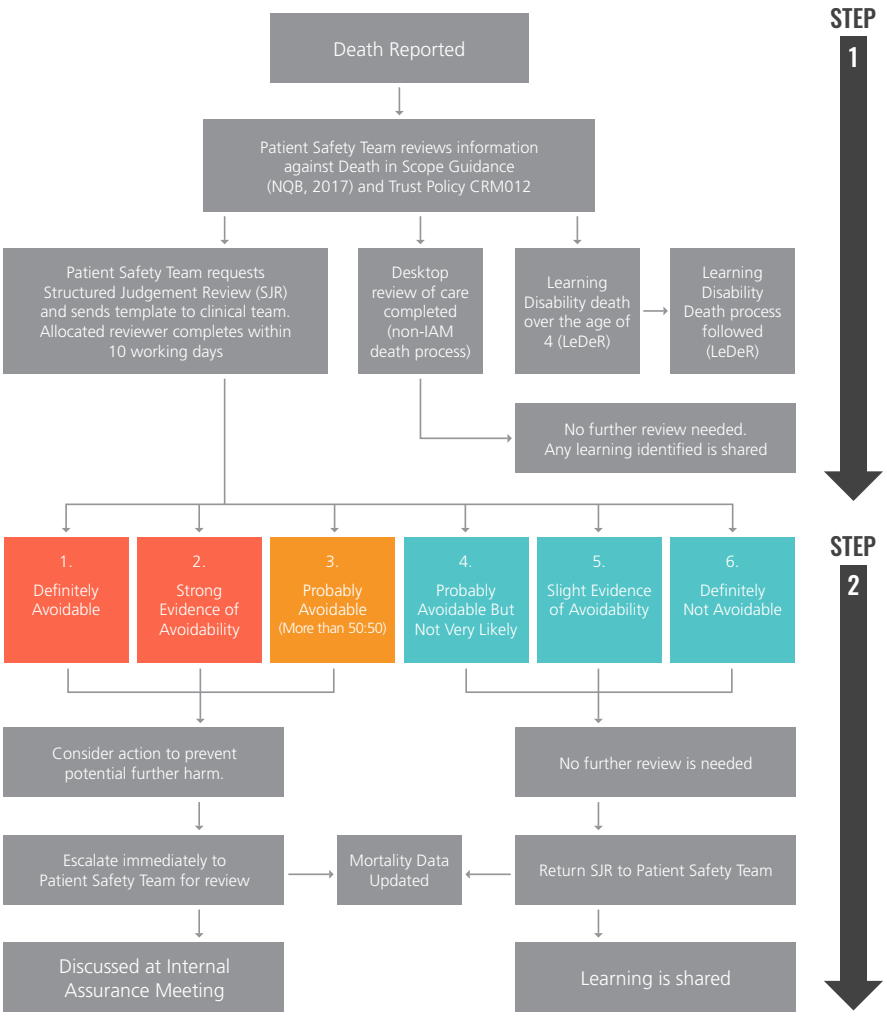
- Of the SJR's instigated for 2019/20, a total of 18 have been completed:

    - 1 has been considered as 'probably avoidable but not very likely'
    - 6 have been considered there is 'slight evidence of avoidability'
    - 11 have been considered 'definitely not avoidable'.

Death avoidability scores are used as part of the SJR process to support with the overall judgement of care and whether there is anything in particular that supports the judgement made. This supports NHFT's death review process (see following diagram) on whether case escalation is needed and informs discussions at IAM.

There are 2 SJR's that remain outstanding at the end of financial year 2019/20. There were 3 SJR's completed during financial year 2019/20 that relate to deaths which occurred in 2018/19.

REVIEWING DEATHS PROCESS



OUR AUDITS

OUR NATIONAL AND LOCAL CLINICAL AUDITS
During 2019/20, five national clinical audits and one national confidential enquiry covered relevant health services that Northamptonshire Healthcare NHS Foundation Trust provides.

During that period, we participated in 83% of the national clinical audits and 100% of the national confidential enquiries in which we were eligible to participate in.

The national clinical audits and national confidential enquiries that Northamptonshire Healthcare NHS Foundation Trust were **eligible to participate in** during 2019/20 were as follows:

- Falls and Fragility Fractures Audit programme
- National Audit of Care at the End of Life
- National Clinical Audit of Psychosis
- Prescribing Observatory for Mental Health
- UK Parkinson's Audit Parkinson's
- Mental Health Clinical Outcome Review Programme: National Confidential Inquiry into Suicide and Homicide in Mental Health.

The national clinical audits and national confidential enquiries that Northamptonshire Healthcare NHS Foundation Trust **participated in** during 2019/20 were as follows:

- National Audit of Care at the End of Life
- National Clinical Audit of Psychosis
- Prescribing Observatory for Mental Health
- UK Parkinson's Audit Parkinson's
- Mental Health Clinical Outcome Review Programme: National Confidential Inquiry into Suicide and Homicide in Mental Health.

OUR FALLS AND FRAGILITY FRACTURES AUDIT PROGRAMME
The Trust did not submit data for this audit. The audit is only applicable for patients who have sustained a hip fracture following a fall on one of The Trust's inpatient areas. The audit only triggers a response to submit data if the acute hospitals input the location of the fall correctly onto the national hip fracture database.

We also supported our colleagues in the acute sector by participating in the following audits:

- National Diabetes Audit – Adult (National Diabetes foot care Audit – NHS Digital)
- Sentinel Stroke National Audit Programme.

The national clinical audits and national confidential enquiries that Northamptonshire Healthcare NHS Foundation Trust participated in, and for which data collection was completed during 2019/20, are listed in the following table. Accompanying this is the number of cases submitted to each audit or enquiry as a percentage of the number of registered cases required by the terms of that audit or enquiry.

Title	% of eligible sample
National Audit of Care at the End of Life	100% of eligible sample
National Clinical Audit of Psychosis	100% of eligible sample
Prescribing Observatory for Mental Health*: Assessment of the side effects of depot antipsychotics Prescribing for depression in adult mental health Use of depot/LAI antipsychotic injections for relapse prevention	 100% of eligible sample 100% of eligible sample 100% of eligible sample
UK Parkinson's Audit Parkinson's	100% of eligible sample
National Diabetes Audit – Adult: National Diabetes Foot Care Audit (NHS Digital)	This was a data capture exercise only
Sentinel Stroke National Audit Programme (SSNAP)	100% of eligible sample
The National DAFNE Audit	This was a data capture exercise only
Mental Health Clinical Outcome Review Programme – National Confidential Enquiry into Suicide & Homicide by People with Mental Illness	This was a data capture exercise only

* (POMH) antipsychotic prescribing in people with learning disability. The Trust did not participate in this audit due to the team capacity issues at the time of the audit.

The reports of four national clinical audits and one confidential enquiry were reviewed. We intend to take the following actions to improve the quality of healthcare provided:

1. **National Audit of Care at the End of Life:**
    - The Trust received their bespoke data in February 2020
    - The Trust report is due summer 2020
    - We will develop an action plan as required when we receive the report.

2. **National Clinical Audit of Psychosis:**
    - Data has been collected
    - The report is due in the summer of 2020
    - We will develop an action plan as required when we receive the report.

3. **Prescribing Observatory in Mental Health:**

3a. Assessment of the side effects of depot antipsychotics:
- The report has been received by the Trust
- Actions plans will be developed.

3b. Prescribing for depression in adult mental health:
- Data was submitted
- The report has been received by the Trust
- Action plans will be developed.

3c. Use of depot/LAI antipsychotic injections for relapse prevention:
- Data was submitted
- The report has been received by the Trust
- Actions plans will be developed.

4. **UK Parkinson's Audit Parkinson's:**
    - The Trust received their bespoke data in January 2020
    - Data is awaiting analysis
    - Actions plans will be developed.

5. **Mental Health Clinical Outcome Review Programme – National Confidential Enquiry into Suicide & Homicide by People with Mental Illness:**

- There were no specific recommendations from the data on suicides.

OUR ACTIONS AS A RESULT OF LOCAL AUDITS IN 2019/20

We reviewed 81 local clinical audit reports in 2019/20 and are taking the following actions to improve the quality of healthcare provided.

Quarterly Audit of Malnutrition Universal Screening Tool (MUST) Adults and Children (A&C) & Mental Health (MH) Q1, 2, 3, 4

- We shared the results at pathway Governance Meetings for review and action
- Results were reported at individual ward level and shared with the Modern Matrons and ward managers
- Staff attended the Hydration & Nutrition Conference on 24th September 2019. This provided staff with up to date training on the MUST screening tool and how it should be used to assess a patient's nutrition on admission.

Quarterly Audit of NEWS A&C & MH Q1, 2, 3, 4

- We requested action plans from wards that were non-compliant with NEWS requirements
- To ensure factual accuracy in reporting ward managers discussed the results of the audit with staff responsible for completing the audit
- Clinical Quality Facilitators carried out unannounced spot check audits to verify compliance
- The Senior Matron and associate Director of Clinical Quality completed unannounced NEWS audits with the Quality Team.

Quarterly Record Keeping Audit A&C & MH Q1, 2, 3, 4

- Teams developed SMART action plans to address areas of poor compliance
- Results were fed back through pathway meetings
- Teams have reviewed their qualitative record keeping tool for relevance
- Managers have liaised with staff via email and at team meetings to remind them to obtain a completed consent form at initial contact and to scan this into the patient record
- Screen shots have been sent out via email to staff showing them how and where to record Next of Kin details.

Audit of use of rapid tranquilisation

- The nursing team was reminded that all Rapid Tranquilisation incidents are recorded on Datix and documented on patients' SystmOne notes (policy states that this is done by the nurse in charge of the shift)
- Nurses were made aware that on completing a Datix entry for Rapid Tranquilisation they must state what time the doctor was contacted and what time they attended the ward
- Doctors were reminded of the requirement within the policy to attend the ward in person as soon as possible and that during out of hours the expectation is that this ideally be within 30 minutes of being called
- Checklist implemented into SystmOne care plan which includes reminding staff to complete NEWS and scan onto S1
- Raised awareness of the findings of this report organisationally – presented findings at Medicines Management Committee, Clinical Executives, and local meetings as appropriate
- Completed quarterly rapid tranquillisation surveillance
- Re-audit in 12 months to ascertain if improvements have been effective.

Re-audit of Compliance to Northamptonshire HIV in Pregnancy Guidelines

- Results of the audit were fed back to the multidisciplinary team at countywide meetings
- We reiterated the need to scan copies of any communication into the electronic patient record.

Routine Syphilis Screening in Low Risk Population – Is it Needed?

- Senior staff to stop routine syphilis screening for low risk individuals as long as we ask appropriate risk assessment questions to identify those at higher risk, and that patients disclose all relevant information.

Down Syndrome Medical Surveillance Audit

- Updated clinical guidelines on medical surveillance - routine coeliac screen for all children as per BSPGHAN recommendations
- Sleep Study: screen at around 3-4 years or earlier if indicated; refer for Polysomnogram (PSG) if initial Sleep Study (SS) negative but symptomatic
- Hip screen: hip x-ray if not weight bearing by two years
- Dental: screen annually
- Genetic counselling to be offered at 0-6 months
- 0-2 years to be followed up every 6 months, children over 2 years to be followed up annually
- SystmOne template updated
- To re-audit.

Prescribing Standards Audit

- Content of junior doctor induction reviewed to emphasise problem areas: Addressograph, block capitals, printing names of prescribers and cancelling prescriptions
- Learning bulletin on allergy documentation produced to improve quality of allergy recording
- Findings of this report raised organisationally – findings presented at Medicines Management Committee, Adult Governance Meetings, and local meetings as appropriate
- Awareness of how to cancel prescriptions raised
- Re-audit in 12 months to ascertain if improvements have been effective.

Annual audit of storage and record keeping within NHFT unit bases in relation to use of FP10 Prescription Forms in accordance with Policy

- Findings of this report raised organisationally – findings presented at Medicines Management Committee, Adult Governance Meetings Innovation Research and Clinical Effectiveness (IRCE) and local meetings as appropriate
- FP10 pads updated with teams correct details and codes
- Incorrect FP10 pads destroyed
- Teams reminded when ordering pads to use the correct order form to clearly indicate whether:
    - shared team pads are required
    - pads for named individual prescriber are required
- Emails sent to individual teams to raise awareness of audit findings and best practice
- Support provided as appropriate to team manager/leader of six identified units to trace missing pads and prescriptions as far as possible
- Submit Datix reports for pads and prescriptions that cannot be accounted for
- To ensure policy is adhered to teams monitor record-keeping on at least a monthly basis and provide assurance to Pharmacy on a quarterly basis
- Re-audit in 12 months to ascertain if improvements have been effective.

Audit of compliance with the MMP016 Policy for Primary Thromboprophylaxis in inpatient wards within NHFT

- Awareness raised of the findings of this report organisationally –findings presented at Medicines Management Committee, Adult Governance Meetings, and local meetings as appropriate
- Awareness increased of how to use VTE assessment tool on S1
- Publication of audit findings and best practice via a targeted learning bulletin
- VTE assessment forms part of the Junior Drs induction
- Re-audit in 12 months to ascertain if improvements have been effective.

Epilepsy Care Plans for Rescue Medication Audit

- Results of epilepsy audit fed back to Learning Disability (LD) nurses at team meetings, highlighting areas in the care plan that were not compliant
- At Epilepsy Awareness training LD nurses informed carers of importance of care plan being completed
- LD nurses check care plans during home visits, initial assessments, respite care stays and feedback to prescriber or carer if certain sections are not being completed
- Re-audit in 12 months.

Audit of Medicine Reconciliation Record Forms at St Mary's and Berrywood Adult Mental Health Inpatient Wards, Palliative Care and Community Hospital Inpatient Wards

- Raised Doctors awareness of completion of medicines reconciliation
- Audit findings published and learning bulletin produced highlighting best practice
- Targeted follow up with rotational doctors
- Re-audit in 12 months to ascertain if improvements have been effective.

Monitoring of high dose antipsychotics

- Doctors reminded to document clearly in patients' notes on SystmOne the following:
    - rationale for the use of high dose antipsychotics
    - target symptoms being treated
    - patient's consent to receive high dose antipsychotics
    - high dose antipsychotic form completed on SystmOne
- A Targeted Learning Bulletin was produced and circulated to all Prescribers (Medical Staff) regarding the HDAT policy standards
- Quick reference guide produced for medical team to refer to when completing the physical health monitoring form on SystmOne
- Pharmacy staff reminded that all antipsychotics (regular and when required) to be endorsed with percentage of BNF maximum. Where a percentage totals more than 100 this is highlighted on the front of the chart.

Self-administration of Medicine at NHFT in-patient units.

- Staff training sessions led by the Pharmacy Team have been held to increase awareness, promote self-administration and ensure correct assessment and documentation for Mental Health & Community wards
- To look into the provision of a few secure but patient-accessible medicine lockers on each unit to allow more patients to become proficient in managing their own medicines prior to discharge.

Monitoring of patients for Post injection syndrome following Olanzapine long acting injection

- Up-to-date Post Injection Syndrome monitoring form with instruction for scanning circulated to wards and teams
- Results shared with Mental Health directorate
- Ward/team managers reminded to ensure correct form is implemented, used and completed in full.

Radiography in Special Care Dentistry

- Operators to grade images 1, 2 or 3 and record this on their logs
- Operators have refreshed their knowledge as to correct image grading
- All operators given a copy of the report to raise awareness
- Re-audit.

DAFNE audit outcome report

- A place has been booked for NHFT to attend the Network meeting in July 2020
- Educators and DAFNE admin made aware that data must be entered onto the database within 3 weeks of data collection
- We have arranged an annual patient DAFNE follow up post course, this will allow us to complete post course forms and collect patient data regarding HbA1c results.

An audit assessing the use of Anti-psychotics in people with Dementia compare to the NICE guidance 2018

- A document is available in ward rounds suggesting the lowest dose to use when initiating an antipsychotic
- A sticker with the start date and also 6-week review date on the front of paper drug charts.

Covert administration of medicines

- Clinical teams made aware of the policy and guidelines regarding the Covert Administration of Medication
- Standardisation of information/advice provided by Pharmacists on covert administration of medication
- Pharmacists keep a record of information and advice provided regarding the covert administration of medications
- Advice/information form is attached to drug charts and scanned onto SystmOne
- Spot check audit in 6 months and then a full audit in 24 months to ensure that standards are being maintained.

Clozapine treatment and operational procedures

- We developed a memorandum sent to all medical staff containing all key findings, areas for improvements, and a reminder of requirements following the audit results obtained from the Clozapine audit
- All Planned Care and Recovery Teams informed that blood monitoring must be documented in the patients clinical notes
- We produced a targeted Learning Bulletin to Improve awareness for doctors and nurses on physical health monitoring requirements
- Re-audit in 12 months to ascertain if improvements have been effective, making sure to include all four standards.

Prone Restraint

- Implemented Safety Pods within our seclusion rooms for use with our seclusion exit procedure. The pods allow staff to exit the rooms in certain circumstances with the patient in the seated position as opposed to prone
- Introduction of alternative IM injections administration
- Development of clear cogent reasons for our use of prone restraint and these are clearly stated within our restraint reduction strategy.

Ensuring Older Inpatients (community beds) Receive Key Falls Prevention Action.

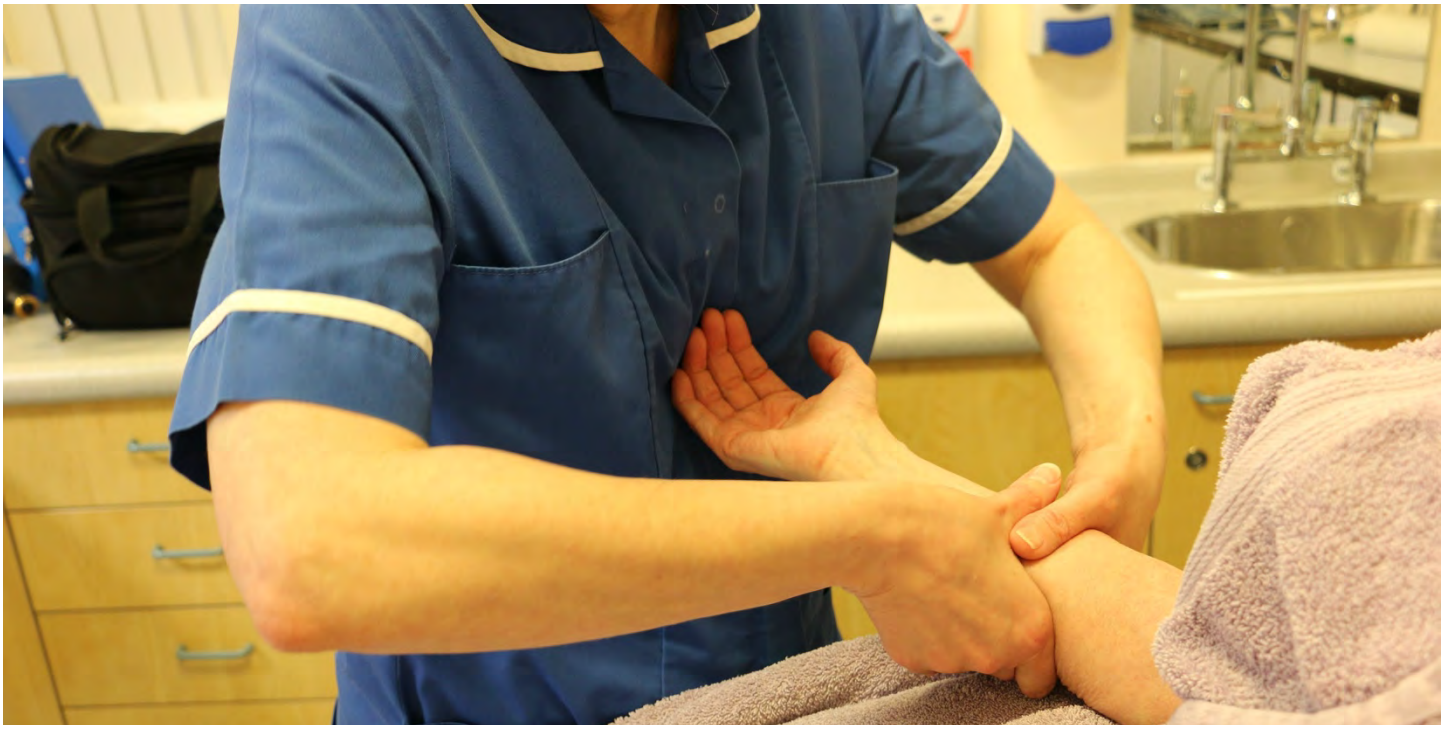
- The community hospitals introduced a process of ensuring on one day, all patients lying and standing BP are taken.
- Competencies were developed for mobility aid assessment for the RCA's and Therapy assistants to ensure cover at weekends and Bank Holidays.

Community Beds, Bed Rail Audit

- As a result of the audit changes were made to the bed rail risk assessment documentation on SystmOne. The results of the re-audit demonstrated significant improvement in documentation.

Compliance with VTE Risk Assessment

- Clinical Systems VTE template amended and implemented
- Awareness training developed and delivered to nursing staff
- Strengthened doctors' induction training for VTE.



ACCREDITATION SCHEMES

The following table shows the services that we were accredited for during 2019/20. Some of these cover years before 2019 and continue beyond 2020.

