Sussex Community
NHS Foundation Trust

Annual Report and Accounts

2019-20

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Introduction

Chair and Chief Executive's welcome

Welcome to our Annual Report. We are pleased to share details of what has been a busy and successful year at Sussex Community NHS Foundation Trust (SCFT).

The last 12 months have been full of challenges but also opportunities to celebrate the contribution that we make to our local communities. On pages 9 to 15 you will find a summary of some of our many successes.

Our teams continue to face significant pressure and an increasing demand for our services. The population continues to grow, people are living longer, often with multiple long-term conditions.

Towards the end of the reporting year the world was confronted with the COVID-19 pandemic. This has, of course, had an enormous impact on our communities, our staff and our patients.

We know that the people who make up SCFT continue to rise to meet the formidable challenges they are faced with. We are proud of what they have achieved, by working together, supporting each other and delivering compassionate care in very difficult circumstances.

As the leading provider of community services in Sussex, our teams help people to plan for and manage changes in their health – supporting them to live more independently.

Each year our clinicians see adult or child patients more than 2.6 million times, caring for people from their earliest moments until their last.

Working in care homes, clinics, intermediate care units and people's homes across the county, we deliver medical, nursing and therapeutic care to more than 9,000 people every day.

Our people

A major focus for SCFT is supporting the people that make up our teams to provide excellent care at the heart of the communities that we serve.

A great deal of work has been done in the last 12 months to improve the support on offer to more than 5,000 people in our organisation.

In particular, we are proud of the progress that has been made in supporting people to bring their whole self to work and ensuring that SCFT is an inclusive employer.

We have continued to focus on ways to celebrate our achievements, to promote inclusion and to support better health and wellbeing for individuals and teams right across the Trust.

Over the coming months we will ensure that this focus continues and will do even more to improve people's experience of working at SCFT.

The NHS Long Term Plan

The NHS Long Term Plan places community health care firmly at the centre of the future NHS.

The last year has shown what a vital role SCFT plays in the local health and care system, supporting people to live independently and reducing the number of avoidable hospital admissions.

SCFT is well placed to work more closely in partnership with primary care teams to deliver joined up care for local populations.

The Long Term Plan also places greater emphasis on expanding responsive community services, enhancing NHS support to care homes, developing new models for prevention and on investment in technology enabled care in people's own homes.

We are excited about what the future holds and our teams will continue to deliver more joined up and coordinated care, with an increasing focus on population health and local partnerships.

As we work in delivering the plan, we will continue putting patients, children, families and carers at the centre of what we do.

Trust Strategy and Workforce Strategy

In 2019 we launched both our three-year Trust Strategy and Workforce Strategy in response to the NHS Long Term Plan and the Interim NHS People Plan.

The Trust's strategy sets out how we will work more closely with health and care partners across the Sussex Integrated Care System (ICS), now called the Sussex Health and Care Partnership (SHACP), to meet the future health and care needs of the people we serve across the county.

Above all, we listen to the people that use our services and use their feedback to improve what we do.

We want our staff to thrive. Through our Workforce Strategy we are developing a workforce that can work across care pathways and can share skills and expertise across the SHACP.

Attracting, developing and retaining staff is a key priority.

Focus on improvement

We have seen fantastic continued engagement in Our Community Way, a Trust-wide programme of quality improvement.

We are developing a culture of continuous improvement and support staff with training and tools to take an improvement idea and make it a reality. We also support teams to share their improvements across the Trust.

A massive 'thank you'

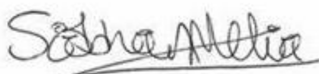
As we make our way through current events, the like of which none of us have ever seen before, it is hard to find the words to match the outstanding efforts of all who make up SCFT.

Our heartfelt thanks go to all the people who make up our Trust whose skills, commitment and hard work make such a positive difference to the communities we serve.

We know that as we move forward the impact of COVID-19 will continue to be an immediate priority for the Trust, the NHS and the nation.

We will continue to work closely with all our partners to continue to provide the best care possible to patients and their families, and to ensure that SCFT is a great place to work.

With best wishes



Siobhan Melia
Chief Executive

Peter Horn
Chair

Celebrating success

Spring

Annual Leadership Conference focusing on inclusion

The conference enabled staff from across the Trust to come together to discuss and learn about what makes a good leader.

The theme was inclusion. As a certified Disability Confident and Stonewall Champion Employer, SCFT takes inclusion very seriously and endeavours to make everybody at the Trust feel welcomed and able to be themselves.

Speakers included Matt King OBE, a leading motivational speaker and author.

120 staff attend second Administrators Conference

More than 120 people from SCFT came together for the second Administrators Conference.

People working in administrative roles make up more than 20% of the Trust's 5,000-strong workforce, helping to provide NHS services in clinics, schools, intermediate care units and in the community.

The day was themed on valuing administration work and featured a range of talks and workshops on topics from happiness to quality improvement.

Community services feature in major national report

Chief Executive, Siobhan Melia, was interviewed for an NHS Providers report which focuses on the future role of community services. The report highlights the major impact community services plays in supporting people to remain independent and out of hospital.

In January 2019 the NHS Long Term Plan was published. This outlined a vision to shift care away from hospitals and closer to people's homes and communities.

Launch of new strategy focusing on population health and patient feedback

SCFT published a three-year strategy setting out how it will deliver its vision of excellent care at the heart of the community and how it will meet the changing needs of the local population.

The strategy has been created from the comments and suggestions of staff, volunteers, patients, carers and partners and provides a view of what patients can expect from the Trust over the next three years.

SCFT will continue to listen to the people that uses its services and will use their feedback to improve what it does.

Celebrating Deaf Awareness Week

Colleagues and services users from SCFT's Children's Audiology department held a series of mini challenges to spread the word about deaf awareness.

Whether through the medium of sign language or lip reading, the team encouraged everybody to give lip-reading and sign language a try. It highlighted the everyday challenges experienced by deaf people.

Dementia Action Week

Sussex is recognised as having a large proportion of people with dementia so SCFT teams came together with other organisations to provide information, raise awareness and share their experiences.

The week included a Wishing Well Music Therapy Workshop. Wishing Well have been working in partnership with SCFT for many years following a research study which found that music significantly improved the wellbeing of patients with dementia.

Awarded best practice initiatives by Community Hospitals Association

SCFT celebrated success in Horizon Unit at Horsham Hospital and on Piper Ward at Crawley Hospital after winning three awards and a commendation for Innovation and Best Practice by the Community Hospitals Association.

The awards were in recognition for the Hospital to Home Clinic, Daily Safety Huddles and Treatment Escalation Plans. SCFT was also highly commended for its work on the Dusk Café.

The Hospital to Home Clinic was set up in response to a need to improve patients' transition from hospital to home, increase support for patients and to enable them to remain independent at home.

Diabetes Care For You highlighted for best practice in national report

The Diabetes Care For You service was highlighted as an example of best practice in the latest Diabetes UK report on emotional wellbeing.

The service offers psychotherapy to patients struggling to cope with the management of their diabetes and places an importance on their mental and emotional wellbeing.

Carers Health Team shortlisted for National NHS Parliamentary Awards

The Carers Health Team were selected as regional winners and shortlisted for a national NHS Parliamentary Award for care and compassion.

The team supports approximately 500 carers in West Sussex who make a real difference to the local community.

SCFT is dedicated to ensuring that the health and wellbeing of carers is promoted.

Celebrating National Volunteers' Week

SCFT celebrated the contribution of hundreds of volunteers that support its patients, teams and services.

Summer

Bognor Hospital celebrates its 100th birthday at summer fete

Hundreds of people attended the fete to celebrate the 100th birthday of the hospital and to thank NHS staff and volunteers, past and present.

Organised by the hospital League of Friends the fete raised over £8,000. Monies raised are used to improve the experience for patients and staff at the hospital and within the local community.

Consultant thanked for contribution to diabetes care at Prime Ministerial reception

Consultant Dr David Lipscomb represented SCFT at a Prime Ministerial reception to thank those involved in the care, treatment and prevention of diabetes.

David joined individuals from all over the UK including a selection of prominent consultants, nurses, researchers, pharmacists and third sector representatives who came together along with adults and children living with diabetes.

The Prime Minister thanked them for their outstanding contribution to diabetes care, research, fundraising and awareness raising activities.

SCFT vibrantly joins in on Pride season

SCFT had a truly amazing Pride season during the summer, with the Trust attending Worthing Pride, Trans Pride and Disability Pride for the first time.

The season ended on a high note too with Brighton Pride parade. This was the Trust's biggest involvement yet, with over 80 SCFT staff, along with colleagues from NHS Brighton and Hove Clinical Commissioning Group, parading and representing the NHS as an inclusive place to work and to receive care.

Trust awarded the Investing in Volunteers UK quality standard

SCFT is proud to be the first stand-alone community trust in the country to be awarded the Investing in Volunteers UK quality standard.

The Trust employs over 400 volunteers in 121 teams across Sussex. This award is testament to the Trust's provision of an outstanding volunteer experience.

The quality standard recognises good practice in volunteer management, including planning for volunteer involvement, recruiting volunteers, selecting and matching volunteers and supporting and retaining volunteers.

Autumn

Successful Community Open Day and Annual Members' Meeting

Over 50 SCFT services came together to celebrate and showcase their work to the public and staff in Haywards Heath. Community services included adults, children and young people, specialist services, dental and wellbeing services.

The Annual Members' Meeting also included several staff sharing their experiences as mentors for Be the Change – an inspirational programme to help young people fulfil their potential and improve their life chances.

Celebrating Black History Month

SCFT's Black, Asian and Minority Ethnic (BAME) Staff Network held two fantastic events open to staff and the public to celebrate Black History Month.

The Celebration of African Cultures offered the opportunity to learn about personal care for black patients and to try on traditional African dress, while the Caribbean Carnival was an afternoon filled with food, live steel drum music and informative guest speakers.

SCFT is passionate about making sure that the Trust embraces inclusion and diversity at all levels and Black History Month presents a great opportunity for all staff to gain a better appreciation and understanding of black culture.

Supporting Developmental Language Disorder Awareness Day

Developmental Language Disorder is when a child or adult has difficulties understanding language. It is a hidden yet common condition, thought to affect on average two children in every classroom.

SCFT Speech and Language Therapists joined forces with specialist teachers and private therapists across Sussex to support the day by encouraging Brighton Pier and the British Airways i360 to light up in the colour purple to help raise awareness.

Congratulations go to Occupational Health and Wellbeing team

The team won Best Multidisciplinary Initiative at the Occupational Health and Wellbeing Awards.

The judges said the team demonstrated "integrated multidisciplinary working with clear recognition and well-described care pathways."

29.5% of all referrals to Occupational Health in 2018-19 were due to musculoskeletal disorders (MSDs). Faced with the challenges presented by an ageing workforce spread over a large, geographically dispersed area, the team identified two pathways to reduce the burden of MSDs on staff and the Trust as a whole.

The first pathway improved early access to physiotherapy, and the second addressed the psychological factors affecting recovery and management of MSDs.

The award has been a brilliant opportunity to demonstrate the team's forward-thinking and innovative evidence-based practice.

Twin triumph at the HFMA KSS Awards

SCFT picked up two awards at the Healthcare Financial Management Association Kent, Surrey and Sussex Annual Conference.

The awards won included Student of the Year and the Finance team received the Training Award, recognising their commitment to Trust-wide staff development.

The Finance team are proven leaders in the development of financial apprenticeships, proactively and creatively making use of the apprenticeship levy to train new staff, and upskill their existing team.

Success stories from innovative Wellbeing Fund

SCFT is committed to investing in staff health and wellbeing and the Wellbeing Fund supports staff-run improvement initiatives across the Trust.

Funding has been approved for yoga mats to support staff to exercise at work, Tai Chi sessions, the purchase of a new electric bike to support home visits to patients and the purchase of new chairs in staff areas.

Medicines Optimisation Service wins prestigious award

SCFT picks up the Care Homes Medicines Optimisation Award on behalf of the Medicines Optimisation in Care Homes service provided in parts of East Sussex.

The service won the award for its Self-Care Toolkit for Care Homes – an innovative approach on care homes medicines optimisation, tackling the problem of safely moving towards more self-care, including purchased treatments for minor or self-limiting conditions.

It allows the residents to receive symptom relief from minor ailments quickly and efficiently, while remaining within the care homes' regulatory requirements.

Celebrating World Children's Day with visits from therapy dogs

On World Children's Day SCFT organised a series of Pets as Therapy (PAT) dog visits across many sites.

It created an opportunity for teams to celebrate everything they do and to bring everyone together. The visits enhanced staff wellbeing and were a special treat for the children.

All human and canine PAT volunteers had enormous fun visiting Trust services, and feedback from the children and their families was overwhelmingly positive and inspiring.

Celebrating success at another record-breaking Staff Awards and Ball

More than 650 people attended the 2019 Staff Awards and Ball at the American Express Community Stadium in Brighton.

Awards in 13 categories were presented to individuals and teams from a wide range of services and teams all over Sussex.

The 2019 winners were:

- Apprentice of the Year Award – Kerry Wilson
- Compassionate Care Award – Cindy Metcalfe
- Inclusive Champion Award – Lindsey Stevenson
- Making a Difference Award – West Sussex Winter Pressures Falls Programme
- Our Community Way - Quality Improvement Award – Kristy Baldock
- Outstanding Contribution Award – Nadia White
- People's Choice Award – Hayley Caulkett
- Research and Innovation Award – Jane Rowney
- Volunteer of the Year Award – Ian Ghaleb
- Working in Partnership Award – ECHO End of Life care Hub
- Chair's Award – Karen Aylmore and The Volunteer Tutors from the Living Well Programme
- Chief Executive's Award – Community Homeless Team
- Outstanding Chief Nurse – Susan Marshall

Trust Chair, Peter Horn, and Chief Executive, Siobhan Melia, also presented awards to dozens of people being recognised for 20, 30, 40 and 50 years of dedicated service to the NHS.

Grand opening of new x-ray facilities at Uckfield Community Hospital

A new x-ray machine was officially unveiled. The state of the art digital x-ray equipment improves the reliability, speed and quality of diagnostic imaging.

Staff now have instant access to images to enable them to make an effective diagnosis and ensure each patient receives appropriate care and follow-up treatment.

A new orthopantomogram dental machine, which takes x-rays of the whole mouth, including the upper and lower jaw and teeth, was also unveiled.

The total cost of all the equipment was £184,222, funded by the League of Friends of Uckfield Community Hospital from donations made by local people.

Winter

Trust's first Christmas Carol Service

Over 300 SCFT staff and volunteers, along with their family and friends, joined in at the stunning Chichester Cathedral for a joyful and inclusive service.

The event was organised by the Trust's Spiritual Care Lead, David Knight, along with the Trust's Religion and Belief Staff Network, and was open to everyone regardless of their beliefs.

Food banks delivered in time for Christmas

Brighton Food Bank visited SCFT and spoke passionately about their vital work in supporting individuals and families in times of crisis.

Following a moving presentation, SCFT teams were inspired to make their 2019 food bank collections bigger and better than ever. Donations were delivered to three food banks across Sussex.

SCFT teams take a well-deserved tea break

The Trust celebrated by sending over 600 Thank You gift boxes to hard-working teams. Each gift box contained tea, coffee, biscuits, and a personal message from Chief Executive Siobhan Melia thanking everyone for their ongoing dedication to delivering excellent care.

Staff health and wellbeing is incredibly important at SCFT. This initiative enabled teams to enjoy a celebratory tea break together.

New video shows how the Brighton General Health Hub will benefit patients

A new video was launched giving local people and patients a first look at what a redeveloped Brighton General site could look like, and how new facilities will make it easier for patients to get the care they need.

The ‘Building a Better NHS for Patients’ video contains aerial and street-level artist’s impressions of a new-build community health hub, Sussex Rehabilitation Centre and the NHS car park on the north west corner of the site.

The Brighton General redevelopment plan has received widespread support from local patients and their families.

Achieved Level 2 Future-Focused Finance accreditation

SCFT’s Finance team is the first in the South East to receive Level 2 Future-Focused Finance (FFF) accreditation.

FFF is a national programme designed to improve NHS finance, supporting the delivery of high quality patient services.

The programme includes national and regional networking events and talent development initiatives, and engages finance staff at all levels of NHS organisations.

New Allied Health Professional Research Champion

Christopher Horler at SCFT becomes one of two National Institute for Health Research and Council for Allied Health Professions Research Champions for Kent, Surrey and Sussex (KSS).

Through his Research Champion role, Chris will aim to support, facilitate and promote Allied Health Professional (AHP) research activity across the KSS area. He will act as a super-connector, linking research active AHPs together, and signposting their colleagues to research support services.

Staff Survey shows further improvements and increased engagement

The 2019 NHS staff survey showed that an overwhelming majority of people working at SCFT recommended the Trust as a place to work and to be cared for.

More than 3,100 people (66% of the organisation) responded to the survey and said what they enjoy about working at SCFT and what they would like to see improved – the overall response rate increased by 9 percentage points compared with 2018-19.

The results showed that:

- 81% of people said care is the Trust’s top priority.
- 79% would recommend the care the Trust provides to family or friends.
- 71% would recommend the Trust as a place to work.

Championing National Numeracy Day

Nursery Business Manager, Cara Mitchell, has been named as a Numeracy Hero, following her successful work with National Numeracy.

National Numeracy is an independent charity which tackles low levels of numeracy in both adults and children, and promotes the importance of every day maths skills.

Numeracy Heroes are people who have had a transformational journey with numeracy, and are prepared to share their stories to inspire others.

#ProtectingTogether flu campaign achieves highest ever vaccination rate

Building on the success of the #ProtectingTogether flu campaign in 2018-19, the Trust has achieved its highest ever flu vaccination rate. The Trust achieved a vaccination rate of 82.4% for clinical staff in 2019-20 compared with 79.4% in 2018-19.

Teams support one another through COVID-19

Teams demonstrated the Trust’s values of compassionate care, working together, achieving ambitions and delivering excellence in response to tackling the pandemic. Many colleagues supported other services in the Trust that were experiencing increases in demand, in particular, the Trust’s intermediate care units, to provide specialist treatment and care for patients with COVID-19.

Performance Report

Overview of the Trust

The purpose of the overview is to give a summary of the organisation, its purpose, the key issues, opportunities and risks to the achievement of its objectives and how it has performed during the year.

Sussex Community NHS Foundation Trust (SCFT) was authorised as an NHS Foundation Trust on 1 April 2016, following a rigorous assessment of all elements of the Trust's care and business including the quality of its services, its financial performance, leadership and governance.

As a Foundation Trust SCFT is accountable to Parliament and regulated by NHS England and NHS Improvement (NHSE and NHSI). It is still part of the NHS and must meet national standards and targets but has more financial freedom to retain surpluses and choose how to reinvest this money. The governors and members ensure that the Trust is both accountable and listens to the needs and views of its patients, members and the public.

The Trust is a public benefit corporation and its principal purpose is the provision of goods and services for the health service in England. Before becoming a Foundation Trust the organisation was known as Sussex Community NHS Trust, which was established in October 2010 through the integration of West Sussex Health and South Downs Health NHS Trust.

SCFT is the main provider of NHS community health and care services across West Sussex, Brighton and Hove and the High Weald, Lewes and Havens area of East Sussex, covering a population of around 1.3 million.

It provides a wide range of medical, nursing and therapeutic care to over 9,000 people a day. The Trust's expert teams help people to plan, manage and adapt to changes in their health to help keep them in their own homes for longer, prevent avoidable admissions to hospital and minimise any necessary stays in hospitals. In 2019-20 SCFT's income was £249 million and spent £248.8 million.

Following a Care Quality Commission (CQC) Inspection in autumn 2017, the quality of the care the Trust provided was rated as Good overall, and Outstanding in some areas, in its report published in January 2018. The planned CQC Inspection in spring 2020 was postponed due to the COVID-19 pandemic.

What the Trust does

From health visitors, supporting families with new-born babies, to community practitioners (nurses and therapists) caring for the frail elderly and people nearing the end of their lives, SCFT looks after some of the most vulnerable people in the community.

The Trust's aim across all of its services is to give people the certainty that when they need it, wherever they are, the Trust will meet their needs with services of a high quality that are safe, effective and compassionate, and provided with respect.

The Trust provides:

- Community rehabilitation and support for people with complex health needs and long-term conditions or people needing end of life care.
- Community rapid response to assess and care for patients with urgent care needs, helping to keep them out of hospital.
- Intermediate care, offering short-term recovery and rehabilitation, keeping patients out of hospital where it can, or help them to leave hospital when that is in the patient's best interest.

- Integrated discharge, working with patients, carers and hospital staff, to help a patient return home from a hospital stay as soon as possible.

- Health promotion, supporting people to improve their health and wellbeing, for example through its prevention assessment teams.

- Coordinated and flexible services for families and children through its health visitors, for example its breastfeeding support teams and through its care for children with complex health needs.

- Health and care across a number of community settings including people's own homes, hospitals, clinics, health centres, GP surgeries, schools and community venues.

The vision

The Trust's vision is of a health and care system that provides excellent care at the heart of the community.

To move in this direction, the Trust Board has set five strategic goals which explain what it needs to do to achieve its vision:

- **Patient experience** – use patient feedback to improve what it does.

- **Population health** – improve health and care outcomes for its communities.

- **Quality improvement** – foster a continuous improvement culture.

- **Thriving staff** – provide rewarding working lives and careers.

- **Value and sustainability** – improve efficiency and reduce waste.

To guide the Trust's work, as it seeks to achieve its goals, it will remain true to its core values:

- **Compassionate care** – caring for people in ways the Trust would want for its loved ones.

- **Working together** – as a team forging strong links with the people it cares for, the wider public and its health and care partners, so the Trust can rise to the challenges it faces together.

- **Achieving ambitions** – for users, for staff, for teams and for the organisation.

- **Delivering excellence** – because the people the Trust cares for and its partners deserve nothing less.

How the Trust does it

With quality as the top priority, SCFT cares for most people in their own homes or as close to home as possible. It puts the people it cares for at the centre of everything it does, wraps care around them and works closely with GPs, hospital trusts, local authority social care partners, voluntary organisations, other providers and commissioners to ensure people get the support they need.

In total, SCFT employs over 5,000 people (including both full and part-time staff). It employs nurses, doctors, dentists and therapists, supported by experts in areas such as infection control,

medicines management, information technology, human resources, service experience and finance.

Many of the staff work in multidisciplinary and multi-agency teams combining a range of specialisms and backgrounds, who work together with the Trust's health and social care partners to offer integrated, seamless care to patients.

Primary Care Networks

'Primary Care Networks' is the name given across the Sussex Health and Care Partnership (SHACP) to the vision of how teams are working together to deliver services that are built around the needs of the patient. This creates a holistic way of working so that they can focus on the most important thing – the individual needs of the patient.

Primary Care Networks are local teams made up of multi-agency and multidisciplinary professionals. They bring together health, care and third sector professionals, including GPs, acute hospital colleagues, mental health and social care, to provide the right personalised care. They are based around communities which means a much more localised approach is provided to best meet the local need, so people receive the care they need, as close to home as possible.

The Trust's aim is to deliver person-centred, coordinated care by asking the people it serves "What matters to you?" rather than "What is the matter with you?"

Partnerships

As part of the strategy to deliver Primary Care Networks, the Trust is working in more partnerships to deliver its strategic goals, to personalise care and achieve better health outcomes. It works with a range of different people and partner organisations to offer the right care, in the right place, at the right time, provided by the right professional. Foremost, of course, are the people who use the services, their families and/or carers.

A new approach to sustainability and transformation

SCFT continues to be committed to the development of a new approach to health and care services in the region through the local Integrated Care System (ICS) known as the Sussex Health and Care Partnership (SHACP). The Trust is fully engaging in the evolving SHACP governance and planning to ensure that the plans address the scale of the challenges faced by the health system over the coming years.

The SHACP aims to make practical improvements – such as making it easier to see a GP, speeding up the diagnosis of cancer and offering faster help to people with mental health problems. The SHACP also aims to encourage the public to take more responsibility for their own health and wellbeing. The ICS brings together all organisations involved in delivering health and care services in the area and represents a real shift in the way that the NHS works, with organisations collaborating to respond to the challenges facing local services and communities.

Clinical Commissioning Groups

The vast majority of General Practice in England is part of a Clinical Commissioning Group (CCG). CCGs commission (plan and buy) the majority of health services, including emergency care, elective hospital care, maternity services, and community and mental health services. There are five principle CCGs that commission care from SCFT, as set out in the table below.

CCGs that commission care from SCFT

Clinical Commissioning Group (CCG)	Areas covered
NHS Brighton and Hove CCG	The City of Brighton and Hove
NHS Coastal West Sussex CCG	Arun, Adur, Bognor Regis, Chanctonbury,

	Chichester and Worthing
NHS Crawley CCG	Crawley
NHS Horsham and Mid Sussex CCG	Burgess Hill, East Grinstead, Haywards Heath, Horsham and the surrounding area
NHS High Wealds, Lewes and Havens CCG	Crowborough, Newhaven, Lewes, Peacehaven, Uckfield and the surrounding area

NHS England and local authorities also commission services from the Trust and it works in partnership with a number of providers. In addition, SCFT provides services to people living outside of these areas, including other parts of East Sussex.

Other key partners in 2019-20 include:

- NHS England and NHS Improvement (NHSE and NHSI).
- Local authorities: West Sussex County Council; Brighton & Hove City Council; and East Sussex County Council.
- GPs across its area.
- Local NHS Trusts: Brighton and Sussex University Hospitals NHS Trust; East Sussex Healthcare NHS Trust; Maidstone and Tunbridge Wells NHS Trust; Queen Victoria Hospital NHS Foundation Trust; Surrey and Sussex Healthcare NHS Trust; Sussex Partnership NHS Foundation Trust; South East Coast Ambulance NHS Foundation Trust and Western Sussex Hospitals NHS Foundation Trust.
- Higher education organisations.
- Other care organisations including local hospices, residential and nursing homes.
- Sussex Musculoskeletal Partnership Central and HERE (Care Unbound).
- Third sector organisations including Age UK East Sussex, Diabetes UK and Macmillan.
- Groups that can speak on behalf of the people who use our services, including local Healthwatch organisations, patient groups and scrutiny committees.

The Trust thanks them all for their continued and committed support in helping it deliver quality services to the communities it jointly serves.

Engaging with MPs

The Trust keeps in regular contact with local MPs across the areas it serves in Sussex. The Trust also communicates and engages with them with regard to service change and improvements.

Scrutiny Committees

SCFT has built strong relationships with the three Health Overview and Scrutiny Committees – West Sussex Health and Adult Social Care Select Committee (HASC), Brighton and Hove Overview and Scrutiny Committee (HOSC) and East Sussex Health Overview and Scrutiny Committee (HOSC). These bodies consist of elected local councillors and hold NHS organisations to account for the quality of their services on behalf of their local public.

Healthwatch

Healthwatch England is the independent consumer champion for health and social care in England – to ensure the voice of the consumer is heard by the people that commission, deliver and regulate health and care services. Healthwatch England supports the range of local Healthwatch bodies across the country. SCFT works closely with these local bodies, Healthwatch West Sussex, Healthwatch Brighton & Hove, and Healthwatch East Sussex, welcoming their input as 'critical friends'. As part of the ongoing relationship the Trust:

- Welcomes Healthwatch to its events, such as its Annual Members' Meeting and meetings of the Trust Board which are held in public.
- Engages with Healthwatch about service changes and seeks their comments.

Key issues, opportunities and risks in delivering its goals and objectives

Risk assessment

Monitoring of issues and risks is a fundamental part of the Trust's governance structure. To do this effectively, the Trust holds a single risk register containing directorate specific risks, operational risks and strategic risks as described in the Board Assurance Framework (BAF). The risk register is the main record for all risks within the Trust. Risks are reviewed by the Trust-wide Governance Group (TWGG) to gain assurance that controls and mitigating plans are suitable, sufficient and are being appropriately monitored.

Significant risks are reviewed, on a monthly basis, by the Executive Leadership team and where they are deemed to be a high risk to service delivery or patient care (scored 15+), the risk will be escalated to the Board. Any risk which is likely to impact on the delivery of the Trust's strategic goals and objectives is captured in the BAF.

The BAF is a key assurance tool that ensures the Board has been properly informed about the overall risks to achieving the Trust's strategic goals and objectives. It is reviewed quarterly by the Trust Board.

The three key risks to delivering the Trust's strategic goals are:

- **Workforce** – The Trust continues to face high vacancy levels, particularly in relation to registered nurses and especially in its intermediate care units.
- **Finances** – Despite achieving a financial surplus in 2019-20, the Trust continues to face a number of financial risks. The challenged financial position of its main commissioners could affect the Trust's income. Cost improvement plans will be challenging for the Trust to implement while maintaining operational capacity and quality of care, particularly during the winter.
- **System fluidity** – System developments, including the Sussex Health and Care Partnership (SHACP) and the ongoing development of Primary Care Networks, may affect delivery of the Trust's strategic goals. Delivery of improved health and care outcomes depends on an integrated system approach and although the Trust is actively engaged as part of the SHACP, there are elements outside of the Trust's direct control.

Performance summary

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

Key performance indicators (KPIs) are made up of operational, quality and financial measures. These are managed by the Performance team who ensure oversight of all measures and data quality. The Trust Board see high level information on the KPIs through the Operational Performance Report (OPR), and Workforce and Quality Reports to monitor delivery. Below Board level there are a number of sub-committees and service level performance meetings that review all KPIs. This forms part of the overall governance structure of the Trust.

Key operational and performance highlights

Key performance metrics are reported at each Board Meeting and to the public through the OPR, Workforce and Quality Reports. The Board constantly challenges and adapts the performance measures it scrutinises to provide the best possible assurance that the Trust is well-managed, patients are well cared for and that early warning signs of issues are identified and action is taken. The OPR highlights performance against a range of measures. These include those set out in NHS England and NHS Improvement's (NHSE and NHSI) Single Oversight Framework but also a number of other indicators, agreed by the Board, which reflect performance against the organisational objectives and the Care Quality Commission (CQC) domains of safe, caring, effective, responsive and well-led.

Metrics supporting the Single Oversight Framework

The NHS England and NHS Improvement's (NHSE and NHSI) Single Oversight Framework is used to assess the performance of both NHS Trusts and NHS Foundation Trusts. There are five themes within the Oversight Framework: Operational Performance; Finance and Use of Resources; Quality of Care; Strategic Change and Leadership; and Improvement Capability.

Single Oversight Framework – Operational Performance

Domain	Metric	2019-20 Performance (%)	Year End Target (%)	Variance to Target (%)
Responsive	Maximum time of 18 weeks from point of referral to treatment (RTT) in aggregate – patients on an incomplete pathway	97.2 YTD to M12 / Mar	92	+ 5.2 (favourable)
	Maximum 6-week wait for diagnostic procedures in aggregate *(excludes Paediatric Audiology as service was suspended due to COVID-19)*	99.8 YTD to M12 / Mar	99	+ 0.8 (favourable)
	A&E maximum waiting time in aggregate for 4 hours from arrival to admission/transfer/discharge	98.9 YTD to M12 / Mar	95	+ 3.9 (favourable)

Single Oversight Framework – Use of Resources

We report metrics that indicate the Trust's financial performance in the monthly OPR. There is further detail on the Trust's Use of Resources metrics in the Financial Performance and Use of Resources section of the report on page 31.

Single Oversight Framework – Quality of Care:

Domain	Metric	Annual Performance	Year End Target	Variance to Target
Safe	Never Events	0 YTD to M12 / Mar	0	+ 0 (at target)
Caring	Complaints: inpatient complaints per 1,000 occupied bed days	0.28 YTD to M12 / Mar	No target	N/A
	Patients Friends and Family Test Star Rating	4.8 YTD to M11 / Feb*	No target	N/A
	Patients Friends and Family Test - % likely to recommend	96.2% YTD to M11 / Feb*	90%	+ 6.2% (favourable)
	Patients Friends and Family Test - % unlikely to recommend	1.4% YTD to M11 / Feb*	1%	- 0.4% (adverse)
Workforce	Temporary workforce (agency, bank and locum costs) as % of pay bill	9.7% YTD to M12 / Mar	11%	- 1.3% (favourable)
	Annualised turnover rate – 12 month rolling average	13.7% YTD to M12 / Mar	13.5%	+ 0.2% (adverse)
	Sickness rate	4.8% YTD to M12 / Mar	4%	+ 0.8% (adverse)

* NB figures are up until month 11 only – national reporting suspended due to COVID-19.

Quality of Care Performance

On an annual basis the Trust is required to publish a 'Quality Account' on its achievement of both key priorities for quality improvement and on its performance in relation to the maintenance of essential standards for quality and safety. In accordance with national guidance, due to the COVID-19 pandemic, the publication of the Quality Account has been delayed until later in 2020.

This section provides a high-level summary. Further detail will be found in the separate Quality Account on the Trust's website: www.sussexcommunity.nhs.uk/reports later in 2020.

Care Quality Commission (CQC) Inspection and Outcome

Following a Care Quality Commission (CQC) Inspection in autumn 2017, the quality of the care provided was rated as **Good** overall, and **Outstanding** in some areas, in its report published in January 2018. The planned CQC Inspection in spring 2020 was postponed due to the COVID-19 pandemic.

Areas for improvement

As part of the CQC's recommendations in 2018, the inspectors advised the Trust to:

- Display, throughout all locations, consistent advice on how to complain. In response the Patient Advice and Liaison Service (PALS) is now clearly advertised at all sites. Over 50,000 information cards and leaflets have been distributed, with compliance for both PALS information and CQC posters checked during both peer quality review visits and Patient Experience team service visits. Updated information about PALS is available from the

Trust's website. In 2019-20 the Trust reported an 8.4% increase in the number of queries received by PALS.

- Improve referrals to mental health services.
- Improve the monitoring and administration of pain relief.
- Ensure consistent management and quality of medical records applies across all locations.

For the last three bullet points above, please see a summary of performance in the 'top quality priorities' section included below (pages 24 to 29).

The full CQC report is available from the CQC website: www.cqc.org.uk/provider/RDR

The Trust is committed to learn and continue to improve, based upon CQC's feedback.

Top quality priorities

Below is a summary of the Trust's top quality priorities, as agreed as part of the Quality Report, which have shown good progress in 2019-20:

1. Safe Care

a) Implement Shared Learning

The Trust said it would promote shared learning to patients, relatives, staff and external partners by reviewing its process of recording, monitoring and sharing recommendations for learning following a Serious Incident (SI) investigation.

This reflects the organisation's culture of continuous quality improvement to reduce unintended and unexpected patient harm.

The following was implemented to reflect the fundamental features required for an embedded patient safety culture:

During 2019-20 a process was implemented, enabling the Trust to link any learning from the 'raising concerns' process, and how this learning is cascaded within the Trust. This ensures the Trust learns from themes and trends arising under the raising concerns process and demonstrates to staff that speaking up makes a difference.

Ongoing evolvement of table top meetings at the start of the SI process required the development of a Standard Operating Procedure (SOP) to ensure table top reviews follow an agreed framework, ensuring all expectations are met. Part of the table top process is to use the 'Just Culture' guide promoting the Trust's view of a learning culture, rather than a blaming culture. Furthermore, where possible, patients and families are part of table top meetings so their views and experiences of the incident are heard, reflecting the Trust's openness and transparency objectives.

Root cause analysis of SIs can sometimes show a history of concerns felt by relevant teams prior to the SI occurring. Previously there was no formal method of sharing the trends and themes. This valuable information is now used as a red flag to understand more about risk.

The final step of this Duty of Candour process ideally requires a final meeting with the patient and families involved, concluding the investigation and ensuring that learning is shared. This is managed at a local level. Over the year, a process has been implemented to address this element of the SI process. This demonstrates that the Trust actively responds to and learns from mistakes and actively promotes continuous quality improvement.

Staff are encouraged to report all incidents and have multiple ways of doing so. The work led by the Trust's Freedom to Speak Up Guardian (FTSUG) runs in parallel to traditional incident

reporting. This process allows staff a confidential space to raise any concerns if they feel unable to report them to a line manager or via the usual incident reporting process.

The ‘Just Culture’ guide is embedded into the Raising Concerns (whistleblowing) Policy as a reminder of how those raising concerns and those being investigated under this policy can expect to be supported. SCFT is recognised as a high reporting trust. This is indicative of the confidence staff feel in the Trust’s just culture approach.

Staff are regularly made aware of Trust policies and processes for raising concerns about unsafe practice. They are reassured about how their concerns are handled and supported, and that they are treated seriously and transparently.

b) Use of the Children and Young People’s Services Safety Thermometer

The Trust registered with this national tool and reporting commenced in July 2019. Data continues to be regularly submitted and the Trust is investigating how it can include it into its Key Lines of Enquiry (KLOE) dashboard for regular monitoring, review and action.

c) Use of the NEWS2 Tool in Response to Deteriorating Patients

NEWS2 is a system used to promote a standardised response to the assessment and management of the unwell patient. In 2019 NHS England and NHS Improvement endorsed the use of NEWS2. It launched an ambition to increase its use to 100% of acute and ambulance settings from March 2019.

In response, the Trust established a comprehensive roll out of the NEWS2. The transition from NEWS to NEWS2 was supported through the Royal College of Physicians e-learning and in-house deteriorating patient training and optional simulation training. The Trust has ensured all relevant staff have been appropriately trained in its use to ensure they have both the skills and knowledge necessary to identify acute deterioration including sepsis; to recognise early detection of the deteriorating patient; to promote effective decision-making/response to the NEWS2 score and to recognise the importance of accurate documentation. A new section on the Trust’s intranet was created providing staff with all the information needed. NEWS2 Link Champions were also established to help share information and to support teams.

All patients who deteriorate are recorded on the Trust’s incident reporting system, Datix. Historical data, SI findings and audit results have provided benchmarks which have helped the Trust to assess the effectiveness of embedding NEWS2; early identification and management of deterioration, including sepsis.

The Datix data demonstrates a steady increase in reporting episodes of deteriorating patients since March 2019, the majority of which are reported with no or low harm. This indicates that NEWS2 is embedded effectively across the Trust. It also indicates that the Trust has a culture of high reporting to ensure that any lessons can be learned and shared to provide the best care possible. 98% of all incidents are with no or low harm. See table overleaf.

Incidents per Year with no Harm/Degree of Harm

Year	Incidents Reported with no Harm	Low Harm	Medium Harm	Severe Harm	Death	Total
2017-18	99	19	1	0	1	**120**
2018-19	167	35	4	1	0	**207**
2019-20	270	59	7	0	0	**336**
Total	**536**	**113**	**12**	**1**	**1**	**663**

2. Effective care

a) Translating research evidence into improved care

Specifically for the development, implementation and evaluation of a frailty pathway to improve outcomes of care for older people with continued collaborative working with other providers.

Frailty is associated typically with increasing age. Re-aligning healthcare services to the needs of an ageing population is a national priority. The Trust provides care and services to an increasingly older population. Areas such as Coastal West Sussex have a higher than national average population aged 80+ years.

A frailty pathway is a priority area for the Trust's ageing population to improve the detection, assessment, case management and outcomes of care; to provide the right care, in the right place, at the right time.

The 2019-20 priorities and milestones delivered included the development and incorporation of training on frailty for staff working in adult services. Clinical competencies, included on the frailty assessment, inform clinical decision making on the management of frailty from pre-frail (e.g. prevention) to end of life (e.g. support). Senior clinical staff are fostering organisational cultural change on the recognition and management of frailty. An annual conference on frailty to showcase achievements and share knowledge is to commence in 2020-21.

SCFT has developed a frailty pathway across adult services to ensure continuity in the identification, assessment and management of frailty within and across services. A mapping exercise identified the Clinical Frailty Scale (CFS) (Rockwood) as the assessment tool to use which is now available in the electronic patient record. A patient record audit at the Trust's intermediate care units on the use of the CFS and scores have been completed to inform benchmarking on use and training requirements on using and interpreting the CFS to inform care and treatment.

A Multidisciplinary Frailty Steering Group was established with representation from across all relevant disciplines, settings and areas to oversee the delivery of the Frailty Strategy in collaboration with partner organisations.

Following liaison with two other NHS Trusts, potential processes for gaining assurance of compliance with NICE guidance were shared with the Clinical Effectiveness Group (CEG) and it was agreed to implement a change of timeframes for assessing applicability and for completing benchmarking.

b) Use of National Institute for Health and Care Excellence (NICE) guidance

An audit of historical NICE guidance was carried out, with a report of findings shared with CEG in October 2019. It was found that Trust services continue to be compliant with the guidance, as well as highlighting several instances where guidance was no longer directly applicable. The audit will now be carried out annually with an additional audit, involving specialist groups reviewing compliant NICE guidance, is to be carried out in 2020-21, to confirm that all aspects of the guidance are covered.

This will provide assurance to the public and to the Trust that continued reviewing of processes and annual audits that the Trust is meeting standards set through NICE guidance.

c) Improve bank staff recruiting processes

People, who use the Trust's services, need to have confidence that there are sufficient staff employed through the bank (known as Staff Direct which provides a temporary workforce to cover shifts) to help supplement core staffing in areas, and therefore feel safe when accessing care.

In 2015-16 the Trust had a total of 1,414 bank staff which included 459 registered nurses and 290 other clinicians. By the end of 2019-20 this increased to 2,106 bank staff, including 758 registered nurses and 650 additional clinicians.

The figures in the below table on bank recruitment for each staff group in 2019-20 show that, through the use of taster days, geographical specific recruitment and booking systems with timeframes, have all led to an increase in the number of staff recruited to the bank. The time to hire has also been consistently reduced to below 45 days over quarter four. The time taken for substantive staff to join the bank, as well as the time for bank staff to be made substantive (made permanent), has also been reduced.

Month in 2019-20	Professional Scientific and Technical	Clinical Services	Admin and Clerical	Allied Health Professional	Estates	Medical and Dental	Nurses	Total
April	0	19	5	7	5	2	4	**42**
May	1	22	12	3	11	8	14	**71**
June	0	15	10	6	10	3	15	**59**
July	1	24	9	4	2	1	6	**47**
August	0	19	9	7	4	2	17	**58**
September	1	25	16	10	3	1	17	**73**
October	1	22	9	3	5	2	10	**52**
November	1	20	13	4	8	0	14	**60**
December	0	13	14	1	3	1	14	**46**
January	0	15	5	3	1	0	12	**36**
February	0	9	3	5	0	1	12	**30**
March	0	7	3	1	1	0	8	**20**
Total	**5**	**210**	**108**	**54**	**53**	**21**	**143**	**594**

3. Patient-centred care

a) Increase patient feedback

The Trust has specifically focused on increasing the Friends and Family Test (FFT) response rates at its Minor Injury Units (MIUs) and Urgent Treatment Centre (UTC).

In addition, targeted work has been undertaken over the last year across core services to continue to raise the profile of the FFT and encourage participation.

Volunteers have been used across services with a specific focus within Crawley Intermediate Care Units (ICUs) and the Urgent Treatment Centre (UTC), as well as Horsham Minor Injuries Unit (MIU). The use of technology has also aided the process. Tablets have been purchased, which have been fixed to secure stands to encourage immediate responses.

A review of volunteer helpers has occurred and training provided so that volunteers are now supporting the completion of FFT forms in the MIU, UTC and in the intermediate care units (ICU) using a tablet or a response card.

All area nurses receive monthly reports to highlight those services that are, or are not, completing FFT in their areas, enabling them to monitor response rates closely.

However, despite all of these efforts, response rates have not increased as much as the Trust had hoped in its MIUs and UTC. It is also important to note that FFT was suspended nationally in March 2020 due to the COVID-19 pandemic and the 2019-20 response rate does not include March figures. The below table provides a breakdown:

Year	FFT Response Rate in UTC and MIUs
2018-19 (full year)	7%
2019-20 (up to month 11)	6.3%
Difference	**0.7% (adverse)**

Feedback from patients/service users is crucial in helping services and the Trust to improve the quality of care and experience it provides. The FFT response rates at MIUs and the UTC will continue to be of the highest priority.

New FFT guidance has been published. There are plans in place to discuss and agree the requirements with operational services and commissioners in due course.

b) Prepare to implement ReSPECT (Recommended Summary Plan for Emergency Care and Treatment)

People need to feel that they are involved in decisions about their care, particularly in emergency situations or at the end of their lives. The Trust is preparing its clinical workforce for the implementation of ReSPECT through a comprehensive education and training programme.

Since April 2019 SCFT has undertaken a comprehensive training programme delivered to staff across the Trust. ReSPECT Level 1 awareness training has been delivered to 1,518 staff.

ReSPECT Level 2 training has been delivered to 674 nurses, doctors, physiotherapists and occupational therapists; this comprised 296 hours of highly specialised structured blended learning designed to prepare staff with the skills and tools to undertake ReSPECT conversations with patients.

An initial ReSPECT clinical audit has been carried out to assess the application of the ReSPECT Level 2 training process to the use of the ReSPECT documentation. The audit was conducted in both the community and intermediate care unit settings and demonstrated good application of the skills delivered within the ReSPECT Level 2 training programme.

The audit showed that staff have been engaging in ReSPECT conversations with patients and subsequently recording that information correctly on the ReSPECT form.

Areas of outstanding practice included the standard of documentation, recording of capacity, recording of active involvement of the patient in the process and the use of clear and easily understood language.

Further audits are planned as part of the ReSPECT project board in 2020-21, which includes aspects such as staff and patient engagement.

Compliance with quality and safety standards and indicators

As part of the Trust's governance processes there was a review of quality indicators from service level through to the Board. The level of detail was informed through various specialist groups and committees and high-level summaries are included in the Trust's Quality Reports.

There was a good level of assurance in relation to the Trusts compliance with all areas of quality and safety. Key areas are reviewed against the five key lines of enquiry used by the CQC (i.e. safety, effectiveness, responsiveness, caring and well-led). Detail is reviewed and includes reference to:

- Clinical audit – national and local audits that inform and improve practice.
- CQUIN (Commissioning for Quality and Innovation) – delivery against key priorities in conjunction with commissioners.
- Learning from deaths through regular mortality reviews.
- Learning from patient experience, both negative and positive, through complaints, compliments and other feedback.
- Infection control – compliance with hygiene code and reduction in health care associated infections.
- Patient safety incidents review and learning from themes.
- Staffing levels and actions to mitigate issues.
- Effectiveness/responsiveness in services – key KPI's (e.g. 18-week compliance, urgent care response times etc.) that inform service delivery.
- Harm free care reviews and analysis of safety thermometer data.
- Compliance with NICE (The National Institute for Health and Care Excellence) guidance and policies.

Full detail on the indicators noted above will be found in the full Quality Account which will be available on the Trust website at the end of 2020.

Financial Performance and Use of Resources

The Trust continues to demonstrate strong financial management and financial resilience. The Trust delivered a surplus of £2,333k in 2019-20, compared with a surplus of £5,895k in 2018-19.

There are two main reasons why the surplus is lower than last year.

- First, as the tables below demonstrate, the 2018-19 surplus was largely due to additional non-recurrent funding of £4.9 million known as Provider Sustainability Funding (PSF). The PSF money the Trust received in 2019-20 was much lower at £2.9 million.
- Second, the additional costs to the Trust for the 2019-20 agenda for change pay award, which took place on 1 April 2019, exceeded the value funded through NHS tariffs.

However, the Trust's record of consistently delivering a financial surplus is a notable achievement in the context of its local health economy, which remains extremely financially challenged. Making a surplus is important to SCFT's ambitions because it enables the Trust to invest in improving the

quality of its services and its infrastructure. In particular, in 2019-20 the surplus has enabled a significant investment to improve the quality of its IT and digital infrastructure.

The £2,333k surplus is calculated in a different way to the position set out in the *Statement of Comprehensive Income* in the Trust's published accounts, as it excluded some technical accounting adjustments (specifically impairments) in order to achieve a like for like comparison. The table below sets out the difference between the figures in 2019-20 and 2018-19:

Accounts heading	19-20 £ 000s	18-19 £ 000s	Comment
Surplus / (Deficit) for the year	217	6,117	The reported position in the annual statement of accounts
Adjustments	2,116	(222)	The impact of impairments and other accounting adjustments excluded from the control total
Surplus / (Deficit) on a control total basis	2,333	5,895	The reported surplus following relevant adjustments

The surplus included £2,881k from the PSF. The Trust receives PSF funding when it achieves the financial target set for it by NHS England and NHS Improvement (NHSE and NHSI). In 2019-20 the Trust achieved its financial target and by doing so received this additional funding.

The table below compares the surplus to the prior year before and after the receipt of PSF funding. It shows that without the PSF funding the Trust would have made a deficit. The main reason for this is the financial impact of the agenda for change pay award in 2019-20 which was not fully funded.