Accreditation Scheme	Core Service	Service accredited	Comments and Date of accreditation/review
Gold Standards Framework Accreditation process, leading to the GSF Hallmark Award in End of Life Care	End of Life care	Danetre Hospital has achieved GSF accreditation at Care Home Standard	Achieved September 2018, valid for three years
AIMS WA (Working Age Units)	Acute mental health wards for adults of working age and psychiatric intensive care units	Cove AIMS peer review took place between 25 August 2018 and 6 March 2021 Bay AIMS peer review took place between 6 March 2018 and 6 September 2019 Harbour AIMS peer review took place between 29 May 2018 and 6 September 2020 Sandpiper AIMS accreditation peer review took place on 21 June 2018 Avocet AIMS visit and review took place on the 27 June 2017 Further documentation was submitted on 30 January 2019 Kingfisher AIMS accreditation review visit took place on 20 June 2017	Accreditation received February 2019
AIMS PICU (Psychiatric Intensive Care Units)	Acute wards for adults of working age and psychiatric intensive care units	Marina	Accredited 5 September 2017
AIMS OP (Wards for Older People)	Wards for older people with mental health problems	Riverside Wards and Brookview (Royal College of Psychiatrists QNOAMHS Accreditation)	Accredited from 16 April 2019 to 15 April 2022
AIMS Rehab (Rehabilitation wards)	Long stay/rehabilitation mental health wards for working age adults	Meadowbank	Accredited from 23 Mary 2017 to 22 May 2020
Quality Network for Inpatient CAMHS (QNIC)	Child and adolescent mental health wards	The Sett accreditation obtained April 2019 and valid for the next three years	The Burrows had its first peer visit in January 2018 Accreditation was planned for September 2019, however dates delayed due to QNIC peer's availability for the inspection and again due to Covid-19
ECT Accreditation Scheme (ECTAS)		Berrywood Hospital ECT Clinic	Accredited from 25 September to 24 September 2022
Psychiatric Liaison Accreditation Network (PLAN)	Crisis Pathway	The Acute Liaison MH Teams at Kettering General Hospital and Northampton General Hospital	Accredited September 2019
National Diabetic Eye Screening Quality Assurance Service (SQAS)		Diabetic Eye Screening (EQA SQAS) The last visit was June 2019, as part of a 3-yearly timescale	

		Accreditation was maintained as all recommendations have been signed off	
Quality Network for Forensic Mental Health Services (QNFMH)		Wheatfield had a full inspection on 20 February 2017 and a minor inspection on 19 April 2018	Accredited February 2019
Living Wage Employer		We have been accredited as a Living Wage employer since 2015.	
Disability Confident Employer	The Disability Confident Employer scheme works with employers to remove barriers, increase understanding and ensure that disabled people have opportunities to fulfil their potential and realise their aspirations	The Trust is an accredited disability confident employer under the government scheme	Accredited September 2019
Investors in the Environment Green Award 2018	The national accreditation scheme looks at our environmental management plan to make sure we are reducing our core emissions, including gas, electricity and waste, by 2% per year	The Trust has done exceptionally well by reducing carbon emissions by 24%	
Eat Out, Eat Well Accreditation Scheme		The Trust's hospital cafes: • Berrywood silver accreditation • Cynthia Spencer gold accreditation • Danetre gold accreditation • Isebrook gold accreditation • St. Mary's gold accreditation	
Armed Forces Covenant Employer Recognition Scheme		Silver Award	We are proud to be supportive of those who serve in the armed forces, including veterans, reservists, cadets and forces families
rTMS		Quayside has received RCN accreditation for training events	
Wellbeing Charter		Accredited November 2017	
Northamptonshire Carers Association	Encourages employers to provide better opportunities for carers	Level 3 accreditation	This is the highest level of accreditation
Stonewall Diversity Champions	The leading employers' programme for ensuring all LGBT staff are accepted without exception in the workplace	We have been named a Stonewall Diversity Champion for 2019	
Investing in Volunteers	UK quality standard for good practice in volunteer management	August 2019	
UNICEF Baby Friendly accreditation		Stage 3 Accreditation, March 2020	

CARE QUALITY COMMISSION (CQC)

The CQC carried out a full assessment of 5 of our services in September and October 2019. These services were:

- Acute wards for adults of working age and psychiatric intensive care units
- Mental health crisis services and health-based places of safety
- Community mental health services for people with a learning disability or autism
- Forensic inpatient or secure wards
- Long stay rehabilitation mental health wards for working age adults.

OUR CQC RATINGS

In December 2019, we were very proud to receive our second overall 'outstanding' rating from the CQC. The Trust is delighted that we are still rated outstanding overall as well as for 'caring' and for 'well-led' and were also recognised as 'outstanding' in Mental Health and Community.

Our results clearly indicate the dedication and hard work of our staff

Our patients, service users and carers are, and have always been, our top priority. We are pleased that we were rated as 'outstanding' overall, and in the 'caring' and 'well-led' domains. In the 'safe' domain, our rating stayed as 'good'.

The CQC recognised that our team were helpful and empathetic, and that our service users and carers were respected and valued as individuals. They noted that the Trust had worked hard to produce a strong, visible and person-centred culture. Staff were seen to be highly motivated and it was highlighted that they delivered kind and compassionate care, which respected the individual choices of patients and protected their dignity. Staff also recognised and respected the individual needs of patients, including cultural, social and religious beliefs. The CQC stated that they were struck by how well staff treated patients and carers. Staff were identified as being discreet, respectful and responsive in all their interactions.

We also know that we still have work to do – and that our journey does not end here. In particular, we continue to focus on the 'safe' domain and improving the safety of the services we provide to our service users, patients and carers.

These were the CQC's findings:

1. Since our last inspection, the Trust has continued to deliver high quality, safe services across the five mental health services we inspected.
2. There was a strong focus on patient and staff safety as a priority agenda. The Trust had made improvements to how they learnt from investigations into serious incidents and engaged and supported families and relatives throughout the process.
3. There was a strong culture of openness, honesty and learning. There was evidence of sharing practice with others, and an ethos for embracing constant opportunity for learning and improving. The Trust had formed a strong relationship with a neighbouring trust and embraced a 'buddy' relationship. The Trust Board were clear that this was not only an opportunity to support another NHS organisation, but an opportunity to improve and learn for themselves.

4. We heard how the Trust had continued to prioritise their values in every interaction every day, and the culture of staff in the Trust was one of kindness, teamwork and pride to work for the organisation. The Trust had embedded the importance of training, supervision, talent management and development of staff. Staff had access to numerous opportunities to learn and develop within their roles.
5. All services we visited had continued to engage with carers and received positive feedback from the users of services. It was clear that co-production, involvement and engagement had continued to go from strength to strength across the Trust. iWantGreatCare continued to be integral to obtaining feedback from service users and carers.
6. We found staff completed thorough and detailed risk assessments, and the Trust had effective processes for reviewing and updating them. We saw staff assessed and monitored physical healthcare well and teams had multi-disciplinary approaches that promoted healthy lifestyles. Staff completed person-centred, collaborative care plans which involved families and carers.
7. Quality improvement was embedded around the Trust. The trust consistently encouraged and supported staff to innovate and develop new ideas. Staff were consulted and felt included in strategic changes and developments.
8. Staff felt valued by the Trust, their managers and by each other. There was an emphasis on staff wellbeing and leaders saw this as a priority focus for those who worked at the Trust. The Board had invested in wellbeing events, changed policies, wellbeing conversations and promoted work life balance as integral to 'team NHFT'. The culture was one of encouraging distributed and collected leadership throughout the Trust. Staff felt supported to make decisions where appropriate.

As part of our relationship monitoring arrangements, the CQC inspection team have advised us that they are satisfied with our methods for addressing our actions. Below is an overview of our approach to managing the required actions:

- Focusing on project managing activity, building on previous good practice
- Establishing the process and making sure that staff are clear on their responsibility
- Achieving clarity on our priority areas by focusing on the Safe domain
- Maintaining a future focus to make sure that we have a strong plan to keep our rating
- Establishing agreed governance assurance process to check on the delivery and sustainability of our actions.

The full service reports and overall Trust report can be found on the CQC's website.

OUR 2019 CQC RATINGS

Ratings for the whole trust

Safe	Effective	Caring	Responsive	Well-led	Overall
Good → ← Dec 2019	Good → ← Dec 2019	Outstanding → ← Dec 2019	Good → ← Dec 2019	Outstanding → ← Dec 2019	Outstanding → ← Dec 2019

The rating for well-led is based on our inspection at trust level, taking into account what we found in individual services. Ratings for other key questions are from combining ratings for services and using our professional judgement.

Ratings for a combined trust

	Safe	Effective	Caring	Responsive	Well-led	Overall
Community	Good Aug 2018	Good Aug 2018	Outstanding Aug 2018	Good Aug 2018	Outstanding Aug 2018	Outstanding Aug 2018
Mental health	Good → ← Dec 2019	Good → ← Dec 2019	Outstanding → ← Dec 2019	Good → ← Dec 2019	Outstanding ↑ Dec 2019	Outstanding ↑ Dec 2019

Ratings for mental health services

	Safe	Effective	Caring	Responsive	Well-led	Overall
Acute wards for adults of working age and psychiatric intensive care units	Requires improvement → ← Dec 2019	Good → ← Dec 2019	Good → ← Dec 2019	Good → ← Dec 2019	Good → ← Dec 2019	Good → ← Dec 2019
Long-stay or rehabilitation mental health wards for working age adults	Good → ← Dec 2019	Good → ← Dec 2019	Good → ← Dec 2019	Good → ← Dec 2019	Good → ← Dec 2019	Good → ← Dec 2019
Forensic inpatient or secure wards	Good → ← Dec 2019	Outstanding ↑ Dec 2019	Good → ← Dec 2019	Good → ← Dec 2019	Outstanding ↑ Dec 2019	Outstanding ↑ Dec 2019
Child and adolescent mental health wards	Good Mar 2017	Outstanding Mar 2017	Outstanding Mar 2017	Good Mar 2017	Outstanding Mar 2017	Outstanding Mar 2017
Wards for older people with mental health problems	Good Mar 2017	Good Mar 2017	Outstanding Mar 2017	Good Mar 2017	Good Mar 2017	Good Mar 2017
Community-based mental health services for adults of working age	Good Aug 2018	Good Aug 2018	Good Aug 2018	Good Aug 2018	Good Aug 2018	Good Aug 2018
Mental health crisis services and health-based places of safety	Requires improvement → ← Dec 2019	Good → ← Dec 2019	Outstanding ↑ Dec 2019	Outstanding → ← Dec 2019	Outstanding ↑ Dec 2019	Good → ← Dec 2019
Specialist community mental health services for children and young people	Good Mar 2017	Good Mar 2017	Good Mar 2017	Good Mar 2017	Good Mar 2017	Good Mar 2017
Community-based mental health services for older people	Good Aug 2018	Good Aug 2018	Outstanding Aug 2018	Outstanding Aug 2018	Outstanding Aug 2018	Outstanding Aug 2018
Community mental health services for people with a learning disability or autism	Good → ← Dec 2019	Good → ← Dec 2019	Outstanding → ← Dec 2019	Requires improvement → ← Dec 2019	Good → ← Dec 2019	Good → ← Dec 2019

Ratings for community health services

	Safe	Effective	Caring	Responsive	Well-led	Overall
Community health services for adults	Good Aug 2018	Good Aug 2018	Good Aug 2018	Good Aug 2018	Good Aug 2018	Good Aug 2018
Community health services for children and young people	Good Mar 2017	Good Mar 2017	Good Mar 2017	Good Mar 2017	Good Mar 2017	Good Mar 2017
Community health inpatient services	Good Aug 2018	Good Aug 2018	Outstanding Aug 2018	Good Aug 2018	Outstanding Aug 2018	Outstanding Aug 2018
Community end of life care	Good Mar 2017	Good Mar 2017	Outstanding Mar 2017	Good Mar 2017	Good Mar 2017	Good Mar 2017
Community dental services	Good Mar 2017	Outstanding Mar 2017	Good Mar 2017	Good Mar 2017	Outstanding Mar 2017	Outstanding Mar 2017

Key to tables					
Ratings	Not rated	Inadequate	Requires improvement	Good	Outstanding
Rating change since last inspection	Same	Up one rating	Up two ratings	Down one rating	Down two ratings
Symbol *	→←	↑	↑↑	↓	↓↓

NHFT student nurses with our Chief Nurse Julie Shepherd (front, left).

OUR SERIOUS INCIDENTS

This is how we managed Serious Incidents (SIs) this year, and the things we have learned to take forward into next year.

- All incidents are likely to require further investigation, prior to going through the Internal Assurance Meeting (IAM) process, are reviewed at directorate management team meetings of the Adult & Children's and the Adult Mental Health, Learning Disabilities and Specialty Services directorates.
- The IAM meeting reviews and evaluates incidents against local policies and the NHS England SI Framework and considers what level of further investigation is required. Attendees include service managers, medics, experienced clinical leaders and subject matter experts (such as the Falls Lead, Safeguarding Lead and Medicine Safety Pharmacist).
- As standard and where appropriate, patients, service users and carers are offered the chance to participate in the investigation of incidents in which they are involved. This enables contribution to the terms of reference prior to the investigation, provides opportunity to share information and concerns and includes engagement in a debrief with the investigator following the report's completion.
- The NHFT Patient & Family Liaison Lead (independent of the investigator/investigation team) has offered guidance and support during a number of investigations this year, including the supporting of some families at inquest.
- This approach is also applied to some complaints and for Concise Investigations (previously known as Clinical Reviews), which are investigations of incidents that do not meet the NHS England criteria for a serious incident investigation but meet the NHFT criteria for further internal review.
- NHFT are currently in the process of trialling an impact assessment tool that will be used to qualify the impact that actions taken following investigations have had upon patient safety and experience.
- Members of the Patient Safety Team and Quality Teams have recently undertaken the NHS Improvement Training entitled Quality, Service Improvement and Redesign. This has enabled a timelier, more accurate and responsive analysis of incident data, which in turn allows prompt engagement with teams, or in-depth review, should unexpected variation be observed. This provides better assurance than our previous approach, as incident data is reviewed at ward and service level, and by individual incident categories.

SERIOUS INCIDENTS (SIs)

Total SIs delared by the Trust in 2019/20	Incidents entered onto STEIS* (This number includes the 35 SIs declared to the left)	STEIS downgrades required*	SIs declared in Adult Mental Health and Learning Disabilities Specialty Services	SIs declared in Adult and Children's Services
35	49	24	13	22

Never event declared by the Trust in 2018/19: 0

* STEIS is the national system on which SI investigations are logged. In addition to SIs some Commissioners insist upon certain types of incidents being logged on STEIS prior to being declared an SI. A downgrade request is submitted to commissioners when an intitial review has been completed and it has been determined that an SI investigation is not indicated. There are also instances whereby a commissioner refuses a downgrade or insists upon an SI being declared.

OUR PERFORMANCE

To provide reassurance of the quality of services, NHS healthcare providers provide data and analysis of performance in their Quality Reports. This shows how we performed against quality measures, which are called 'core indicators'. We use this to understand how we provided care to our community, and what we will continue to focus on as well as improve for the coming year.

OUR PERFORMANCE AGAINST CORE INDICATORS

The table below shows how we have performed against key 'core indicators' set by NHS Improvement. NHS Digital makes data available from outside the Trust for the following relevant indicators. **Please note that the data provided for Care Programme Approach and Admissions to acute wards is for quarters 1-3, 2019/20 only. Our data for patient safety as listed in the table below is for the period 1 April 2019 to 30 September 2019.** The available data set that allows benchmarking of this information provides a rate per 1,000 bed days.

Indictor	Trust Score 2017/18	Trust Score 2018/19	Trust Score 2019/20	National Average score	FT Highest Score 2019/20	FT Lowest Score 2019/20	Non FT Highest Score 2019/20	Non FT Lowest Score 2019/20
Care Programme Approach 7 days	97.9%	98.5%	97.5%	95%	99.3%	85.9%	99.3%	91%
Admissions to acute wards	96.7%	96.5%	94.3%	97.8%	100%	91.9%	100%	91.9%
"Patient exp community MH services" indicator score	No data since 2013 - indicator currently under review due to changes in source data							
Patient safety incidents - no.	2,822	3,173	3,832		8,568	13	5,637	1,795
Patient safety incidents - rate	54.2	57.5	72.8		130.8	28	126.3	17.2
Patient safety incidents - severe harm / death no.	14	6	14		118	7	98	0
Patient safety incidents - severe harm / death rate	0.27	0.11	0.27		1.57	0.10	1.38	0.00

OUR STATEMENTS OF ASSURANCE

FOR SELECTED CORE INDICATORS

Indicator	Trust Score	NHFT considers that this data is described for the following reasons:	NHFT has taken the following actions to improve our score, and so the quality of its services, by:
The percentage of patients on Care Programme Approach (CPA) who were followed up within 7 days after discharge from psychiatric inpatient care during the reporting period.	97.5%	NHFT has maintained performance above target for this indicator	Our alert system from wards to community services continues to ensure all patients are prepared for discharge and follow-up arrangements are fully in place. The wards continue to ensure correct contact details for the service user are available to community services.
The percentage of admissions to acute wards for which the Crisis Resolution Home Treatment Team (CRHT) acted as a gatekeeper during the reporting period.	94.3%	NHFT has maintained performance above target for the gatekeeping of acute mental health admissions	The continued deployment and development of the acute mental health liaison service, alongside improved reporting mechanisms continue to ensure performance is maintained above target.
Patient experience of community mental health services indicator score with regard to a patient's experience of contact with either a health or social care worker.	No data available	Indicator currently under national review due to changes in source data	NHFT internal performance data reflects our iWGC reports and service evaluations.
The data made available to the National Health Service Trust or NHS Foundation Trust with regard to the number and, where available, rate of patient safety incidents reported within the Trust during the reporting period, and the number and rate of such patient safety incidents that resulted in severe harm or death.	3,832 72.8 14 0.27	As a mental health and community trust, our rate will show inflation, as it does not take into consideration community contacts. This will be an issue for all mental health and community trusts.	The Trust has invested resource into simplifying the incident data capture process and review and sign off processes encouraging the reporting of incidents and improving its accuracy to support learning.

OUR PERFORMANCE AGAINST TARGETS

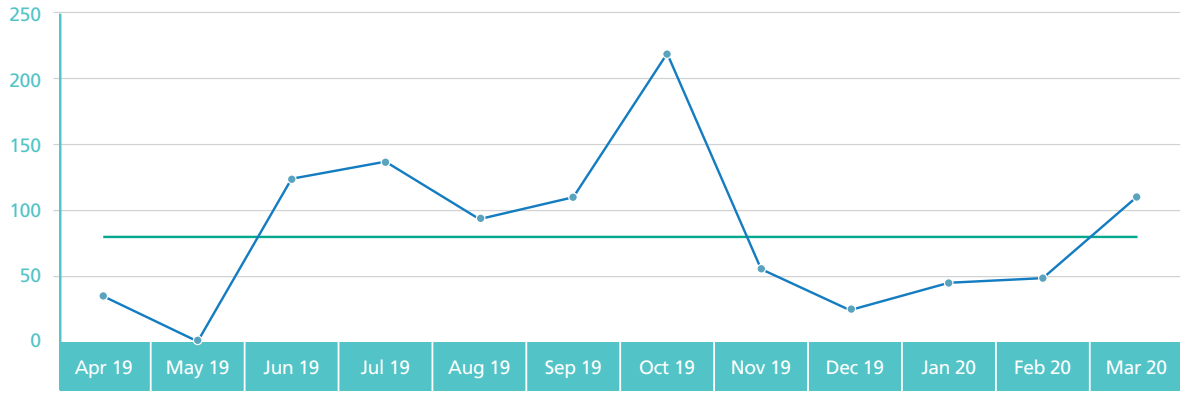
In 2019/20 we achieved seven out of the 10 statutory targets at fourth quarter. Performance for the year is summarised in the following table. Unless indicated otherwise, Trust performance against indicators is based on data collected by the Trust and held on trust IT systems.

Indictor	2018/19 year performance	2019/20 Target	2019/20 Performance - Q1	2019/20 Performance - Q2	2019/20 Performance - Q3	2019/20 Performance - Q4	Overall 2019/20 Year Performance
EIP within 2 weeks	85.5%	56%	92.9%	80.6%	87.5%	92.9%	88.2%
Cardio-metabolic assessment (a) Inpatients	92.0% (Q4)	90%	98.0%	96.4%	97.1%	97.2%	NA
(b) EIP	88.8% (Q4)	90%	86.1%	84.5%	85.2%	87.1%	
c) Comm MH (people on CPA)	47.6% (Q4)	65%	48.7%	51.3%	51.1%	53.1%	
IAPT - (a) Recovery	48.8%	50%	51.4%	51.1%	51.2%	50.9%	51.2%
IAPT - (b).i 6wks referral	95.5%	75%	97.3%	98.1%	97.9%	98%	97.8%
IAPT - (b).ii 18wks referral	99.7%	95%	99.9%	99.8%	99.8%	99.6%	99.8%
CPA 7 days	98.5%	95%	98.3%	95.2%	99.1%	99%	97.8%
Admissions to Adult patients < 16yrs old	0	0	0	0	0	0	0
Inappropriate out of area (OOA) placements for Adult MH*	1,891 (157.6 per month)	0	162	341	300	207	1,010 (84.2 per month)

* Inappropriate OOA placements for Adult MH – monthly breakdown

OUT OF AREA PLACEMENTS

Our inappropriate out of area (OOA) placements for Adult Mental Health Services by month are detailed in the below graph and table.



	Apr 19	May 19	Jun 19	Jul 19	Aug 19	Sep 19	Oct 19	Nov 19	Dec 19	Jan 20	Feb 20	Mar 20	Monthly Average
Inappropriate OOA placements for Adult MH	35	3	124	137	94	110	218	56	26	45	50	112	**84.2**

OUR LOCAL INDICATOR

Each year, one of our priorities is selected by our Governors to be reviewed by our auditors KPMG. This year, auditors are not reviewing local indicators due to the pressures on the system because of Covid-19.

This year, our local indicator selected by our Governors for focus was:

We will reduce the numbers of prone restraint used within Mental Health In-patient Services in line with our reduction strategy.
The indicator – one of our priorities for 2019/20 – was important for the Trust because it is a patient focused outcome that is linked to safety and experience. We have determined that it remains a priority for 2020/21, which is why it has been reviewed and added into the new set of priorities.

OUR DATA QUALITY

To make sure we always have high quality data, we use an automated process. It spots incorrect patient demographics, including NHS numbers, postcodes, and GP registration. It also stops data being input twice. It prevents impossible errors at patient level reporting for each service, particularly regarding a patient's age and gender.

Reporting of access times for patients seen and wait times for patients still waiting to be seen, are recorded through our performance framework meetings. Internally, performance in this area is measured against an 18-week expectation with action planning required as standard for areas of under attainment. Risks to data quality in this area are managed through weekly communication between the performance team and clinical service leads.

An overarching Data Quality and Referral to Treatment (RTT) Group was set up in November 2019. This brings together the Clinical Support, Information Governance and Performance Teams' facilitation of the health record alongside operational input into strengthening data accuracy across the Trust. This group meets monthly and is chaired by the Director of Operations. The Access Policy will also be reviewed as part of this group's work programme in 2020/21 to ensure consistency and a standardised approach across the Trust.

Our assurance processes work from Board to Ward. At Board level, we have integrated our Performance Dashboard. It allows the Board to keep close watch on performance and triangulate data quality and this continues to work very effectively. Dashboards have been added at a Directorate level and these are closely monitored and acted on by divisional management teams. These add to, and work alongside, our SMART web-based reporting tool, which gives information to all staff.

Every staff member has a responsibility for ensuring data quality. This accountability is included in all new job descriptions. This is in line with the requirements of the Data Security and Protection toolkit (DSPT). Targeted training is also available to help staff and user forums for our core clinical system. Data quality issues are raised and managed at a monthly performance and information review meeting. This is held with senior operations staff and the performance and informatics teams.