Accounts heading	19-20 £ 000s	18-19 £ 000s	Comment
Surplus on a control total basis	2,333	5,895	Financial performance against the control total
Provider Sustainability Funding (PSF)	(2,881)	(4,911)	Performance-based funding received
Reported recurring surplus / (deficit)	(548)	984	Financial performance on a like for like basis

The Trust remains focused on ensuring adequate cash to run the organisation. The financial challenges faced by the Trust's neighbouring providers and commissioners have led to a shortage of cash in the whole health system; however, the Trust has prudently managed its cash reserves during 2019-20 and ended the year with a cash balance of £5.2 million, which was slightly higher than planned.

NHS England and NHS Improvement (NHSE and NHSI) measures the Trust's performance against five '*Use of Resources'* indicators. For 2019-20 overall performance was '1', which is the best possible performance. The table overleaf provides an overview:

Use of Resources indicators		
Indicator	**Target**	**Actual**
Capital Service Cover rating	1	1
Liquidity rating	1	1
I&E Margin rating	2	1

Variance From Control Total Rating	2	1
Agency Rating	1	1
Summary Financial Sustainability Risk Rating	**1**	**1**

Around 70 per cent of the Trust's expenditure relates to its workforce. Recruiting and retaining sufficient staff to fill all vacancies is one of the Trust's key operational risks and challenges, in the context of a shortage of clinical staff in the labour market both nationally and locally.

In recent years a range of schemes to improve recruitment and retention of staff have been implemented, and the Trust has also invested in developing its temporary workforce through its own bank staff. This has contributed to a reduction in the amount spent on agency staff in 2019-20 to £5,510k compared to spend in 2018-19 of £6,710k, a decrease of £1,200k (18 per cent).

Getting the right balance between a substantive (permanent) and flexible workforce, and investing in recruitment and retention, will continue to be key areas of focus in 2020-21 for the Trust. Workforce pressures are a key risk to the Trust's financial position in 2020-21.

Delivery of the financial plans in 2020-21 will require SCFT to continue to address its workforce risks and deliver greater efficiencies in procurement, estates and back office functions, and working collaboratively with partners wherever possible.

Along with the rest of the NHS the Trust began the 2020-21 financial year in emergency measures because of the COVID-19 pandemic. The situation has led to some significant temporary changes to the NHS finance regime, meaning that the 2020-21 financial year is very different to previous years. The key changes include the following:

- The Trust is being paid on a block contract arrangement, based on what it received in 2019-20 plus inflation.
- Payment is being made a month in advance to protect the organisation's cash flow.
- NHS England and NHS Improvement have indicated that they would like all providers to remain in a break even position. They are, therefore, committed to refunding trusts for the additional costs incurred as a result of the pandemic.

The unprecedented and changing situation has created uncertainties for the Trust's revenue and capital budgets for 2020-21. However, the overall expectation is that SCFT will be funded for the costs incurred as a result of the pandemic and that, at the end of the emergency measures, it will be in overall financial balance.

Looking further ahead, it is anticipated there will be increased partnership working across Sussex to address the healthcare challenges of the population. SCFT is playing an active part in the development of the Sussex Health and Care Partnership (SHACP), which will see a move towards system-wide financial control totals.

The NHS Long Term Plan acknowledges the crucial role that community services have in addressing the system-wide challenges of managing demand and patient flow. The continued drive, both nationally and locally, towards healthcare services increasingly being provided in the community rather than within hospital settings, gives the Trust ever greater opportunities to grow and thrive as a financially sustainable provider within the SHACP.

Better Payments Code of Practice

The Trust's measure of performance in paying suppliers is the Better Payment Practice Code (BPPC). The code requires the Trust to aim to pay all valid invoices by the due date, or within 30 days of receipt of a valid invoice, whichever is later.

The Trust is committed to paying its obligations on a timely basis and will continue to perform well against this measure in spite of its cash constraints, as set out in the table below:

Better Payments Practice Code	Year 2019-20	
	Number	£000s
Non NHS		
Total bills paid in the year	33,773	43,547
Total bills paid within target	31,587	40,709
Percentage of bills paid within target	**93.5**	**93.5**
NHS		
Total bills paid in the year	1,371	18,551
Total bills paid within target	1,257	17,784
Percentage of bills paid within target	**91.7**	**95.9**
Total		
Total bills paid in the year	35,144	62,098
Total bills paid within target	32,844	58,493
Percentage of bills paid within target	**93.5**	**94.2**

Care Without Carbon – delivering sustainable healthcare

What is Care Without Carbon?

Care Without Carbon (CWC) was developed in 2014 and delivers on the Trust's strategic goal – value and sustainability. CWC is shorthand for a sustainable NHS and a simple idea that reflects the Trust's wider philosophy and vision about how it believes healthcare should be designed and delivered.

By delivering care in a more sustainable way, and supporting the Trust's staff, patients and visitors to live more sustainable lifestyles, it is enabling better health outcomes in its community.

The Trust balances its efforts with three key aims in mind:

1. Working towards long-term financial sustainability.
2. Minimising its impact and having a positive impact on the environment and natural resources.
3. Supporting staff wellbeing to enable a happy, healthy and productive workforce.

These three aims are at the core of the Trust's CWC programme, which is delivered through work streams covering seven elements, illustrated in the graphic below. Taken together, these elements are designed to integrate sustainable development principles into all activities across the Trust. Further information is available online: www.sussexcommunity.nhs.uk/sustainability.

How does CWC help to deliver excellent care in the heart of the community?

To deliver sustainable healthcare the Trust is working firstly to minimise the need for healthcare activity and secondly to reduce the environmental or health impact of any remaining activity, while at the same time improving health outcomes.

SCFT's guiding principles for sustainable healthcare in clinical practice are:

1. **Prevention**: minimising the need for healthcare through health promotion, disease prevention and ensuring that the delivery of our care does not negatively impact on the health of staff and patients.
2. **Self-care**: taking every opportunity to prevent health problems escalating by educating and empowering staff and patients to better manage their own health, and supporting this by improving coordination of care within the Trust and through its partners.
3. **Joined up care pathways**: streamlining the way services are delivered to minimise duplication, waste and unnecessary travel.
4. **Efficient use of resources**: preferential use of treatments, technologies and processes with lower environmental impact.

Programme governance – how CWC is delivered

The Sustainability and Environment team is responsible for designing, implementing and reporting the CWC programme across the Trust. The team reports on progress directly to the Trust Board

twice a year through the Trust's Executive Lead for Sustainability, Mike Jennings (Chief Financial Officer/Deputy Chief Executive). One of these updates consists of the presentation of the Care Without Carbon Annual Progress Report which describes in detail the sustainability activity carried out across the Trust each year.

Key highlights in 2019-20

Since the programme launched, CWC has developed both in terms of its approach and its reach. 2019-20 marks the penultimate year of the Care Without Carbon Strategy and delivery of the Trust's 2020 targets. Significant progress during this year has been made in the following areas:

- The integration of CWC Clinical Sustainability Principles into the Trust's Three Year Trust Strategy.
- Exceeding its 2020 target for carbon reduction.
- Growing its reach by continuing to run a joint Energy Performance Contract procurement across six Trusts in the South East.
- Integrating sustainability criteria into £8 million of key tenders during the course of the year.
- Increasing the number of electric vehicles in its commercial fleet: there are now three courier vehicles which generate zero tailpipe emissions.
- Running its Breathe Easy September campaign focusing on reducing air pollution across the SHACP region. This is described in more detail in the culture section on page 40.
- Starting the engagement and development of a new CWC strategy to 2025. It will set the groundwork for the path to achieving the Trust's longer term goal of net zero carbon emissions.

Over the past year sustainability has continued to rise up the agenda both at a global and local level. Key figures have continued to link climate change and health including Sir Simon Stevens, Chief Executive Officer of the NHS, who described the climate emergency as a "health emergency". This was cemented further in January when the NHS launched its 'For a greener NHS' programme which aims to build on the great work already being carried out by trusts, promoting collective action and ultimately navigating the path to net zero carbon by 2050, or as soon as is practicably possible.

Over the coming year SCFT will be formulating its next CWC strategy to take it to 2025 to reduce carbon emissions by 51% by 2025 as a minimum, in line with the targets set out in the NHS Long Term Plan.

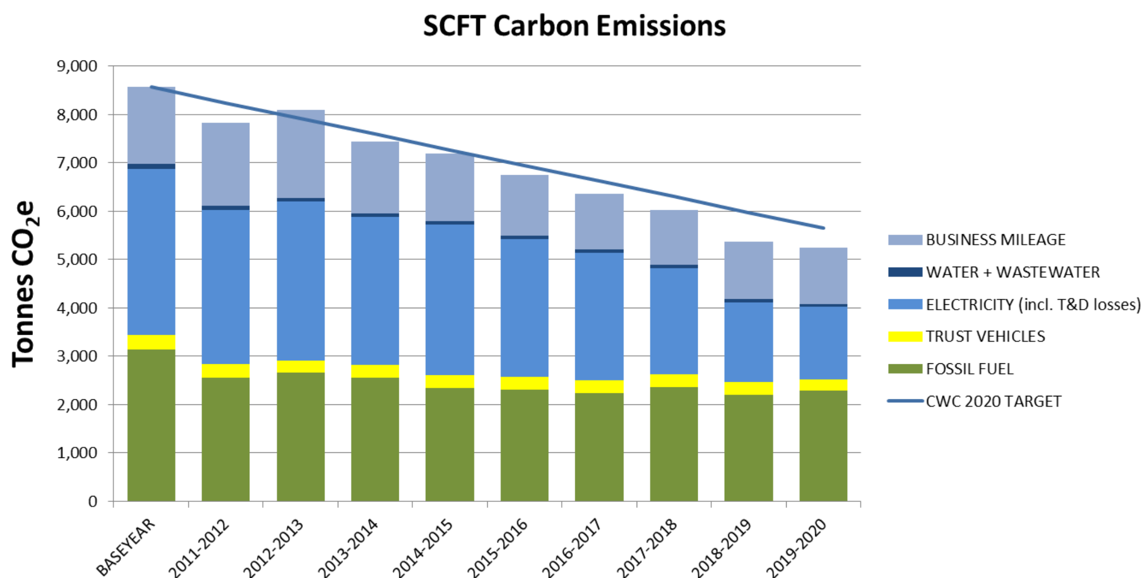
How did the Trust perform on sustainability in 2019-20?

The Trust measures the overall impact of CWC against three key aims, translated into three performance metrics:

1. Absolute (overall) CO_2 reduction;
2. Cost improvement (related to CO_2 reduction across Trust services);
3. Improvement in workplace health and wellbeing.

Between 2010-11 and 2019-20 the Trust has reduced its absolute carbon footprint by 3,442 tonnes CO_2e (40%), meaning the Trust has met its 2020 target of a 34% reduction in carbon footprint against its 2010-11 baseline two years earlier than planned. A significant proportion of this reduction continues to be due to the decarbonisation of the grid in the UK over the last year which means the energy the Trust buys has less environmental impact than before; mostly due to the

reduction of coal and increased use of renewables in the generation of electricity. The below graphic provides an overview:



The overall wellbeing score remains similar to last year, at 4.22 out of 10, giving the Trust some way to go to reach its target score of 5 in line with the national average. In addition to measuring and reporting against its three key aims, the Trust also measure progress against a series of specific environmental KPIs, as summarised in the dashboard below. There are two areas where progress falls below the 2020 performance margin – grey fleet mileage (staff using their own vehicles for work) and waste recycling. These will be key areas to tackle in 2020-21 and the Trust's approach to this is detailed in the next section.

INDICATOR		KPI	2020 Target	BASEYEAR Value	2020 Target Value	2019-20 Target Value	2019-20 Value	% Change from 18-19
CO_2	Carbon Footprint	tonnes CO_2e	34%	8,529	5,629	5,629	5,087	-5.1%
	Energy Efficiency	$kgCO_2e/m^2$	34%	59.3	39.1	39.1	38.2	0.8%
	Water Efficiency	m^3/m^2	34%	1.36	0.90	0.90	0.80	2.4%
	Trust Vehicle Emissions	gCO_2e/km	34%	151.0	99.6	99.6	107.3	-0.3%
	Grey Fleet Mileage	miles claimed	34%	4,693,757	3,097,880	3,097,880	4,061,009	-0.6%
	General Waste Recycled	% recycled	75%	50%	75%	75%	44%	-30.2%
	Clinical & Offensive Waste	% offensive	75%	0%	75%	75%	59%	0.0%

NOTE: Due to the date of publication of the annual report, we have estimated some of the data reported here. The Trust will publish a full sustainability report, including a complete data set for 2019-20, in the summer of 2020. The Trust obtains annual external assurance each year to validate the accuracy of all the data. Annual assurance certificates for the last three years can be viewed from the Trust's website: www.sussexcommunity.nhs.uk/sustainability. Contact details are provided there if further information is required.

Summary of performance against seven action areas

1. Leadership

Leading the way for sustainable healthcare policy and practice

2020 target: to be recognised as a leading NHS service provider for sustainable development, policy and practice

Providing leadership – both internally and externally – is key to delivering the Trust's sustainability goals.

Internally this means ensuring effective governance of the Trust's CWC programme, maximising the benefits for every area of Trust operations, and therefore its staff and patients. This will be achieved through its internal programme governance model outlined earlier in this report.

- The Trust haskick-started the process to shape the new CWC strategy which will take it to 2025. A number of workshops were delivered this year which has enabled the Trust to fully develop the new strategy ahead of its launch in April 2021.
- Externally the Trust aims to pioneer new and innovative ways of delivering sustainable healthcare in the NHS and working beyond Trust borders. Work in the local Sussex Health and Care Partnership (SHACP) area is growing and the Trust is now delivering Care Without Carbon both in the Sussex and beyond. Outside of Sussex, the Trust has had several key achievements this year including:
    - Presenting on its regional Energy Performance Contract at the Institute of Healthcare Engineering and Estate Management conference.
    - The Sustainable Development Unit rated the Trust's sustainability reporting as 'Excellent' for the fourth year running. The Trust is really proud of this as it gives stakeholders – from patients, carers and staff to the wider community – the confidence that the Trust takes its commitments to sustainability seriously, and clearly demonstrates the wider value that sustainability delivers within healthcare.
    - Showcasing CWC and the Trust's activities to colleagues in the Health Service Executive in Dublin as part of a series of workshops to improve the sustainability of Ireland's healthcare estate.
    - Facilitating regional sign up to the NHS Plastics Pledge for trusts in the SHACP.
    - Representing the Trust internationally at a Healthcare Without Harm event in Barcelona.

2. Buildings

Providing the workspace for low carbon care delivery with wellbeing in mind

2020 target: 34% reduction in CO_2e from the Trust's buildings

The Trust has reduced absolute CO_2e from building related energy consumption by 44% between 2010-11 and 2019-20 and this equates to 2,939 tonnes CO_2e. Alongside this it has achieved a 35% improvement in per m^2 energy efficiency and a 41% improvement in per m^2 water efficiency against the 2010-11 base year.

This means the Trust has exceeded its 2020 target of 34% carbon reduction from buildings. As mentioned earlier, grid electricity has continued to decarbonise significantly this year. In fact, the emissions factor for grid electricity has almost halved within the past five years. This is the primary reason for the Trust's electricity emissions decreasing again this year. This means that the power the Trust supplies to its buildings has a much lower environmental impact than in previous years, due to the move away from coal and towards renewables to create 'clean' energy for the grid.

The Trust's key focus has continued to be on running the SHACP-wide Energy Performance Contract (EPC) procurement for six partner trusts through the Carbon Energy Fund. Technical schemes have been developed by each bidder for each of the trusts following a number of in-depth

site surveys and technical meetings. The tender evaluation process is now nearing completion and each trust is now developing a business case around its preferred bid.

In addition, the Trust has:

- Continued to develop its energy management database which considerably enhances data management processes, invoice validation capacity and reporting ability for the Trust and partner organisations.
- Renewed and expanded automatic metering (AMR) system to provide more comprehensive and reliable utility data for its sites.
- Continued to make use of 100% renewably-backed power from Trust-owned sites. As a result of this procurement decision, emissions from electrical consumption when using contract-specific emissions factor were 914 tonnes CO_2e, compared to 1,334 CO_2e had the Trust purchased standard grid electricity. Note this saving is not included as part of the Trust's annual footprint shown above. Alongside this the Trust continues to monitor renewable gas as an option for the future.
- Updated its energy policy which sets out the Trust's commitment to energy and water conservation, reducing emissions and costs across the Trust.
- Provided technical energy and sustainability advice for the redevelopment of Brighton General Hospital site.

Looking at 2020-21, the Trust has continued to develop a list of energy/carbon reduction projects and possible funding streams in order to further reduce its carbon footprint in order to meet the NHS's 2025 target. As a significant proportion of the healthcare estate occupied is owned and managed by NHS Property Services this remains a key partnership for the Trust going forward in its efforts to reduce carbon emissions from the estate.

3. Journeys

Maximising the health benefits of travel and transport activity whilst minimising the environmental impacts

2020 target: 34% reduction in all measurable travel CO_2e

Working within a vast geographical area, and with patients both at home and across multiple Trust sites, staff will always need to travel in order to provide high quality care at the right time and in the best location. Business travel (including staff driving their own cars for work purposes) currently accounts for around 27 per cent of the Trust's carbon footprint.

The Trust continues to work towards eliminating non-essential journeys, while ensuring that the right support is provided so that essential travellers may do so in a sustainable manner, reducing cost and carbon, and promoting a healthier and more active lifestyle both at work and at home.

The average tailpipe emission of the Trust's internal transport operation – including all cars and commercial vehicles – is now down to only 98 g/km CO_2. This means that the Trust has achieved the 2020 target of 34%. This is well below the national fleet average and reflects many years of consistent, robust action.

The main challenge remains the grey fleet – staff-owned cars – where the Trust has seen annual mileage plateau in 2019-20, and this is reflected in the trend as the Trust has seen a marginal reduction of 0.6% this year, attributable to increased clinical activity and a higher number of daily patient interventions across many of its services.

Highlights from 2019-20 include:

- Presenting the latest iteration of its Business Travel Plan, in which the Trust has outlined a five-year strategy for greater cost and carbon efficiency across the transport and travel sectors. By 2024 the Trust has committed to:
    - Ensure that low emission vehicles account for 90% of the fleet;
    - Reduce annual business mileage by one million miles;
    - Reduce grey fleet mileage by 500,000 miles;
    - Achieve annual Trust cycling mileage of 20,000;
    - 10% increase in staff commuting to work via active means i.e. cycling and walking.
- Introducing the revised annual staff travel survey, which will enable the Trust to monitor business and commuting travel data, pinpointing areas for specific local support and recording progress across sustainable and active travel modes.
- Launching a low emission salary sacrifice car scheme, which enables staff not currently eligible for the Trust's lease car scheme – or who do not need to travel for business – to access a wide range of low emission vehicles at competitive rates. The scheme is open to staff members and their families.
- Increasing the number of electric vehicles in the Trust's commercial fleet: the Trust now has three courier vehicles which generate zero tailpipe emissions.
- Continuing to build the Trust's electric vehicle infrastructure, with four additional charging points added: two in Brighton, one in Chailey (East Sussex) and one in Bognor Regis (West Sussex).
- Adding more e-bikes to the cleanest and healthiest sector of its fleet: there are now three in regular use by Speech and Language Therapy, Hospital at Home and Children's services, with a further two pool bikes available for teams to try out before adopting.
- Holding sustainable travel events including partnership events with local authorities, charities, active travel groups and suppliers, including participating in Ride To Work Week and Love To Ride's September challenge.
- Continuing the Trust's popular lease car scheme, with average tailpipe emissions down to only 101 g/km CO_2.

Strategically, the Trust's revised Business Travel Plan will underpin policy development and implementation in other key areas, including the digital, estates and clinical strategies. CWC has just commenced a Quality Improvement project to establish opportunities at a corporate level for bringing about change to the travel culture – in particular the grey fleet within the Trust. CWC will also review all pure-fossil-fueled vehicles in operation, with a particular focus on THE Trust's commercial vehicle fleet which is more challenging to update due to its more onerous and higher frequency usage, and we will continue to extend the Trust's electric vehicle infrastructure.

4. Circular Economy

Creating and supporting an ethical and resource efficient supply chain

2020 targets: 75% recycling rate and 75% non-infectious healthcare waste

Delivering healthcare within the NHS requires an enormous number of different products and services, which in turn requires a large amount of resources. It is estimated that this accounts for the largest part of the Trust's carbon footprint; around 72%. That is more than all of the staff travel, heating and electricity combined.

In order to reduce the carbon footprint of the products and services the Trust buys it need to move towards a ‘circular economy’ model. In practice this means:

- Working in partnership with suppliers that make the products and services to design, create or transport them differently.
- Reducing the amount of resources the Trust uses where practicably possible.
- Reusing or repairing items rather than disposing of them.
- Buying products that have a lower environmental impact.

Significant progress in a number of areas have made in the year reflecting the key themes of circular economy. In particular:

- Working in partnership with Sussex Police to sell items for reuse on eBay. The types of items which are being sold include; computer monitors, filing cabinets and small furniture items and the sale of these provides money that is reinvested into the Trust. This is in conjunction with saving precious materials and reducing the Trust’s carbon footprint though reducing waste. Running parallel to this the Trust has continued to promote the reuse of items across the Trust by allowing furniture and unused clinical items that are surplus to requirements to be shared on the Trust’s reuse website (Warp-IT).

- Through close collaboration with the Trust’s procurement department, it has continued to integrate sustainability criteria into a number of key tenders, whilst putting in place steps to work with suppliers to reduce emissions during the life of the contract.

- Focusing in on plastics, by signing up to the NHS England plastics pledge, alongside rolling out the Trust’s ‘one less piece of plastic’ dare for staff. The Trust has recently joined the Health Care Without Harm (HCWH) European plastics project which will be delivered in 2020-21.

- Working very hard to recycle as much as possible from Trust operations. The recycling rate is currently 44%. To increase this further the Trust has been improving its ‘Bin frastructure’ by rolling out new recycling bins to improve facilities within the Trust. This is in conjunction with trialing a new way of collecting recycling in a non-clinical setting that reduces contamination by separating waste into material types (e.g. plastics only). Further to this, the Trust has carried out a successful pilot of a food waste collection and during 2020-21 it is hoped to roll this out to all major Trust sites.

- Continuing to improve healthcare waste segregation. The proportion of non-infectious (‘offensive’) healthcare waste (as a proportion of all bagged healthcare waste by weight) has plateaued this year with a forecasted rate of 59%. The Trust is in the process of reviewing its targets for offensive waste and during 2020-21 will update these to ensure they are in line with anticipated new best practice guidelines.

- Updated the Trust’s 2020 targets for circular economy, and no longer intend to target a 34% reduction in CO_2e from waste and procurement. This is due to a lack of reliable footprinting methodology. The Trust’s intention is to develop a new metric and target to take it to 2025 during the formulation of its new strategy.

5. Culture

Informing, empowering and motivating people to achieve sustainable healthcare

2020 target: 100% staff engagement across the Trust on sustainability and wellbeing with measurable benefits

The Trust's engagement work continues to develop as it seeks to strengthen the understanding of the links between healthcare and sustainability.

The approach tackles all levels of the Trust. Through its Dare to Care campaign the Trust reaches all staff to normalise thinking sustainably at work. Through its Envoy programme the Trust support staff with a direct desire to do more to be sustainable within their teams, and through networking and nurturing stakeholder relationships the Trust ensures sustainability is promoted top down. By engaging in this way, the Trust aims to ensure it brings staff, partners, stakeholders and the wider community with it by creating a better working life and a greener NHS.

For 2019-20 the Trust has continued to look for ways to grow its reach to staff, and bring new people into the programme. The key areas of focus have been:

- To date over 1,700 members of staff (34% of the workforce) have signed up to 7,300 dares which is a 20% increase on participation from last year. Each dare is a small pledge to things differently, supporting and promoting staff wellbeing, environmental improvements and financial sustainability.
- Shifting to a core set of dares which focus on engaging as many staff as possible and directly support the objectives of CWC. These are complimented with a number of bespoke dares which can change over time to align with organisational focus.
- Redesigned the Envoy programme to make it easier for staff to get involved. The role incorporates a monthly theme on sustainable healthcare which is delivered via the team meetings, and each Envoy receives an electronic toolkit to support them in this. The changes have doubled the number of Envoys participating in the programme.
- Continuing to attend staff events to talk to staff informally about sustainability and how to get involved.

The Trust has also developed its work outside of the organisation in a number of key ways:

- Continuing to expand the cultural reach across the wider NHS. The Trust is now working with several trusts across Sussex. In total, over 2,600 people signed up to over 11,000 dares. This is an increase of 40% on the previous year.
- Launching a region wide campaign called 'Breathe Easy September' to promote the links between air pollution and health and encourage more active travel choices and more mindful use of vehicles on sites. This included a new Dare Challenge called 'Pedal Power', a bespoke pledge called 'active commute' and no idling posters. Over 750 people visited the CWC website during Breathe Easy September, which was a 21% increase in visitors from the previous month.