Routine data quality outcomes modules are made and put into practice to make sure that improvement plan measures are effective. The data quality team runs Mental Health Services Data Sets and Community Information Data Sets to improve performance. In line with the DSPT, the Trust does an annual programme of data quality monitoring and audit. Service managers help make sure that action plans are put into practice. This is based on the recommendations for change that come from the findings of monitoring and audit activities. The data quality team also does audits of compliance with established procedures every six months, on a targeted basis.

OUR COMPLAINTS

Keeping accurate track of complaints and feedback is a really important part of delivering quality care. During 2019/20, as part of their local objectives, the complaints team reviewed and changed the subjects that are used on Datix when logging complaints and Patient Advisory Liaison Service (PALS) issues. The team have implemented a second check process so that two people are involved in selecting the most appropriate theme for the complaint. The team have also created definitions for all subject codes to reduce the ambiguity around themes and have incorporated an audit of these subject codes into our monthly team meetings. This will help run reports and capture trends in complaints and PALS in a more precise way. Additionally, the team have implemented a second check process so that two people are involved in selecting the most appropriate theme for the complaint.

Service user and carer involvement remains a priority within the complaints process and is valued within our peer review process and Complaints Review Committee.

During quarter three this year, the team reviewed a complaint investigation and response letter with a volunteer peer reviewer. This additional level of independent review is something that will continue to be used going forward in 2020/21 as it provides external assurance that the team are responding in a compassionate, understanding and open way.

Networking through the newly set up county-wide Patient Experience Group has helped share the learning and management of complaints and PALS processes with other health providers within Northamptonshire. The way in which the Trust learns from complaints recommendations was audited in early 2020. An action plan was formulated in response to the recommendations. One immediate change was implemented to record learning centrally on the internal Datix system with the intention of supporting wider learning across teams and directorates.

TOP 5 THEMES FOR COMPLAINTS IN 2019/20

Standard of Care	Communication	Access to Services	Medication/ Prescribing	Attitude
55	42	23	19	16

2019/20 COMPLAINTS
IN NUMBERS

219 formal complaints received

An **8.3%** decrease from last year

100% of complaints acknowledged within 3 working days*

1,861,631 times we interacted with patients

Formal complaints represented **0.012%** of interactions

Compared with **0.013%** in 2018/19

71 extensions agreed with the complainants during the year

This equals **32.4%** of total complaints

4 new cases accepted by the PHSO for investigation

2 new cases carried over from the previous year

Of those 6 cases: 2 were partially upheld, 2 not upheld and 2 are ongoing

Notes: In response to the high percentage of cases extended a new process was implemented during third quarter 2019/20, where reasons for extension requests were provided to the Chief Operating Officer for approval. Since the new process was implemented there has been a reduction in responses being extended. *And received a final response within the 25 days' timeframe or within an extended timeframe as agreed with the complainant

iWANTGREATCARE

Everything we do at the Trust is about people. And the only way to really know how people feel about the quality of the care we provide is to ask them. That is why we collect patient and carer feedback. We use this information to improve patient experience and quality of care by always reviewing and improving our services. We collect feedback from complaints, incidents, PALS contacts, compliments and letters of appreciation. We also collect information through iWantGreatCare (IWGC).

Who is in charge of the information?
Several people work together to help us make best use of our feedback. These are our Head of Patient Experience, iWGC Manager, Head of Performance and Head of Quality Assurance.

They make sure that all the different forms of feedback we get are efficiently brought together to help us make improvements to quality and assurance processes, such as serious incident investigations, lessons learned (through the monthly Lessons Learned Exchange), service reviews and inspection. Assurance from services comes through the service management reporting structure, governance meetings and patient experience groups.

What happens if we get negative feedback?
If someone posts a review that contains something negative or that gives a suggestion for improvement, we must always aim to respond fully so that both the reviewer and public can see what we have done. This year we have seen a significant improvement in the quality of the responses from service managers. This is usually about 5% of the total. Reviews, comments and responses through iWGC are published on the iWGC public website.

NHFT staff at our first Keeping Everyone Safe Week, when we discussed the many different forms of safety in terms of working environments, as well personal experiences of how we can keep our patients and service users, their families and carers, and staff safe.

IWANTGREATCARE RESULTS

Reviews
23,979

Recommend the Service to friends and family
93.98%

Average rating across all services
4.82

Kindness and compassion of staff
4.92

Involvement
4.81

Dignity and respect
4.91

IWANTGREATCARE RESULTS

Month/Year	Total number of reviews	Likely to recommend	Kindness and compassion to staff	Info. About care and treatment	Involvement	Dignity and respect	Average 5 Star rating
April	1946	92.03%	4.93	4.74	4.76	4.87	4.8
May	2488	93.33%	4.93	4.78	4.78	4.9	4.81
June	2048	91.85%	4.92	4.8	4.81	4.92	4.82
July	2504	90.89%	4.65	4.79	4.81	4.9	4.77
August	1835	96.29%	4.97	4.78	4.81	4.91	4.84
September	2083	93.81%	4.9	4.79	4.83	4.92	4.82
October	1833	94.87%	4.91	4.77	4.8	4.91	4.82
November	2109	96.18%	4.92	4.8	4.83	4.92	4.85
December	1585	96.34%	4.9	4.81	4.82	4.92	4.85
January	2320	94.78%	4.96	4.8	4.83	4.9	4.84
February	1762	94.55%	4.94	4.81	4.82	4.91	4.84
March	1466	94.68%	4.98	4.8	4.82	4.93	4.83
Full Year	**23,979**	**93.98%**	**4.92**	**4.79**	**4.81**	**4.91**	**4.82**

PART THREE

OUR PRIORITIES 2019/20

Our Board of Directors endorses the below statements of assurance about our progress against the priorities we set ourselves this year (2019/20). As with our priorities for the coming year (see Part Two of this report, where you can read about our performance metrics for 2020/21), we set objectives and measure our work against these in three main areas: patient safety, patient experience and clinical effectiveness. Our indicators are not covered by a national definition unless indicated otherwise.

What we said	What we did
We will strengthen and monitor the percentage of clinical staff who undertake local induction. CQC domains: Well-led and Safety This indicator was chosen because we recognise that an effective and consistent induction process will enable new staff to begin their employment in a positive and supportive environment and promote long-term staff retention. A comprehensive induction will ensure that new staff are provided with the information, support and learning needed to operate effectively in their new role and to quickly integrate.	Quarter one • A review of the local induction procedure and probationary procedure was completed. Potential areas requiring an update and cross referencing were identified • A working group was established including representatives from all staff areas, this group has also reviewed the relevant procedures • The experience of new starters was sought • The recording and reporting processes for the local induction procedure was found to be well established • Views within the wider organisation were also sought through an article in e-brief • The percentage of appropriate staff who have received a local induction between April 2018 and March 2019 was established. Overall the figure is **71.19%** for the year. The aim was therefore altered to improve the quality of the induction rather than set a numerical target. However, there was a clear expectation that the number of local inductions completed was maintained

	• The appropriate cohort was defined as all staff apart from doctors and prison services as a separate induction process is in place for this staff group. This was due to the need for all staff to have a positive experience of the induction process • The local induction checklist was reviewed by the working group who put forward ideas for change • Induction processes from another NHS provider were reviewed and considered. <u>Quarter two</u> • The proposed changes were shared with senior leaders at the Senior Leadership Team (SLT) meeting. The changes and new checklist were introduced and issued for consultation. Feedback was received and amendments made where appropriate as a result • Consultation was completed with members of the SLT • Dissemination of information started with members of the SLT at the workshop attended. A communication plan was completed and will continue to be updated with revised timescales once process and timescale for approval is known. <u>Quarter three</u> • A communication plan was completed and reviewed and updated in line with current progress • The percentage of staff undertaking local induction continued to be monitored and remained at a high level. Continued monitoring has been completed in Q3 and Q4. A meeting with Learning and Development was undertaken to review the recording processes when staff complete the local induction. <u>Quarter four</u> • The number of appropriate new starters between April 2019 and March 2020 who completed a local induction was 69.39%. However, the figures are still open to fluctuation as some new starters from the last month and local induction forms from the last quarter potentially could be added to the totals for the year.

	As a result of the work regarding this priority, the local induction procedure and checklist has been reviewed and changes identified to ensure that they are updated, strengthened and align with other related policies/procedures. The new procedure is completed and awaiting agreement prior to being rolled out across the organisation.
How we monitored it • Quarterly reporting to the Quality and Governance Committee • Quarterly reporting to Quality Forum • Working party actions.	**How we measured it** • Induction figures obtained from Learning and Development team were compared against an agreed cohort.

What we said

We will implement National Early Warning Score (NEWS) 2 across the relevant services. (Prior to the implementation of NEWS2, the Trust used NEWS in relevant services). This had a patient safety target of 90% excluding clinical exceptions. This target continues as an expectation.

CQC domains: Safety

This priority was chosen because we recognise the importance of ensuring there is early detection, timeliness and competency associated with the clinical response when treating people with acute illness.

What we did

Quarter one

Areas relevant for NEWS 2 roll out were identified as:

1. All inpatient areas
2. ICT
3. District Nursing

- A NEWS2 Training package was identified and offered free of charge by the Royal College of Physicians. NHFT paid the license for training, which is available on ESR for staff to access. Training was reviewed and approved in quarter four of 2018/19
- NEWS 2 paperwork was printed and introduced to all clinical areas during quarter two
- Tools have been reviewed
- Weekly audits commenced in quarter two
- A weekly conference call was chaired by the Clinical Director (Community Rehab & Elderly Care) and Deputy Director of Nursing, and a weekly report was issued for the Executive Board from quarter two.

Quarter two

- Training was available on ESR or through the Royal College of Physicians website
- Staff participated in e-learning training and in quarter two, 90 staff had undertaken the training

NEWS was initially developed to improve the detection of and response to clinical deterioration in patients with acute illness. The original NEWS was released in 2012 and has been widely implemented across the UK. It was created to standardise the process of recording, scoring and responding to changes in routinely measured physiological parameters in acutely ill patients.

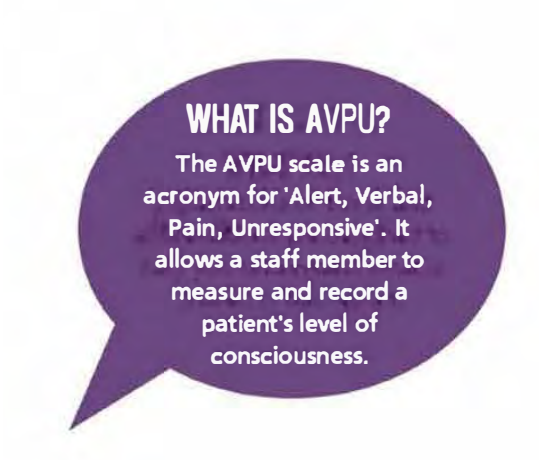
The NEWS chart has been updated in 2017. The revised National Early Warning Score 2 (NEWS2) published by the Royal College of Physicians in December 2017 changed the following:

- The recording of physiological parameters has been reordered to align with the Resuscitation Council (UK) ABCDE sequence
- The ranges for the boundaries of each parameter score are now shown on the chart
- The chart has a dedicated section (SpO2 Scale 2) for use in patients with hypercapnic (increased amounts of CO2 in the blood) respiratory failure (usually due to **Chronic Obstructive Pulmonary Disease or** COPD) who have clinically recommended oxygen saturation of 88–92%
- The section of the chart for recording the rate of (L/min) and method/device for supplemental oxygen delivery has been improved
- The importance of considering serious sepsis in patients with known or suspected infection, or at risk of infection, is emphasised – a NEWS score of 5 or more is the key trigger threshold for urgent clinical review and action
- The addition of 'new confusion' (which includes disorientation, delirium or any new alteration to mentation) to the AVPU score, which becomes ACVPU (where C represents confusion)
- The chart has a new colour scheme, reflecting the fact that the original red–amber–green colours were not ideal for staff with red/green colour blindness.

- NEWS2 was presented to primary care and was received very positively. It was decided that NEWS2 would be rolled out in the community. The meeting discussed the need to continue to report on postural hypotension and it was decided that this would continue to be recorded on the front of the community form, along with the blood sugars, even though this is not scored
- NEWS2 paperwork was approved and printed, and delivered to all ward areas by 16 December
- A weekly audit of NEWS was held and then superseded by the NEWS2 audit during November
- A weekly conference call was chaired by the Clinical Director (Community Rehab & Elderly Care) and Deputy Director of Nursing commenced in quarter two to monitor NEWS compliance
- There was a fortnightly NEWS report on agenda for SEB which became a NEWS2 report from the end of November
- NEWS 2 implementation was in place by 16 December.

<u>Quarter three</u>

- The following policies/protocols have been identified and were updated to reflect the implementation of NEWS2:
    - Protocol to Detect the Deteriorating Patient (Adult and Children)
    - Recognition of Sepsis Protocol
- A weekly audit was implemented for all inpatient areas
- Results were discussed at a weekly conference call
- NEWS2 forms were implemented from 16 December
- All staff who were identified as needing NEWS2 training have completed the training
- Weekly audit results showed good compliance for:
    - NEWS completed on admission (100%)
    - NEWS calculated correctly (98.1%)
    - Review carried out when NEWS triggered (98.4%)



- Further work was undertaken to improve compliance for ensuring observations were repeated at set times in line with local policy over 24hour period (89.3%). This work included:
    - Investigating the acuity of the wards
    - Setting a threshold for when observations are due to be measured

<u>Quarter four</u>

NEWS was implemented across our inpatient services, and implementation in the Community Nursing and ICT services has been delayed and will be implemented in quarter two of 2020/21.

Weekly audits have been in place since October and are continuing with weekly conference call to monitor compliance.

In order to improve performance, inpatient areas have implemented the following:

- Alerts have been added to phones
- NEWS is being discussed huddles and as part of the ward round
- NEWS completion is included in supervision.

Results showed good compliance for quarter four:

- 100% of NEWS was completed on admission
- 98% of NEWS was calculated correctly
- 91% of observations were repeated at set times in line with local policy
- 99% of reviews were carried out when NEWS triggered.

How we monitored it

- Weekly conference calls
- Monitoring of action plans
- Monthly report to Senior Executive Board
- Quarterly reporting to Quality and Governance Committee
- Quarterly reporting to Quality Forum
- Staff training.

How we measured it

- NEWS2 weekly audit for inpatient units
- Weekly discussions on compliance as part of conference call and monthly report to Senior Executive Board
- Percentage of relevant staff who had undertaken training on NEWS2.

What we said

We will increase five of the protected characteristic category baselines by either 10 or 20% (services using SystmOne clinical record recording).

The improvement difference is summarised below:

- **Disability 10%**
- **Ethnicity 10%**
- **Marital status 20%**
- **Sexual orientation 10%**
- **Belief 20%**

CQC domains: safe and effective

We chose this priority because we want equality information and data to help drive our equality, diversity and inclusion (EDI) work forward, and improve patient experience and outcomes.

We identified that by improving data quality across our single patient profile that we can provide better patient care, safety and patient experience and outcomes using the protected characteristics. Our focus will be on data completeness in patient records for: sexual orientation, religion, ethnicity, disability and marital status.

What we did

Quarter one

Baseline data has been identified as:

- Disability 0.70% (expectation was 10% increase)
- Ethnicity 80.20% (expectation was 10% increase)
- Marital Status 21.10% (expectation was 20% increase)
- Sexual Orientation 0.9% (expectation was 10% increase)
- Religion and Belief 18.80% (expectation was 20% increase)

- A communications plan and training (workshops) were developed to help staff improve data recording
- Service users were identified and were part of the team who developed the communications plan. They were also involved in the development of the questionnaire and assisted in the development of material to promote equality and diversity
- A questionnaire was developed and rolled out from 1 August 2019 to 26 September 2019
- A quarter one update provided to our Equality Inclusion Assurance Board (EIAB) on 30 July 2019.

Quarter two

- A questionnaire was developed and rolled out on 1 August 2019. The aim of the questionnaire was to obtain feedback and thoughts from patient and service users to understand if and how we are asking the questions to collect the demographic data
- Since August 2019 to date, over 2000 questionnaires have been distributed to inpatient wards at Berrywood Hospital and the Welland Centre. However, to date only 30 (1.50%) questionnaires have been completed and returned.

The data in August showed:

Protected Characteristic	Benchmark	Q2	Target	
Disability	0.7%	3.96%	10% increase	↑
Ethnicity	80.2%	84.1%	10% increase	↑
Religion	18.80%	7.1%	20% increase	↓

Sexual Orientation	0.9%	11.5%	10% increase	↑
Marital Status	21.1%	25.4%	20% increase	↑

- This data is reported and actions monitored through the EIAB
- Data was obtained on the 1 September 2019 and the results for marital status, ethnicity and religion have been reported as an exception because we did not reach the increased target and it fell significantly short of the requirement
- The communication team have supported with some guidance on the importance of capturing this data and this has been circulated in e-brief.

<u>Quarter three</u>

Below is a key summary of findings drawn from responses received from the patients who completed questionnaires distributed in quarter two:

- Questionnaire results indicated that around 64% of patients confirmed that they had been asked about their protected characteristics demographic data. This then means about a third of respondents will not have been asked for such information, which may partially explain the reason behind our patient data incompleteness. More questionnaire responses will be required in order to make findings more accurate for the Trust
- 75% of respondents who had been asked for information about their protected characteristics confirmed that this was done directly by a member of staff while 19% confirmed they had completed this information on paper
- All respondents confirmed that they felt comfortable sharing their personal demographic information with the Trust and they did not have any concerns in doing so. If we continue to find a similar response from all questionnaires then it will be clear that future focus must be on tightening and monitoring that staff are asking for this information
- Questionnaire results for quarter three and a summary of the findings were discussed at the March 2020 EIAB
- Discussions have been held with a mental health service lead to ascertain the process followed in recording patient information and the lead confirmed that this information is primarily collected on admission

- A request has also been forwarded to the clinical systems team to run a report of all patients without recorded demographic data to establish if data incompleteness is as a result of flaws in the capturing and the reporting of the data – or if this was due to failure to collect data from patients in the first instance
- The performance team agreed to liaise with the business and intelligence team to gather more information on the 39 service lines whose data is currently not captured by S1.

Quarter three data shows:

Protected Characteristic	Benchmark	Q3	Target	
Disability	3.96%	3.9%	10% increase	↓
Ethnicity	84.1%	88.1%	10% increase	↑
Religion	7.1%	37.2%	20% increase	↑
Sexual Orientation	11.5%	4.2%	10% increase	↓
Marital Status	25.4%	47.8%	20% increase	↑

A quarter two update was provided to Equality Inclusion Assurance Board on 29th October 2019.

Quarter four

Induction

The number of appropriate new starters between April 2019 and March 2020 who completed a local induction was 69.39%. However, the figures are still open to fluctuation as some new starters from the last month and local induction forms from the last quarter potentially could be added to the totals for the year.

Protected characteristics

Data in the preceding columns indicate that while we have been successful in increasing category baselines for all five protected characteristics, the annual target has only been met and surpassed only for one – marital status. Recording no deterioration in data collected for all five category baselines is positive and encouraging, however the proportion of data collected is still unsatisfactory. Therefore, more effort to increase the data collected is necessary.

Quarter four data shows:

Protected Characteristic	Q1	Q2	Q3	Q4	Annual Target	Annual Actual	
Disability	0.70%	3.96%	3.90%	4.10%	10% increase	3.4% Increase	↑
Ethnicity	80.20%	84.10%	88.10%	87.00%	10% increase	6.8% Increase	↑
Religion	18.80%	7.10%	37.20%	35.70%	20% increase	16.9% Increase	↑
Sexual Orientation	0.90%	11.50%	4.20%	4.10%	10% increase	3.2% Increase	↑
Marital Status	21.10%	25.40%	47.80%	46.80%	20% increase	25.7% Increase	↑

The Annual Equality Report was presented to both the EIAB and the Trust Board and key performance highlights for the year were shared and discussed in line with the public sector equality duty (PSED) prescribed under the Equality Act 2010.

The Annual Equality Report, which also includes service user data completeness for the above five protected characteristics, was published online in compliance with the PSED.

How we monitored it

- Obtained a baseline of recorded service user demographic information across trust-wide services and develop training plan for staff to understand the importance of recording the profile data
- Quarterly service user demographic information
- Quarterly report to the Equality and Inclusion Assurance Board
- Quality and Inclusion Assurance Board minutes
- Annual Report.

How we measured it

- Monitoring the equality dashboard from SMART reporting on a monthly basis, checking for data completeness for the protected characteristics.

What we said

We will reduce the numbers of prone restraint used within Mental Health In-patient Services in line with our reduction strategy.

CQC domains: safety

This indicator was chosen because our CQC inspection report identified that we needed to review the number of prone restraints in accordance with the Mental Health Act Code of Practice. This review, in conjunction with the results of a national freedom of information request indicated that the majority of prone restraints occurred both at NHFT and nationally, either as part of a procedure to exit seclusion or to administer Innovative Medicines Initiative (IMI) medication
In March, the Trust purchased 20 Safety Pod devices that will enable staff to exit seclusion without using the prone position. Although the pods are not suitable for use in every seclusion exit, they will provide an alternative on many occasions. The Prevention and Management of Violence and Aggression (PMVA) team have included the use of the pods on training courses and are attending ward team days in order to offer bespoke, in situation training.

Following an extensive and rigorous analysis of the training system conducted by the Trust, the PMVA team, in conjunction with our accrediting organisation, has reviewed and modified the course content. This system utilises a 'core skills approach', which provides staff with numerous alternatives to the use of the prone position.

What we did

Quarter one

- Data from Smart System showed that prone restraint use has significantly decreased.
- Comparison of Prone Use is as follows:
  March-June 2017: 92
  March-June 2018: 131
  March-June 2019: 53
- Data around prone restraint was reported to the PMVA meeting and Mental Health Act Scrutiny Committee during quarter one. The report from the Mental Health Action Scrutiny committee was reported to the Quality Forum in May 2019
- Training around prone restraint was delivered to all staff on the wards in the form of team training days, bespoke sessions or on scheduled PVA courses
- **91%** of substantive staff on the ward that reported the highest use of restraint were given bespoke safety pod training. Staff who have not yet received training were on sick leave.