In the next twelve months The Trust's aim is to consolidate the work that has been done over the past five years with Dare to Care at the Trust by celebrating the success of the dares through measurement of impact, and to encourage a final push for participation across the organisation.

6. Wellbeing

Creating a better working life for people

2020 target: maintaining workforce wellbeing above the national average score of 5/10

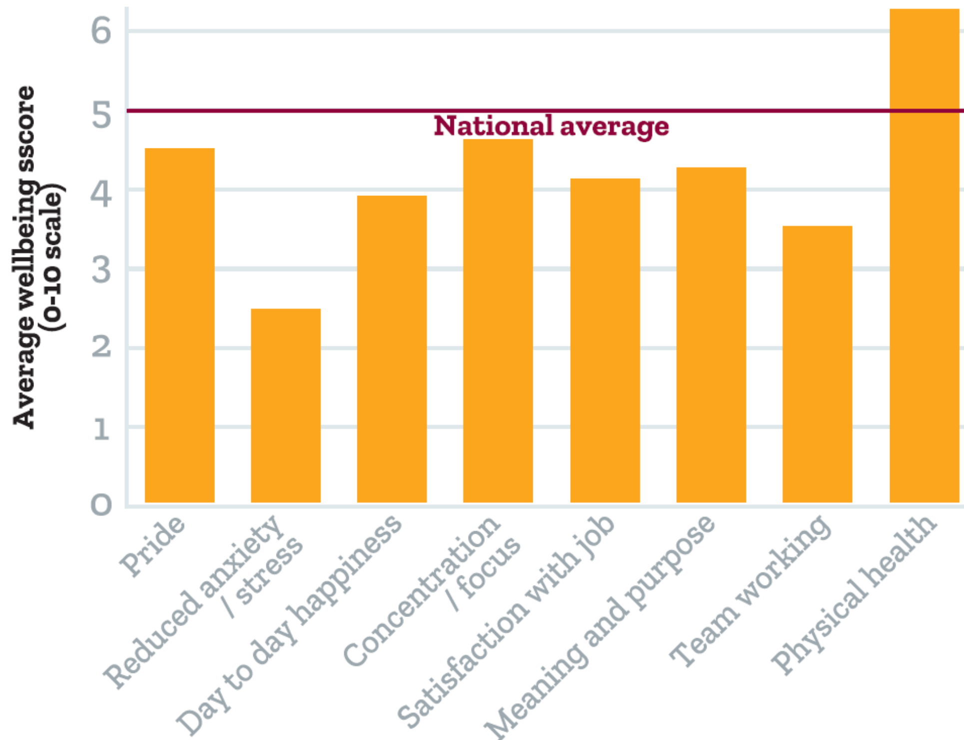
As one of the three core aims, wellbeing is central to all of the work of CWC. The work to support wellbeing has continued in 2019-20 including:

- Running the Wellbeing@Work Festival for the third year in May, with four roadshows taking place across four different sites, plus a broad programme of additional events across the Trust. Several 'taster sessions' from the festival are now more regular offerings for staff including yoga classes, alexander technique and crochet. The happiness workshops became available to staff to book for team events.
- Delivering the 'Step Up' Challenge for the second time across three trusts simultaneously in late winter. Staff get 12 weeks to walk a given route in teams or individually, choosing from the South Downs Way, Lands' End to John O'Groats or the entire UK coast. Across the three trusts almost 390 people took part, collectively walking 48,644 miles if everyone completes their route in time. Statistics relating to completed routes are not available at the time of this report going to print.
- Introduced a new dare challenge called 'Pedal Power' as part of 'Breathe Easy September'. People had eight weeks to cycle enough miles to cover one of three virtual routes ranging from 100 miles to 800 miles in length. In total participants cycled 2,950 miles.
- As part of the 'Breathe Easy September' campaign 52 people made the #activecommute pledge. The Office of National Statistics suggests the average distance people travel to work is 9.3 miles, which means Darers saved 483 miles per week between them. Over the month this would equate to over 600kg of CO_2 which would take 11 trees over 10 years to absorb.
- Setting up a working group with the Quality Improvement team to ensure the CWC wellbeing action plan is fully aligned to the data available on staff wellbeing, including the outcomes of its wellbeing metric.

In 2016-17 the Trust worked with the New Economics Foundation (NEF) to develop a metric to enable it to better measure the wellbeing of staff in a number of different areas, creating a mechanism for understanding its progress towards achieving improved workplace health and wellbeing and to help identify key areas for action. In 2019 the Trust's wellbeing score was 4.22. The graph overleaf highlights how this figure breaks down across the eight indicators of wellbeing.

Physical health score increased again this year to 6.32 and remains well above the national average. The reported score for stress and anxiety improved this year but remains much lower than all the other areas. A 2018 Health and Safety Executive report showed that those working in human health and social work have around 60% higher prevalence of stress, depression and anxiety than the average across all industries. This suggests that although this is and should be a key focus area for the Trust's wellbeing programme, the Trust score is likely to be similar to others in the sector.

Finally, analysis of the wellbeing of staff engaged in CWC showed a 6% higher score than those that were not.



This highlights several areas for improvement, which will be targeted for focused work in 2020-21, including through the Trust's Wellbeing@Work Festival which the Trust is planning to restructure. The survey will also feed into the Trust's Workforce Health and Wellbeing Group. The Trust will also look to further develop its wellbeing metric and in particular aim to use the survey on a more local level to understand wellbeing on an individual team or departmental level.

7. Future

Working together to build a strong local health economy that serves the community now and in the future.

2020 target: develop an SHACP wide Sustainable Development Management Plan with 2025 carbon reduction targets in line with the Climate Change Act

The Trust is part of an increasingly interconnected health and care system. As a system the Trust is seeking to meet the needs of an ageing population with more complex conditions, by moving towards a more preventative model of care, that makes the best use of medical advances in the most effective and efficient way possible.

The Trust sees two key opportunities to support this transformational change:

Firstly, finding ways of integrating sustainability into the clinical design and decision-making process and demonstrate the value of sustainability to quality improvement initiatives. Following on from the work of the Trust's Darzi Fellow, it has produced a set of clinical sustainability principles. CWC is working to integrate these across the Trust, with a focus this year on integrating them into the revised Trust Strategy (formerly Clinical Care Strategy) and the Trust's 'Our Community Way' Quality Improvement programme.

Secondly, the Trust is leading delivery of a number of sustainability programmes across the SHACP while linking with other external partners in the system. In particular:

- Continuing to lead a regional EPC procurement, delivering energy, carbon and cost savings across the SHACP area (more detail is available earlier on page 36 under 'buildings').

- Engaging with colleagues across the SHACP through the Trust's Dare to Care staff engagement programme.

- Leading an SHACP-wide waste group to share best practice and identify and develop joint working projects across Sussex relating to waste management.

- Supporting a growing number of trusts in the SHACP and beyond to develop and embed sustainability programmes using the Care Without Carbon framework, with a focus on targets in line with the NHS Long Term Plan, notably 51% reduction in carbon emissions by 2025.

Over the coming year the Trust will be focusing on integrating sustainability into clinical practice, integration of its new clinical sustainability principles into clinical practice, continuing to develop its work across the SHACP, and developing its programme for CWC post-2020-21.

Social, community, anti-bribery and human rights

The Trust has in place the following policies, procedures and strategies to enable a culture of fairness, openness and transparency, ensuring the best possible outcomes are delivered within the community it serves:

Equality and Diversity Policy & Procedure

Aims for equality of opportunity that is accessible, person-centred, safe and effective. Promoted to people who use Trust services and for staff to know that the Trust is committed to ensuring equality of opportunity, support and development throughout their careers.

Anti-Fraud, Bribery and Corruption Policy

It is a core responsibility of everyone to report their suspicions or specific knowledge of any act of fraud, bribery or corruption that may be occurring at the Trust. All referrals are dealt with confidentially.

Prevent Strategy

The safety of children, young people and adults at risk of radicalisation is the responsibility of all staff at all times. To ensure those children, young people and adults at risk in the community are appropriately identified, supported and referred is core to safeguarding processes.

Research and Development Strategy

This relates to how the Trust delivers excellent clinical research at the heart of the community by building and sustaining a vibrant clinical research environment that is robust, cost-effective, nationally competitive, and aligned to local, regional and national priorities.

Safeguarding Strategy

The Trust's strategic approach is to strengthen arrangements for safeguarding. It makes clear the roles and responsibilities of all staff to safeguard.

Security Strategy

This strategy sets out how the Trust fully complies with its statutory and regulatory obligations in regard to the management of security.

United Kingdom Modern Slavery Act (2015)

The Trust is committed to taking steps to comply with the United Kingdom Modern Slavery Act (2015) to ensure that slavery and human trafficking is not taking place in any of its supply chains or in any part of its own business.

To protect workers from modern slavery the Trust undertakes pre-employment checks for all people being recruited, including that they have the required legal documents to verify their identity and right to work in the United Kingdom. The Trust uses staff from agencies on approved frameworks, which are audited to provide assurance that pre-employment clearance has been obtained for agency staff. The Trust also applies professional codes of conduct and practice relating to procurement and supply, including through its Procurement Team's membership of the Chartered Institute of Procurement and Supply.

The Trust's commitment is to ensure no modern slavery or human trafficking is related to any of its business is set out in its purchase orders. To identify and mitigate the risks of modern slavery and human trafficking in NHS supply chains, the NHS Terms and Conditions of Contract requires that all suppliers comply with the provisions of the Act and the 'Supplier Code of Conduct' for the NHS Supply Chain or NHS Supply Chain frameworks. This includes a provision concerning forced labour. If the Trust becomes aware of a supplier involved in the process of modern slavery, then it will alert the authorities in that area to express a concern to the local safeguarding teams and police.

Workforce Race Equality Standard (WRES)

The NHS Equality and Diversity Council announced on 31 July 2014 that it had agreed action to ensure employees from black and minority ethnic (BME) backgrounds have equal access to career opportunities and receive fair treatment in the workplace.

This is important because studies shows that a motivated, included and valued workforce helps deliver high quality patient care, increased patient satisfaction and better patient safety.

Since 2015 the Trust has demonstrated its commitment to WRES by publishing an annual report and celebrating BME at the Trust through various awareness engagement events organised by its Black Asian and Minority Ethnic (BAME) network during 2019-20.

Developing the Brighton General Community Health Hub

In November 2017 the Trust announced its intention to redevelop the East Brighton site of the former Brighton General Hospital into a purpose-built Community Health Hub.

The Brighton General site, which is owned by the Trust, was originally built as a workhouse in the 1860s. It became a general hospital in 1948 but by 2009 the wards no longer met the relevant standards and there have not been in-patient services on the site since.

The site currently houses a range of adults and children's community, mental health, rehabilitation and outpatient services. It also accommodates administrative and support staff.

Services have been planned on a piecemeal basis and patient and support services are distributed across 20 different buildings across the site. In addition, it includes steep hills which makes accessibility challenging and inhibits effective communication and collaboration between teams.

Only 50% of the estate is currently well-utilised and many of the buildings are so rundown that they have been left empty for a number of years. The cost of maintaining the site in its current state is extremely high and these higher overall running costs divert funds from frontline NHS service delivery and patient care.

In 2018 the Trust undertook a wide-ranging programme of engagement on future plans for the site. This included conversations with people inside and outside of the organisation, and seeking the views of patients, the public and the local community.

The programme of engagement included major public meetings, more than 20 sessions with patient, community and neighbourhood groups and a survey, which received over 700 responses from patients, staff and members of the public. Targeted leaflet drops and a social media campaign helped the Trust to ensure it reached as many people as possible.

This engagement informed the selection of a preferred option for the development which was set out in the Outline Business Case (OBC).

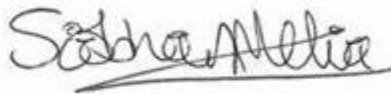
The OBC was approved by the Trust Board in October 2018 and Brighton and Hove Clinical Commissioning Group confirmed support for the project in December 2018.

A video was released in January 2020 that gave local people and patients a first look at what the redevelopment of the Community Health Hub could look like, and how new facilities will make it easier for patients to get the care they need. It also features a mother and her daughter who currently use the site for various services and explains how the site currently provides them with unwelcomed challenges.

The Trust will be seeking approval from its regulator, NHS England and NHS Improvement (NHSE and NHSI), in 2020-21. This will give the green light to work up detailed plans and begin planning consultation.

The Trust is working towards completing the new Community Health Hub by 2024.

Signed:



Siobhan Melia, Chief Executive

Date: 16 June 2020

Accountability Report

Directors' Report

How the Trust is governed

The Trust's governance structure comprises its Board of Directors, Council of Governors and its membership. The Board of Directors consists of the Chair, Non-Executive and Executive Directors. The Board's primary role is to lead the Trust and set the Trust's strategic direction and objectives and ensure delivery of these within the available resources.

The Trust also has a Council of Governors, which has defined statutory responsibilities and duties, including holding the Non-Executive Directors (NEDs) to account, individually and collectively, for the performance of the Board. The Council of Governors consists of elected and appointed representatives from members of the Trust, staff, stakeholder organisations and representatives from specific groups of the community it serves.

The membership of the Trust elects the Public and Staff Governors and it is part of the elected Governor role to represent the members of their constituencies and communicate their views to the Board. The Trust has a duty to ensure that its members are engaged with, and kept up to date with, developments within its services.

The Trust's governance arrangements are strengthened by its close collaboration with key local health partners, including Clinical Commissioning Groups (CCG); NHS England South (South East); NHS Improvement (South East Region); Health Education England: Kent, Surrey and Sussex; HealthWatch; Sussex acute providers; GPs; mental health services providers; local authorities; Health and Wellbeing Boards, and charitable and voluntary sector organisations working in the healthcare arena.

The Trust and the services it provides are well-led. For more information about well-led please refer to page 97 within the annual governance statement.

The Trust also plays an active leadership role in the Sussex Health and Care Partnership (SHACP) and participates in local system resilience groups established to collectively deal with system pressures.

Board of Directors

Details of Board membership are given below. The Board comprises a Chair, five Non-Executive Directors (NEDs) and five Executive Directors, including the Chief Executive. The other Executive Directors are:

Chief Financial Officer

Medical Director

Chief Nurse

Chief Operating Officer

The Chair and NEDs come from a range of professional backgrounds and succession planning is kept under review to ensure that NED experience, skills and knowledge reflect the evolving needs of the Trust. The Chair and NEDs meet the independence criteria laid down in Monitor's Code of Governance (updated in July 2014).

The Chair and all NEDs have been in post throughout 2019-20.

In 2019-20 there were several changes to Executive Directors. Dr Richard Quirk left and Dr Sara Lightowlers joined the Trust as Medical Director in August. Richard Curtin left and Kate Pilcher, previously Director of Operations, was promoted as Chief Operating Officer in October.

Executive Directors who are not Board members but attend Board meetings include the Director of HR and Organisational Development, and the Chief Digital Technology Officer. Diarmaid Crean, Chief Digital Technology Officer, joined the Trust in May.

The Board has in place a scheme of delegation and a schedule of powers and decisions reserved to the Board to ensure that decisions are taken at the appropriate level. Governors are provided with full details of the decision-making responsibilities of the Council of Governors at induction and are regularly reminded of them, including at a Governor Development Day in November.

During 2019-20, the Board reviewed its committee structure to ensure continued robust oversight of its strategic goals, enabling strategies and major transformation programmes. As part of this, the Finance and Investment Committee was replaced by the Resources Committee which provides strategic oversight and assurance of the Trust's workforce, financial, commercial, digital and estates resources. The Board periodically reflects on its own performance, to ensure that meetings remain effective, constructive and relevant.

Responsibilities of the Board of Directors

The Board of Directors' main responsibilities are to:

- Provide active leadership of the Trust within a framework of prudent and effective controls which enables risk to be assessed and managed.
- Ensure compliance with the Trust's Licence, Constitution, and mandatory guidance issued by NHS Improvement (NHSI), all relevant statutory requirements and contractual obligations, and maintain registration with the Care Quality Commission (CQC).
- Set the Trust's strategic aims, taking into consideration the views of the Council of Governors, and ensure financial and human resources are in place to meet its aims.
- Ensure the delivery of safe healthcare services, high quality clinical outcomes, and a positive patient experience.
- Develop and maintain high standards of education, training and research.
- Set the Trust's culture, values and behaviours and maintain its position as a learning organisation.
- Uphold the NHS Constitution.
- Cooperate with health partners and other stakeholders.

The Trust's income from the provision of goods and services for the purposes of the health service in England is greater than its income from the provision of goods and services for any other purpose.

Board of Directors' Appointment, Tenure and Appraisal

NED appointments, including that of the Chair, are made by the Council of Governors. Executive Director appointments are made by a Committee comprising the Chair and all of the NEDs. The Council of Governors approves the appointment of the Chief Executive. All Board-level appointments are made using fair and transparent selection processes, with specialist HR input and external assessors and advisors used as required.

Executive Director contracts do not have fixed terms. In accordance with Monitor's Code of Governance and good corporate governance practice, the Chair and NED positions have a fixed

tenure, with staggered terms in place to assist succession planning. NED tenure is subject to an annual review and satisfactory performance appraisal and is generally for a period of 6 years maximum (served in two 3-year terms). With the agreement of the Council of Governors, it can be extended to a maximum of nine years in total. Tenure beyond six years must be deemed to be in the interests of the organisation and take into account the need to regularly refresh the composition and skill-set of the NED element of the Board. In 2019-20 NED Stephen Lightfoot was appointed for a further term. As he had already served two three-year terms his final term was subject to annual approval by the Council of Governors Nomination and Remuneration Committee (CoG NRC). In addition, in the year NED Maggie Ioannou was subject to annual review and was approved at the CoG NRC. This was due to a legacy issue where her last year, in her second term, ran to seven years. Early termination of NED appointments is a matter for the Council of Governors. The circumstances in which a NED contract may be terminated early are set out in the Trust's Constitution and included in NED Terms and Conditions.

Both Executive and Non-Executive Directors are subject to an annual performance review, which is a formal process carried out against agreed objectives. The Chief Executive appraises other Executive Directors, the Chair appraises the Chief Executive and Non-Executive Directors, and the Senior Independent Director appraises the Chair, taking into account the views of the Governors and other Directors. The outcomes of Executive Directors' appraisals are shared with the Board of Directors' Nominations and Remuneration Committee, and those of Chair and NED appraisals with the Council of Governors' Nominations and Remuneration Committee.

Board of Directors' Profiles

Chair

Peter Horn – appointed 01/06/17

Peter joined the Trust in June 2017. He had previously, for six years, chaired a community interest company providing high quality NHS community health services in Medway and North Kent. He has broad experience of the NHS working in both executive and non-executive roles.

Chief Executive

Siobhan Melia – appointed 01/09/16

She was previously Deputy Chief Executive and Director of Partnerships and Commercial Development at the Trust.

Siobhan has worked in the NHS for over 21 years in a range of roles. She has a clinical background obtaining her postgraduate degree in podiatry from the University of Brighton and has fulfilled a number of different clinical leadership roles. Subsequently Siobhan undertook senior management and Board level roles at a large NHS community health provider in Berkshire. In 2012 she received her MBA (Health Executive) from Keele University.

She joined Sussex Community in October 2013 from Telefonica UK, where she headed up their Telehealth division.

Non-Executive Directors

Maggie Ioannou – appointed 01/12/13. Also Senior Independent Director (SID)

Maggie is a nurse by background, and has extensive professional leadership experience in community nursing, including at board level.

In her last post she was director of nursing, quality and safety for Surrey Primary Care Trust (PCT). In this role she provided leadership on clinical quality and safety during a time of significant change, spanning the separation of the PCT's responsibilities to commission as well as providing community services, through to the transition to the new system of clinical commissioning groups, established in April 2013.

Stephen Lightfoot – appointed 01/09/13. Also Deputy Chair of the Board and Chair of the Resources Committee

Stephen is also a Non-Executive Director of the Medicines and Healthcare products Regulatory Agency (MHRA). He has extensive commercial experience. Prior to joining the Trust, he had a 30 year career in the pharmaceutical industry, including senior UK and global business management roles.

David Parfitt – appointed 01/07/14. Also Chair of the Audit Committee

David is a chartered accountant with broad commercial experience in complex and customer-orientated organisations undergoing significant change including Granada Group, TSB Group and Lloyds Banking Group, where he became risk, control and accounting director (retail).

He brings strong experience in human resources, organisational development, strategic and change management and governance.

In addition, he has direct experience of the NHS, first as a non-executive director of Luton Primary Care Trust (PCT) and latterly as a lay member (audit and governance) of NHS Luton Clinical Commissioning Group.

Elizabeth Woodman – appointed 01/02/15. Also Chair of Quality Improvement Committee

Elizabeth brings legal knowledge and significant experience of working on strategy at senior and board level in large organisations. Originally Elizabeth qualified as a solicitor in a magic circle City law firm and then moved to a tax practice at an accountancy firm where she requalified as a chartered tax advisor. She then became an executive remuneration consultant for a large firm of actuaries specialising in executive incentive schemes and board governance.

She has spent much of her working life in professional publishing and online information businesses, bringing to market a number of successful online products aimed at professionals. Elizabeth was vice president accountable for revenue and strategy at Thomson Reuters Legal, UK & Ireland until September 2014. Until May 2019 she was Chief Executive of a well known barristers' chambers in London that specialised in public law.

Elizabeth combines her role at the Trust with being Managing Director of Kapow Primary Limited an online education publisher.

Janice Needham – appointed 08/06/15. Also Chair of the Charitable Funds Committee

Janice is an independent management consultant working primarily in the not-for-profit sector, with notable clients including the Big Lottery Fund and the Carers Trust. She brings extensive and wide-ranging management and senior level experience gained across government, local council and the voluntary sectors. She has served on the management boards of three national charities, held a

director level position with Voluntary Services Overseas (VSO) and worked as a statistician with the Department of Health.

Executive Directors

Chief Financial Officer: Mike Jennings – appointed 10/10/16

Mike is a qualified accountant and a fellow of the ACCA. He began his accountancy career working in the financial services industry, then worked in higher education and then began his NHS career in 2002. He moved from Sussex Partnership NHS Foundation Trust in 2009 and joined Western Sussex Hospitals NHS Foundation Trust.

At Western Sussex he was Deputy Director of Finance and interim Finance Director before joining their executive team permanently in 2014 as Commercial Director.

Medical Director: Dr Sara Lightowlers – appointed 01/08/19

Sara graduated in Medicine from University College London in 1988. She completed her postgraduate training in North West and South West Thames regions. For the past 22 years she has worked as a Consultant in Geriatric and General Medicine, held a number of clinical and educational leadership roles and most recently has been Medical Director for Newham Hospital, part of Barts Health NHS Trust.

Chief Operating Officer: Kate Pilcher – appointed 01/10/19

Kate started her career in the NHS as a midwife and health visitor before working in several operational roles within children and adult services, including Head of Children's Services and Area Director.

Kate was appointed interim Director of Operations in October 2017 to support the Trust's Chief Operating Officer, with a particular focus on supporting colleagues internally who manage and provide patient services. This role was made substantive in May 2018. In October 2019 Kate was promoted to Chief Operating Officer.

Kate has an MSc in Leadership and Management. She has been with the Trust since it was formed in 2010.

Chief Nurse: Susan Marshall – appointed 01/04/14

With 30 years' experience in both acute and community settings, Susan previously worked at the Black Country Partnership NHS Foundation Trust, where she was director of nursing and professional practice.

Susan is a registered general nurse, with qualifications in midwifery, health visiting and a master's degree in health services management. She has a record of achievement in management of change, development of strong governance systems, clinical leadership and operational management to strengthen nursing standards, and enhanced professional leadership to drive patient safety.

She brings particular interests in safeguarding, infection prevention and control, and patient, carer and public engagement. Susan is a Queen's Nurse, a Florence Nightingale scholar and has been part of external review teams to support other organisations through challenging times.

Board of Directors and Council of Governors: Declarations of Interest

The Trust maintains a Register of Interests of Directors and Governors. The Register of Interests of Directors is available from the Trust's website: www.sussexcommunity.nhs.uk/board.

Compliance with the Code of Governance Provisions

Sussex Community 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.

Attendance at Board Meetings

NAME	TITLE	CURRENT TENURE DETAILS	ATTENDANCE AT BOARD OF DIRECTORS
Non-Executive Directors			**Number of possible attendances / 6**
Peter Horn	Chair	Appointed 01/06/17	6 (out of 6)
Stephen Lightfoot	NED	Appointed 01/09/13	6/6
Elizabeth Woodman	NED	Appointed 01/02/15	6/6
Janice Needham	NED	Appointed 08/06/15	5/6
Maggie Ioannou	NED	Appointed 01/12/13	6/6
David Parfitt	NED	Appointed 01/07/14	6/6
Executive Directors			
Siobhan Melia	Chief Executive	Commenced 01/09/16	6/6
Mike Jennings	Chief Financial Officer	Commenced 10/10/16	6/6
Susan Marshall	Chief Nurse	Commenced 01/04/14	6/6
Dr Sara Lightowlers	Medical Director	Commenced 01/08/19	4/4
Kate Pilcher	Chief Operating Officer	Commenced 01/10/19	3/3
Richard Curtin	Chief Operating Officer	Resigned 24/05/19	0/0
Richard Quirk	Medical Director	Resigned 17/06/19	1/1

Council of Governors

NHS Foundation Trusts are required to have a Council of Governors (CoG). CoGs have specific statutory duties as follows:

- Appoint and, if appropriate, remove the Chair.
- Appoint and, if appropriate, remove the other NEDs.
- Decide the remuneration and allowances and the other terms and conditions of office of the Chair and the other NEDs.
- Approve the appointment of the Chief Executive.
- Appoint and, if appropriate, remove the Trust’s external auditors.

- Receive the Trust's annual accounts, any report of the auditor on them, and the annual report.
- Give views on the Trust's forward plans.
- Approve (or not) any increase by 5% or more the proportion of the Trust's total income in any financial year attributable to activities other than the provision of goods and services for the purposes of the health service in England.
- Hold the NEDs to account, individually and collectively, for the performance of the Board.
- Approve (or not) any proposal for merger, acquisition, separation or dissolution.
- Approve (or not) any significant transaction (as defined in the Trust's Constitution).
- To represent the interests of Foundation Trust members and the public as a whole.
- Approve (jointly with the Board of Directors) any amendments to the Trust's Constitution.

Further key functions for Governors are to:

- Act in the best interests of the Trust and adhere to its values and code of conduct.
- Feedback information about the Trust, its vision and its performance, to the members or stakeholder organisations that either elected or appointed them.
- Communicate with members and relay members' views to the Board.
- Develop and review the FT Membership Strategy, ensuring representation and engagement levels are maintained and developed in line with strategy.

How the Board of Directors and the Council of Governors work together

Governors are invited to attend and observe all public Board of Directors meetings as part of their ongoing engagement and development with the Trust generally and Board specifically. Four Governors also sit as lay members on the Patient Experience Group, one Governor attends the Audit Committee and two Governors are members of the Charitable Funds Committee. For both the Quality Improvement Committee and Resources Committee, two Governors are invited to attend meetings. The Trust encourages its Governors to engage with the public and members by promoting membership to the Trust, as well as encouraging Governors to join relevant groups who can represent the patient voice (e.g. Patient Participation Groups) and to bring feedback and intelligence to the Board.

Governors are allocated time at each Board meeting to ask questions of the Board on behalf of members or to relay members' views to the Board. In addition, Governors are able to contact Trust officers outside formal meetings in relation to members' feedback and/or questions. Governors provide the Trust with an independent quality assurance mechanism through the inspections of services that are carried out in conjunction with Board members and Trust staff. Governors also meet jointly with the Board every six months, to discuss areas of joint interest and promote closer working arrangements. These joint meetings facilitate the Governors' duty to hold NEDs, individually and collectively, to account for the performance of the Board and provide NEDs with a medium for ascertaining and understanding Governors' and members' views. The second joint meeting with Governors and the Board arranged in March 2020 was cancelled due to the COVID-19 pandemic. The Council of Governors met three times in 2019-20 instead of the normal four meetings held annually. NEDs are also able to attend formal Council of Governor meetings, Governor Committee meetings and membership events as additional opportunities to further these relationships.

In the event of disagreement between the Council of Governors and Board of Directors, the Dispute Resolution process referred to in the Trust's Constitution (Annex 8) will be invoked.

During 2019-20, the Council of Governors had four committees to progress various aspects of the Council's work:

- Council of Governors Nominations and Remuneration Committee – to review the Chair and NED's remuneration and to review succession planning of NEDs. Further details of this Committee are set on page 56.

- Governor Steering Group – agenda setting for the Council of Governors meetings, Governor feedback and reviewing the composition of the Council of Governors.

- Governor Strategy Group – to provide Governor input into future strategic direction of the Trust in order to achieve its strategic goals and to engage with Governors on major strategic programmes.

- Governor Staff Group – to enable Staff Governors to network together and to share specific feedback from the staff constituencies.

Council of Governors' Elections and Tenure

The Council of Governors consists of 28 Governors (15 Elected Public Governors, 5 Elected Staff Governors and 8 Appointed Governors). It was increased from 22 to 28 Governors effective from 1 April 2019 following agreement from the Council of Governors. Extra seats in the Public Constituencies for Arun, Chichester, High Weald Lewes Havens and Horsham were added. Plus a new cohort of four Appointed Governors was introduced where specific groups of the community the Trust serves are now represented – these include children and young people, and volunteers. These four Governors are appointed by the Trust.

Staff and Public Governors are elected in accordance with the Trust's Constitution Election Rules. Elections were held in August 2019 and February 2020 where all 6 seats were filled. The Council agreed to delete the Adjacent Communities constituency which had remained vacant for some time.

Attendance at Council of Governor Meetings 2019-20			
Members and Constituency		**Current Tenure**	**Attendance at Council of Governors**
PUBLIC GOVERNORS			
Martin Osment	Adur	Commenced 01/03/17 Re-elected 01/03/20	2/3
Ian Blackmore	Arun	Commenced 01/04/19 Resigned 06/03/20	2/3
David McGill	Arun and Lead Governor	Commenced 09/09/16 Re-elected 09/09/19	3/3
Stella Benson	Brighton and Hove	Commenced 01/04/19	2/3
Christine Hearn	Brighton and Hove	Commenced 01/04/19	2/3
Stan Pearce	Brighton and Hove	Commenced 05/11/15 Re-elected 01/04/19	3/3
Carolyn Costello	Chichester	Commenced 01/04/19	1/3
Richard Norrie	Chichester	Commenced 01/04/19	3/3
Ratnam Nadarajah	Crawley	Commenced 01/03/17 Re-elected 01/03/20	0/3
Janet Baah	High Weald, Lewes and Havens	Commenced 01/03/20	0/0
Martin Ensom	High Weald, Lewes	Commenced 01/04/19	2/3

	and Havens		
Tim Sayers	High Weald, Lewes and Havens	Commenced 01/03/17 Term ended 29/02/20	2/3
Lilian Bold	Horsham	Commenced 05/11/15 Re-elected 01/04/19	3/3
Anne Walder	Horsham	Commenced 01/04/19	2/3
Jane Richardson	Mid Sussex	Commenced 01/04/19 Resigned 05/03/20	3/3
Tanya Procter	Worthing	Commenced 01/04/19	1/3
STAFF GOVERNORS			
Richard Gorf	Allied Health Professionals including Therapists	Commenced 01/03/17 Resigned 29/02/20	1/3
Jessica Poulton	Allied Health Professionals including Therapists	Commenced 01/03/20	0/0
Griselda Wireko-Brobby	Doctors and Dentists	Commenced 01/04/19	1/3
Ngaire Cox	Nurses and Healthcare Assistants	Commenced 05/11/15 Re-elected 01/04/19	2/3
Emma Swarbrick	Nurses and Healthcare Assistants	Commenced 01/04/19	3/3
Anita Sturdey	Support Staff	Commenced 09/11/16 Re-elected 09/11/19	3/3
APPOINTED GOVERNORS			
Rob Persey	Brighton and Hove City Council	Commenced 01/03/19	3/3
Rachel Harrington	Clinical Commissioning Groups	Commenced 01/12/18	0/3
Tara Dean	Higher Education	Commenced 01/04/19	2/3
Joy Dennis	West Sussex County Council	Commenced 19/07/19	1/2
Jacob Bayliss	Children and Young People	Commenced 01/04/19	1/3
Grainne Saunders	Children and Young People	Commenced 01/04/19	1/3
Ann Barlow	Volunteers	Commenced 12/03/20	0/3
Elaine Foster-Page	Volunteers	Commenced 01/04/19	2/3
Colin Lyall	Volunteers	Commenced 01/04/19 Resigned 06/02/20	2/3
Governors who left the CoG during the year			
Ian Blackmore	Arun		

Tim Sayers	High Weald, Lewes and Havens	
Jane Richardson	Mid Sussex	
Richard Gorf	Allied Health Professionals including Therapists	
Colin Lyall	Volunteers	

Council of Governors Nominations and Remuneration Committee

The Council of Governors Nominations and Remuneration Committee (CoG NRC) is a Committee of the Council of Governors. Its duties are to make recommendations to the CoG in respect of the following:

- Agreement of the terms and conditions, including remuneration, job description and person specification, of the NEDs.
- To receive the annual appraisals of the NEDs.
- To agree the selection processes for NED positions and implement them in order for them to make recommendations for appointment for approval by the Council of Governors.
- To agree any extensions of NED terms, subject to satisfactory annual performance appraisal and taking into account the needs of the Board.
- To regularly review the NED skills-set and arrangements for succession planning.

The CoG NRC comprises the Chair, Lead Governor, one further Elected Public Governor, one Appointed Governor and one Staff Governor. The Chief Executive, the Director of OD and HR and Trust Secretary are also in attendance as required. The CoG NRC convened on 6 June and 21 November 2019, and 5 March 2020 and reported to the CoG after each meeting.

Attendance at Council of Governors Nominations and Remuneration Committee

Nominations and Remuneration Committee	Number of meetings attended
Peter Horn – Chair	3/3
David McGill – Lead Governor	3/3
Martin Ensom – Public Governor	1/1
Tim Sayers – Public Governor	2/2
Rob Persey – Appointed Governor	2/3
Anita Sturdey – Staff Governor	3/3

Membership of the Trust

Foundation Trusts have a responsibility to engage with the communities that they serve and listen to community views when planning services. The Trust has two types of membership: public and staff. All substantive staff automatically become members and the Trust encourages people who live within its constituencies to register as public members. Membership demonstrates support for

the Trust and the services it provides as well as giving members the opportunity to share their views with the Trust to help it best meet patients' needs.

Becoming a Member

Registering as a public member is easy, free of charge and open to anyone aged 12 years and over who lives in one of the Trust's public constituencies by completing an application form (available from community hospital and clinic reception areas) or by applying online at www.sussexcommunity.nhs.uk/get-involved/ft/become-member.htm, by emailing SC-TR.SCTMembership@nhs.net or calling 01273 696011 ext. 1520 for an application form.

Developing and Engaging the Membership

The Trust's membership base has remained broadly static following considerable efforts by Trust staff and Governors to increase it. It is considered that the demographic profile of the population and the large geographical area served by the Trust contributes to the challenges in recruiting new members and maintaining a steady state in membership numbers. Membership engagement, rather than size, is the Trust's key focus, with future plans including joining established community events, electronic membership newsletters, and several Governor-led membership recruitment events held on Trust premises.

The Trust's Annual Members Meeting (AMM) was held in September 2019 at a public venue in Haywards Heath. Before the meeting members, staff and the public were invited to the Trust's Community and Members' Open Day where over 50 services came together to showcase their work and for the public to find out more about the wide range of community services it provides. The AMM fulfilled the requirements of presenting to the Council of Governors the 2018-19 Annual Report and Accounts and Quality Report and a report thereon from the auditors, as well as hearing from colleagues who shared their experiences as part of Be the Change, a mentoring programme for young people.

Analysis of Membership at 31 March 2020

The following table provides details of the composition of the Trust's public membership by constituency over the last three years:

Constituency	2017-18	2018-19	2019-20
Out of Area/Rest of England	125	125	123
Adjacent Communities	102	106	106
Adur	243	245	242
Arun	782	774	792
Brighton and Hove	1,049	1,054	1,044
Chichester	664	660	655
Crawley	434	435	435
High Weald Lewes Havens	150	151	156
Horsham	594	595	574
Mid Sussex	497	496	489
Worthing	388	385	384
Total Public Constituencies	**5,028**	**5,026**	**5,000**
Total Staff Constituencies (headcount)	**5,028**	**4,976**	**5,089**

Contacting Governors

Governors' names are available on the Trust's website: www.sussexcommunity.nhs.uk/governors. Correspondence for the attention of the Board of Directors, or the Council of Governors, or concerning membership issues, can be sent to SC-TR.SCTMembership@nhs.net or to the Trust Secretary, Sussex Community NHS Foundation Trust, Trust HQ, Third Floor, Jevington Building, Elm Grove, Brighton BN2 3EW.

Auditors

The Trust's audit services during 2019-20 were provided as follows:

- Internal Auditors: TIAA

The internal audit plan is risk-based and is prepared annually by the internal auditors in conjunction with the Executive Directors. The draft plan is then presented for review and agreement to the Audit Committee and any changes to the agreed plan in the course of the year requires the Committee's consent. The plan covers areas which are considered to be high risk or of concern and those that are a national requirement. The Audit Committee reviews the performance of internal audit and their reports. In addition, a clinical audit plan is prepared by the Trust for approval by the Quality Improvement Committee and is also reviewed by the Audit Committee.

- External Auditors: Grant Thornton

In March 2019, the Council of Governors agreed, following a competitive tendering process, to appoint Grant Thornton as auditors from the financial year 2019-20 for a period of three years. Previously the auditors had been Ernst & Young. The Audit Committee receives regular reports from the external auditors and monitors their performance. If the external auditors are requested to provide non-audit services, this has to be in accordance with the Trust's policy for External Audit Additional Services and agreed by the Audit Committee and the Council of Governors. In 2019-20 the external auditor provided no non-audit services.

Audit Committee

The Audit Committee's purpose is to provide assurance to the Board of the effectiveness of the Trust's systems of governance and control across the full range of the Trust's responsibilities. It does this by receiving and testing assurance provided in relation to the establishment and maintenance of effective systems of governance, risk management, finance, counter-fraud and internal control across the whole of the Trust's activities, and assures itself regarding the Trust's compliance with regulatory, legal and other requirements. It also receives regular reports from the external auditors, the internal auditors and the local Counter Fraud specialists.

The Audit Committee's remit encompasses elements of healthcare assurance, such as clinical audit, as well as the more traditional audit areas of finance and corporate governance. The Committee has regular meetings with both internal and external auditors without the presence of the Executive Directors.

External auditors prepare and implement an annual plan of work to review the financial management and reporting systems of the Trust and provide assurance that the annual accounts and supporting financial systems are operating effectively. They provide a progress report at each meeting of the Audit Committee.

Internal auditors assist the Audit Committee by providing clear statements of assurance regarding the adequacy and effectiveness of internal controls. The Chief Financial Officer is professionally

responsible for implementing systems of internal financial control and is able to advise the Audit Committee on such matters.

The Committee regularly reviews its own performance against its objectives agreed with the Board. In 2019-20 the Committee achieved its objectives particularly through agreeing audit programmes for the year and regularly monitoring the activities of both the internal and external auditors as well as counter fraud.

At its meetings on 9 June 2020, the Committee considered the Annual Report and Accounts for the year ended 31 March 2020 and agreed that they contained no significant issues that required addressing under the terms of the UK Corporate Governance Code 2018.

Membership and Attendance of Audit Committee

Name	Position	Meetings Attended (out of a possible 5)
David Parfitt	Chair	5/5
Stephen Lightfoot	NED	5/5
Maggie Ioannou	NED	4/5

Remuneration Committees

The Trust operates two separate Committees to make recommendations with regard to the remuneration of Executive and NEDs. They are:

- Board of Directors Nominations and Remuneration Committee – for Executive Director appointments.
- Council of Governors Nominations and Remuneration Committee – for NED appointments.

Non-Executive Director Remuneration

The Council of Governors is responsible for approving the remuneration of the Chair and Non-Executive Directors, based on the recommendations of its Council of Governors Nominations and Remuneration Committee (CoG NRC). In June 2019, the Committee reviewed NED performance and remuneration for 2019-20 and agreed increases in remuneration in line with those applied in the wider NHS.

Executive Director Remuneration

Remuneration and Terms of Service for the Chief Executive and Executive Directors is considered by a Board of Directors Nominations and Remuneration Committee (BoD NRC), with membership consisting of the Chair and Non-Executive Directors. During 2019-20, the Committee met in September 2019 to review appraisals and remuneration of the Executive Directors. The Committee's attendance record is set out overleaf.

The Combined Code of Corporate Governance, the NHS Foundation Trust Code of Governance and NHS Policy requires remuneration committees to ensure levels of remuneration are sufficient to attract, retain and motivate directors of the quality needed to run the organisation successfully, but to avoid paying more than is necessary.

In order to fulfil this requirement, Executive Director's remuneration package is nationally benchmarked against similar trusts and this is used to inform the deliberations and decisions of the Committee.

All Nominations and Remuneration Committee meetings are formally minuted.

Board of Directors Nominations and Remuneration Committee		
Name	Position	Meetings attended (out of a possible 1)
Peter Horn	Chair	1/1
Stephen Lightfoot	NED/Deputy Chair	1/1
Maggie Ioannou	NED	1/1
David Parfitt	NED	1/1
Elizabeth Woodman	NED	1/1
Janice Needham	NED	1/1

Policy on Remuneration of Senior Managers

With the exception of Executive Directors, the remuneration of all staff is set nationally in accordance with NHS Agenda for Change (for non-medical staff) or Pay and Conditions of Service for Doctors and Dentists. The Board of Directors Nominations and Remuneration Committee approves any changes to the pay and terms and conditions of Executive Directors. Performance Related Pay (PRP) is not applicable for any Trust staff, with the exception of Executive Directors.

Health and Safety

Responsibilities

The Chief Nurse is the executive lead for health and safety, and reports in this regard to the Chief Executive, Board and Quality Improvement Committee. The Safety and Risk Manager is responsible for the management of risk, health and safety, and safety alert bulletins.

The Trust’s Health and Safety Committee (HSC) meets every quarter to review the Trust’s performance, in regard to health and safety, and advises the Executive Committee and Board accordingly. The Committee submits an Annual Health and Safety Report to a public Board meeting, and copies of the reports are available to members of the public on the Trust’s website. The Committee is supported by a number of specialist reporting groups, including the Medical Devices Group, Medical Gas Group and the Radiation Protection Group.

Training

All members of staff must attend Trust induction on joining the Trust. This includes training and information on health and safety, with a particular focus on staff responsibilities, how to report incidents or near misses, and an overview of the Trust’s policies and procedures.

All staff (including temporary bank staff) attend or complete online annual statutory training, which includes updates and basic training on core subjects such as health and safety, fire safety, lone working and management of medical devices. The content of training courses is revised every year to incorporate lessons learnt from incidents and changes to guidance and legislation.

Additional health and safety training is provided to all leads, managers, and health and safety representatives, so that they are fully aware of how to implement the Trust’s policies and procedures; including how to undertake risk assessments, assess computer workstations,

investigate accidents, and support staff at greater risk (e.g. stress, young people and during pregnancy).

The Trust also provides training courses mandatory for roles, such as Food Hygiene training for catering staff, Management of Workplace Stress for line managers, Patient Handling training for staff moving or transferring patients, Conflict Resolution Training for all frontline staff, Resuscitation and First Aid courses. All of the Trust's courses have set refresher periods, so that staff stay up-to-date with safe working practices. Attendance rates are monitored by the Health and Safety Committee.

Developments

The Trust's Health and Safety Team undertake regular audits across areas of the Trust, as part of a rolling programme, to monitor and provide assurance that policies and procedures are being effectively implemented and work environments and activities are safe. Findings and guidance from the audits is fed back to managers, and status of actions plans and themes reported to senior managers. The findings from audits inform the Health and Safety Committee's annual workplan and objectives each year.

The Trust's health and safety objectives are formed from the findings and outcomes from incidents, internal inspections and audits, feedback from staff, and external requirements. During 2019-20 the Trust's objectives included initiatives to promote staff health, in particular sources of high sickness rates such as musculoskeletal disorders and stress. The objectives are measured by the Health and Safety Committee and/or as part by the Trust's Commissioning for Quality and Innovation (CQUIN) objectives.

Information Governance

Information Governance (IG) ensures necessary safeguards for, and the appropriate use of, patient and personal information. The Board ensures that all information used for operational and financial reporting purposes is encompassed by, and evidence maintained of, effective information governance processes and procedures with risk based and proportionate safeguards. In order to demonstrate compliance with the General Data Protection Regulations 2016; the Data Protection Act 2018; and relevant information governance guidance, the Trust needs to be able to demonstrate that:

- Information governance policies and procedures are understood by all relevant staff and are operating in practice.
- Reliable incident reporting procedures are in place, with appropriate follow up.
- There have been no material breaches in data security (including personal data in transit) resulting in actual data loss.
- Risk assessments are undertaken and updated on a regular basis.
- Proper levels of security and access controls operate.
- A Data Protection Officer, with appropriate access to the Board including the delivery of periodic reports on governance issues, is in post.

In 2019-20 the Trust met all mandatory evidence items in the Data Protection and Security Toolkit.

The Trust received reasonable assurance from internal audit.

In year the Trust reported to the Information Commissioner's Office (ICO) two serious information governance incidents. The first was reported on the 28 May 2019 where patient information was found in rented accommodation having been left by an agency worker. The second was reported on the 13 August 2019 where a bag was stolen from a member of staff's car which contained patient information. In both cases the ICO closed the investigations with no further action required.

The Trust also reported 749 other IG related incidents (in 2018-19 it reported 701 other IG related incidents). The top five incident categories for the Trust are:

Incident Category	Number
Patient information sent incorrectly/inappropriately	124
Patient documentation inadequate/illegible/incorrect/wrong	79
Patient documentation misfiled	77
Patient information received incorrectly/inappropriately	55
Breach of patient confidentiality	44

All incidents are taken very seriously, they are followed up and awareness is raised across the Trust to staff, and all serious incidents are taken to the Board.

Remuneration Report

The following tables detail the salaries, allowances and pension benefits of directors and senior managers within the Trust.

The remuneration and terms and conditions of Executive Directors are determined by the Board of Directors Nomination and Remuneration Committee which consists of the Chair and all the Non-Executive Directors (NEDs). It is the responsibility of the Council of Governors to decide the remuneration and allowances and other terms and conditions of office of the Chair and NEDs at the Council of Governors Nomination and Remuneration Committee. NEDs do not receive pensionable remuneration. Senior managers are subject to nationally determined pay scales and all Executive Director employment contracts include six months' notice periods.

Pay increases of senior staff are limited to those agreed in the national pay circular for staff covered by the Agenda for Change agreement. From April 2016, the Trust introduced an element of performance related pay for Executive Directors. The Trust's pension policies are detailed in note 10 of the Trust's published annual accounts.

In deciding senior manager remuneration, the Nominations and Remuneration Committee receives benchmarking data and assurance that recommendations on pay are made based on a fair assessment that does not include the postholders' protected characteristics. Diversity and inclusion is one of the key drivers behind the Trust's workforce strategy.

The table below describes the components which make up the remuneration packages of senior managers, and how these offer support for the short and long-term strategic objectives, how the component operates, the maximum payment, the framework used to assess the performance, performance measures, the performance period and the amount paid for the minimum level of performance.

	Basic Salary	Performance Related Bonuses	Pension Benefits
Support for long and short-term Trust objectives	Ensuring recruitment and retention of high quality senior managers	Payment based upon delivery of Trust objectives	Ensuring recruitment and retention of high quality senior managers
How the component works	Through monthly payments	Payment based on agreed criteria	Through monthly payments
Maximum payment	Equal to basic salary	Based on a maximum value of £45k to be shared between all Directors	Equal to basic salary
Framework used to assess performance	Appraisal process	Appraisal process	Appraisal process
Performance measures	Individual objectives agreed with Chief Executive and Board	Individual objectives agreed with Chief Executive and Board	Individual objectives agreed with Chief Executive and Board
Performance Period	Financial year	Financial year	Financial year

Amount paid for minimum level of performance	Equal to basic salary, no performance related element	Zero	Equal to basic salary, no performance related element

Policy on payment for loss of office

Notice of termination for Directors is made in writing as follows:

- Notice of termination by the Trust six months.
- Notice of termination by the post holder six months.