Quarter two

- **85%** of substantive staff based on wards have been trained in their use

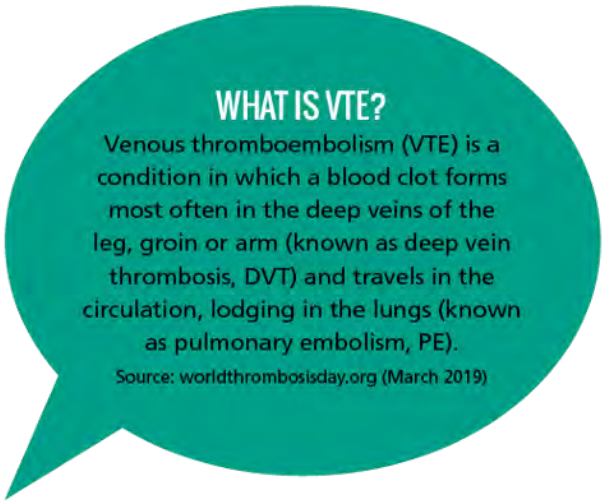
Quarter three

- Feedback following the introduction of PODS has been very positive
- An audit of the Use of Prone restraints has been carried out, see results below
- A comparison of prone restraints has shown that NHFT has achieved a reduction of **45%** in prone restraints compared to the equivalent six months in 2018:
  - April to Sept 2018: 131
  - April to Sept 2019: 71
- Bespoke training on the wards that use seclusion and inclusion of POD training on courses has been implemented
- **87%** of substantive staff are now trained
- Of the 35 outstanding staff, 5 are on maternity leave, 2 are on long term sick leave and 25 are new staff are booked for upcoming courses.

	Quarter four • We reviewed the numbers of prone restraint and a comparison of 12 months data (April 2018 - March 2019 compared to April 2019 - March 2020) shows **41%** reduction in prone restraints (290 compared to 170) • Feedback from staff and patients has been positive • Future priorities identified and included as Quality Priority for 2020/21.
How we monitored it • Audits of restraint • Staff training records • The Prevention Management of Violence and Aggression (PMVA) group monitored monitor the data from SMART • Regular reports provided to Mental Health Act Scrutiny and the Quality Forum.	**How we measured it** • Regular audits of restraint • Percentage of staff trained.

What we said	What we did
We will increase our compliance with the number of appropriate VTE assessments completed, based on an agreed baseline of 95% (including clinical exceptions). CQC domains: safety We chose this priority because VTE is a leading cause of death and disability worldwide that can be easily prevented. Hospital-acquired venous thromboembolism (VTE), also known as hospital-acquired or hospital-associated thrombosis (HAT), covers all VTE that occurs in hospital and within 90 days after a hospital admission. It is a common and potentially preventable problem. VTE most frequently occurs in the deep veins of the legs or pelvis (a deep vein thrombosis [DVT]). If it dislodges and travels to the lungs, it is called a pulmonary embolism, which in some cases can be fatal.	Quarter one Wards confirmed as needing to undertake VTE assessment of their patients were: o Inpatient Acute Mental Health wards o Inpatient Older Adult Mental Health wards o Community Hospital wards o Hospice wards • Baseline identified and trajectory set to ensure all wards achieved 95% compliance by the end of quarter one • Weekly audits commenced in May and weekly reports produced identifying progress and achievements against action plan • Weekly conference calls were initiated to tackle any issues in a timely manner • SystmOne template was reviewed and amended. Completion of template has been made a compulsory part of the doctors' admission process

VTE risk assessment can prevent deaths in hospital by implementing VTE prophylaxis where necessary. It includes mechanical methods (such as anti-embolism stockings and intermittent pneumatic compression devices), and pharmacological treatments (such as heparin and other anticoagulant drugs).



- Work commenced to ensure data is accurate however it has not been fully implemented
- VTE awareness sessions were held as part of the nursing conference. Training was made available for nurses and HCA's during June
- A session on VTE was included as part of the junior doctor's induction programme
- Weekly audit results were reviewed and actions were discussed at the weekly conference call chaired by Director of Nursing and Medical Director
- A weekly report was produced outlining progress and actions and this was discussed at the executive Board
- 86% (19/22) of wards achieved compliance in completing VTE risk assessment within 24 hours of admission during June
- 68% (15/22) of wards achieved compliance in completing VTE risk assessment within 14 hours of admission during June.

<u>Quarter two</u>

- Work has commenced to ensure data is accurate
- During quarter two, our overall compliance for:
    - VTE assessment within 24 hours for was 99%
    - VTE assessment within 14 hours was 97%
- A weekly audit is continuing to be carried out
- Compliance is being reviewed regularly
- Matrons and ward managers are notified of any issues around compliance and changes in practice continue to occur as a result of the audit. These include giving the night staff on the community wards the responsibility to ensure that the VTE question on the initial nursing assessment is completed in a timely manner.

<u>Quarter three</u>

- During quarter three, our overall compliance for:
    - VTE assessment within 24 hours is **99%**
    - VTE assessment within 14 hours is **96%**
- Weekly audit continues to be carried out
- Compliance is being reviewed regularly

- Matrons and ward managers are notified of any issues around compliance and changes in

	practice continue to occur as a result of the audit. These include giving the night staff on the community wards the responsibility to ensure that the VTE question on the initial nursing assessment is completed in a timely manner. <u>Quarter four</u> • During quarter four, our overall compliance for: - VTE assessment within 24 hours is 97% - VTE assessment within 14 hours is 96% • Compliance has been maintained across the year.
How we monitor it • SystmOne VTE risk assessment template modified and implemented • Monthly report produced for Executive Team meetings • Feedback can be sent to each deputy medical director to ensure they are aware of any issues that may arise • Regular reporting to Quality Forum and Quality and Governance Committee • The VTE working group met regularly to monitor progress until end of Q2.	**How we measured it** • Weekly manual audit on all admissions carried out during quarters one and two • Monthly audit data obtained from SMART and shared with all wards.

OUR STAFF AND CULTURE

Safe, quality care depends on openness and transparency, a culture of innovation driven by engagement and the structure of a safe working environment. In this section, we share our approach to our staff, culture and care.

DUTY OF CANDOUR

The Care Quality Commission (CQC) document, Regulation 20: Duty of Candour states that our responsibilities under Duty of Candour are triggered when a notifiable Patient Safety Incident happens that, "in the reasonable opinion of a healthcare professional, could result in, or appears to have resulted in:
(a) the death of the service user, where the death relates directly to the incident rather than to the natural course of the service user's illness or underlying condition, or
(b) severe harm, moderate harm or prolonged psychological harm to the service user."

A Patient Safety Incident, broadly speaking, is an act, omission or deviation from expected practice, or an issue with a current system or process that is likely to cause harm if not changed. Under the guidance and our contract, when our responsibilities are triggered there are two main things we have to do. These are initial notification and an update/outcome in relation to further action. At the Trust, we do this with these three steps:

1. Initial notification
This is normally undertaken by the team/practitioner involved in the patient's care. They are the most appropriate and able person to explain what has happened and what the next steps are. This should be done "as soon as is reasonably practicable". This would normally be completed in person, or via telephone if there is a good reason. The notification includes giving an account of the incident, saying sorry and stating what else we are going to do to investigate what happened.

2. Update
We advise the relevant person on what else we plan to do to investigate what happened. This would probably be done by the local practitioner or manager. If the planned enquiries are in the form of an investigation (for a Serious Incident, SI, or Concise Investigation, CI), then the investigator would arrange to meet the patient/family (with the Trust's Patient & Family Liaison Lead) to give support. They would also ask for input into the focus of the investigation by highlighting any concerns or queries regarding care.

3. Feedback
Once the completed report is signed off, the investigator arranges to feed back the findings of the report and answer any queries. This must be done within 10 working days (as per the contract). If the relevant person cannot be contacted or does not want to speak to a representative of the Trust, we keep a written record of our attempts to contact or speak to that person. When an incident happens, sometimes it is not clear straight away whether or not the harm has been caused as a result of a Patient Safety Incident. This is especially true if it is a self-harm or suicide incident.

'Being Open' is similar to Duty of Candour
Staff make contact with the patient and relevant family who are involved in care to let them know about an incident and tell them that a review of care will be done. All incidents reported on Datix are reviewed proportionately, from a local review of the Datix up to a Serious Incident Investigation.

This requirement is outlined in Trust policy and overseen, from a Trust-wide perspective, by the patient and family liaison lead. In the interests of being open and honest, we promote a culture of transparency that means we talk to patients and families after any incident. We do this whether or not it is classed as a Patient Safety Incident. This is supported by our Duty of Candour policy, training and the structure of Datix. At the Trust, we have named this 'Being Open'. When an incident is reported, the person who has reported it fills in the relevant details of conversations with the patient/family. We do this whether or not the incident falls under Duty of Candour. Since August 2018, we also capture 'Being Open' conversations.

We recorded 5,826 incidents (non-death) where we talked with and listened to patients, carers, their family and friends affected, regardless of the level of harm. Following an investigation into any 'Notifiable Patient Safety Incident' we make sure that we have a Being Open conversation. Any Duty of Candour after a Patient Safety Incident is also monitored and compliance is audited. This makes sure that we meet our obligation under Regulation 20. During 2019/20 there have been no confirmed Duty of Candour breaches. The work we have done in the area of Duty of Candour and Being Open strengthens the culture and practice we already have at the Trust. All health professionals – specifically those working with patients and those handling patient identifiable data – carry out Duty of Candour training every year. A number of staff who have responsibilities that include this type of contact have been given training based on the Sage & Thyme approach to communicating more effectively with patients or relatives.

STAFF SURVEY

Our Trust took part in the annual NHS staff survey, 2019. All Trust staff could take part in the survey, between October and November 2019. Official results from NHS England were released in early February 2020. This Staff Survey section also appears in our Quality Report as it is published as a separate report.

OUR 2019 RESPONSE RATE

2018/19 (Previous year)	2019/20 (Current year)		Trust Improvement / Deterioration
Our Trust	Our Trust	Benchmarking group (trust type) average	
51.0%	58.3%	47.7%	+7.3%

Theme	2017		2018		2019	
	Trust score	Average^	Trust score	Average^	Trust score	Average^
Equality, diversity and inclusion	9.2	9.2	9.3	9.2	9.4	9.1
Health and wellbeing	6.5	6.1	6.7	6.1	6.6	6.1
Immediate managers	7.1	7.1	7.3	7.2	7.3	7.2
Morale	n/a	n/a	6.7	6.2	6.7	6.3
Quality of appraisals	5.9	5.4	6.0	5.5	6.3	5.7

Quality of care	7.6	7.4	7.7	7.4	7.7	7.4
Safe environment – bullying and harassment	8.4	8.2	8.4	8.3	8.3	8.2
Safe environment – violence	9.5	9.5	9.5	9.5	9.5	9.5
Safety culture	7.1	6.7	7.3	6.8	7.4	6.8
Staff engagement	7.3	7.0	7.5	7.0	7.5	7.1
Team working*	7.0	6.9	7.3	6.9	7.3	6.9

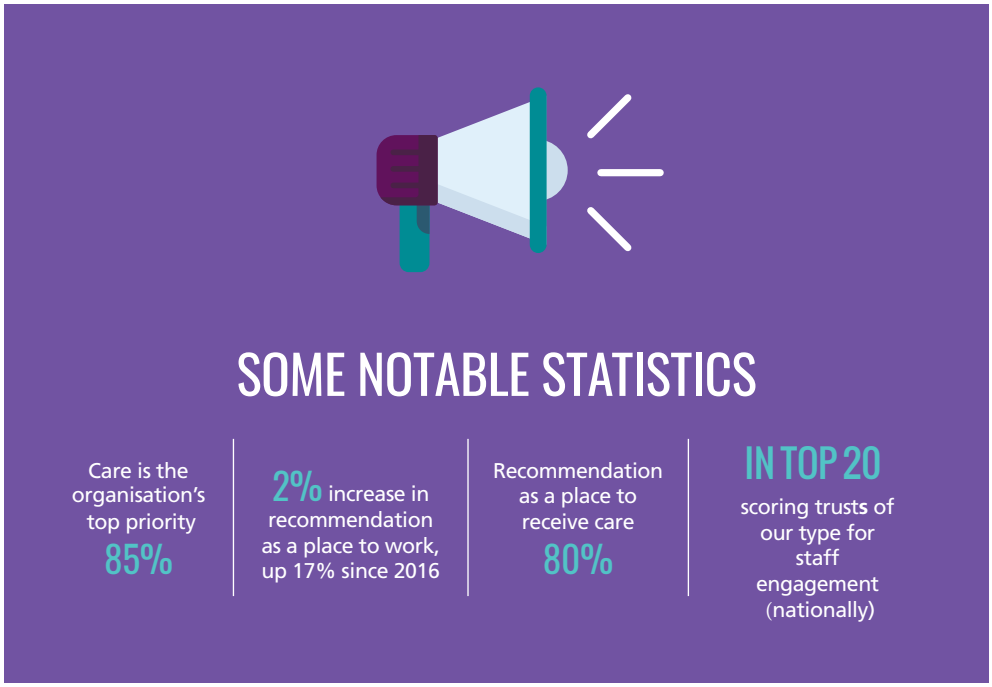
From 2018, the National Staff Survey replaced 32 key findings with 10 themes. Each theme is scored between 0-10, with 10 being the best possible score for each theme.

*In 2019, another theme of 'team working' has been added.
^Average for Trusts of our type (Combined Mental Health/Learning Disability and Community Trusts)

The Trust is benchmarked against 32 other trusts of our type (combined mental health/learning disability and community trusts). Our results are shown below:

TOP FIVE RANKING SCORES
Areas where we scored more favourably compared to trusts of a similar type:

1. The organisation takes positive action on health and wellbeing
2. Effective use of patient/service user feedback
3. Staff recommendation of the organisation as a place to receive care
4. Staff confidence that the organisation would address concerns about unsafe clinical practice
5. Staff recommendation of the organisation as a place to work.



Research shows these are the main factors that improve staff engagement. Because of this, they also improved patient experience and outcomes. They are exceptional improvements. The Trust has achieved its target of 80% recommendation as a place to receive care. We are also a step closer to receiving the same score as a place to work.

Following the introduction of the Trust Leadership Behaviours in 2017, the Trust has made significant efforts to improve both the compliance and quality of appraisals. The results of this year's survey show that the quality of appraisals has also improved and that appraisals are being valued by staff and not seen as a 'tick box' exercise.

Although not statistically significant changes, the results from this year's survey show that we need to think about how change occurs at the Trust, particularly at a local level. There are more change programmes, such as Adult Community Health Services, Mental Health Outcomes and Digital Transformation, so it is more important than ever that staff are involved in planning and co-producing. This is the way to make sure that benefits are felt by members of staff and by service users.

Our short-term plans to address our staff survey findings

The National Staff Survey 2019 saw a significant increase in responses. This has allowed us to gain additional feedback from services and teams across the Trust and provides an opportunity to provide targeted interventions for services and teams with low advocacy and staff engagement scores. The Trust is developing a robust framework to prioritise support for these teams and will work collaboratively with Directorate Management Teams and the Organisational Development team to deliver action plans for identified services and teams.

Our longer-term plans to address our staff survey findings

The results from this year's survey show that we need to think about how organisational changes occur within the organisation. With significant change programmes planned during 2020; such as Adult Community Health Services, Mental Health Outcomes and Digital Transformation, it is more important than ever that staff are involved in planning and co-producing. This is the way to make sure that benefits are felt by members of staff and by service users.

The Trust has also prioritised reducing incidents of bullying, harassment and abuse towards our staff. In order to see measurable, long-term improvements, the Trust is seeking to move beyond traditional approaches to grievances and developing a solution-focused approach that delivers resolutions. Aligned with 'Civility Saves Lives', this piece of work will involve collaboration between patient safety teams, Human Resources, Organisational Development and Freedom to Speak Up to embed a new Resolution Policy and increase the support for staff to speak up and challenge uncivil behaviour in the workplace.

SAFE WORKING HOURS

FOR DOCTORS AND DENTISTS IN TRAINING

We are committed to supporting all our junior doctors and dentists in training. The Terms & Conditions of Service for Doctors & Dentists in Training (England) 2016 created a new role of Guardian of Safe Working Hours (GoSWH). The Trust has appointed a consultant to this role. This role makes sure that rotas and working conditions are safe for trainee doctors and their patients. The GoSWH oversees the work schedule review process and supports measures to prevent trainee doctors from working too many hours. The GoSWH has the power to demand financial penalties if junior doctors are working too many hours. The Terms & Conditions of Service for Doctors & Dentists in Training (England) 2019 expanded the definitions of safe work schedules and working hours. The new Terms & Conditions started in December 2019.

At the time of printing, the Trust had 30 doctors in training posts. Across the first three quarters of 2019/20, we had unfilled posts that equated to two Whole Time Equivalent (WTE) vacancies per quarter. This puts pressure on the system. All posts were filled during fourth quarter.
We had these vacancies because Health Education England cannot recruit to training posts. This means there is a significant shortage of junior doctors at all grades and in all specialties. Vacancies are common all around the country. There has been a year-on-year fall in doctors going into a third year of postgraduate training. This means that there are not enough Core Trainee (CT) doctors.

The Trust is most likely to have medical vacancies, as our rotas are mainly staffed by psychiatry and general practice trainees. It is especially difficult to find people to fill roles in these specialties. At a national level, steps are being taken to address this. This has included offering pay enhancements to junior doctors to encourage them to apply for these posts.

While these national steps are welcomed, it will take time before we see an increase in the number of qualified psychiatric doctors who are available. We expect that in the medium term we will not have enough staff in these roles. This year, there were several recruitment rounds for all vacancies. Finding candidates through agencies, even with escalated rates, was unsuccessful across the first, second and third quarters. The exception to this is of out of hours, on-call cover. In fourth quarter, the Trust was allocated two Widening Access to Specialty Training (WAST) doctors and a Medical Training Initiative (MTI) doctor. We also successfully sourced a locum doctor, so all our vacant posts were filled.

The recent cohorts of junior doctors have been understanding about the national shortage of trainees, however this may not always be the case. The Trust is looking at other ways to improve our recruitment success rate. We are exploring new roles to give extra support to the multi-disciplinary teams when we have vacancies. Two physician's associates were appointed in the previous financial year to help with the in-hours junior doctor workload/rotas. Several NHS organisations are taking this approach.

The Trust regularly holds Junior Doctor Forums. There has been very little feedback from junior doctors to say there has been any significant negative impact on their working hours. There have been a relatively small number of exceptions raised, such as junior doctors not being able to take breaks and working over their hours, but these are not systemic issues. The new Terms & Conditions in December 2019 significantly lowers expectations for when exceptions to working hours should be reported. They also widen the scope for when fines can be given. The first few months of working under the new Terms & Conditions did not show a significant increase in the number of exceptions being reported. We expect a better understanding of the impact of the new contract over the next financial year.

OUR INNOVATION

One of the Trust's strategic themes is 'To Innovate' and there are 5 key objectives that support this:

1. Develop a culture for innovation
2. Build capability and capacity
3. Find out 'what works'
4. Develop collaborations
5. Ensure stakeholder engagement.

Our approach and systems for innovation are led by these objectives, which are supported by the Trust's four Leadership Behaviours. The behaviour of 'Embracing Change' is particularly important. This makes innovation a visible, core Trust function that is everybody's responsibility. The number of participants recruited to National Institute for Health Research (NIHR) portfolio research by Northamptonshire Healthcare NHS Foundation Trust in 2019/20 was 853.

The Innovation Pathway systems that support innovation and build the culture, capability and capacity development are:

1. The Innovation Space on the intranet
2. An ideas forum
3. Ideas Champions
4. 5 Special Research and Innovation Groups (SpRInGs).

Ideas can be submitted by anyone through the intranet.

This will be supported through the monthly Ideas Forum, from initial concept through to ideation and feasibility. The forum offers peer support, expert/governance review and links to the many regional partners supporting this agenda. Where appropriate, ideas are supported with implementation and evaluation/research advice to find out what the impact would be on patients, staff and return on investment.

The number of projects being supported is growing, and these are captured on a central database. Several ideas have now progressed to become research projects. The Innovation Pathway will next focus on:

1. Successful communication and socialisation of the strategy
2. Implementation, monitoring impact and sustainability of practice
3. Working with partners to make sure innovations are put into practice across the health economy and region.

A *Framework for the Management and Governance of the Innovation Pathway* makes sure that we consistently manage issues of clinical safety and project governance in a way that protects patients and staff. This works in partnership with the Quality Improvement and audit agenda within the Trust.

HOW OUR QUALITY ACCOUNT WAS PREPARED

Many people and health and wellbeing bodies were involved in developing our quality account and agreeing priorities for the next year. These included:

- The Nursing and Allied Healthcare Professional Advisory Committee
- Healthwatch Northamptonshire
- Northamptonshire Clinical Commissioning Group
- Northamptonshire County Council
- Education and Training Team
- Governor sub-group
- Patient Involvement Team, including patients, service users and carers
- Equality, Inclusion and Human Rights Assurance Board
- Quality Forum
- Quality Team
- The Trust's Non-Executive Directors
- The Trust's executive team
- The Quality and Governance Committee
- The Trust Board

Themes identified in complaints and serious incidents were also used to help identify priorities for improvement during the next year.

EASY READ: OUR QUALITY CARE PRIORITIES

These are things we will do to make your care better next year. We reviewed our priorities and they are:

To make sure we always check how we do things

So we can find better ways to make sure people do not hurt themselves

To always do our best to always check your physical health

So we can help you stay healthy

To find new and better ways to help people stay calm

So we can find other ways to help people when they are upset

To keep track of all the different kinds of people we have in our care

So we can have more people of all different kinds in our care

ANNEX 1

STATEMENTS FROM STAKEHOLDERS

NHS Improvement's Annual Reporting Manual determines the Trust's mandatory obligations for items to be included in the Annual Report. We welcome suggestions from our key stakeholders regarding content and incorporate these suggestions where it is appropriate to do so. Clinical Commissioning Groups, Healthwatch Northamptonshire and the Overview and Scrutiny Committee (OSC) at Northamptonshire County Council were all invited to comment on our Quality Report and we welcome their responses.

We include the feedback from our stakeholders exactly as it is received. Where we were able to make adjustments to the Quality Report we did so. We will continue to work with our stakeholder partners to provide further assurance that we deliver patient-centred, quality services.

We shared our Quality Report with Healthwatch Northamptonshire, who advised that they would not be providing a response this year, based on priorities for Covid-19. Healthwatch communicated with us on 27 April 2020 to advise that they received the report and would let the Trust know if they changed their position on responding.

Northamptonshire
Clinical Commissioning Group

Francis Crick House
Summerhouse Road
Moulton Park
Northampton
NN3 6BF

Switch Board: 01604 651100

19th May 2020

Julie Shepherd
Northamptonshire Healthcare NHS Foundation Trust

Dear Julie,

Re: Quality Report 2019/20

Thank you for providing us with the opportunity to comment on your annual quality report for 2019/20. The report has been reviewed by NHS Northamptonshire Clinical Commissioning Group.

It is noted that the report was reviewed whilst in draft format, and therefore some information was missing at the time of review.

It is helpful to note that CQUIN performance will be included in the report. It would be useful to also see what the benefit of the 2019/20 CQUINs were to improving quality for patients.