Statement of Consideration of Employment Conditions Elsewhere in the Foundation Trust

In considering any decision on Senior Managers' pay the Nomination and Remuneration Committee takes note of both the organisational and national context.

Expenses of Governors and Directors

At the 31 March 2020 there are six Non-Executive Directors and seven Executive Directors (two Executive Directors are not Board members) in office. There were a number of Executive Director substantive changes during the year, including:

- The former Medical Director, Richard Quirk, left the Trust on 17 June 2019.
- The new Medical Director, Sara Lightowlers, joined the Trust on 1 August 2019.
- The former Chief Operating Officer, Richard Curtin, left the Trust on 24 May 2019.
- Kate Pilcher was promoted as the new Chief Operating Officer on 1 October 2019.
- The Trust appointed a new Chief Digital and Technology Officer, Diarmaid Crean, on 27 May 2019 (an Executive Director who is not a Board member).

There were two resignations amongst Governors during 2019-20 and two other Governors who came to the end of their term. At 31 March 2020 there were two Governors vacancies out of a total of 28.

Elections and took place in August 2019 and February 2020 and all seats were successfully filled.

Total expenses for Directors paid in the year was £14,572 (£21,466 in 2018-19) and for Governors was £1,070 (£459 in 2018-19).

Expenses paid to Directors and Governors		
	Number Claiming (including directors who have now left post)	Total (£00)
Directors	15	146
Governors	9	11
Total	**24**	**157**

Salary and Pension entitlements of senior managers (subject to audit)

Non-Executive Directors 2019-20

Name and title	(a) Salary (bands of £5000) £000	(b) Expenses payments (taxable) to nearest £100* £	(c) Performance pay and bonuses (bands of £5000) £000	(d) Long term performance pay and bonuses (bands of £5000) £000	(e) All pension-related benefits (bands of £2500) £000	(f) TOTAL (a-e) (bands of £5000) £000
Peter Horn (Chair)	40-45	800	0	0	0	40-45
Maggie Ioannou	10-15	0	0	0	0	10-15
Stephen Lightfoot	10-15	200	0	0	0	10-15
Janice Needham	10-15	0	0	0	0	10-15
David Parfitt	10-15	300	0	0	0	10-15
Elizabeth Woodman	10-15	100	0	0	0	10-15

Non-Executive Directors 2018-19

Name and title	(a) Salary (bands of £5000) £000	(b) Expenses payments (taxable) to nearest £100* £	(c) Performance pay and bonuses (bands of £5000) £000	(d) Long term performance pay and bonuses (bands of £5000) £000	(e) All pension-related benefits (bands of £2500) £000	(f) TOTAL (a-e) (bands of £5000) £000
Peter Horn (Chair)	40-45	900	0	0	0	40-45
Maggie Ioannou	10-15	0	0	0	0	10-15
Stephen Lightfoot	10-15	200	0	0	0	10-15
Janice Needham	10-15	0	0	0	0	10-15
David Parfitt	10-15	400	0	0	0	10-15
Elizabeth Woodman	10-15	100	0	0	0	10-15

Executive Directors 2019-20

Name and title	(a) Salary (bands of £5000) £000	(b) Expenses payments (taxable) to nearest £100* £	(c) Performance pay and bonuses (bands of £5000) £000	(d) Long term performance pay and bonuses (bands of £5000) £000	(e) All pension-related benefits (bands of £2500) £000	(f) TOTAL (a-e) (bands of £5000) £000
Siobhan Melia	170-175	0	5-10	0	55-57.5	235-240
Susan Marshall	130-135	0	0-5	0	27.5-30	160-165
Mike Jennings	135-140	0	5-10	0	57.5-60	200-205
Sara Lightowlers	115-120	0	0	0	0	115-120
Kate Pilcher	105-110	0	0	0	70-72.5	175-180
Caroline Haynes	90-95	0	0	0	30-32.5	120-125
Diarmaid Crean	95-100	0	0	0	15-17.5	110-115
Richard Curtin (left 24/05/19)	15-20	0	0	0	0	15-20
Richard Quirk (left 17/06/19)	20-25	0	0	0	0-2.5	20-25

Executive Directors 2018-19

Name and title	(a) Salary (bands of £5000) £000	(b) Expenses payments (taxable) to nearest £100* £	(c) Performance pay and bonuses (bands of £5000) £000	(d) Long term performance pay and bonuses (bands of £5000) £000	(e) All pension-related benefits (bands of £2500) £000	(f) TOTAL (a-e) (bands of £5000) £000
Siobhan Melia	160-165	0	5-10	0	35-37.5	205-210
Susan Marshall	125-130	0	0-5	0	7.5-10	140-145
Mike Jennings	130-135	0	5-10	0	15-17.5	155-160
Richard Curtin	115-120	0	0	0	62.5-65	180-185
Richard Quirk	120-125	0	5-10	0	5-7.5	130-135
Kate Pilcher	85-90	1,000	0	0	35-37.5	120-125

Caroline Haynes	85-90	0	0	0	40-42.5	125-130
Dr Anuschka Muller (left 07/12/18)	65-70	0	0	0	7.5-10	70-75

Pay multiples (subject to audit)

Reporting bodies are required to disclose the relationship between the remuneration of the highest paid director in the organisation and the median remuneration of the organisation's workforce. These comparisons are based on the full-time equivalent (FTE) remuneration (i.e. part-time remuneration grossed up to full-time equivalent).

The mid-point of the banded remuneration of the highest paid director at the Trust in the financial year 2019-20 was £172,500 (2018-19 £167,500). This was 5.6 times (2018-19 5.6 times) the median remuneration of the workforce, which was £30,615 (2018-19 £30,112).

Total remuneration includes salary, non-consolidated performance related pay, benefits in kind, but not severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions. In 2019-20 three (2018-19 two) employees received remuneration in excess of the highest paid director. Remuneration ranged from £16,053 to £205,422 (2018-19 £16,053 to £202,000).

Pension Benefits

Name and title	(a) Real increase in pension at pension age (bands of £2500) £000	(b) Real increase in pension lump sum at pension age (bands of £2500) £000	(c) Total accrued pension at pension age 31 March 2020 (bands of £5000) £000	(d) Lump sum at pension age related to accrued pension at 31 March 2020 (bands of £5000) £000	(e) Cash equivalent transfer value at 1 April 2019 £000	(f) Real increase in cash equivalent transfer value £000	(g) Cash equivalent transfer value at 31 March 2020 £000	(h) Employer's contribution to stakeholder pension £000
Siobhan Melia (Chief Executive)	2.5-5	2.5-5	45-50	95-100	670	66	752	0
Susan Marshall (Chief Nurse)	2.5-5	7.5-10	45-50	140-145	1,046	77	1,148	0
Michael Jennings (Chief Financial Officer)	2.5-5	2.5-5	30-35	60-65	451	62	523	0
Sara Lightowlers (Medical Director)	Joined the Trust on 1 August 2019 and opted out of the NHS pension scheme a month later							
Kate Pilcher (Chief Operating Officer)	2.5-5	5-7.5	15-20	30-35	228	65	298	0
Caroline Haynes (Director of HR and OD)	0-2.5	0	15-20	25-30	202	29	236	0
Diarmaid Crean (Chief Digital and Technology Officer)	0-2.5	0	0-5	0	0	18	21	0
Richard Curtin (Chief Operating Officer)	0	7.5-10	15-20	125-130	610	n/a - retired	n/a - retired	0
Richard Quirk (Medical Director)	0-2.5	0-2.5	20-25	45-50	303	5	331	0

Cash Equivalent Transfer Value (CETV)

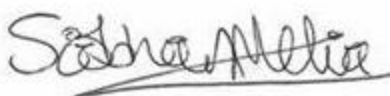
This is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement 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 the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

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

Real increase in CETV

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

Signed:



Siobhan Melia, Chief Executive
Date: 16 June 2020

Public and Stakeholder Engagement Report

Friends and Family Test (FFT) – SCFT Ratings

The heart of the Trust's success is the involvement of patients, carers, their relatives and the community.

The Trust is committed to acting on feedback received and to share and learn from the feedback received. The Friends and Families Test satisfaction score remains consistently high with an average score of 96.4%.

A variety of methods are used to collect patient feedback including social media, surveys, listening to patients who share their stories at Board meetings and via the FFT. FFT is available to complete in services either online by using SmartSurvey or by completing a printed card. Patients are asked to complete FFT feedback, either on discharge (at intermediate care units, minor injury units and urgent treatment centre) or periodically, for long-term community patients.

The FFT comprises of two questions

1. If a friend or family member needed similar care or treatment would you recommend the service to them? (This is rated from 'Extremely likely' to 'Extremely unlikely')
2. Why have you given the rating you have? (This is a free text box)

In the period April 2019 till February 2020 (11 months) the Trust received 20,381 responses. At a national level, in response to COVID-19, it was announced that FFT was to be suspended in March 2020. Therefore monthly figures since March 2020 are not being recorded. In 2018-19 the Trust received 21,726 responses. Monthly response rates and percentage of people who said they would recommend our services or unlikely to recommend our services are included below:

Nationally aligned categories of reporting	Apr 19	May 19	Jun 19	Jul 19	Aug 19	Sep 19	Oct 19	Nov 19	Dec 19	Jan 20	Feb 20	Mar 20
Community In- Patients	117	144	135	118	126	160	166	186	121	152	166	N/A
Community Nursing	43	87	86	80	103	69	76	65	33	69	67	N/A
Rehab & Therapy Services	63	61	65	91	70	64	67	114	101	94	68	N/A
Specialist Services	340	301	382	370	742	677	601	473	346	475	542	N/A
Children & Family Services	258	375	227	209	261	292	326	274	286	267	284	N/A
Community Healthcare Other	657	849	1176	1037	832	599	882	574	460	889	891	N/A
Total FFT Submitted	**1,478**	**1,817**	**2,071**	**1,905**	**2,134**	**1,861**	**2,118**	**1,686**	**1,347**	**1,946**	**2,018**	**N/A**
Likely to recommend	95.6%	95.8%	94.27%	95.43%	95.6%	97.37%	96.4%	97.3%	96.8%	96.6%	97.18%	N/A

(Percentage)												

The unlikely to recommend percentage for the period April 2019 to February 2020 was 1.4%.

Benchmarking

In total 149 community health care organisations submit monthly FFT data to NHS Digital. National data shows an average recommendation percentage score of 95% for community services. The Trust consistently scores higher than this average, with an overall score for the 11 month period in 2019-20 of 96.4%.

FFT Developments

The electronic collection of FFT using SmartSurvey has improved significantly during 2019-20 and has been particularly successful in increasing feedback from patients who access Horsham Minor Injuries Unit and Crawley Urgent Treatment Centre.

More services (e.g. nutrition, dietetics and Time to Talk services) are now engaging with FFT for the first time and collecting valuable feedback.

Positive Themes and Comments from FFT

For the fourth year 'staff attitude' features as the highest positive theme from FFT feedback. Some examples from 2019-20 include:

"Helped lots with baby's weight and height. Health visitor actually listened about her weight." (HCP Mid Sussex South - April 2019)
"Excellent care. Friendly staff making sure I was comfortable. Everyone was very professional and I had excellent care." (Clinical Assessment Unit - May 2019)
"The service from the healthcare professional carrying out the screening was excellent with full explanation as the screening progressed." (AAA - June 2019)
"Certainly know their jobs backwards, answering any questions with ease and with confidence. Putting your mind at ease of the condition." (Heart Failure Nurses, East Sussex - July 2019)
"Everyone is so caring. I couldn't be more grateful to staff who have looked after me." (Nutrition and Dietetics - August 2019)
"Extremely helpful and caring. Since having the care my mobility and confidence has improved immensely. Keep doing what you are doing and I will be a happy bunny. Thank you." (Burgess Hill Communities of Practice - September 2019)
"I've been very well treated since I've been in Bognor hospital. The nurses have been so caring in every way. So kind, so I'm very grateful for all they have done for me." (Leslie Smith Ward, Bognor Regis War Memorial Hospital - October 2019)
"The staff are very polite and caring. Making the visits a pleasure. I don't think that things could be improved. The patient's needs always come first." (Podiatry - November 2019)
"Good attention. Everything was very clear and to the point. Doctor was very attentive and kind. Staff very friendly." (Prosthetics - December 2019)

"Always patient and very caring with my daughter as she can be very difficult. The service she receives is always very good. I don't know how you could improve it." (Special Care Dentistry - January 2020)
"Staff always very friendly and helpful and speed the process along as best they can." (Community Radiology Service, Uckfield - February 2020)
"The Doctor and Nurses I saw were fantastic – professional and friendly. Dealt with my issue there and then. Also the wait time was relatively short as well, which was a bonus." (Crawley Urgent Treatment Centre - March 2020)

Complaints

The Trust received 223 formal complaints in 2019-20 which compared to 211 in 2018-19 (5.7% increase). The number of complaints received each month from April 2018 to March 2020 is shown below:

April 2018 – March 2019	No. of complaints	April 2019 – March 2020	No. of complaints
April	16	April	14
May	19	May	21
June	15	June	9
July	11	July	22
August	23	August	25
September	18	September	20
October	13	October	17
November	23	November	18
December	8	December	14
January	19	January	19
February	21	February	30
March	25	March	14
Total	**211**	**Total**	**223**

The Trust use complaints as an opportunity to continuously learn and improve, and takes the feedback from complaints seriously.

Complaint Themes

Categories of complaint are recorded on the Datix recording system and align to national reporting as well as assisting to identify themes where improvements may be necessary. The below table shows the number of complaints received by categories in 2019-20:

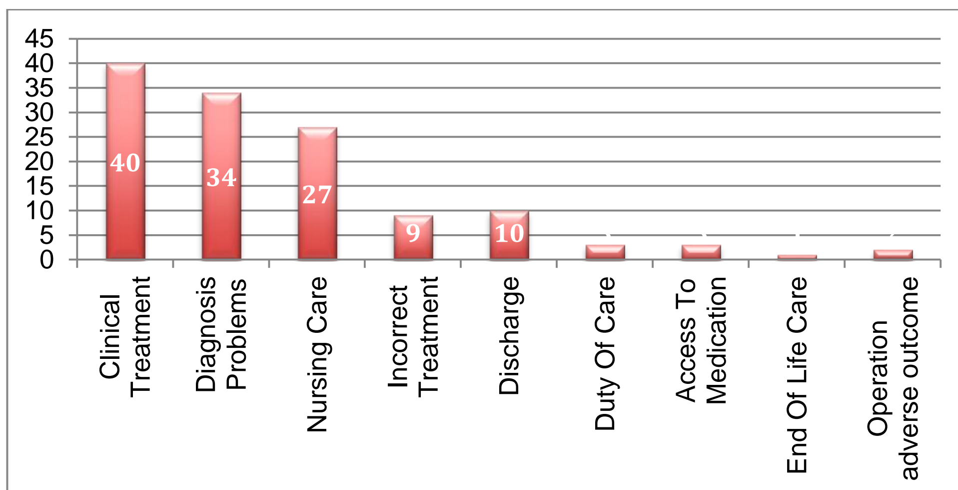
Complain category/theme	No. of Complaints
Clinical provision	134
Attitude of staff	36
Communication	18
Appointments	11
Equipment and supplies	7
Patient care	4

Waiting times	4
Access to treatment or drugs	2
General procedures	1
Prescribing	1
Information requests	1
Customer care	1
Discrimination	1
Admission and discharges	1
Building/premises	1
Total	**223**

Clinical provision covers a broad category of complaints. National data (KO41) is collected under this broad category. For internal use, to enable more informative trend analysis, subcategories are used in line with the Trust's incident reporting categories. This enables the Trust to identify areas that have high numbers of incidents and complaints, and then provide targeted support. Clinical provision sub-categories are:

- Clinical treatment
- Access to medication
- Discharge
- Diagnosis problems
- Duty of care
- End of life
- Incorrect treatment
- Medication error
- Nursing care
- Falls in wards
- Operation – adverse outcome

The chart below shows the breakdown of the 134 complaints received under the category of clinical provision in 2019-20:



Risk Assessment

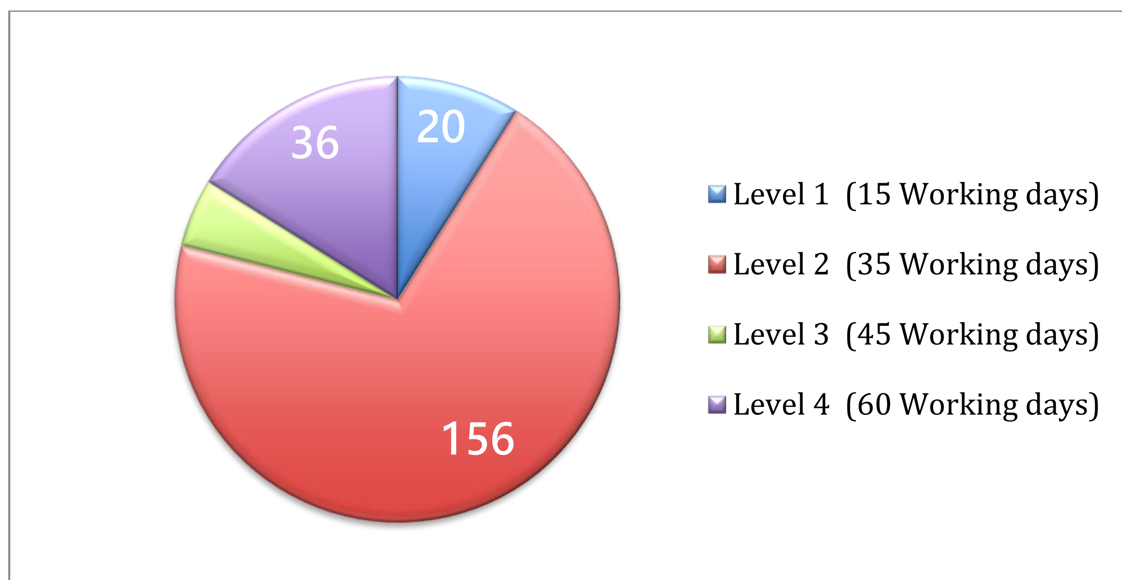
A risk assessment is carried out for each complaint received. This helps to understand the range of risks that may be present in the Trust, the level of ability to control those risks, the likelihood of reoccurrence and the potential impact.

Complaints are risk assessed initially by the Complaints team and then by the service involved. The Trust uses the Department of Health risk assessment matrix to risk assess complaints. The rating may be adjusted based on further investigation.

Response times are provided according to risk rating. A further category of risk assessment has been included since April 2019 to more accurately reflect the complexities and timescales involved in investigating and responding to complaints. These changes were agreed by the Patient Experience Group and Trust-wide Governance Group. From April 2019 there are 4 levels of risk and timescale for complaints:

- Level 1 – within 15 working days.
- Level 2 – within 35 working days.
- Level 3 – within 45 working days.
- Level 4 – within 60 working days.

The chart below shows the initial risk ratings of complaints received in 2019-20:



Complaint Response Times

Complaint response timeframes are monitored monthly and reviewed at both Patient Experience Group and Trust-wide Governance Group and continue to meet 100% compliance.

Outcome of Complaints

In 2019-20, of the 223 complaints received, 204 were closed and, at the time of writing this report, 19 are still open and on target to be resolved within the allocated target response time.

Following investigation, complaints will be determined to have been upheld, partially upheld or not upheld.

Not Upheld Rationale

Complaints recorded as ‘not upheld’ indicate that the patient received the appropriate level of clinical care within the confines of the service specification, so there was no lapse in care. Learning from these complaints would be around managing service user expectations by providing leaflets and discussion at the point of engagement with the service, as well as ensuring other

organisations, who refer to the Trust, are aware of the extent of its service, which also assists service users.

Where a complaint is not in relation to clinical care and the allegations are investigated and unfounded the complaint will be deemed as not upheld.

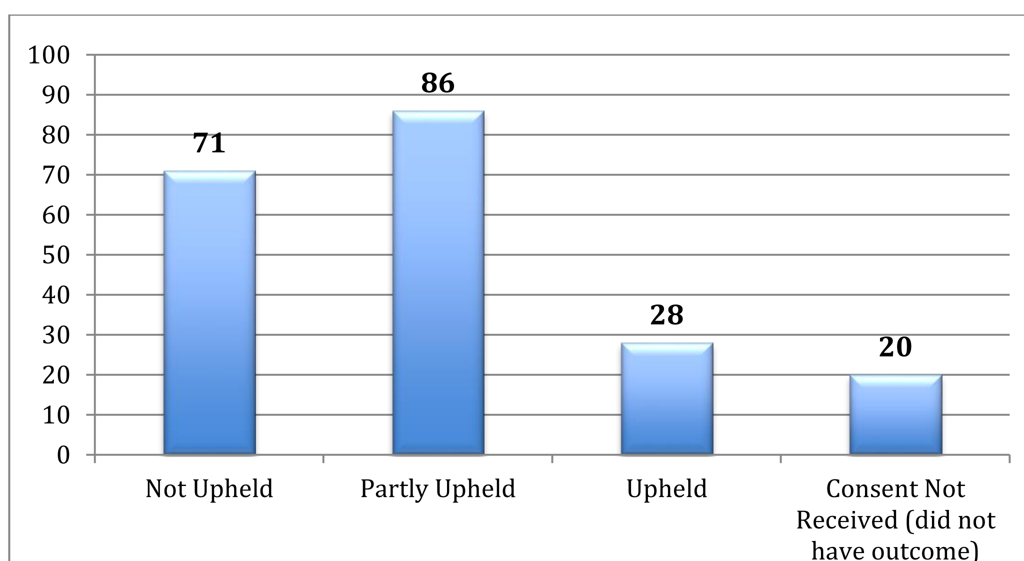
Upheld Rationale

Complaints recorded as 'upheld' are where the complainants' allegations are investigated and substantiated.

Partially Upheld Rationale

'Partially upheld' is a category recognised by NHS England and reported in the NHS Trusts quarterly report submissions (Known as KO41a). Partially upheld complaints are where allegations made in a complaint are investigated and where elements of the concerns raised are upheld and where other aspects of the complaints are not.

The chart below shows the outcome of complaints closed in 2019-20:



The Trust's investigator initially rates the outcome of each section, dependent on their findings and described their rationale for the decision. This is reviewed by the Patient Experience team and agreed by senior operational management.

Learning from Complaints

The Trust seeks to make improvements based on the identified learning from complaints, incidents, claims and PALS contacts. Complaints are discussed at the Area Management team meetings and quarterly reports to the Trust-wide Clinical Governance Group and Quality Improvement Committee. Learning is shared across the Trust. One example includes where a patient raised a complaint because they were unclear what Responsive Services does and does not provide, which made the patient confused and feeling frustrated. In response, a patient leaflet describing the service was produced which is now made available to patients, families and their carers. The leaflet is available in print and online from the Trust's website.

Parliamentary Health Service Ombudsman (PHSO)

During 2019-20 eight complaints were referred to the PHSO. Of these:

- Three cases were declined to be investigated.
- One case was investigated but was not upheld.
- One case was investigated and partly upheld, with recommendations made for the Trust.
- Three cases remain under review/investigation.

Patient Advice and Liaison Service (PALS) – number of PALS enquires and themes

In 2019-20 1,242 PALS contacts were received which is an increase of 8.4% from the previous year. Of these, 364 were signposted to other local organisations who are the relevant providers of health and care. 879 contacts related directly to Trust services – a summary of the majority of these is included below:

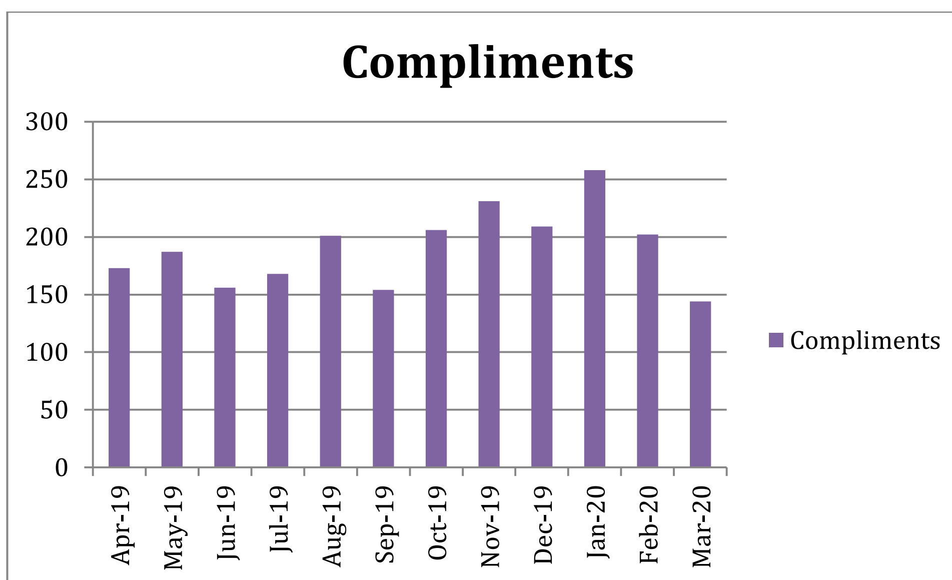
- 90 were signposted to relevant services.
- 546 were resolved by the PALS team in conjunction with the service involved.
- 111 were requests for information about Trust services.

The PALS service is represented at Trust events. Members of the PALS/Patient Experience team regularly visit intermediate care units to ensure feedback is recorded and shared for appropriate action.

Compliments

There were 2,289 compliments recorded on the Trust's compliments database in 2019-20; an 11% increase on the number of compliments recorded in 2018-19 (2,062).

The chart bellows shows the number of compliments received per month for 2019-20:



Staff Report

Workforce

The Trust values its staff and recognises that they are its greatest asset. The overall aim is to develop staff, give them clear career pathways, provide them with the leadership, skills and knowledge they need to deliver the care patients need now and in the future; to support their wellbeing and to recognise and value their diversity.

The workforce and the needs of patients are changing and consequently so is the way care is delivered. Shortages of clinical staff nationally, an older workforce and changes to education pathways means that the Trust's workforce profile is evolving. Pressures in secondary and social care and the emergence of new ways of working as part of the commitment to Primary Care Networks require staff to have new skills and for skill mix to see an increased proportion of unregistered clinical staff.

The Trust's Workforce Strategy, launched in 2019, describes the pathway to creating the workforce needed to deliver its vision of excellent care at the heart of the community. It sets out the strategic workforce priorities and the approach taken to deliver these. It builds on the culture of innovation and continuous improvement, of openness and transparency, and of collaborative leadership grounded in its values. The strategy builds on the Trust's strong foundations as a good employer and its values, and is key to the delivery of the Trust's Strategy.

The strategy is based on four key drivers that will help retain and engage with its people and attract and recruit new staff:

- To improve how the Trust connects across the organisation and learn from each other.
- To ensure the Trust is an inclusive employer that offers a learning environment and a culture of development.
- To embed Trust-wide initiatives locally and equip its managers with the skills to lead their teams with confidence and compassion.
- To provide the right environment for people to carry out their role and stay well.

The NHS People plan focuses on the NHS being a better place to work, as well as on collaboration at system level. The Trust's Workforce Strategy is aligned to the national objectives and and Trust will continue to work with partners on key workforce issues affecting the NHS locally.

The delivery of this strategy will make a difference to the fantastic people who work in the Trust. The Trust is excited to put this into practice in the coming years to ensure everyone is able to thrive.

Workforce vision

The Trust is proud of the care provided to its patients and its pivotal role in the health and care system. Its vision is to be the employer of choice for clinicians and support staff whether they are already employed by the Trust, are starting their career in the NHS or are looking for a role that will fulfil their professional ambitions and meet their personal aspirations.

The will continue to monitor its performance against other NHS trusts, through both the national staff survey and the Staff Friends and Family Test. In addition, it will continuously review what it does, what has worked and not worked well, and what improvements and innovation will help in the future. The Trust will monitor workforce indicators to measure its performance against targets and celebrate success.

Staff engagement

The last year has seen an increased focus on staff engagement, with investment in additional ways for colleagues to share good news, best practice and lessons learned.

The organisation further developed Trust-wide engagement events to promote better networking and to support staff to build relationships with colleagues.

The organisation's performance in major communications and engagement campaigns has continued to improve, indicating an increasing level of staff engagement. This includes:

- The Staff Survey response rate improved by 9 percentage points year-on-year.
- The campaign to improve flu vaccination rates exceeded its 80% target ahead of schedule and achieved 82.4% compared with 79.4% in 2018-19.
- The annual Staff Awards received a record breaking numbers of nominations – 240 compared with 188 in 2018.
- A updated version of the Book of Good Stuff, where teams can record and discuss their good work/what they are proud of, was sent to all teams. A Digital Book of Good Stuff is also available from the intranet, where teams are happy to share their good stuff across the Trust. Some are also shared externally via social media posts.
- The Brighton General redevelopment proposals were formulated with significant input from staff and new engagement events took place in February and March with the latest update.

Staff Networks

The Trust's Staff Networks (LGBT+, BAME, Religion and Belief, and Disability) continue to develop, with more than 400 members and 300 lanyard wearers. A range of activities were undertaken as highlighted in the earlier celebrating success section (pages 9 to 15).

NHS Staff Survey

The NHS staff survey is conducted annually. The results are grouped to give scores in 11 key themes. The Trust is above average, or in line with other providers of NHS community services, in all of the 11 key themes, as set out on page 80.

The indicators are based on a score out of 10 for certain questions with the indicator score being the average of those.

The overall response rate to the 2019 survey among staff was 66%, compared with 57% in 2018, a 9 percentage point increase. The results demonstrate a continued improvement in three key themes: morale, the quality of appraisals and quality of care.

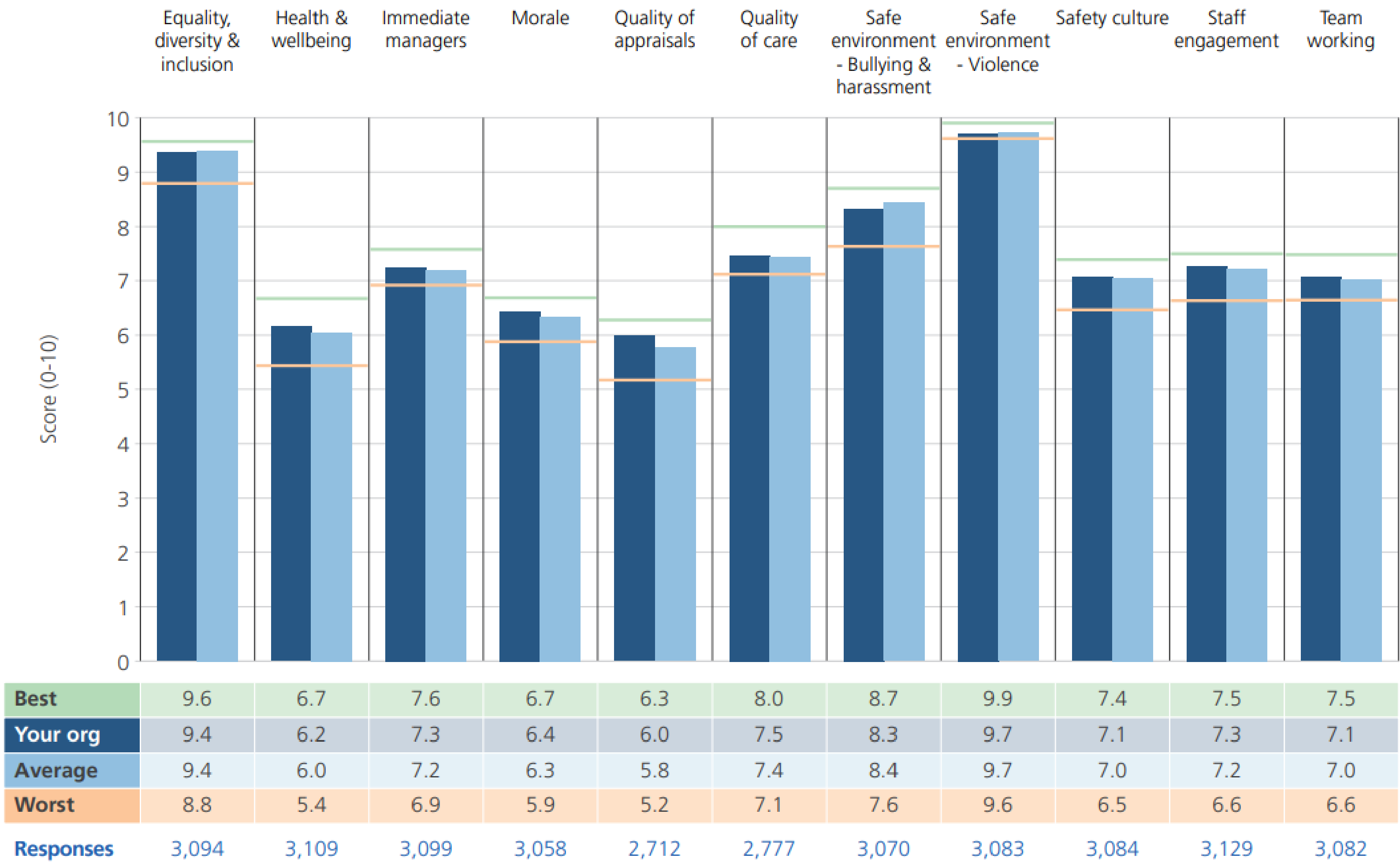
In 2019 the results showed that:

- 81% of people say care is the Trust's top priority.
- 79% would recommend the care the Trust provides to family or friends.
- 71% would recommend the Trust as a place to work.

Even more people said that they would recommend the Trust as a place to work this year.

Areas where the Trust wants to do better in 2020-21 include:

- Reduce aggression, violence and abuse experienced by staff from patients and their families, the Trust's own staff and colleagues from partner organisations.
- Reduce experienced discrimination relating to disability and ethnicity.
- Do more to share patient and service user feedback to drive improvements.



	Equality, diversity & inclusion	Health & wellbeing	Immediate managers	Morale	Quality of appraisals	Quality of care	Safe environment - Bullying & harassment	Safe environment - Violence	Safety culture	Staff engagement	Team working
Best	9.6	6.7	7.6	6.7	6.3	8.0	8.7	9.9	7.4	7.5	7.5
Your org	9.4	6.2	7.3	6.4	6.0	7.5	8.3	9.7	7.1	7.3	7.1
Average	9.4	6.0	7.2	6.3	5.8	7.4	8.4	9.7	7.0	7.2	7.0
Worst	8.8	5.4	6.9	5.9	5.2	7.1	7.6	9.6	6.5	6.6	6.6
Responses	3,094	3,109	3,099	3,058	2,712	2,777	3,070	3,083	3,084	3,129	3,082

Employee health and wellbeing

The Trust has a number of schemes in place to incorporate and develop a culture of wellbeing. Activities this year included:

- Flexible working brochure launched.
- Carers drop-in sessions held across the Trust and membership to Employers for Carers – supporting staff who have caring responsibilities outside of work.
- Bespoke wellbeing sessions and away days for teams.
- Online resources to encourage and support wellbeing discussions within teams.
- First wellbeing survey carried out with plans to respond to feedback.
- Quality improvement project carried out to develop the Trust's Health and Wellbeing Group.
- 70 Mental Health First Aiders trained across the Trust.
- Weight Watchers pilot enabled 50 staff to join a free 12-week course.
- Continued promotion of the Trust's staff benefits brochure.
- Staff awards followed by a staff ball with over 650 staff attending.
- Promotion of 24/7 health and wellbeing app.
- Continued promotion of the Trust's wellbeing fund where teams can submit a proposal to improve their health and wellbeing at work. Many examples have been shared across the Trust.
- Wellbeing@Work Month (May) consisting of roadshows, taster sessions and events.
- Lunch and learn sessions.
- Eating psychology course.
- Exercise classes at various venues.
- SalaryFinance to help staff with financial wellbeing.
- Retirement seminars.
- Stay and play sessions available at nurseries for parents on maternity leave.
- Reviewing some induction processes to make a better welcome for new staff.
- Support for women going through the menopause via the Trust's risk assessment template.
- Access to PhysioMed for staff with chronic musculoskeletal conditions.
- Staff support brochure detailing a full range of support available.

Staff Benefits

- The staff benefits lead meets with new staff every two weeks and provides information on staff wellbeing, including upcoming wellbeing events and conferences.
- The Trust promotes the 'MyTrust Benefits' website which gives national and local discounts for NHS staff.

- To support parents and carers of children including information about the Trust's three nurseries. Information is made available on childcare vouchers and childcare information.

- The Trust provides regular retirement seminars to help staff plan their life after retirement ensuring that their wellbeing continues with life after work. In the last three years 15 retirement seminars have been held and attended by over 400 colleagues.

- The Trust runs a new starters survey to help it understand the needs of staff and any issues arising. This helps identify the key areas which need improving so that the Trust can improve recruitment and retention.

- A new car lease and electronics scheme was launched.

Staff Communications

To strengthen staff engagement, the Trust continues to improve the way it communicates with staff and promotes good dialogue between staff and the senior team. The Trust's engagement with staff includes:

- The intranet is the Trust's main day-to-day communication tool, with real-time information published to help support staff.

- More staff are using social media including Facebook, Twitter and LinkedIn to receive and engage with the Trust. A key example includes the flu vaccination campaign. Many staff liked, shared, commented on and retweeted messages to show their support.

- Hosted many staff Facebook groups with over 700 actively engaged members.

- Provided information in various formats including films and animation.

- Delivered a fortnightly team briefing providing information for all staff, to encourage discussion in teams and generate feedback.

- Sent out a weekly message from the chief executive, linking what's going on within the Trust and locally to the national picture. In response to staff feedback this is also shared through the social media channels.

- Delivered a monthly overview (known as Team Talk) of Trust priorities and key news for managers to deliver face-to-face with staff. Managers also use this tool to raise and discuss local issues within their teams and provide feedback to the senior team.

- An annual staff awards, an annual award at the leadership conference and an employee of the month scheme, showcasing best practice and recognising achievement.

- Livestream Board meetings held in public with people viewing each event through Facebook, often with questions asked by the public to the Board.

- Members of the Board and the executive leadership team regularly visit services across the Trust. Governors also attend service visits with a Non-Executive Director.

- Ensured that all staff communications can be accessed by all, continuously improving accessibility for staff, for example, people with hearing impairments and learning disabilities.

Leadership development

The organisation offers a range of leadership opportunities for all levels of leaders including courses, coaching and mentoring, and an annual leadership conference. All staff have access to regular supervision and an annual appraisal. Support is also offered for team development. The Trust has regular engagement events for staff to meet with the senior leadership team.

The Trust is committed to strengthening the skills of its leaders by:

- Providing leadership masterclasses. These are a combination of theory, engagement opportunities with the Chief Executive/Executive Directors and practical discussion with peers about leadership challenges.
- Promoting coaching and mentoring as a key development opportunity and developing a coaching and mentoring community within the Trust.
- Reviewing the internal leadership development offer which includes leadership development programmes for leaders at different levels and subject specific programmes e.g. supervision, HR management programmes, coaching skills, assertiveness and resilience.
- Delivering the annual Leadership Conference. More than 150 colleagues attended. The theme was 'Leadership for Inclusion' and there were a range of inspirational speakers, including Professor Papadopoulos, Professor of Transcultural Health and Nursing, and Matt King OBE, leading motivational speaker, lawyer, artist, adventurer and author. Delegates also enjoyed a range of informative workshops.
- Recognising leadership potential in all staff and encouraging staff to have conversations at appraisal about their aspirations and potential.
- Offering tailored support to teams with specific needs, for example, teams where there has been significant change.

Staff Friends and Family Test

79% of staff would recommend the Trust as a place to receive treatment (85% national average community trust's score). 71% would recommend the Trust as a place to work (67% national average community trust's score). Trust figures are at quarter three in 2019-20 whereas national figures are reported at quarter two. In 2020-21 the Trust will repeat the Staff Friends and Family Test and try to understand the reasons for the below average score in the first measure above.

Freedom to Speak Up Guardian

Enabling staff to speak up about a concern that they have at work is vital because it helps the Trust to keep improving its service for patients, clients and carers, and for its colleagues and teams.

A dedicated Freedom to Speak Up Guardian works alongside leadership teams to support the Trust to promote an open and transparent place to work, where all colleagues are actively encouraged and enabled to speak up safely.

Recruitment

In 2019-20 the Trust continued with its recruitment and retention campaign called '#CommunityThatCares'. The recruitment element has focused on attracting nurses, healthcare

assistants and allied health professionals to join the Trust's various teams across Sussex. Photographs of staff feature in the campaign including their experiences of working for the Trust.

Regular social media posts are made on the Trust's social media platforms to promote individual jobs.

Apprenticeships

Over 100 colleagues at the Trust are being supported to undertake an apprenticeship course to develop their skills and knowledge.

Overall staff numbers

The table below sets out the average staff numbers for 2019-20 (subject to audit). The total number of staff employed was 4,293 whole time equivalents (WTE), made up of 4,202 WTE permanently employed staff and 91 WTE temporary staff.

Staff Group	2019-20 Total Number	2019-20 Permanent Number	2019-20 Other Number
Medical and Dental	79	62	17
Ambulance staff	0	0	0
Administration and Estates	940	935	5
Healthcare Assistants and other support staff	1,091	1,060	31
Nursing, Midwifery and Health Visiting staff	1,336	1,308	28
Nursing, Midwifery and Health Visiting learners	25	25	0
Scientific, Therapeutic and Technical staff	799	789	10
Healthcare Science staff	23	23	0
Social Care staff	0	0	0
Other	0	0	0
Total average numbers	**4,293**	**4,202**	**91**
Of which			
Number of employees (WTE) engaged on capital projects	**50**	**46**	**4**

Staff Costs

Staff Costs*	Permanent £000s	Other £000s	Total £000s
Salaries and Wages	140,724		140,724
Social Security Costs	13,062		13,062
Apprenticeship Levy	688		688
Employer's contributions to NHS pensions	17,942		17,942
Employer's contributions to NHS pensions paid by NHSE	7,840		7,840
Pension Cost - other	46		46

Temporary Staff		5,510	5,510
Total Gross Staff Costs	**180,302**	**5,510**	**185,812**
Of which			
Costs capitalised as part of assets	**356**		**356**

*(Subject to audit)

Gender distribution of our staff (as 31 March 2020)

Headcount (primary assignments only)					
Category	**Total**	**Female**	**Percent (%)**	**Male**	**Percent (%)**
Executive directors	7	5	71.43%	2	28.57%
Other senior managers (Agenda for Change bands 7-9 and senior medical and dental staff)	1,196	957	80.02%	239	19.98%
All other employees	3,886	3401	87.52%	485	12.48%
Total	**5,089**	**4,363**	**85.73%**	**726**	**14.27%**
Full time equivalent (FTE)					
Category	**Total**	**Female**	**Percent (%)**	**Male**	**Percent (%)**
Executive directors	7	5	71.43%	2	28.57%
Other senior managers (Agenda for change bands 7-9 and senior medical and dental staff)	1,016.42	796.84	78.40%	219.59	21.60%
All other employees	3,100.44	2,651.62	85.52%	448.83	14.48%
Total	**4,123.87**	**3,453.45**	**83.74%**	**670.41**	**16.26%**

Gender pay gap

The Trust’s gender pay gap information can be found online at: https://gender-pay-gap.service.gov.uk/employer/AJxxNWrJ.

Staff Sickness

For information on staff sickness please visit this website: https://digital.nhs.uk/data-and-information/publications/statistical/nhs-sickness-absence-rates

Use of Agency and Bank Staff

In 2019-20 the use of agency staff has decreased compared with 2018-19 against a background of local and national staff shortages. Reducing the number of agency staff is better for both the finances and for patients. Recruiting and retaining a high quality and motivated workforce remains a key challenge and a key priority for the Trust. The Trust has had some success in reducing the use of agency staff by recruiting more permanent staff through its recruitment and retention

campaign known as 'A Community That Cares': www.individualasyou.com and proactively promoting various roles via its social media channels.

On all occasions the Trust seeks to minimise the use of agency staff by investing and making the best use of its in-house bank, Staff Direct. Over 200 people responded to the first ever Bank Staff Survey. This on-going feedback is used to improve the service and experience for temporary staff.

The overall use of temporary workforce (including agency, bank and locum costs) as a percentage of the total pay bill was 9%. This compares with a target of 11%. In 2018-19 performance was 9.7% of the total pay bill.

Expenditure on Consultancy

The Trust spent £122k on external consultancy in 2019-20. This compares to £64k in 2018-19.

Off Payroll Engagements

As an organisation subject to HM Treasury Guidance *'Managing Public Money'*, the Trust has a responsibility in safeguarding public interest.

In May 2012, HM Treasury carried out a review on the tax arrangements of senior public sector appointees. The aim of the review was to ascertain the extent of arrangements which could allow public sector appointees to minimise their tax payments and make appropriate recommendations to address the problem.

The Trust is committed to tackling all forms of tax avoidance and demonstrates a high level of scrutiny around tax arrangements of appointees in the Trust.

The Trust operates a policy covering off payroll engagements. This policy provides guidance to ensure compliance with HM Treasury's recommendations on tax arrangements for the following public sector appointees:

- Board members.
- Senior officials with significant financial responsibility.
- Engagements of more than six months in duration, with a daily rate of over £245.

The table below relates to all off-payroll engagements at 31 March 2020, of over £245 per day and that lasts for longer than six months:

	Number
Number of existing engagements as of 31 March 2020	4
Of which the number that have existed:	
For less than one year at the time of reporting	0
For between one and two years at the time of reporting	0
For between two and three years at the time of reporting	0
For between three and four years at the time of reporting	3
For more than four years at the time of reporting	1

All existing off-payroll engagements have been subject to a risk-based assessment of whether evidence is required that the individual is paying the right amount of tax and, where necessary, assurance has been sought.

The table below relates to all new off-payroll engagements, or those reaching six months in duration, between 1 April 2019 and 31 March 2020, for more than £245 per day and that last for longer than six months:

	Number
Number of new engagements, or those that reached six months in duration, between 1 April 2019 and 31 March 2020	0
Of which:	0
Number assessed as within the scope of IR35	0
Number assessed as not within the scope of IR35	0
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 new engagements that saw a change to IR35 status following the consistency review	0

The table below relates to any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2019 and 31 March 2020:

	Number
Number of off-payroll engagements of board members, and/or, senior officers with significant financial responsibility, during the financial year	0
Number of individuals that have been deemed 'board members and/or senior officials with significant financial responsibility' during the financial year. This figure includes both off-payroll and on-payroll engagements	14

Exit Packages

Exit packages for the year totalled £31k for 7 staff (subject to audit) – see below:

Exit package cost band (including any special payment element)	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages
Less than £10,000		6	6
£10,000 - £25,000			
£25,001 - £50,000	1		1
£50,001 - £100,000			
£100,001 - £150,000			
£150,001 - £200,000			
>£200,000			
Total Number Exit Packages by Type	1	6	7
Total Resource Cost (£000)	20	11	31

2018-19

Exit package cost band (including any special payment element)	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages
Less than £10,000		8	8
£10,000 - £25,000	1	1	2
£25,001 - £50,000			
£50,001 - £100,000		1	1
£100,001 - £150,000			
£150,001 - £200,000			
>£200,000			
Total Number Exit Packages by Type	1	10	11
Total Resource Cost (£000)	15	89	104

The next two tables show the number of non-compulsory departures which attracted an exit package in the year (subject to audit).

	Agreements Number	Total Value of Agreements £000
Voluntary redundancies including early retirement contractual costs		
Mutually agreed resignations (MARS) contractual costs		
Early retirements in the efficiency of the service contractual costs		
Contractual payments in lieu of notice	6	11
Exit payments following Employment Tribunals or court orders		
Non-contractual payments requiring HMT approval*		
Total	6	11
Of which: non-contractual payments requiring HMT approval made to individuals where the payment value was more than 12 months of their annual salary		

2018-19

	Agreements Number	Total Value of Agreements £000
Voluntary redundancies including early retirement contractual costs		
Mutually agreed resignations (MARS) contractual costs		
Early retirements in the efficiency of the service contractual costs	10	89

Contractual payments in lieu of notice		
Exit payments following Employment Tribunals or court orders		
Non-contractual payments requiring HMT approval*		
Total	10	89
Of which: non-contractual payments requiring HMT approval made to individuals where the payment value was more than 12 months of their annual salary		

Diversity and Inclusion

The Trust's strategic ambition for equality is 'equitable care at the heart of all its communities'. During 2019-20 it continued to deliver this ambition and examples of progress are highlighted below, including:

- Developed further the Black, Asian and Minority Ethnic (BAME) and Lesbian, Gay, Bisexual, Transgender/Transsexual plus (LGBT+), Religion and Belief, and Disability staff networks.
- 101 staff attended a full-day Inclusive Leader course facilitated by the Trust's Diversity and Inclusion Lead. The course is an opportunity for staff to learn more about other social groups, to build positive relations at work, reduce prejudice and discrimination, and how to work successfully with people.