It is helpful to note the quality priorities identified for the coming year along with the rationale for these; the CCG are fully supportive of these priorities and look forward to seeing the impact these have.

It is also positive to see the actions that the trust has taken in response to audits.

The trust should be congratulated on retaining the overall 'Outstanding' rating from the Care Quality Commission and for the numerous awards received during this time.

NHS Northamptonshire Clinical Commissioning Group looks forward to continuing to work closely with the Trust in 2020/21.

Yours sincerely

Angela Dempsey
Chief Nurse and Quality Officer
NHS Northamptonshire Clinical Commissioning Group

Northamptonshire County Council

Ms Julie Shepherd
Chief Nurse
Northamptonshire Healthcare NHS Foundation Trust
St Mary's Hospital
London Road
Kettering
Northamptonshire NN15 7PW

Please ask for: James Edmunds
Tel: 07500 605276
Date: 20th May 2020

Dear Ms Shepherd,

Northamptonshire Healthcare NHS Foundation Trust Draft Quality Report 2019/20

Response from the Northamptonshire County Council Overview & Scrutiny Committee

Northamptonshire County Council operates a model for Overview & Scrutiny (O&S) based on a single O&S Committee with a remit that is focussed on the following areas:

- Delivery of Northamptonshire County Council's budget and savings plans
- Development of the Council's future budget proposals
- Major risks to the Council, the local community and the county
- Engagement, alignment and support for the Council's improvement plans

The O&S Committee's remit formally includes the statutory function for scrutinising the planning and provision of health services in Northamptonshire. In practice, at the request of the Commissioners appointed to improve the finance and governance of the Council, the Committee's work during 2019/20 has focussed solely on matters within the areas set out above.

The O&S Committee Chair and Vice Chairs therefore consider that the Committee is not in a position to provide detailed comments on local healthcare providers' draft Quality Accounts / Reports for 2019/20. This response in itself should not be interpreted as representing or implying a comment on the specific Quality Account / Report concerned or on the healthcare provider responsible for producing it.

Yours sincerely,

Councillor Mick Scrimshaw
Chair, Overview & Scrutiny Committee

Democratic Services
One Angel Square
Angel Street
Northampton NN1 1ED
w. www.northamptonshire.gov.uk
t. 07500 605276
e. jedmunds@northamptonshire.gov.uk

Northamptonshire County Council

ANNEX 2

STATEMENT OF DIRECTORS' RESPONSIBILITIES

FOR THE QUALITY REPORT

The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations to prepare Quality Accounts for each financial year. NHS Improvement has issued guidance to NHS foundation trust boards on the form and content of annual quality reports (which incorporate the above legal requirements) and on the arrangements that NHS foundation trust boards should put in place to support the data quality for the preparation of the quality report.

In preparing the quality report, directors are required to take steps to satisfy themselves that:

- The content of the quality report meets the requirements set out in the NHS foundation trust annual reporting manual 2019/20 and supporting guidance Detailed requirements for quality reports 2019/20

- The content of the quality report is not inconsistent with internal and external sources of information including:

  - Board minutes and papers for the period April 2019 to 31 March 2020
  - Papers relating to quality reported to the Board over the period April 2019 to 31 March 2020
  - Feedback from Northamptonshire Clinical Commissioning Group dated 19 May 2020
  - Feedback from Overview and Scrutiny Committee, Northamptonshire County Council dated 20 May 2020
  - The Trust's complaints report published under Regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated 28 May 2020
  - iWantGreatCare feedback March 2020
  - The 2019/20 national staff survey published by NHS England 18 February 2020
  - CQC inspection report dated 17 December 2019
  - The Trust usually shares its Quality Report with Governors, however this year due to Covid-19, it was not required to.

- The quality report presents a balanced picture of the NHS foundation trust's performance over the period covered

- The performance information reported in the quality report is reliable and accurate

- There are proper internal controls over the collection and reporting of the measures of performance included in the quality report, and these controls are subject to review to confirm that they are working effectively in practice

- The data underpinning the measures of performance reported in the quality report is robust and reliable, conforms to specified data quality standards and prescribed definitions, is subject to appropriate scrutiny and review

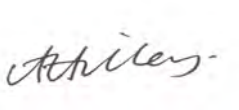
- The quality report has been prepared in accordance with NHS Improvement's annual reporting manual and supporting guidance (which incorporates the quality accounts regulations) as well as the standards to support data quality for the preparation of the quality report.

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

By order of the Board

Chrishni Waring
Chair

28 May 2020



Angela Hillery
Chief Executive

28 May 2020


TASL weekly reporting log

FINANCE REPORT

INTRODUCTION

NHS Improvement, the sector regulator for health services in England, in exercise of powers conferred on it by paragraphs 24 and 25 of Schedule 7 of the National Health Service Act 2006, directs that the keeping of accounts and the annual report of each NHS Foundation Trust shall be in the form as laid down in the annual reporting guidance for NHS Foundation Trusts within the NHS Foundation Trust Annual Reporting Manual, known as the FT ARM, that is in force for the relevant financial period. The accounts have been prepared in accordance with paragraphs 24 and 25 of Schedule 7 to the National Health Service Act 2006 as laid down in the FT ARM.

These accounts cover the financial year 2019/20 and provide figures for 2018/19 for comparison where required. After making enquiries, the directors have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, we continue to adopt the going concern basis in preparing our accounts.

These pages include the following financial statements and information:

- Statement of comprehensive income (SoCI)
- Statement of financial position
- Statement of changes in taxpayers' equity
- Statement of cash flows
- Notes to the accounts

Accounting policies for pensions and other retirement benefits are set out in the notes to the accounts and details of senior managers' remuneration can be found in the remuneration report.

Angela Hillery
Chief Executive

28 May 2019

FINANCIAL STATEMENTS

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH 2020	NOTE	2019/2020 £000
Operating revenue		
Revenue from patient care activities	4	218,709
Other operating revenue	5	14,747
Operating expenses, of which:	6	**(228,006)**
Employee benefits	8	(163,315)
Other operating expenses	6	(64,691)
Net operating surplus/(deficit)		**5,450**
Financing		
Finance income	12	280
Finance cost - financial liabilities	14	(2,580)
Public dividend expense		(2,019)
Net finance costs		(4,319)
Gains/(losses) on disposal of assets	13	0
Share of profit/(loss) of associates/joint ventures	19	0
Gain/(loss) on transfer by absorption	9	0
Retained surplus/(deficit) for the period*		**1,131**
Other comprehensive income		
Impairments and reversals taken to revaluation reserve	43	(1,866)
Gains on revaluations	15/16	2,681
Remeasurements of defined benefit pension scheme (liability)/assets	9	0
Net gain/(loss) on other reserves		0
Net gain/(loss) on available for sale financial assets		0
Asset disposals		0
Other reserve movements	9	0
Reclassification adjustments:		
- Transfers from donated and government grant reserves		0
- On disposal of available for sale financial assets		0
Total comprehensive income for the period		**1,946**

Note*

Includes Provider Sustainability Funding of	**1,644**
Retained surplus/(loss) excluding Provider Sustainability Funding	**(513)**

The notes that follow form part of these accounts.

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2020

	NOTE	31 March 2020 £000	31 March 2019 £000
Non-current assets			
Property, plant and equipment	15	118,393	115,531
Intangible assets	16	2,261	2,725
Investment in associate	19	0	0
Other investments	20	76	76
Other financial assets	23	0	0
Trade and other receivables	22	177	0
Total non-current assets		**120,907**	**118,332**
Current assets			
Inventories	21	87	84
Trade and other receivables	22	7,379	10,702
Other financial assets	23	0	0
Other current assets	24	0	0
Cash and cash equivalents	25	40,856	42,837
Non-current assets held for sale	15	250	250
Total current assets		**48,572**	**53,873**
Total assets		**169,479**	**172,205**
Current liabilities			
Trade and other payables	26	(24,171)	(27,072)
Other liabilities	28	(1,334)	(3,719)
Borrowings	27	(1,218)	(987)
Other financial liabilities	33	0	0
Provisions	34	(4,836)	(5,948)
Total current liabilities		(31,559)	(37,726)
Net current assets/(liabilities)		17,013	16,147
Total assets less current liabilities		137,920	134,479
Non-current liabilities			
Borrowings	27	(31,824)	(33,042)
Trade and other payables	26	(65)	(217)
Provisions	34	(1,353)	(438)
Other liabilities	28	0	0
Total assets employed		**104,678**	**100,782**
Financed by taxpayers' equity			
Public dividend capital	SoCITE	39,526	37,576
Retained earnings	SoCITE	35,585	34,454
Revaluation reserve	43	29,567	28,752
Total taxpayers' equity		**104,678**	**100,782**

These financial statements were approved by 'those charged with governance' on behalf of the Board of Directors on 28 May 2020 and signed on its behalf by:

Angela Hillery, Chief Executive

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY

	Public dividend capital (PDC)	Retained earnings	Revaluation reserve	Donated asset reserve	Gov't grant reserve	Pension reserve	Total
	£000	£000	£000	£000	£000	£000	£000
Taxpayers equity at 1 April 2019	**37,576**	**34,454**	**28,752**	**0**	**0**	**0**	**100,782**
Retained surplus/(deficit) for the period	0	1,131	0	0	0	0	**1,131**
Transfers between reserves	0	0	0	0	0	0	**0**
Impairments and reversals	0	0	(1,866)	0	0	0	**(1,866)**
Net gain/(loss) on revaluation of property, plant, equipment	0	0	2,681	0	0	0	**2,681**
Asset disposals	0	0	0	0	0	0	**0**
Remeasurement of defined net benefit pension scheme asset/liability	0	0	0	0	0	0	**0**
Other reserve movements	0	0	0	0	0	0	**0**
Originating capital for Trust establishment in period	0	0	0	0	0	0	**0**
New PDC received	1,950	0	0	0	0	0	**1,950**
Balance at 31 March 2020	**39,526**	**35,585**	**29,567**	**0**	**0**	**0**	**104,678**
Taxpayers equity at 1 April 2018	**37,255**	**30,330**	**26,620**	**0**	**0**	**0**	**94,205**
Retained surplus/(deficit) for the period	0	4,124	0	0	0	0	4,124
Transfers between reserves	0	0	0	0	0	0	0
Impairments and reversals	0	0	(810)	0	0	0	(810)
Net gain/(loss) on revaluation of property, plant, equipment	0	0	2,942	0	0	0	2,942
Asset disposals	0	0	0	0	0	0	0
Remeasurement of defined net benefit pension scheme asset/liability	0	0	0	0	0	0	0
Other reserve movements	0	0	0	0	0	0	0
New PDC received	321	0	0	0	0	0	321
Balance at 31 March 2019	**37,576**	**34,454**	**28,752**	**0**	**0**	**0**	**100,782**

STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2020

	NOTE	31 March 2020 £000	31 March 2019 £000
Cash flows from operating activities			
Operating surplus/(deficit)	SoCI	5,450	8,336
Depreciation and amortisation	15/16	5,781	5,041
Impairments and (reversals)	17	733	(459)
Pension liability	9	0	0
(Increase)/decrease in inventories	21	(3)	1
(Increase)/decrease in trade and other receivables	22	3,146	865
(Increase)/decrease in other current assets	24	0	0
Increase/(decrease) in trade and other payables	26	(348)	2,404
Increase/(decrease) in other liabilities	28	(2,385)	1,231
Increase/(decrease) in provisions	34	(225)	(545)
Other movements in operating cash flows		0	0
Net cash inflow/(outflow) from operating activities		**12,149**	**16,874**
Cash flows from investing activities			
Interest received	12	280	227
Purchase of property, plant and equipment	15	(9,745)	(6,071)
Sale of property, plant and equipment	15	0	0
Purchase of intangible assets	16	(941)	(888)
Purchase of other investments	20	0	0
Sale of other financial assets	20	0	0
Net cash inflow/(outflow) from investing activities		**(10,406)**	**(6,732)**
Net cash inflow/(outflow) before financing		**1,743**	**10,142**
Cash flows from financing activities			
Public dividend capital received		1,950	321
Capital element of PFI obligations	32	(982)	(1,001)
Capital element of finance lease payments	29	(5)	(4)
Interest paid	14	(8)	0
Interest element of PFI obligations	32	(2,542)	(2,581)
Interest element of finance lease payments	29	(2)	(2)
PDC dividends paid		(2,135)	(1,579)
Cash flows from other financing activities		0	0
Net cash inflow/(outflow) from financing		**(3,724)**	**(4,846)**
Net increase/(decrease) in cash and cash equivalents		**(1,981)**	**5,296**
Cash and cash equivalents (and bank overdrafts) at the beginning of the period		42,837	37,541
Cash and cash equivalents (and bank overdrafts) at the end of the financial period	25	**40,856**	**42,837**

NOTES TO THE ACCOUNTS

Note 1 Accounting policies and other information

Note 1.1 Basis of preparation

NHS Improvement, in exercising the statutory functions conferred on Monitor, has directed that the financial statements of the Trust shall meet the accounting requirements of the Department of Health and Social Care Group Accounting Manual (GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the GAM 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.

1.1.1 Accounting convention

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

Note 1.2 Going concern

These accounts have been prepared on a going concern basis.

Non-trading public bodies, in the public sector are assumed to be going concerns where the continued provision of a service in the future is anticipated, as evidenced by inclusion of financial provision for that service in published documents. There remains a strong cash position and track record of financial delivery and mitigation of financial risks which we expect to continue through the current Covid-19 period.

Note 1.3 Consolidation

1.3.1 Associates

Associate entities are those over which the Trust has the power to exercise a significant influence. Associate entities are recognised in the Trust's financial statement using the equity method. The investment is initially recognised at cost. It is increased or decreased subsequently to reflect the Trust's share of the entity's profit or loss or other gains and losses (e.g. revaluation gains on the entity's property, plant and equipment) following acquisition. It is also reduced when any distribution, e.g. share dividends, are received by the Trust from the associate.

Associates that are classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

1.3.2 Joint ventures

Joint ventures are arrangements in which the Trust has joint control with one or more other parties, and where it has the rights to the net assets of the arrangement. Joint ventures are accounted for using the equity method.

1.3.3 Joint operations

Joint operations are arrangements in which the Trust has joint control with one or more other parties and has the rights to the assets, and obligations for the liabilities, relating to the arrangement. The Trust includes within its financial statements its share of the assets, liabilities, income and expenses.

Note 1.4 Revenue

1.4.1 Revenue from contracts with customers

Where income is derived from contracts with customers, it is accounted for under IFRS 15. The GAM expands the definition of a contract to include legislation and regulations which enables an entity to receive cash or another financial asset that is not classified as a tax by the Office of National Statistics (ONS).

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.

1.4.2 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.

1.4.3 Revenue from research contracts

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

1.4.4 Provider sustainability fund (PSF)

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

Note 1.5 Other forms of income

1.5.1 Grants and donations

Government grants are grants from government bodies other than income from commissioners or trusts for the provision of services. Where a grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure. Where the grant is used to fund capital expenditure, it is credited to the consolidated statement of comprehensive income once conditions attached to the grant have been met. Donations are treated in the same way as government grants.

1.5.2 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

1.6.1 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.

1.6.2 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 employer, 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 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.

National Employment Savings Trust (NEST)

Following the government's introduction of automatic pension enrolment during 2013, the Trust has joined the government-operated National Employment Savings Trust (NEST) pension scheme. Since October 2013, a minority of Trust employees have joined this scheme. As a defined contribution scheme, the cost to the Trust of participating in the NEST scheme is taken as equal to the contributions payable to the scheme for the accounting period.

Note 1.7 Expenditure on other goods and services

Expenditure on goods and services is recognised when, and to the extent that they have been received, and is measured at the fair value of those goods and services. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment.

Note 1.8 Property, plant and equipment

1.8.1 Recognition

Property, plant and equipment is capitalised where:

- It is held for use in delivering services or for administrative purposes
- It is probable that future economic benefits will flow to, or service potential be provided to, the Trust
- It is expected to be used for more than one financial year
- The cost of the item can be measured reliably

- The item has cost of at least £5,000, or
- Collectively, a number of items have a cost of at least £5,000 and individually have cost of more than £250, where the assets are functionally interdependent, had broadly simultaneous purchase dates, are anticipated to have similar disposal dates and are under single managerial control
- Items are part of the initial equipping and setting up of a new building, ward or unit whatever their individual or group cost.

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

1.8.1.1 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.

1.8.2 Measurement

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

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

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

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

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees and, where capitalised in accordance with IAS 23, borrowings costs. Assets are revalued and depreciation commences when the assets are brought into use. Reclassification from assets under construction to property plant and equipment will be in accordance with the criteria set out in IAS 16.

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.

1.8.2.2 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 have 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.

1.8.2.3 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'.

1.8.2.4 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.

1.8.3 De-recognition

Assets intended for disposal are reclassified as 'held for sale' once all of the following criteria set out in IFRS5 are met. The sale must be highly probable and the asset available for immediate sale in its present condition.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their fair value less costs to sell. Depreciation ceases to be charged. Assets are de-recognised when all material sale contract conditions have been met.

Property, plant and equipment which is to be scrapped or demolished does not qualify for recognition as 'held for sale' and instead is retained as an operational asset and the asset's useful life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

1.8.4 Donated and grant funded assets

Donated and grant funded property, plant and equipment assets are capitalised at their fair value on receipt. The donation/grant is credited to income at the same time, unless the donor has imposed a condition that the future economic benefits embodied in the grant are to be consumed in a manner specified by the donor, in which case, the donation/grant is deferred within liabilities and is carried forward to future financial years to the extent that the condition has not yet been met.

The donated and grant funded assets are subsequently accounted for in the same manner as other items of property, plant and equipment.

1.8.5 Private Finance Initiative (PFI) transactions

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

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

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

Components of the asset replaced by the operator during the contract ("lifecycle replacement") are capitalised where they meet the foundation trust's criteria for capital expenditure. They are capitalised in accordance with the planned lifecycle expected by the operator and are measured initially at cost.

1.8.6 Useful lives of property, plant and equipment

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

	Min life	Max life
	Years	Years
Land	-	-
Buildings, excluding dwellings	1	72
Dwellings	30	90
Plant and machinery	5	10
Transport equipment	5	5
Information technology	2	10
Furniture and fittings	3	10

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

Note 1.9 Intangible assets

1.9.1 Recognition

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

1.9.1.1 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 when it meets the requirements set out in IAS 38.

1.9.1.2 Software
Software, which is integral to the operation of hardware (e.g. an operating system) is capitalised as part of the relevant item of property, plant and equipment. Software, which is not integral to the operation of hardware (e.g. application software) is capitalised as an intangible asset.

1.9.2 Measurement

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management.

Subsequently intangible assets are measured at current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluations gains and losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value 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.

1.9.2.1 Amortisation
Intangible assets are amortised over their expected useful lives in a manner consistent with the consumption of economic or service delivery benefits.

1.9.3 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 is shown in the table below:

	Min life	Max life
	Years	Years
Intangible assets - internally generated		
Information technology	2	10
Development expenditure	5	5
Websites	5	5
Intangible assets - purchased		
Software	2	10
Licences and trademarks	5	10
Patents	5	10
Other	5	10
Goodwill	5	10

Note 1.10 Inventories
Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured using the first in, first out (FIFO) method.

Note 1.11 Investment properties
Investment properties are measured at fair value. Changes in fair value are recognised as gains or losses in income/expenditure.

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

Note 1.12 Cash and cash equivalents
Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours.

Cash equivalents are investments that mature in three months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the Trust's cash management. Cash, bank and overdraft balances are recorded at current values.

Note 1.13 Carbon Reduction Commitment scheme (CRC)
The CRC scheme was a mandatory cap and trade scheme for non-transport CO2 emissions. The scheme was closed as of 31 March 2019. The Trust was registered with the CRC scheme, and was therefore required to surrender to the Government an allowance for every tonne of CO2 it emits during the financial year. Allowances acquired under the scheme were recognised as intangible assets.

Note 1.14 Climate Change Levy
Expenditure is recognised in line with the levy charged, based on the chargeable rates for energy consumption as detailed in the Climate Change Levy documentation.

Note 1.15 Financial assets and financial liabilities

1.15.1 Recognition

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

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

1.15.2 Classification and measurement

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

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

Financial assets are classified as subsequently measured at amortised cost. Financial liabilities are classified as subsequently measured at amortised cost.

1.15.3 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.

1.15.4 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.

1.15.5 De-recognition

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 1.16 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.

1.16.1 The Trust as lessee

1.16.1.1 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.

1.16.1.2 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.

1.16.1.3 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.

1.16.2 The Trust as lessor

1.16.2.1 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.

1.16.2.2 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 1.17 Provisions

The Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation.

Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using HM Treasury's discount rates effective for 31 March 2020:

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

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

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

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

1.17.1 Clinical negligence costs

NHS Resolution operates a risk pooling scheme under which the Trust pays an annual contribution to NHS Resolution, which, in return, settles all clinical negligence claims. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust.

The total value of clinical negligence provisions carried by NHS Resolution on behalf of the Trust is disclosed at note 34 but is not recognised in the Trust's accounts.

1.17.2 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 1.18 Contingencies

Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity's control) are not recognised as assets, but are disclosed in note 35.2 where an inflow of economic benefits is probable. Contingent liabilities are not recognised, but are disclosed in note 35.1, 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 1.19 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 of the audit of the annual accounts.

Note 1.20 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 1.21 Corporation tax

NHS Foundation Trusts must pay corporation tax if they are delivering large scale commercial activities that are not part of core healthcare delivery, like running a commercial laundry. The majority of the foundation trust's income is core healthcare and therefore the Trust has determined that it has no corporation tax liability.

Note 1.22 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 1.23 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 1.24 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 accruals basis with the exception of provisions for future losses.

Note 1.25 Gifts

Gifts are items that are voluntarily donated, with no preconditions and without the expectation of any return. Gifts include all transactions economically equivalent to free and unremunerated transfers, such as the loan of an asset for its expected useful life, and the sale or lease of assets at below market value.

Note 1.26 Early adoption of standards, amendments and interpretations

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

Note 1.27 Standards, amendments and interpretations in issue but not yet effective or adopted

1.27.1 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 2020. The standard provides a single accounting model for lessees, recognising a right of use asset and obligation in the statement of financial position for most leases: some leases are exempt through application of practical expedients explained below. For those recognised in the statement of financial position the standard also requires the remeasurement of lease liabilities in specific circumstances after the commencement of the lease term. For lessors, the distinction between operating and finance leases will remain and the accounting will be largely unchanged.

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

On transition to IFRS 16 on 1 April 2021, the Trust will apply the standard retrospectively with the cumulative effect of initially applying the standard recognised in the income and expenditure reserve at that date. For existing operating leases with a remaining lease term of more than 12 months and an underlying asset value of at least £5,000, a lease liability will be recognised equal to the value of remaining lease payments discounted on transition at the Trust's incremental borrowing rate. The Trust's incremental borrowing rate will be a rate defined by HM Treasury. Currently this rate is 1.27% but this may change between now and 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. No adjustments will be made on 1 April 2021 for existing finance leases. For leases commencing in 2021/22, the Trust will not recognise a right of use asset or lease liability for short term leases (less than or equal to 12 months) or for leases of low value assets (less than £5,000). Right of use assets will be subsequently measured on a basis consistent with owned assets and depreciated over the length of the lease term.

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

Note 1.28 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's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

- Accruals – financial staff, in preparing the accounts, need to exercise their best judgement of local factors to ensure that the most reliable estimation and resultant accruals are included in the accounts. Guidance to budget holders is issued which sets de minimis levels for accruals and prepayment to provide efficient month and year end closure. Methods used include: trend analysis and historic cost analysis taking into account current year factors; professional judgement based on detailed working papers; information gleamed from the Agreement of Balances exercise between Whole of Government bodies.

- Annual leave is an accrual which recognises remuneration earned but not yet taken as required under IAS 19 Employee Benefits. The balance recognises annual leave earned but carried forward in to the next period. The instruction to budget managers includes the guidelines for annual leave carried forward and the accrual is calculated by finance nanagers based on the information returned.

- Depreciation – this is based on the useful economic lives of capital assets. The useful economic life of an asset is dependent on the Foundation Trust practices regarding repairs and maintenance, as well as the pace of technological change and demand for the service using the assets as productive units. The Foundation Trust completes a high-level review of the assets each year and considers the accounting policies are their continued appropriateness.

- Following review and consideration through Capital and IM&T Board we have worked through the IT and intangibles on the asset register, we have revised asset lives of PC replacements which we have increased the life from 5 to 6 years, alongside mobile device trial equipment. On intangibles we have increased the life of the Secure Email System from 5 to 6 years and the Agresso Upgrade from 5 to 10 years, reflecting the significant and ongoing development plans.

- PFI payments, including finance costs – the assets and liabilities relating to the PFI schemes have been brought on to the SoFP based on estimations from the DH financial model as required by DH guidance. In respect of PFI lifecycle replacement, in view of the fact that the operator is not obliged through the contract to provide information with regard to the timing and value of Building Related lifecycle replacement costs these are assumed to take place as planned and at the values included in the operator's financial model as adjusted for indexation. Any variances arising out of differences in timing or actual costs of lifecycle events are considered unlikely to be material and will be taken in to account, and adjusted for, on subsequent property valuations.

- Provision of impairment of receivables – an estimate is made for irrecoverable debt. The Foundation Trust does not engage an expert, instead the provision is based on a calculation which is reviewed annually taking account of debt profile and performance and will be reviewed further under IFRS 9.

- Segmental analysis – the Foundation Trust judges all of its activities to fall under one operating segment being the provision of healthcare services. Any other sources of income, other than for patient care, does not amount to more than 10% of total income and therefore detailed segmental analysis is not deemed to be required.

Note 1.29 Sources of estimation uncertainty

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

- Provisions. A provision is a liability of uncertain timing or amount. The liability may be a legal obligation or a constructive obligation. A constructive obligation arises from the entity's actions, through which it has indicated to others that it will accept certain responsibilities, and as a result has created an expectation that it will discharge those responsibilities. An entity recognises a provision if it is probable that an outflow of cash or other economic resources will be required to settle the provision.

  The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the financial reporting date, that is, the amount that an entity would rationally pay to settle the obligation at the end of the financial reporting period or to transfer it to a third party. The estimate is made by the management of the entity but in light of all available evidence, including that received after the end of the financial reporting date, and may be supplemented by the evidence of independent experts.

- Contingent liabilities. Contingent liabilities are possible obligations whose existence will be confirmed by uncertain future events that are not wholly within the control of the entity.

- Property, plant and equipment – disclosed in note 15.

2. OPERATING SEGMENTS

The Foundation Trust operates under only one material segment which is healthcare and income is almost totally for the supply of services.

Management information is produced on a monthly basis to enable the chief operating decision maker to make informed decisions on the allocation of resources.

Under IFRS 8, reporting segments para 13, the quantitative threshold is 10% or more of combined revenue in determining a segment.

Non-patient care income is 6.3% (6.7% in 2018/2019) and therefore disclosure is not required.

3. INCOME GENERATION ACTIVITIES

The Foundation Trust undertakes income generation activities with an aim of achieving profit, which is then used in patient care.

The Foundation Trust does not have any income generation activities whose full cost exceeds £1 million in a full year or is otherwise material. Income from the sale of goods is immaterial.

4. REVENUE FROM PATIENT CARE ACTIVITIES

4.1 OPERATING INCOME BY SOURCE

	31 March 2020	31 March 2019
	£000	£000
NHS		
NHS trusts	2,090	1,926
CCGs	157,082	146,349
NHS England	42,575	31,875
Foundation trusts	1,217	1,461
Department of Health and Social Care	0	2,042
NHS other	0	0
Non-NHS		
Overseas patients (non-reciprocal)	0	0
Local authorities (healthcare services)	14,645	17,387
Private Patients	108	72
Other	992	766
Total	**218,709**	**201,878**

4.2 OPERATING INCOME BY NATURE	31 March 2020	31 March 2019
	£000	£000
Mental health trusts		
Block contract income	100,221	92,974
Other clinical income from mandatory services	1,439	1,151
Community trusts (any trusts providing community services)		
Income from CCGs and NHS England	100,789	93,400
Income not from CCGs and NHS England	8,539	12,239
All trusts		
Private patient income	108	72
AfC pay award central funding	0	2,042
Other clinical income	992	0
Additional pension contribution central funding*	6,621	0
Total income from activities	**218,709**	**201,878**

*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.

All income from activities has been deemed to have arisen from commissioner requested services.

4.3 PRIVATE PATIENT INCOME	31 March 2020	31 March 2019
	£000	£000
Private patient income	108	72
Total patient related income	218,709	201,878
Proportion (as percentage)	0%	0%

4.4 INCOME FROM OVERSEAS VISITORS (RELATING TO PATIENTS CHARGED DIRECTLY BY THE FOUNDATION TRUST)

The Foundation Trust did not receive any income from overseas visitors in 2019/2020 (2018/2019 £nil).

5. OTHER OPERATING INCOME	31 March 2020	31 March 2019
	£000	£000
Research and development	605	490
Education and training	4,522	3,788
Education and training - notional income from apprenticeship fu	289	114
Charitable and other contributions to expenditure	1,479	1,301
Non-patient care services to other bodies	689	648
Rental revenue from operating leases	103	113
Income in respect of staff where accounted on a gross basis	1,495	842
Provider Sustainability Fund	1,644	3,687
Other revenue*	3,921	3,568
	14,747	**14,551**
*** Other revenue includes:**		
Canteen income	385	383
IT recharges	80	65
Estates recharges	352	375
Northamptonshire Health and Care Partnership	2,374	1,810
Miscellaneous	730	935
	3,921	**3,568**

6. OPERATING EXPENSES

	31 March 2020	31 March 2019
	£000	£000
Purchase of healthcare from non-NHS and non-DHSC bodies	4,855	4,148
Staff and executive directors costs	162,924	144,940
Non-executive directors	130	123
Supplies and services – clinical (excluding drugs costs)	16,789	16,832
Supplies and services - general	2,474	2,431
Drugs costs	6,272	6,718
Consultancy	148	1,077
Establishment	1,842	1,760
Premises - business rates collected by local authorities	639	761
Premises - other	6,390	5,598
Transport (business travel only)	2,529	2,858
Transport - other (including patient travel)	1,107	1,100
Depreciation	4,888	4,273
Amortisation	893	768
Impairments net of (reversals)	733	(459)
Increase/(decrease) in impairment of receivables	(13)	53
Audit fees payable to the external auditor:		
Audit services - statutory audit	54	44
Other auditor remuneration (payable to external auditor only)	2	12
Internal audit - non-staff	86	128
Clinical negligence - amounts payable to NHS Resolution	372	320
Legal fees	215	398
Insurance	41	44
Research and development - staff costs	398	387
Research and development - non-staff	0	0
Education and training - staff costs	568	571
Education and training - non-staff	1,171	948
Education and training - notional, funded from apprenticeship fund	289	114
Operating lease expenditure (net)	4,704	5,003
Early retirements - staff costs	0	0
Early retirements - non-staff	0	0
Redundancy costs - staff costs	(575)	531
Redundancy costs - non-staff	0	0
Charges to operating expenditure for on-SoFP IFRIC 12 schemes	1,617	1,645
Car parking and security	22	57
Hospitality	0	0
Other losses and special payments - staff costs	0	0
Other losses and special payments - non-staff	48	20
Grossing up consortium arrangements	0	0
Other services (e.g. external payroll)	4,270	4,149
Other	2,124	741
Total operating expenditure	**228,006**	**208,093**
Of which:		
Related to continuing operations	228,006	208,093
Related to discontinued operations	0	0

6.1 OTHER AUDIT REMUNERATION (PAID TO THE EXTERNAL AUDITOR)

	31 March 2020	31 March 2019
	£000	£000
The auditing of the accounts of any associate of the Trust	0	0
Audit-related assurance services	2	10
Taxation compliance services	0	0
All taxation advisory services not falling within the line above	0	0
Internal audit services	0	0
All assurance services not falling within the lines above	0	0
Corporate finance transaction services not falling within the lines ab	0	0
All other non-audit services not falling within the lines above	0	2
Total	**2**	**12**

7. OPERATING LEASES

7.1 AS LESSEE

The significant lease arrangements where the Foundation Trust is the lessee relate to lease of buildings and office equipment (photocopiers) over various lease periods.

Renewal and any restrictions imposed by the lease arrangement will be as per the individual lease agreements held by the relevant managers within the Foundation Trust.

Limited purchase options are available as per the lease contracts.

	31 March 2020	31 March 2019
	£000	£000
Payments recognised as an expense		
Minimum lease payments	4,704	5,003
Contingent rents	0	0
Less: sub-lease payments received	0	0
Total	**4,704**	**5,003**

	31 March 2020	31 March 2019
	£000	£000
Total future minimum lease payments payable:		
Not later than one year	4,591	4,766
Between one and five years	463	656
After five years	0	0
Total	**5,054**	**5,422**

No future sub-lease payments are expected to be received.

7.2 AS LESSOR

The leasing arrangements where the Foundation Trust is lessor relate to leasing of vacant areas of buildings where the Foundation Trust is the owner or the main occupier.

	31 March 2020	31 March 2019
	£000	£000
Rental Revenue		
Minimum lease receipts	103	113
Contingent rent	0	0
Other	0	0
Total rental revenue	**103**	**113**

	31 March 2020	31 March 2019
	£000	£000
Total future minimum lease receipts receivable:		
Not later than one year	103	103
Between one and five years	60	121
After five years	0	0
Total	**163**	**224**

8. EMPLOYEE COSTS

	31 March 2020	31 March 2019
	£000	£000
Salaries and wages	123,436	113,237
Social security costs	12,554	11,783
Employer contributions to NHS Pension Scheme	15,147	14,270
NHSE contributions to NHS Pension Scheme	6,621	0
Apprenticeship levy	600	559
Other pension costs	50	24
Other post-employment benefits	0	0
Other employment benefits	0	0
Termination benefits (on an accruals basis)	(575)	531
Agency/contract staff	5,795	6,388
Total gross staff costs	163,628	146,792
Less income where netted off expenditure	0	0
Total staff costs	**163,628**	**146,792**
	31 March 2020	31 March 2019
Of the total above:	£000	£000
Employee benefits charged to capital	313	363
Employee benefits charged to revenue	163,315	146,429
Total	**163,628**	**146,792**

9. PENSION COSTS

9.1 NHS PENSION SCHEME

Past and present employees are covered by the provisions of the two NHS Pensions 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 the 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 are accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability at 31 March 2020, is based on the validation data as at 31 March 2019, updated to 31 March 2020 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have been used.

The latest assessment of the liabilities of the scheme is contained in the scheme actuary report, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019 to 20.6% and the Scheme Regulations were amended accordingly.

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

9.2 NATIONAL EMPLOYEE SAVINGS TRUST PENSION SCHEME (NEST)

Employees of the Foundation Trust may also be members of the NEST scheme. Under the Pensions Act 2008, the Foundation Trust had a responsibility from 1 August 2013 to have a pension scheme available for all staff meeting the criteria to be enrolled under the legislation. In some cases staff may not be eligible to join the NHS Pension Scheme and so the Foundation Trust has set up the NEST scheme as an alternative.

Contributions paid by the Foundation Trust on behalf of employees was £50k in 2019/20 (£24k in 2018/19), and is shown within operating expenses.

10. RETIREMENTS DUE TO ILL-HEALTH

In the period to 31 March 2020 there was one early retirement (1 in the period ending 31 March 2019) from the Foundation Trust agreed on the grounds of ill-health.

The estimated additional pension liabilities of these ill-health retirements will be £62k (£140k in the period to 31 March 2019).

The cost of these ill-health retirements will be borne by the NHS Business Services Authority - Pensions Division.

11. PAYMENT PERFORMANCE

11.1 BETTER PAYMENT PRACTICE CODE	Number	£000
2019/2020		
Total non-NHS trade invoices paid in the period	37,113	109,546
Total non-NHS trade invoices paid within target	34,565	100,570
Percentage of non-NHS trade invoices paid within target	93%	92%
Total NHS trade invoices paid in the period	920	9,211
Total NHS trade invoices paid within target	764	8,301
Percentage of NHS trade invoices paid within target	83%	90%
2018/2019		
Total non-NHS trade invoices paid in the period	36,234	99,687
Total non-NHS trade invoices paid within target	32,216	93,388
Percentage of non-NHS trade invoices paid within target	89%	94%
Total NHS trade invoices paid in the period	844	8,922
Total NHS trade invoices paid within target	679	7,817
Percentage of NHS trade invoices paid within target	80%	88%

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

11.2 THE LATE PAYMENT OF COMMERCIAL DEBTS (INTEREST) ACT 1998	31 March 2020 £000	31 March 2019 £000
Amounts included in finance costs from claims made under this legislation	8	0
Compensation paid to cover debt recovery costs	0	0
Total	8	0

12. FINANCE INCOME	31 March 2020 £000	31 March 2019 £000
PFI finance lease revenue:		
- planned	0	0
- contingent	0	0
Other finance lease revenue	0	0
Interest revenue:		
- Bank accounts	280	227
- Other	0	0
Total	280	227

13. OTHER GAINS AND LOSSES	31 March 2020 £000	31 March 2019 £000
Gain/(loss) on disposal of property, plant and equipment	0	(7)
Total	0	(7)

The loss on disposal does not relate to land and buildings assets used in the provision of commissioner requested services.

14. FINANCE COST - INTEREST EXPENSE	31 March 2020 £000	31 March 2019 £000
Interest on obligations under finance leases	2	2
Interest on obligations under PFI contracts:		
- main finance cost	1,738	1,787
- contingent finance cost	804	794
Interest on late payment of commercial debt	8	0
Other interest expense	0	0
Total interest expense	2,552	2,583
Unwinding of discount on provisions	28	11
Total interest expense	2,580	2,594

15. PROPERTY, PLANT AND EQUIPMENT

15.1 PROPERTY, PLANT AND EQUIPMENT 2019/20

	Land	Buildings excluding dwellings	Dwellings	AUC*	Plant and machinery	Transport equipment	IT	Furniture and fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost/valuation at 1 April 2019	**15,285**	**88,038**	**1,615**	**257**	**1,211**	**56**	**16,210**	**2,646**	**125,318**
Additions purchased	0	2,662	0	437	302	0	3,549	718	**7,668**
Additions leased	0	0	0	0	0	0	0	0	**0**
Impairments charged to operating expenses	(159)	(897)	0	(1)	0	0	0	0	**(1,057)**
Impairments charged to the revaluation reserve	(1,241)	(625)	0	0	0	0	0	0	**(1,866)**
Reversal of impairments credited to operating expenditure	0	324	0	0	0	0	0	0	**324**
Reclassifications	0	227	0	(227)	0	0	0	0	**0**
Revaluations	190	2,469	22	0	0	0	0	0	**2,681**
Transfer to disposal group as held for sale	0	0	0	0	0	0	0	0	**0**
Disposals/derecognition	0	0	0	0	0	0	(3,149)	0	**(3,149)**
Cost/valuation at 31 March 2020	**14,075**	**92,198**	**1,637**	**466**	**1,513**	**56**	**16,610**	**3,364**	**129,919**
Depreciation at 1 April 2019	**0**	**1,255**	**0**	**0**	**449**	**42**	**6,619**	**1,422**	**9,787**
Charged during the period	0	2,364	22	0	146	5	2,099	252	4,888
Revaluations	0	0	0	0	0	0	0	0	**0**
Disposals/derecognition	0	0	0	0	0	0	(3,149)	0	**(3,149)**
Depreciation at 31 March 2020	**0**	**3,619**	**22**	**0**	**595**	**47**	**5,569**	**1,674**	**11,526**
Net book value									
Purchased	14,075	88,579	1,615	466	918	9	11,041	1,690	118,393
Donated	0	0	0	0	0	0	0	0	**0**
Government granted	0	0	0	0	0	0	0	0	**0**
Net book value total at 31 March 2020	**14,075**	**88,579**	**1,615**	**466**	**918**	**9**	**11,041**	**1,690**	**118,393**
Asset financing									
Owned	14,075	30,499	1,615	466	918	0	11,041	1,690	**60,304**
Finance leased	0	0	0	0	0	9	0	0	**9**
On-SoFP PFI contract	0	58,080	0	0	0	0	0	0	**58,080**
Net book value total at 31 March 2020	**14,075**	**88,579**	**1,615**	**466**	**918**	**9**	**11,041**	**1,690**	**118,393**

* = Assets under construction

15. PROPERTY, PLANT AND EQUIPMENT

15.1 PROPERTY, PLANT AND EQUIPMENT 2018/19

	Land	Buildings excluding dwellings	Dwellings	AUC*	Plant and machinery	Transport equipment	IT	Furniture and fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost/valuation at 1 April 2018	**15,355**	**91,505**	**1,680**	**278**	**1,124**	**56**	**16,997**	**2,390**	**129,385**
Additions purchased	0	2,296	0	257	97	0	3,550	263	**6,463**
Additions leased	0	0	0	0	0	0	0	0	**0**
Impairments charged to operating expenses	0	(187)	0	0	0	0	0	0	**(187)**
Impairments charged to the revaluation reserve	0	(810)	0	0	0	0	0	0	**(810)**
Reversal of impairments credited to operating expenditure	0	646	0	0	0	0	0	0	**646**
Reclassifications	0	278	0	(278)	0	0	0	0	**0**
Revaluation/indexation gains	0	(5,510)	(65)	0	0	0	0	0	**(5,575)**
Transfer to disposal group as held for sale	(70)	(180)	0	0	0	0	0	0	**(250)**
Disposals/derecognition	0	0	0	0	(10)	0	(4,337)	(7)	**(4,354)**
Cost/valuation at 31 March 2019	**15,285**	**88,038**	**1,615**	**257**	**1,211**	**56**	**16,210**	**2,646**	**125,318**
Depreciation at 1 April 2018	**0**	**7,414**	**65**	**0**	**315**	**37**	**9,340**	**1,207**	**18,378**
Charged during the period	0	2,271	22	0	137	5	1,616	222	**4,273**
Transfer to disposal group as held for sale	0	(8,430)	(87)	0	0	0	0	0	**(8,517)**
Disposals/derecognition	0	0	0	0	(3)	0	(4,337)	(7)	**(4,347)**
Depreciation at 31 March 2019	**0**	**1,255**	**0**	**0**	**449**	**42**	**6,619**	**1,422**	**9,787**
Net book value									
Purchased	15,285	86,783	1,615	257	762	14	9,591	1,224	**115,531**
Donated	0	0	0	0	0	0	0	0	**0**
Government granted	0	0	0	0	0	0	0	0	**0**
Net book value total at 31 March 2019	**15,285**	**86,783**	**1,615**	**257**	**762**	**14**	**9,591**	**1,224**	**115,531**
Asset financing									
Owned	15,285	29,742	1,615	257	762	0	9,591	1,224	**58,476**
Finance leased	0	0	0	0	0	14	0	0	**14**
On-SoFP PFI contract	0	57,041	0	0	0	0	0	0	**57,041**
Net book value total at 31 March 2019	**15,285**	**86,783**	**1,615**	**257**	**762**	**14**	**9,591**	**1,224**	**115,531**

* = Assets under construction

15.2 PROPERTY, PLANT AND EQUIPMENT (CONT.)

There are no donated assets in year.

The effective date of revaluation of property, plant and equipment is 31 March 2020. The revaluation is based on a District Valuer Services valuation by a MRICS qualified surveyor, on a modern equivalent asset basis. This review was carried out as a desktop exercise using the application of BICs indices and adjusted for a location factor. In applying the Royal Institute of Chartered Surveyors (RICS) Valuation Global Standards 2020 ('Red Book'), the valuer has declared a 'material valuation uncertainty' in the valuation report. This 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.

Asset lives for each class of asset held are as follows and represent the range of component parts that make up each asset:	Min. life (Years)	Max. life (Years)
Buildings excluding dwellings	1	72
Dwellings	30	90
Plant and machinery	5	10
Transport equipment	5	5
Information technology	2	10
Furniture and fittings	5	10
Software licences (purchased)	2	10
Development Expenditure (internally generated)	5	5
Websites (Internally generated)	5	5

At 31 March 2020, of the total non-current asset values, £290k (£300k at 31 March 2019) related to land valued at open market value and £625k (£925k at 31 March 2019) related to buildings valued at open market value.

There is no compensation from third parties for assets impaired, lost or given up and therefore nil is included in the income statement.

The gross carrying amount of fully depreciated tangible assets still in use is £2,213k (£4,332k at 31 March 2019).

15.3 PROPERTIES LEASED TO THIRD PARTIES BY THE FOUNDATION TRUST

	Gross cost	Accumulated depreciation	Depreciation in year	Revaluation in year	Total
Asset	£'000	£'000	£'000	£'000	£'000
399 Cottingham Road	250	0	0	0	250
39 Billing Road	675	0	0	0	675
Total	925	0	0	0	925

There are £nil (£nil in 2018/19) of impairments recognised and £nil (£nil in 2018/19) of impairments reversed for these assets.

15.4 NON-CURRENT ASSETS HELD FOR SALE

	Property, plant and equipment	Land	Total
	£000	£000	£000
Net book value at 1 April 2019	180	70	250
Plus assets classified as held for sale in the year	0	0	0
Less assets sold in the year	0	0	0
Less impairments of assets held for sale	0	0	0
Plus reversal of impairment of assets held for sale	0	0	0
Net book value at 31 March 2020	180	70	250
Net book value at 1 April 2018	0	0	0
Plus assets classified as held for sale in the year	180	70	250
Less assets sold in the year	0	0	0
Plus reversal of impairment of assets held for sale	0	0	0
Net book value at 31 March 2019	180	70	250

16. INTANGIBLE ASSETS

2019/20	Software licences purchased £000	Development expenditure £0	AUC £000	Website £000	Total £000
Cost or valuation at 1 April 2020	4,107	289	0	358	4,754
Additions purchased/internally generated	154	264	0	11	429
Reversals of impairments	0	0	0	0	0
Reclassifications	0	0	0	0	0
Disposals	(1,201)	0	0	0	(1,201)
Cost/valuation at 31 March 2020	**3,060**	**553**	**0**	**369**	**3,982**
Amortisation at 1 April 2019	1,972	0	0	57	2,029
Disposals	(1,201)	0	0	0	(1,201)
Charged during the period	596	225	0	72	893
Amortisation at 31 March 2020	**1,367**	**225**	**0**	**129**	**1,721**
Analysis of net book value total at 31 March 2020					
Purchased	1,693	328	0	240	2,261
Finance leased	0	0	0	0	0
Net book value total at 31 March 2020	**1,693**	**328**	**0**	**240**	**2,261**
2018/19	£000	£0	£000	£000	£000
Cost or valuation at 1 April 2018	3,307	0	0	241	3,548
Additions purchased	800	289	0	117	1,206
Reclassifications	0	0	0	0	0
Disposals	0	0	0	0	0
Cost/valuation at 31 March 2019	**4,107**	**289**	**0**	**358**	**4,754**
Amortisation at 1 April 2018	1,240	0	0	21	1,261
Disposals	0	0	0	0	0
Charged during the period	732	0	0	36	768
Amortisation at 31 March 2019	**1,972**	**0**	**0**	**57**	**2,029**
Analysis of net book value total at 31 March 2019					
Purchased	2,135	289	0	301	2,725
Finance leased	0	0	0	0	0
Net book value total at 31 March 2019	**2,135**	**289**	**0**	**301**	**2,725**

16. INTANGIBLE ASSETS (CONT.)

The intangible assets within these financial statements relate to externally procured software, website and development expenditure. In line with the valuation policy for tangible IT assets, intangible assets have not been revalued. The current values are considered to be fair in that they are the result of the application of amortisation on a straight line basis. The carrying amount of the intangible assets at cost is £2,261k (£2,725k at 31 March 2019). There are no intangible assets which have indefinite lives and the finite lives of the intangible assets are between nil and ten years. There are no intangible assets acquired by government grant. The value of intangible assets still in use, which have been fully amortised is £101k (£101k at 31 March 2019). There are no intangible assets controlled by the Foundation Trust that are not recognised as assets because they did not meet the recognition criteria of IAS 38.

17. IMPAIRMENTS

An impairment review was carried out at the end of the financial period and an impairment of £2,923k (£997k in the 12 months to 31 March 2019) on land and buildings has been recognised.

The year end review of values in conjunction with the district valuer also identified an increase in land and building assets that had previously been impaired of £324k (£646k in the 12 months to 31 March 2019).

The net impact on the SoCI is an impairment of £733k (£459k reversal of impairment in the 12 months to 31 March 2019).

No impairments were recognised prior to the disposal of assets during the year (2018/19 £nil).

The overall revaluation impact was to increase the value of the Foundation Trust's estate by £82k (increase of £2,591k in the 12 months to 31 March 2019) with a £815k increase (£2,133k increase in the 12 months to 31 March 2019) to revaluation reserves.

17.1 IMPAIRMENT OF ASSETS

	31 March 2020	31 March 2019
	£000	£000
Impairments/(reversals) charged to operating surplus/deficit		
Loss or damage from normal operations	0	0
Over specification of assets	0	0
Abandonment of assets in the course of construction	0	0
Other	443	0
Changes in market price	290	(459)
Total impairments/(reversals) charged to operating surplus	**733**	**(459)**
Impairments charged to the revaluation reserve	1,866	810
Total impairments	**2,599**	**351**

18. CAPITAL COMMITMENTS

Contracted capital commitments not otherwise included in these financial statements	31 March 2020 £000	31 March 2019 £000
Property, plant and equipment	245	0
Intangible assets	0	0
Total	**245**	**0**

19. INVESTMENTS IN ASSOCIATES

	31 March 2020	31 March 2019
	£000	£000
Carrying value at 1 April	0	0
Share of profit/(loss)	0	0
Carrying value at 31 March	0	0

The Foundation Trust holds a 38% share of voting rights in First for Wellbeing, which is a community interest company limited by guarantee. First for Wellbeing, which started trading during 2016/17, is a joint venture between the Foundation Trust, Northamptonshire County Council and the University of Northampton. The full extent of the Foundation Trust's guarantee is £38.

During 2018/19, First for Wellbeing has ceased trading, with services transferred to Northamptonshire County Council. On 2 December 2019, at a General Meeting of the Company, a special resolution was passed that the company be wound up voluntarily. On 18 December 2019, as part of a Members Voluntary Winding up, a Declaration of Solvency was made. The Company is in a Members voluntary liquidation administered through Wilson Field Limited.

The investment has been accounted for on an equity basis with a carrying value of nil.

20. OTHER INVESTMENTS

	31 March 2020	31 March 2019
	£000	£000
Carrying value at 1 April	76	76
Acquisitions in year	0	0
Disposals	0	0
Carrying value at 31 March	76	76

In 2016/17 the Foundation Trust purchased shares in 3Sixty Care Ltd which is a Multispecialty Community Provider; the Foundation Trust's share constitutes 50% of the voting rights.

3Sixty Care Ltd, whose trading name is the 3Sixty Care Partnership, has been formed with partners in the 3Sixty Care GP Federation (covering Corby, East Northants, Wellingborough and surrounding areas).

The investment has been accounted for at fair value and the carrying value of the investment is considered to be supported by the net assets.

There is not considered to be an active market for the investment in 3Sixty Care Ltd.

During 2018/19, the Foundation Trust has entered into a limited liability partnership with General Practice Alliance Limited, which is a GP federation based in Northampton, to form Northampton GP and Community Alliance Limited Liability Partnership. The partnership has not traded during the year.

21. INVENTORIES

21.1 INVENTORIES

	31 March 2020	31 March 2019
	£000	£000
Consumables	55	66
Other	32	18
Total	87	84

21.2 INVENTORIES RECOGNISED IN EXPENSES

	31 March 2020	31 March 2019
	£000	£000
Inventories recognised as an expense in the period	(932)	(898)
Write-down of inventories recognised as an expense	0	0
Reversal of any write-downs of inventories resulting in a reduction of recognised expenses	0	0
Total	(932)	(898)

22. TRADE AND OTHER RECEIVABLES

	31 March 2020	31 March 2019
	£000	£000
Current		
Contract receivables (IFRS 15) invoiced	5,211	6,801
Contract receivables (IFRS 15) not yet invoiced	1,175	3,134
Contract assets (IFRS 15)	0	0
Trade receivables - revenue	0	0
Provision for impared contract assets	(2)	(35)
Provision for the impairment of receivables	(84)	(73)
Deposits and advances	1	1
Prepayments	699	637
PDC receivable	0	0
VAT receivable	169	136
Other receivables - revenue	210	101
Total	**7,379**	**10,702**
Of which receivable from NHS and DHSC group bodies:	4,833	8,677
Non-current		
Clinical Pension Tax Receivable*	177	0
Total	**177**	**0**

The majority of trade is with CCGs as commissioners for NHS patient care services.

As CCGs are funded by government to buy NHS patient care services, no credit scoring of them is considered necessary.

*Clinicians who are members of the NHS Pension Scheme and who as a result of work undertaken in this tax year (2019/20) face a tax charge in respect of the growth of their NHS pension benefits above their pension savings annual allowance threshold will be able to have this charge paid by the NHS Pension Scheme.

The NHS employer will make a contractually binding commitment to pay them a corresponding amount on retirement, ensuring that they are fully compensated in retirement for the effect of the 2019/20 Scheme Pays deduction on their income from the NHS Pension Scheme in retirement.

This will be offset by the commitment from NHS England and the Government to fund the payments to clinicians as and when they arise.

22.1 AGEING OF RECEIVABLES

	31 March 2020	31 March 2019
	£000	£000
Ageing of impaired receivables		
0 - 30 days	17	6
30 - 60 days	3	6
60 - 90 days	6	0
90 - 180 days	3	15
180 - 360 days	57	81
Total	**86**	**108**

Ageing of non-impaired receivables		
0 - 30 days	4,767	5,728
30 - 60 days	179	134
60 - 90 days	162	96
90 - 180 days	122	87
180 - 360 days	226	727
Total	**5,456**	**6,772**

22.2 PROVISION FOR IMPAIRMENT OF RECEIVABLES

	31 March 2020	31 March 2019
	£000	£000
Balance at start of period	**108**	**99**
Increase in provision	60	41
Amounts utilised	(9)	0
Unused amounts recovered	(73)	(32)
Balance at end of period	**86**	**108**

Receivables impaired relate to trade receivables which have been examined on a case by case basis in terms of their potential recovery.

23. OTHER FINANCIAL ASSETS

There are no other financial assets.

24. OTHER CURRENT ASSETS

There are no other current assets.

25. CASH AND CASH EQUIVALENTS

	31 March 2020	31 March 2019
	£000	£000
Balance at 1 April	42,837	37,541
Net change in period	(1,981)	5,296
Balance at 31 March	**40,856**	**42,837**

Made up of:		
Cash with Government Banking Service	40,804	42,797
Commercial banks and cash in hand	52	40
Current investments	0	0
Cash and cash equivalents as in SoFP	**40,856**	**42,837**
Bank overdraft	0	0
Cash and cash equivalents as in SoCF	**40,856**	**42,837**

26. TRADE AND OTHER PAYABLES

	31 March 2020	31 March 2019
Current	£000	£000
Trade payables - revenue	718	1,848
Other trade payables - capital	1,655	4,092
Social security costs	1,782	1,661
Other taxes payable	1,196	1,126
Other payables	2,066	1,983
Accruals	16,680	16,172
PDC dividend creditor	74	190
Total current trade and other payables	**24,171**	**27,072**

Non-current		
Other trade payables - capital	65	217
Total non-current trade and other payables	**65**	**217**

26.1 EARLY RETIREMENTS IN NHS PAYABLES

There are no early retirements in NHS payables.

27. BORROWINGS

	31 March 2020	31 March 2019
Current	**£000**	**£000**
Finance lease liabilities	5	5
Obligations under PFI, LIFT or other service concession	1,213	982
Total current borrowings	**1,218**	**987**

Non-current		
Finance lease liabilities	0	5
Obligations under PFI, LIFT or other service concession	31,824	33,037
Total non-current borrowings	**31,824**	**33,042**

Finance lease liabilities relate to commitments on vehicles which have been capitalised. Expected dates of settlement are consistent with lease termination dates which range between one and five years.

Date of settlement for the Welland PFI scheme is 2035 (30 years from date of completion of construction).

Date of settlement for the Berrywood PFI scheme is 2037 (30 years from date of completion of construction).

28. OTHER LIABILITIES

	31 March 2020	31 March 2019
Current	**£000**	**£000**
Deferred income	1,334	3,719
Total current other liabilities	**1,334**	**3,719**

There are no non-current liabilities.

29. FINANCE LEASE OBLIGATIONS

The Foundation Trust leased vehicles with leasing companies, there are no purchasing options at the end of lease and there are no favourable terms of renewal.

No contingent rent is payable.

	Minimum lease payments	
	31 March 2020	31 March 2019
Amounts payable under finance leases:	**£000**	**£000**
Gross lease liabilities of which liabilities are:	**7**	**14**
Within one year	7	7
Between one and five years	0	7
After five years	0	0
Less future finance charges	(2)	(4)
Net lease liabilities of which liabilities are due:	**5**	**10**
Within one year	5	5
Between one and five years	0	5
After five years	0	0
Total amounts payable under finance leases	**5**	**10**

30. FINANCE LEASE RECEIVABLES, I.E. AS LESSOR

There are no finance lease receivables and there is no finance lease rental revenue.

31. FINANCE LEASE COMMITMENTS

Finance leases above £5,000 are capitalised.

	31 March 2020	31 March 2019
Total obligations for finance leases due:	**£000**	**£000**
Gross finance leases of which liabilities are due:	**7**	**14**
Not later than one year	7	7
Later than one year, not later than five years	0	7
Later than five years	0	0
Gross finance lease liabilities	**7**	**14**
Finance charges allocated to future periods	(2)	(4)
Net finance leases of which liabilities are due:	**5**	**10**
Not later than one year	5	5
Later than one year, not later than five years	0	5
Later than five years	0	0
Net finance liabilities	**5**	**10**

32. PRIVATE FINANCE INITIATIVE CONTRACTS

32.1 PFI SCHEMES OFF-STATEMENT OF FINANCIAL POSITION

There are no off-Statement of Financial Position PFI schemes.

32.2 PFI SCHEMES ON-STATEMENT OF FINANCIAL POSITION

There are two PFI schemes:

- the Welland scheme in Kettering, which opened in December 2005 and comprises two treatment wards and an assessment ward. The term of the agreement is 30 years from the date of the handover of the asset, which is December 2035.

- the Berrywood scheme in Northampton, which opened in December 2008 and comprises four assessment wards, an ICU, elderly beds, low secure beds and rehab beds. The term of the agreement is 30 years from the commencement of construction of the asset, which is the end of October 2037.

Under IFRIC 12, the PFI assets are treated as assets of the Foundation Trust; as the substance of the contract is that the Foundation Trust has a finance lease and payments comprise two elements – imputed finance lease charges and service charges. Details of the imputed finance lease charges are shown on the next page.

At the end of the contract period the facilities and equipment will be handed back to the Foundation Trust in a specified condition, at no cost. If this condition is not met then the operator may be required to compensate the Foundation Trust, under the terms of the agreement. No renewal options are noted.

The contracts may be terminated by either party if specified default conditions are met. There are voluntary termination options within the contracts, although there is a financial penalty if these are exercised. No changes to the contractual arrangements have occurred during 2019/20.

32.2 PFI SCHEMES ON-STATEMENT OF FINANCIAL POSITION (CONT.)

Total obligations for on-Statement of Financial Position PFI contracts due:	31 March 2020	31 March 2019
	£000	£000
Gross PFI liabilities of which liabilities are due:	**50,028**	**52,748**
Not later than one year	2,897	2,720
Later than one year, not later than five years	12,540	12,387
Later than five years	34,591	37,641
Gross PFI liabilities	**50,028**	**52,748**
Finance charges allocated to future periods	(16,991)	(18,729)
Net PFI liabilities of which liabilities are due:	**33,037**	**34,019**
Not later than one year	1,213	982
Later than one year, not later than five years	6,572	6,097
Later than five years	25,252	26,940
Net PFI liabilities	**33,037**	**34,019**

	31 March 2020	31 March 2019
	£000	£000
Total future payments committed in respect of PFI, LIFT or other service concession arrangements of which liabilities are due:	**79,224**	**81,978**
Not later than one year	5,648	5,591
Later than one year, not later than five years	21,131	20,917
Later than five years	52,445	55,470

	31 March 2020	31 March 2019
Commitments in respect of the service element:	£000	£000
Not later than one year	1,220	1,269
Later than one year, not later than five years	4,498	5,332
Later than five years	11,190	22,138
Total	16,908	28,739

The service element totals have been discounted in 2019/20.

The PFI contracts set the required performance standard, including availability, and set out the associated penalty deductions for unavailability.

There are no other obligations to acquire or build items of property, plant and equipment other than the equipment replacement specified in the lifecycle values within the unitary charge.

There are no other rights and obligations noted in the contracts.

32.3 CHARGES TO EXPENDITURE

The total charged in the period to expenditure in respect of the service element of on-Statement of Financial Position PFI contracts was £1,617k (£1,645k 2018/19).

32.4 AMOUNTS PAYABLE TO SERVICE CONCESSION OPERATOR

	31 March 2020	31 March 2019
Analysis of amounts paid to service concession operator:	£000	£000
Interest charge	1,738	1,787
Repayment of finance lease liability	982	1,001
Service element	1,617	1,645
Capital lifecycle maintenance	1,029	966
Contingent rent	804	794
Total	6,170	6,193

33. OTHER FINANCIAL LIABILITIES

The Foundation Trust has pledged £38 as a guarantee on formation of First for Wellbeing, a community interest company limited by guarantee. The value of the guarantee is not deemed to be material to either entity.

34. PROVISIONS

	31 March 2020	31 March 2019
Current	£000	£000
Pensions relating to other staff	60	26
Legal claims	65	53
Other	4,711	5,869
Total	4,836	5,948
Non-current		
Pensions relating to other staff	1,146	408
Clinical Pension Tax provision	177	0
Other	30	30
Total	1,353	438

Legal claims are as advised by NHS Resolution who administer claims on behalf of the Foundation Trust and outstanding claims are expected to clear by 31 March 2021.

Pension provisions relate to staff who have retired early on ill health grounds from the NHS Pensions Scheme. They are calculated in accordance with Department of Health and Social Care guidance. There is no uncertainty with regard to timing or values.

Other includes:

- £3,444k (£3,357k at 31 March 2019) service change/reprovision costs that are based on calculated entitlements and are expected to materialise by the end of 2020/2021.
- £30k (£30k at 31 March 2019) for dilapidation works expected at the end of property leases.

- £1,983k (£2,130k at 31 March 2019) is included in the provisions of NHS Resolution in respect of clinical negligence liabilities of the Foundation Trust.

34. PROVISIONS (CONT.)

	Pensions relating to other staff	Legal claims	Clinical Pension Tax Provision	Other	Total
	£000	£000	£000	£000	£000
At 1 April 2019	**434**	**53**	**0**	**5899**	**6386**
Arising during the period	796	63	177	4,710	5,746
Used during the period	(52)	(31)	0	(84)	(167)
Reversed unused	0	(20)	0	(5,784)	(5,804)
Unwinding of discount	28	0	0	0	28
At 31 March 2020	**1,206**	**65**	**177**	**4,741**	**6,189**
Expected timing of cash flows:					
Not later than one year	60	65	0	4,711	4,836
Later than one year and not later than five years	239	0	0	30	269
Later than five years	907	0	177	0	1,084
At 31 March 2020	**1,206**	**65**	**177**	**4,741**	**6,189**

At 1 April 2018	**449**	**56**	**0**	**6,415**	**6,920**
Arising during the period	0	66	0	5,869	5,935
Used during the period	(26)	(53)	0	(108)	(187)
Reversed unused	0	(16)	0	(6,277)	(6,293)
Unwinding of discount	11	0	0	0	11
At 31 March 2019	**434**	**53**	**0**	**5,899**	**6,386**
Expected timing of cash flows:					
Not later than one year	26	53	0	5,869	5,948
Later than one year and not later than five years	104	0	0	0	104
Later than five years	304	0	0	30	334
At 31 March 2019	**434**	**53**	**0**	**5,899**	**6,386**

35. CONTINGENCIES

35.1 CONTINGENT LIABILITIES

The Foundation Trust has contingent liabilities arising from claims being assessed by the NHS Litigation Authority of £52k at 31 March 2020 (£40k at 31 March 2019).

The Foundation Trust has contingent liabilities of £2.4 million arising from the sale of land in 2010 at the former Princess Marina Hospital.

35.2 CONTINGENT ASSETS

There are no contingent assets.

36. FINANCIAL INSTRUMENTS

36.1 FINANCIAL ASSETS

Carrying values of financial assets as at 31 March 2020 under IFRS 9		Held at amortised cost	Total Book Value
		£000	£000
Receivables		6,510	6,510
Cash and cash equivalents		40,856	40,856
Non-current assets held for sale		0	0
Other financial assets		0	0
Other investments		76	76
Total at 31 March 2020		**47,442**	**47,442**

Carrying values of financial assets as at 31 March 2019 under IFRS 9		Loans and receivables	Total book value
		£000	£000
Receivables		9,928	9,928
Cash and cash equivalents		42,837	42,837
Other financial assets		0	0
Other investments		76	76
Total at 31 March 2019		**52,841**	**52,841**

36.2 FINANCIAL LIABILITIES

Carrying values of financial liabilities as at 31 March 2020 under IFRS 9		Held at amortised cost	Total book value
		£000	£000
Obligations under finance leases		5	5
Obligations under PFI contracts		33,037	33,037
Payables		19,119	19,119
Provisions under contract		95	95
Other financial liabilities		0	0
Total at 31 March 2020		**52,256**	**52,256**

Carrying values of financial liabilities as at 31 March 2019 under IFRS 9		Other financial liabilities	Total book value
		£000	£000
Obligations under finance leases		10	10
Obligations under PFI contracts		34,019	34,019
Payables		22,337	22,337
Provisions under contract		83	83
Other financial liabilities		0	0
Total at 31 March 2019		**56,449**	**56,449**

36.3 MATURITY OF FINANCIAL LIABILITIES

	31 March 2020	31 March 2019
	£000	£000
In one year or less	20,337	23,160
In more than one year but not more than two years	1,550	1,357
In more than two years but not more than five years	5,117	4,962
In more than five years	25,252	26,970
	52,256	56,449

36.4 FAIR VALUE OF FINANCIAL ASSETS

	£000	£000
	Book value	Fair value
Non current trade and other receivable excluding non-financial liabilities	0	0
Other investments	76	76
Other	0	0
Total	76	76

36.5 FAIR VALUE OF FINANCIAL LIABILITIES

	£000	£000
	Book value	Fair value
Non current trade and other payables excluding non-financial liabilities	65	65
Provisions under contract	95	95
Loans	0	0
Other	0	0
Total	160	160

36.5 FINANCIAL RISK MANAGEMENT

Financial reporting standard IFRS7 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 Foundation Trust has with Clinical Commissioning Groups (CCGs) and the way those CCGs are financed, the Foundation Trust is not exposed to the degree of financial risk faced by private sector 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 Foundation Trust has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the Foundation Trust in undertaking its activities.

The Foundation Trust's treasury management operations are carried out by the finance department.

Currency risk

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

Interest rate risk

The Foundation Trust is free to borrow from commercial or public sector sources for capital expenditure, subject to limits set by NHSI, the independent regulator, and as specified in their terms of authorisation. Therefore, it has a relatively low exposure to interest rate fluctuations.

Credit risk

Because the majority of the Foundation Trust's income comes from contracts with other public sector bodies, the Foundation Trust has low exposure to credit risk. The maximum exposures as at 31 March 2020 are in receivables from customers, as disclosed in the trade and other receivables note.

Liquidity risk

The majority of the Foundation Trust's operating costs are incurred under contracts with CCGs and NHS England, which are financed from resources voted annually by Parliament. The Foundation Trust funds its capital expenditure from internally generated cash from operations and asset sales. The Foundation Trust is not, therefore, exposed to significant liquidity risks.

37. EVENTS AFTER THE REPORTING PERIOD

We have considered whether it is necessary to disclose post-date events from the effects of the COVID-19 pandemic on the Trust's operations. At this time, we have not identified any subsequent events that require adjustment or disclosure.

38. RELATED PARTY TRANSACTIONS

During the period none of the foundation Trust Board of Directors or members of the key management staff, or parties related to any of them, has undertaken any material transactions with Northamptonshire Healthcare NHS Foundation Trust.

During the year Northamptonshire Healthcare NHS Foundation Trust has had a significant number of material transactions with related parties, as detailed below:

	Receipts from related party	Payments to related party	Amounts due from related party	Amounts owed to related party
2019/20	£000	£000	£000	£000
Board of Directors	0	0	0	0
Key staff members	0	0	0	0
Department of Health and Social Care	98	0	40	0
Nene CCG	139,649	1,948	1,001	1,170
Corby CCG	15,999	0	172	6
Northampton General NHS Trust	1,710	1,452	37	223
Kettering General NHS Foundation Trust	1,313	949	173	125
NHS England	37,699	(1)	1,662	287
Leicestershire Partnership Trust	221	471	65	231
Other NHS bodies	10,377	6,464	1,683	492
Charitable funds	0	0	15	0
Northamptonshire County Council	13,909	3,960	878	1,537
NHS Pensions Agency	0	21,768	0	2,051
First for Wellbeing CIC	0	0	0	0
3Sixty Care	503	236	134	247
General Practice Alliance	114	0	0	0
Other	1,168	14,542	313	2,995
Total	222,760	51,789	6,173	9,364

2018/19	£000	£000	£000	£000
Board of directors	0	0	0	0
Key staff members	0	0	0	0
Department of Health and Social Care	2,153	0	41	0
Nene CCG	129,493	732	3,211	3,251
Corby CCG	15,026	76	14	6
Northampton General NHS Trust	1,593	1,471	17	160
Kettering General NHS Foundation Trust	1,390	877	260	162
NHS England	35,592	4	3,434	840
Other NHS bodies	9,673	7,598	1,700	527
Charitable funds	0	0	12	0
Northamptonshire County Council	16,383	4,905	565	4,300
NHS Pensions Agency	0	14,270	0	1,971
First for Wellbeing CIC	145	0	0	0
3Sixty Care	347	465	43	116
General Practice Alliance	12	15	0	0
Other	1,179	13,602	381	3,198
Total	212,986	44,015	9,678	14,531

First for Wellbeing is a community interest company limited by guarantee in which the Foundation Trust holds 38% of the voting rights.

3Sixty Care is a company limited by shares in which the Foundation Trust holds a 50% shareholding.

General Practice Alliance is a GP Federation which has formed a partnership with the Foundation Trust.

39. THIRD PARTY ASSETS

The Foundation Trust held £7k (£5k at 31 March 2019) cash and cash equivalents at 31 March 2020 which relates to monies held by the NHS Foundation Foundation Trust on behalf of patients. This has been excluded from the cash and cash equivalents figure reported in the accounts.

40. INTRA-GOVERNMENT AND OTHER BALANCES

	Current receivables	Non-current receivables	Current payables	Non-current payables
	£000	£000	£000	£000
Balances with Department of Health and Social Care	40	0	0	0
Balances with Public Health England	0	0	1	0
Balances with NHS England and CCGs	3,420	0	582	0
Balances with Health Education England	634	0	0	0
Balances with NHS trusts	288	0	475	0
Balances with other FTs	320	0	141	0
Balances with Special Health Authorities	88	0	11	0
Balances with NDPBs	0	0	0	0
Balances with other DH bodies	43	0	0	0
Balances with local government	1,022	0	1,535	0
Other WGA bodies	169	0	5,046	0
Intra-government balances	**6,024**	**0**	**7,791**	**0**
Balances with bodies external to government	1,355	177	16,380	65
At 31 March 2020	**7,379**	**177**	**24,171**	**65**
Balances with Department of Health and Social Care	41	0	0	0
Balances with Public Health England	3	0	0	0
Balances with NHS England and CCGs	7,563	0	743	0
Balances with Health Education England	437	0	0	0
Balances with NHS trusts	169	0	255	0
Balances with other FTs	429	0	234	0
Balances with Special Health Authorities	10	0	3	0
Balances with NDPBs	1	0	0	0
Balances with other DH bodies	24	0	169	0
Balances with local government	810	0	4,444	0
Other WGA bodies	136	0	5,023	0
Intra-government balances	**9,623**	**0**	**10,871**	**0**
Balances with bodies external to government	1,079	0	16,201	217
At 31 March 2019	**10,702**	**0**	**27,072**	**217**

41. LOSSES AND SPECIAL PAYMENTS

	31 March 2020	31 March 2020	31 March 2019	31 March 2019
Losses	**Number**	**£000**	**Number**	**£000**
Losses of cash	25	11	0	0
Bad debts and claims abandoned	3	1	0	0
Total losses	**28**	**12**	**0**	**0**

Special payments				
Compensation payments	6	56	16	71
Ex-gratia payments	14	3	12	2
Extra contractual payments to contractors	0	0	0	0
Other employment payments	0	0	9	12
Extra statutory and regulatory	1	31	0	0
Total special payments	**21**	**90**	**37**	**85**

Total losses and special payments	**49**	**102**	**37**	**85**

Losses and special payments are accounted for on an accruals basis excluding provisions for future losses.

42. OTHER FINANCIAL COMMITMENTS

The Foundation Trust has not entered into any non-cancellable contracts which are not leases, PFI contracts or other service concession arrangements.

43. REVALUATION RESERVE

	Revaluation reserve: property, plant and equipment	Revaluation reserve: assets held for sale	Total revaluation reserve
	£000	£000	£000
At 1 April 2019	**28,558**	**194**	**28,752**
Impairments	(1,866)	0	(1,866)
Revaluations	2,681	0	2,681
Disposals	0	0	0
Transfer of the excess of current cost depreciation over historical cost depreciation to the Income and Expenditure Reserve	0	0	0
Other reserve movements	0	0	0
Movements on other reserves	0	0	0
Revaluation reserve at 31 March 2020	**29,373**	**194**	**29,567**

At 1 April 2018	**26,620**	**0**	**26,620**
Impairments	(810)	0	(810)
Revaluations	2,942	0	2,942
Disposals	0	0	0
Transfer of the excess of current cost depreciation over historical cost depreciation to the Income and Expenditure Reserve	0	0	0
Other reserve movements	(194)	194	0
Movements on other reserves	0	0	0
Revaluation reserve at 31 March 2019	**28,558**	**194**	**28,752**

AUDITOR'S REPORT

Independent auditor's report to the Council of Governors of Northamptonshire Healthcare NHS Foundation Trust

. REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

1. Our opinion is unmodified

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

In our opinion:

- the financial statements give a true and fair view of the state of the Trust's affairs as at 31 March 2020 and of its income and expenditure for the year then ended; and
- the Trust's financial statements have been properly prepared in accordance with the Accounts Direction issued under paragraphs 24 and 25 of Schedule 7 of the National Health Service Act 2006, the NHS Foundation Trust Annual Reporting Manual 2019/20 and the Department of Health and Social Care Group Accounting Manual 2019/20.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Trust in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Overview		
Materiality: financial statements as a whole	£4million (2018/19:£3.5 million)	
	1.8% (2018/19: 1.7%) of income from operations	

Risks of material misstatement		vs 2018/19
Recurring risks	Valuation of land and buildings	▲
	Recognition of income from patient care activities	◄►
	Expenditure recognition	◄►

2. Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on:the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team.

We summarise below, the key audit matters, in decreasing order of audit significance, in arriving at our audit opinion above together with our key audit procedures to address those matters and our findings from those procedures in order that the Trust's governors as a body may better understand the process by which we arrived at our audit opinion . These matters were addressed, and our findings are based on procedures undertaken, in the context of, and solely for the purpose of, our audit of the financial statements as a whole, and in forming our opinion thereon , and consequently are incidental to that opinion, and we do not provide a separate opinion on these matters.

	The risk	Our response
Valuation of land and buildings £102.654 million; (2018/19: £102.086 million) net book values *Refer to page194 (accounting policy) and page 214 (financial disclosures)*	**Subjective valuation** Land and buildings are initially recognised at cost. Non-specialised property assets in operational use are subsequently recognised at current value in existing use (EUV). Specialised assets (such as hospitals) where a market value is not readily ascertainable, are subsequently recognised at the depreciated replacement cost (DRC) of a modern equivalent asset that has the same service potential as the existing property (MEA). There is significant judgement involved in determining the appropriate valuation basis for each asset according to the degree of specialisation, as well as over the assumptions made in arriving at the valuation. When considering the cost to build a replacement asset the Trust may consider whether the asset would be built to the same specification or in the same location. Valuation is completed by an external expert, engaged by the Trust, using construction indices. Therefore accurate records of the current estate are required. Valuations are inherently judgmental, therefore our work focused on whether the valuer's methodology, assumptions and underlying data, were appropriate and correctly applied. Full valuations are completed every five years, with interim desktop valuations completed in interim periods. In 2019/20, the Trust commissioned an interim desktop valuation of its land and buildings by its external valuer as at the 31 March 2020. The effect of these matters is that, as part of our risk assessment, we determined that the valuation of land and buildings has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole.	Our procedures included: — **Assessing valuer's credentials:** • We assessed the expertise of the valuer, who performed the valuation for the Trust. We reviewed the instructions provided to the valuer and assessed their independence and objectivity to the terms under which they were engaged by management. — **Methodology choice:** • We assessed whether the underlying approach and methodology used in preparing the valuation was appropriate and permissible within The Department of Health and Social Care Group Accounting Manual 2019/20 (GAM). — **Benchmarking assumptions:** • We challenged the assumptions used in the valuation model such as cost indices and location factors; and compared these to the report issued by Gerald Eve on behalf of the National Audit Office for the purposes of NHS auditors. — **Test of details:** • We agreed the valuations provided by the valuer as a result of the valuation to entries recorded within the Fixed Asset Register; • We considered the accuracy of the data provided to the valuer and undertook testing to ensure both its completeness and accuracy, including reviewing changes in floor area measurements; and • We considered managements assessment of any need for an impairment across its asset base either due to loss of value or reduction in future benefits that would be achieved.

Continued Overleaf

	The risk	Our response
Valuation of land and buildings £102.654 million; (2018/19: £102.086 million) net book values *Refer to page 194 (accounting policy) and page 214 (financial disclosures)*	**Disclosure quality** The Trust has £21.9m of land and buildings valued at EUV and £1.17m at market value. There is a risk that uncertainties expressed by the Trust's valuers around the impact of the Covid-19 pandemic on market–based values of land and buildings will be inappropriately disclosed.	Our procedures included: — **Assessing transparency:** • We considered the adequacy of disclosures made around the uncertainty caused by the Covid-19 pandemic on market data used to underpin the valuer's assumptions, and management's consideration of these factors when arriving at the year-end valuation figures. **Our findings:** We found the disclosures relating to the impact of the COVID-19 pandemic on market-based valuations to be proportionate and judgements made in regard to the valuation of land and buildings to be cautious.
Recognition of income from patient care activities £218.709 million; (2018/19: £201.878 million) *Refer to page 192 (accounting policy) and page 207 (financial disclosures)*	**Subjective estimate** Of the Trust's reported total income, the majority came from Clinical Commissioning Groups (CCG) and NHS England. The remaining was sourced from local authorities and other counterparties and carried a greater risk in terms of pricing and recoverability. In 2019/20 the Trust has received sustainability funding from NHS Improvement. This is received subject to achieving defined financial and operational targets on a quarterly basis. The Trust was allocated £1.6 million of provider sustainability funding. An agreement of balances exercise is undertaken between NHS bodies to agree the value of transactions during the year and the amounts owed at the year end. 'Mismatch' reports are available setting out discrepancies between the submitted balances from each party in transactions and variances over £300,000 are required to be reported to the National Audit Office to inform the audit of the Department of Health and Social Care consolidated accounts.	Our procedures included: — **Test of detail:** • Within the listing of contracts held by the Trust, we have agreed for the five largest commissioners of Trust activity that signed contracts were in place; • We investigated contract variations and reconciled accounting entries to the original contract; • We assessed the outcome of the agreement of balances exercise with CCGs and other NHS providers. Where there were any mismatches we have sought explanations for variances greater than £300,000. We have observed whether the Trust is in formal dispute in relation to any material income balances and have examined the supporting correspondence; • We performed testing of a sample of income received before and after 31st March 2020 to support the completeness assertion over income balances recorded in the financial statements and confirming that income has been recorded in the correct accounting period; and • We tested material other income balances by agreeing a sample of income transactions through to supporting documentation. **Our findings:** We found the recognition of income by the Trust to be balanced.

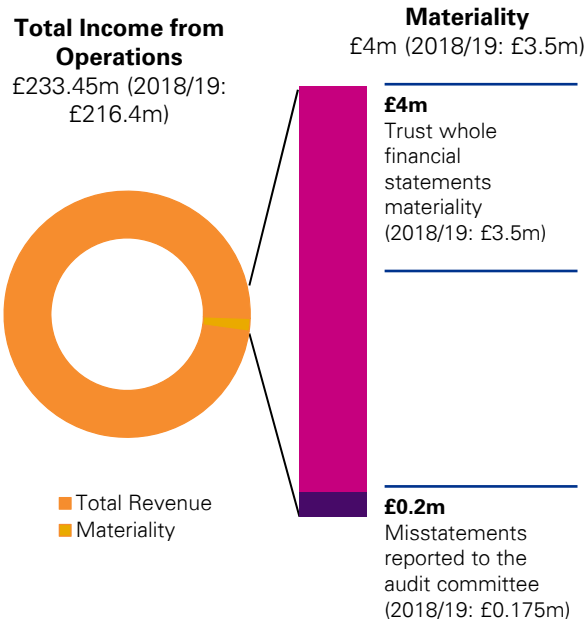
	The risk	Our response
Fraudulent expenditure recognition Other operating expenses; £64.691 million (2018/19: £61.301 million) Accruals; £16.68 million (2018/19: £16.17 million) *Refer to page 193 (accounting policy) and pages 209 and 221 (financial disclosures)*	**Effects of irregularities** As most public bodies are net spending bodies, then the risk of material misstatement due to fraud related to expenditure recognition may be greater than the risk of fraud related to revenue recognition. There is a risk that the Trust may manipulate expenditure to meet externally set targets and we had regard to this when planning and performing our audit procedures. This risk does not apply to all expenditure in the period. The incentives for fraudulent expenditure recognition relate to achieving financial targets and the key risks relate to the manipulation of creditors and accrued non-pay expenditure at year-end.	Our procedures included: — **Tests of detail:** • We assessed the pressure upon the Trust to achieve a particular year end outturn position; • We tested the segregation of duties over purchasing and goods receipting over expenditure; • We inspected a sample of items of expenditure in the March and April 2020 bank statements and cashbooks, to agree to supporting documentation to confirm these had been accounted for in the correct period; • We vouched a sample of accruals and operating expenditure to supporting documentation and assessed the basis of each accrual; and • We inspected confirmations of balances provided by the Department of Health and Social Care as part of the Agreement of Balances exercise and compared the relevant payables recorded in the Trust's financial statements to the receivables balances recorded within the accounts of Commissioners or other providers. Where applicable we investigated variances and reviewed relevant correspondence to assess the reasonableness of the Trust's approach to recognising expenditure to Commissioners or other Providers. **Our findings** We found the resulting estimates made by the Trust in relation to expenditure to be balanced.

3. Our application of materiality

Materiality for the Trust financial statements as a whole was set at £4 million (2018/19: £3.5 million), determined with reference to a benchmark of operating income (of which it represents approximately 1.8% {2018/19: 1.7%}). We consider operating income to be more stable than a surplus- or deficit-related benchmark.

We agreed to report to the Audit Committee any corrected and uncorrected identified misstatements exceeding £0.2 million (2018/19:£0.175 million), in addition to other identified misstatements that warranted reporting on qualitative grounds.

Our audit of the Trust was undertaken to the materiality level specified above and was all performed at the Trust's headquarters in Kettering.



4. We have nothing to report on going concern

The Accounting Officer has prepared the financial statements on the going concern basis as they have not been informed by the relevant national body of the intention to dissolve the Trust without the transfer of its services to another public sector entity. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

Our responsibility is to conclude on the appropriateness of the Accounting Officer's conclusions and, had there been a material uncertainty related to going concern, to make reference to that in this audit report. However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Trust will continue in operation.

In our evaluation of the Accounting Officer's conclusions, we considered the inherent risks to the Trust's business model, including the impact of Brexit, and analysed how those risks might affect the Trust's financial resources or ability to continue operations over the going concern period. We evaluated those risks and concluded that they were not significant enough to require us to perform additional audit procedures.

Based on this work, we are required to report to you if we have anything material to add or draw attention to in relation to the Accounting Officers statement in Note 1.2 to the financial statements on the use of the going concern basis of accounting with no material uncertainties that may cast significant doubt over the Trust's use of that basis for a period of at least twelve months from the date of approval of the financial statements.

We have nothing to report in these respects, and we did not identify going concern as a key audit matter.

5. We have nothing to report on the other information in the Annual Report

The directors are responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

In our opinion the other information included in the Annual Report for the financial year is consistent with the financial statements

Remuneration report

In our opinion the part of the remuneration report to be audited has been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2019/20.

Corporate governance disclosures

We are required to report to you if:

— we have identified material inconsistencies between the knowledge we acquired during our financial statements audit and the directors' statement that they consider that the annual report and financial statements taken as a whole is fair, balanced and understandable and provides the information necessary for stakeholders to assess the Trust's position and performance, business model and strategy; or

— the section of the annual report describing the work of the Audit Committee does not appropriately address matters communicated by us to the Audit Committee; or

— the Annual Governance Statement does not reflect the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual 2019/20, is misleading or is not consistent with our knowledge of the Trust and other information of which we are aware from our audit of the financial statements.

We have nothing to report in these respects.

6. Respective responsibilities

Accounting Officer's responsibilities

As explained more fully in the statement set out on pages 27 and 28, the Accounting Officer is responsible for the preparation of financial statements that give a true and fair view. They are also responsible for: such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they have been informed by the relevant national body of the intention to dissolve the Trust without the transfer of its services to another public sector entity

Auditor's responsibilities

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

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities

REPORT ON OTHER LEGAL AND REGULATORY MATTERS

We have nothing to report on the statutory reporting matters

We are required by Schedule 2 to the Code of Audit Practice issued by the Comptroller and Auditor General ('the Code of Audit Practice') to report to you if:

— any reports to the regulator have been made under Schedule 10(6) of the National Health Service Act 2006.

— any matters have been reported in the public interest under Schedule 10(3) of the National Health Service Act 2006 in the course of, or at the end of the audit.

We have nothing to report in these respects.

We have nothing to report in respect of our work on the Trust's arrangements for securing economy, efficiency and effectiveness in the use of resources

Under the Code of Audit Practice we are required to report to you if the Trust has not made proper arrangement for securing economy, efficiency and effectiveness in the use of resources.

We have nothing to report in this respect.

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

The Trust is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in the use of resources

Under Section 62(1) and Schedule 10 paragraph 1(d), of the National Health Service Act 2006 we have a duty to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in the use of resources .

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

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the specified criterion issued by the Comptroller and Auditor General (C&AG) in 2017, as to whether the Trust had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. We planned our work in accordance with the Code of Audit Practice and related guidance. Based on our risk assessment, we undertook such work as we considered necessary.

Report on our review of the adequacy of arrangements for securing economy, efficiency and effectiveness in the use of resources

We are required by guidance issued by the C&AG under Paragraph 9 of Schedule 6 to the Local Audit and Accountability Act 2014 to report on how our work addressed any identified significant risks to our conclusion on the adequacy of the Trust's arrangements for securing economy, efficiency and effectiveness in the use of resources. The 'risk' in this case is the risk that we could come to an incorrect conclusion in respect of the Trust's arrangements, rather than the risk of the arrangements themselves being inadequate.

We carry out a risk assessment to determine the nature and extent of further work that may be required. Our risk assessment includes consideration of the significance of business and operational risks facing the Trust, insofar as they relate to 'proper arrangements'. This includes sector and organisation level risks and draws on relevant cost and performance information as appropriate, as well as the results of reviews by inspectorates, review agencies and other relevant bodies.

The significant risks identified during our risk assessment are set out overleaf together with the findings from the work we carried out on each area.

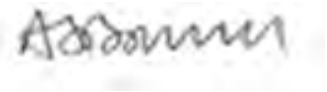
Significant Risk	Description	Work carried out and judgements
Sustainable resource deployment	**Financial sustainability and CIPs** The achievement of financial balance, whilst maintaining the quality of healthcare provisions, is a key objective for all organisations. The Trust have achieved their CIP target of £3.28m for 2019/20 and recorded a surplus £1.13m against the planned surplus of £1.82m.	**Our work included:** — **Underlying surplus/deficit:** • We reviewed the Trust's underlying position and reported performance compared to the initial planned surplus. — **Cost Improvement Plans:** • We reviewed the Trust's CIP schemes and the split between recurrent and non recurrent achievement. — **Financial sustainability:** • We considered the Trust's financial and governance arrangements in place in response to the COVID-19 outbreak; and • We reviewed the Trust's April to July 2020/21 planned block contracted income in light of the requirement for NHS Commissioners and NHS Trusts not to sign contracts for 2020/21. **Our findings on this risk area:** We consider the arrangements in place for sustainable resource deployment to be adequate.

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

This report is made solely to the Council of Governors of the Trust, as a body, in accordance with Schedule 10 of the National Health Service Act 2006 and the terms of our engagement by the Trust. Our audit work has been undertaken so that we might state to the Council of Governors of the Trust, as a body, those matters we are required to state to them in an auditor's report, and the further matters we are required to state to them in accordance with the terms agreed with the Trust, and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors of the Trust, as a body, for our audit work, for this report, or for the opinions we have formed.

CERTIFICATE OF COMPLETION OF THE AUDIT

We certify that we have completed the audit of the accounts of Northamptonshire Healthcare NHS Foundation Trust for the year ended 31 March 2020 in accordance with the requirements of Schedule 10 of the National Health Service Act 2006 and the Code of Audit Practice issued by the National Audit Office.



Andrew Bostock for and on behalf of KPMG LLP

Chartered Accountants

One Snowhill

Snowhill Queensway

Birmingham

B4 6GH

09 June 2020

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