In 2020-21 the Trust will further embed equality and human rights analysis across the organisation.

For more detail please visit www.sussexcommunity.nhs.uk/equality

Joint Consultative and Negotiating Committee

The Trust is committed to working together with Staff Side (including Trade Union Representatives and volunteers including Union Stewards, Workplace Contacts and Health and Safety Representatives) and Trade Unions.

Staff Side, unions, colleagues and senior managers from the Trust attend the bi-monthly Joint Consultative and Negotiating Committee (JCNC) meetings to discuss service, staff and organisational issues.

Shortly after each meeting, three key messages from JCNC are shared with all colleagues.

In 2019-20 JCNC acknowledged the importance to continue partnership working by using a facilitated meeting to refresh the way union representatives work with the Executive Team. The relationship is open and transparent and matters raised by Staff Side are taken seriously by the Executive team.

To help increase awareness of JCNC, Staff Side and Trade Unions a new section of the staff intranet was launched and continues to be updated, and it includes the agreed three key messages from each meeting. This is also shared with staff via emailed Team Briefings and under the 'News' section of the intranet.

A significant amount of work has been undertaken by Staff Side and members of the HR team to streamline and reduce the number of policies. This will make it a much more user friendly process for all colleagues to refer and engage with policies.

Trade Union Facility Time

Below is information about trade union facility time at the Trust:

Relevant union officials

Number of employees who are relevant union officials during the relevant period	Full-time equivalent employee number
30	4,123.87

Percentage of time spent on facility time

Number of employees who are relevant union officials and how much of their working hours was spent on facility time.

Percentage of time	Number of employees
0%	12
1-50%	15
51-99%	0
100%	3

Percentage of pay bill spent on facility time

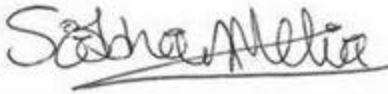
	Figures (1,000s)
Total cost of facility time	63
Total pay bill	185,812
Percentage of total pay bill spent on facility time, calculated as: (Total cost of facility time / Total pay bill) x 100	0.04%

Paid trade union activities

As a percentage of total paid facility hours, how many hours were spent by employees who were relevant union officials during the relevant period on paid trade union activities?

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period / total paid facility time hours) x100	100%

Signed:



Siobhan Melia
Chief Executive

Date: 16 June 2020

Statement of the Chief Executive's responsibilities as the Accounting Officer of Sussex Community 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 Sussex Community 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 Sussex Community NHS Foundation Trust and of its income and expenditure, other items of comprehensive income and losses 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:

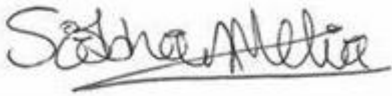
- observe the Accounts Direction issued by NHS Improvement, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in 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.

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

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.

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

Signed:



Siobhan Melia, Chief Executive Date: 16 June 2020

Annual Governance Statement

1. 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*.

2. 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 Sussex Community 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 Sussex Community NHS Foundation Trust for the year ended 31 March 2020 and up to the date of approval of the annual report and accounts.

3. Capacity to handle risk

The Trust has a Risk Management Strategy which sets out the framework within which the Trust leads, directs and controls risk. The Medical Director is the executive lead for risk management and is supported in this by the Heads of Quality Governance and Safety and Risk Management. The Trust has a Risk Oversight Group and a Trust-wide Governance Group (TWGG), which both report to the Executive Committee. TWGG also reports to the Quality Improvement Committee of the Board.

The Board and Audit Committee receive regular reports on the key risks facing the organisation and the Board also regularly reviews the Board Assurance Framework. The Board reviews and updates the Risk Management Strategy as required. The current strategy sets out the Board's requirement that a systematic approach to identifying and managing risks and hazards is adopted across the Trust and that systems are in place to mitigate those risks where possible. The strategy also stipulates that it is essential that all Trust staff are made aware and have an understanding of the procedures in place to identify, assess, monitor and reduce or control risk. Risk management training is included in all induction programmes and in key development courses. The Board receives risk management training.

The Trust's approach to risk management is proactive and involves the following:

- Identifying sources of potential risk and proactively assessing risk situations, using the agreed Trust Risk Profiling, Assessment and Audit Tools and the Risk Evaluation Matrix.
- Identifying risk issues through serious incidents, adverse incidents, near misses, complaints and claims, the business cycle, and internal and external review reports.
- Investigating and analysing the root causes of risk events.
- Undertaking aggregated root cause analysis (considering risk events, complaints, claims and RIDDOR (reporting of injuries, diseases and dangerous occurrences regulations) data).
- Taking action to eliminate or at least minimise harmful risks.
- Monitoring the delivery and effectiveness of actions taken to control risk.

- Learning from near misses, risk events, legal claims and complaints and sharing the lessons learned across the organisation and externally when this would be beneficial.

The Trust has adopted a coordinated and holistic approach to risk and does not differentiate the processes applied to clinical and non-clinical issues. Common systems for the reporting, identification, assessment, evaluation and monitoring of risks have been developed within the Trust and apply to all risk issues, regardless of type.

The effective implementation of the strategy facilitates the delivery of a quality service and, alongside staff training and support, provides an improved awareness of the measures needed to prevent, control and contain risk. To achieve this, the Trust:

- Ensures all staff and stakeholders have access to a copy of the Risk Management Strategy.
- Produces a register of risks across the Trust which is subject to regular review at Area level and, corporately, by the Executive Committee, Audit Committee and the Board.
- Communicates to staff any action to be taken in respect of risk issues.
- Has developed policies, procedures and guidelines based on the results of assessments and all identified risks to assist in the implementation of the strategy.
- Ensures that training programmes raise and sustain awareness throughout the Trust of the importance of identifying and managing risk.
- Monitors attendance at relevant risk management training sessions for all staff and ensures that non-attendance is followed-up.
- Ensures that staff have the knowledge, skills, support and access to expert advice necessary to implement the policies, procedures and guidelines associated with the strategy.
- Monitors and reviews the performance of the Trust in relation to the management of risk and the continuing suitability and effectiveness of the systems and processes in place to manage risk.

The Trust involves its public stakeholders in managing risk in the following ways:

- Regular contract meetings with the Trust's commissioners to review performance against and risks relating to delivery of the contract.
- Regular attendance at and presentations, as required, to the local Health Overview and Scrutiny Committee meetings.
- System working with other local and regional healthcare providers, to shape optimum care pathways and mitigate risks associated with financial, safety and/or estates matters.
- Regular reporting to the Council of Governors on quality, finance and performance, with an emphasis on the reporting of risks, current concerns and complaints.
- Governor attendance at key meetings pertaining to risk, including the Board and Audit Committee.
- Engaging with public and patients on key strategic direction decisions and any proposed major changes in service delivery.

4. The risk and control framework

Risk Management

All members of staff have an important role to play in identifying, assessing and managing risk. This can be achieved proactively, through risk assessment, or reactively, through review of risk events, complaints and legal claims. The Trust's Risk Profiling, Assessment and Audit guidelines set out the process for assessing all types of risk. To support staff in this role, the Trust provides a fair, consistent environment that encourages a culture of openness and willingness to admit mistakes. All staff are encouraged to report any situation where things have or could have gone

wrong. At the heart of the Trust's Risk Management Policy is the desire to learn from risk events and near misses, complaints and claims, in order to continuously improve management processes and clinical practice. The Risk Management Policy was reviewed and then ratified by the Executive Committee in December 2019. The Trust has in place clear policies and systems for identifying, evaluating and monitoring risk. Trust-wide risk profiling is an ongoing process within the Trust and managers are required to ensure that risk assessment and audit is undertaken within their areas of responsibility and that findings are acted upon and adequately monitored. Managers are also responsible for ensuring that all risk assessments are reviewed as required.

The Trust's Risk Management Policy requires staff to report all adverse incidents, both actual and potential (near misses), and sets out the methodology and responsibilities for assessing and evaluating the risks identified by applying consequence and likelihood criteria to achieve a system of rating between a scale of 1 to 25 which includes colour coding to prioritise risk by severity. The severity category will dictate at which level of the organisation the risk event is investigated and reported, with the lowest category (1 to 6/green) managed at local level and the highest (15 to 25/red and red +) managed at executive level with reports made to the Board and statutory external agencies.

The same method of severity categorisation will be applied to risks identified through complaints and claims and will, with adverse incidents and risks identified from risk assessment and non-compliance with external assessment standards, populate the Risk Register. Risk appetite is also determined by severity category and, whenever possible, all risks require some mitigating action to be taken to reduce or remove the risk. Specific risks identified by the Trust will be shared with any other relevant organisation working in partnership with the Trust. Likewise, the Trust expects that any relevant risks identified by partners will be shared with the Trust, in line with the Management of External Contractors Policy.

In 2019-20, the Trust's main risks related to staffing levels, delivery of its financial plan, and system fluidity. The Trust ended the year in NHS England and NHS Improvement (NHSE and NHSI) segmentation one. It is anticipated that future risks will broadly remain unchanged. The Trust's long-term plans will be influenced by the developing Sussex Health and Care Partnership (SHACP). The Trust's three-year strategic plan reflects the opportunities and risks associated with the developments.

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

Well-led

The Trust Board is accountable for all aspects of performance and governance of the organisation. The Board conducts its affairs in such a way as to build patient, public and stakeholder confidence that the Trust is providing high quality, sustainable care. The role of the Board is to set strategy, lead the organisation, oversee operations, and to be accountable to stakeholders in an open and effective manner.

The Trust has in place a range of policies, processes and structures which support the effective oversight of the organisation and ensures that the Board receives appropriate, robust and timely information in support of its leadership of the Trust.

The Board Governance Framework is the structure that binds the various policies and processes together, and within this statement the Trust describes the process through which quality and performance issues are escalated from the patient's place of care to the Board.

The Well-Led Organisation

The characteristics of a well-led organisation are defined by the Care Quality Commission (CQC) and NHS England and NHS Improvement (NHSE and NHSI). This aligned view of a well-led organisation is reflected in CQC's assessments and ratings, as set out in its provider handbooks,

while NHSI use the updated well-led framework as the point of reference for NHS foundation trusts.

NHSI framework poses 10 key questions that NHS foundation trusts should seek to address:

Strategy and planning

- Does the Board have a credible strategy to provide high quality, sustainable services to patients and is there a robust plan to deliver?
- Is the Board sufficiently aware of potential risks to the quality, sustainability and delivery of current and future services?

Capability and culture

- Does the Board have the skills and capability to lead the organisation?
- Does the Board shape an open, transparent and quality-focused culture?
- Does the Board support continuous learning and development across the organisation?

Process and structures

- Are there clear roles and accountabilities in relation to board governance (including quality governance)?
- Are there clearly defined, well-understood processes for escalating and resolving issues and managing performance?
- Does the Board actively engage patients, staff, governors and other key stakeholders on quality, operational and financial performance?

Measurement

- Is appropriate information on organisational and operational performance being analysed and challenged?
- Is the Board assured of the robustness of information?

Trust Strategy and Quality Improvement Plan

During 2018-19 the Trust engaged with various stakeholders including staff, patients/service users, partners and commissioners and developed its three-year Trust Strategy (2019-22). It had also taken into account key themes that have arisen from national strategies that are relevant to people who use its services, for example, the NHS Long Term Plan and NHS Five Year Forward View 2017.

The Trust will achieve its quality priorities through the monitoring and implementation of its Quality Improvement Plan, with additional annual metrics (developed in conjunction with stakeholders) which will feature in the Trust's Quality Report. A new Quality Improvement Plan for 2020–23 is being developed, focusing upon patient experience, population health and quality improvement to support continuous improvement.

The Board has in place a number of supporting strategies which support the on-going delivery of the Trust's objectives as set out in its three-year strategy, including an Engagement Strategy and a Workforce Strategy.

Engagement Strategy

The Engagement Strategy aims to ensure that the Trust exceeds the statutory and good practice responsibilities to engage with everyone who uses its services, including its staff, stakeholders and the community.

The Trust has an engagement implementation plan to put this strategy into action and to engage with all stakeholder groups. This plan is reviewed and updated regularly, and includes an

assessment of the key risks to its effective delivery, for example issues raised in the NHS Staff Survey and feedback from patient engagement, such as the Friends and Families Test.

The Trust is focused on continuously improving its stakeholder engagement with the current emphasis on improving the patient's experience of care, addressing issues of concern in the annual NHS Staff Survey and strengthening its engagement with commissioners and local GPs.

Workforce Strategy

The Workforce Strategy (2019-22) describes how the Trust will create the workforce it needs to deliver its vision of 'excellent care at the heart of the community'. It sets out the strategic workforce priorities and the approach the Trust will take to deliver them.

The approach builds on the culture of innovation and continuous improvement, of openness and transparency, and of collaborative leadership, grounded in the Trusts values.

The strategy is based on four key drivers that will help it retain and engage its people and attract and recruit new staff:

- To improve how the Trust connects across the organisation and learns from one another.
- To ensure it is an inclusive employer that offers a learning environment and a culture of development.
- To embed Trust-wide initiatives locally and equip its managers with the skills to lead their teams with confidence and compassion.
- To provide the right environment for people to carry out their role and stay well.

An executive Workforce Committee, reporting to the Executive Committee, chaired by the Director of Human Resources and Organisational Development (HR & OD), oversees delivery of this strategy and its action plan.

Assurance and scrutiny of workforce priorities and progress against the plan is provided through the Quality Improvement Committee and the Resources Committee. Key Performance Indicators (KPIs) are reported to the Board through a regular Strategic Workforce Report.

Workforce planning takes place in conjunction with business planning working at service level with senior oversight and Executive Director sign off. The development of the plan is led by the Deputy Chief Nurses for Quality, the Director of Finance and Performance, and the Director of Human Resources and Organisational Development (HR & OD).

The plan takes into account current workforce challenges and new roles required by transformation. The Trust carries out an annual review of safer staffing needs in its intermediate care units using a proprietary tool which has been developed for a community intermediate care setting to ensure consistency in approach across the Trust. To ensure ongoing monitoring a quarterly Care Hour per Patient per Day and Safer Staffing Report is triangulated, with harm free care data, complaints and incidents. This ensures effective care is delivered and workforce safeguards are in place. This is provided to the Board and has been extended to cover children and community services.

At local level, intermediate care units monitor staffing through the Safe Care module of the e-rostering system which allows for a review of acuity and dependency, and workforce numbers and skills on a continuous basis.

Internal functions and structures for monitoring and managing performance and escalation

Quality and Performance Management Frameworks

The Quality Governance Framework sets out the clinical governance structures through which quality and risk monitoring and escalation take place.

Quality governance groups translate national policy, recommendations and requirements into Trust policies, procedures and standards which are delivered across the Trust's services and functions.

The Trust-wide Governance Group (TWGG) receives reports from the quality governance groups and monitors progress on quality and risk issues, escalating items that require executive oversight to the Executive Team, and providing assurance to the Quality Improvement Committee.

Performance is managed through clinical operational and corporate functional lines which oversee the setting and delivery of key performance indicators and other measures.

In each area, Area Governance and Area Performance meetings monitor and assure quality and governance at an area level as well as identifying operational issues which may impact on quality and risk. These two meetings report to an Area Finance, Performance and Quality meeting; chaired by an Area Director and supported by a Deputy Chief Nurse. This enables the alignment of operational and clinical governance. The Chief Operating Officer is a member of the Trust-wide Governance Group (TWGG) and Area Nurses provide another link between Area Operations and TWGG.

A monthly Executive Finance, Performance and Quality Meeting (FPQ) is chaired by an Executive Director. The Area Directors present key performance information and have the opportunity to discuss issues and problem solve with the whole Executive team.

The interface between the quality governance structures and performance management structures is maintained from service level, through the Areas and to the Executive team. This ensures that issues escalated through each are triangulated and addressed at an appropriate level or escalated as necessary.

Escalation by Exception

The Trust promotes an approach to escalation based on the assessment of all aspects of performance against a range of national, local and internal Trust targets. Some of these standards, for example Trust targets for sickness or appraisal, are applied uniformly across all of the Trusts services and functions. In addition, some targets are unique to individual services, whilst others are applied to an entire service or Area.

All services have access to the Trust's data warehouse, known as SCHOLAR, which enables them to view individual service performance, identify areas where the service has not delivered against agreed targets (quality, operational and/or financial) and thereby develop remedial plans and actions.

The Trust has developed the Key Lines of Enquiry (KLOE) Quality Report, using the framework developed by the Care Quality Commission, focusing on the five domains of safe, effective, caring, responsive and well-led, that enables a view of delivery against essential standards for quality and safety. Service performance and remedial plans are discussed at the Area FPQ meetings on a monthly basis. This approach is reflected through the FPQ meetings, the Executive team meetings, and ultimately the Board. At each level, data and information provided through the Trust's Quality Governance Framework is triangulated with operational and local knowledge. Trends are analysed and remedial action is applied.

This approach ensures that teams, services and divisions are enabled to assume ownership and accountability for the delivery of their performance, escalating performance issues or operational concerns as necessary.

Routine monitoring and performance follows a monthly cycle of business.

However, in the case of serious issues emerging, the immediate reporting processes may be utilised. The purpose of immediate reporting is to provide comprehensive information to the Board (and, where necessary, Trust Governors) on significant issues through the use of alerts issued by the Communications Team. These may include:

- Serious incidents as defined by NHS England (e.g. pressure damage, falls and medication errors).
- Significant complaints or claims.
- Forthcoming inquests where the Trust's delivery of safe services may be criticised.
- Non-compliance against Care Quality Commission (CQC) requirements which have a major impact.
- Receipt of any improvement or enforcement notice from CQC, Health Safety Executive or other regulator.
- Reputation or media implications.

Systems for Monitoring, Assurance and Escalation

Operational Performance Report (OPR)

The OPR is a report through which the Trust's performance against its key operational objectives is monitored and reviewed by the Board. The OPR is supported by the Quality Report, Workforce Report and Finance Report which are standing items on the agenda of Board Meetings, where the Board seek assurance. The OPR brings together the key performance indicators used to assess the Trust's performance against its corporate objectives, through key performance indicators (KPIs) within the five domains of the CQC assessment framework (safe, caring, effective, responsive and well-led).

SCHOLAR

Scholar is the Trust's interactive performance reporting tool, consisting of a number of applications allowing staff to monitor performance. Scholar is accessed through the Trust's intranet.

The core application is the Business Intelligence (BI) Dashboard, updated monthly, which provides information to service level across all operational domains including quality, finance, workforce and training data.

The Quality Dashboard

The Quality Dashboard provides a monthly view of the Trusts' key indicators under each of the five CQC domains. The data is provided to the Trust-wide Governance Group (TWGG), Quality Improvement Committee and the Board at an aggregated Trust level and by Area. Managers can also drill down to specific teams and cost-centres using SCHOLAR.

The Quality Dashboard is a mechanism for providing assurance of the quality of care delivered against targets informed by various sources (Quality Improvement Plan (QIP) delivery, strategies, standards, harm free care/external – NHSI and CQC insight data). Reports on the Quality Dashboard identify any exceptions and use Statistical Process Control (SPC) charts to analyse trends and variations in the data. Narrative reporting on exceptions (favourable and adverse) explains the reasons behind the performance, the action taken, expected outcome and timescale.

DATIX

The Trust uses a software system, called Datix, for reporting and assurances purposes. This includes: the reporting and management of incidents, the Trust-wide risk register, managing patient complaints, and the distribution and assurance of safety alerts and NICE guidance.

The information from Datix is used for internal reporting (e.g. OPR, Scholar), and uses dashboards and report functions to inform managers and specialist/governance committees and external reporting (e.g. National Reporting and Learning System (NRLS)).

Sources of information to support the identification of issues and concerns

Staff Involvement

The Trust has a range of policies and systems which encourage and support staff at all levels to be involved in monitoring quality and performance and to raise concerns about any issues. These include:

Policies

- Freedom to Speak Up Policy (Raising Issues of Concern).
- Safeguarding Policies (Children and Vulnerable Adults).
- Information Governance policies and processes.
- Human Resources policies and processes.

Processes and structures

- Incident reporting via Datix.
- Governance assurance visits.
- Staff Friends and Family Test.

Engagement

- Executive and Non-Executive Director visits, often accompanied by a Governor, to clinical areas.
- National Staff Survey.
- Trust Induction Programme.
- Wider Executive Leadership Team.
- Staff Side.

Patient, carer and public involvement

The Trust encourages patients, services users, carers and the public to make comments and/or raise concerns both formally and informally through a number of mechanisms, such as:

- Executive and Non-Executive Director visits, often accompanied by a Governor, to clinical areas.
- Patient Advice and Liaison Service (PALS).
- Patient Experience Group (PEG).
- Complaints and compliments – formal and informal.
- Service user and carer experience surveys.
- Service user and carer forums.
- Friends and Family Test.
- Engagement with services users at bespoke events.
- Patient Led Assessment of the Care Environment (PLACE).
- Trust enquiry box (email enquiry address from Trust website).
- Request for information (RFI) under the Freedom of Information (FOI) Act (email address from Trust website).
- The Council of Governors and the Annual Members' Meeting.
- Social media (Facebook and Twitter).

In addition, the Trust has relationships with:

- Local Healthwatch – regular meeting with the Trust Chair and Directors, and sit on the Patient Experience Group.
- Local Authority – Health Overview and Scrutiny Committees.
- Parent/carer forums.

The Trust positively engages with service users, carers and the public and welcomes their involvement and feedback on how they can become more involved in decision-making

processes. Members of the public are encouraged to attend public Board meetings to observe and raise any questions about agenda items. Patients and carers are also invited to speak at Board meetings to make Board members directly aware of their experience of the Trust and its services. Members of staff are similarly invited to share their stories.

Service commissioners

There are a number of formal mechanisms through which commissioners receive assurances with regards to contractual and quality performance through which they can raise concerns and seek any additional assurances required. These include:

- Contract Meetings.
- Clinical Quality Review Meetings.
- Contract Management Meetings.
- GP Soft Intelligence Reporting Tool.
- Routine Executive Meetings and Board to Board Meetings.
- Serious Incident Reporting and Root Cause Analysis.

Internal and external sources of assurance

In addition to the sources of assurance identified, there are numerous internal and external sources of assessment which support assurance, and which cover the whole range of the Trust's activities including:

Internal sources:

- Internal Audit Reports.
- Counter Fraud Reports.
- Trust Clinical Audit Programme.
- CQC Assurance Visits/Mock Inspections.
- Freedom to Speak Up Reports.

External sources:

- External Audit (including national and local commissioner led audits).
- Care Quality Commission Inspections.
- Benchmarking with other providers.
- Data Security and Protection Toolkit.
- Coroners Inquests.
- Health and Safety Executive.
- Annual Quality Report.
- Organisation Patient Safety Incident Reports (NRLS).

The Trust also commissions external reviews of its activities where the need for additional independent assessments and assurance is identified.

Quality impact of cost improvement schemes

The Trust's process for formally assessing the quality impact of Cost Improvement Plans (CIPs) includes an initial assessment of the likely quality impact, before each scheme is implemented, and a review of the actual impact of quality, approximately six months after each scheme starts.

The Quality Impact Assessment (QIA) process has been strengthened in the year with the introduction of a Clinical Quality Impact Assessment Group. This provides clinical review of projects and programmes before review of the business case at the Planning and Development Gateway Group. Chaired by the Deputy Chief Nurse, the Clinical Quality Impact Assessment Group includes membership across staff groups, services and locations to ensure a robust review of clinical quality. Projects and programmes that have a higher degree of risk (scored using the Trust's

risk scoring matrix) also receive review from an Executive Panel if they meet the thresholds for financial change and quality risks to patient safety, patient experience and clinical effectiveness.

The actual impact on quality of cost improvement schemes is monitored at service level. This is done through ongoing monitoring of standard quality indicators, such as at the monthly performance review meetings, using the Quality Early Warning Trigger Tool, and formally through a six-month review at a Finance Performance and Quality meeting.

Board and Committee structure for assurance and escalation

The Chief Nurse is the executive lead for quality governance supported, as appropriate, by the Medical Director and Chief Operating Officer. The Board receives an Operational Performance Report each month which includes statistical process control (SPC) charts that plots performance over time, enabling the identification of trends (both positive and negative) to support appropriate action. Through patient and staff stories, the Board also explores specific examples of patient and staff feedback with a view to learning from this and ensuring that appropriate action is taken to safeguard quality and improve patient and staff experience. A detailed Safer Staffing Report is presented to the Board every three months.

To support the Board in carrying out its duties effectively, Board Committees have been formally established, chaired by a Non-Executive Director. Board Committees remits and terms of reference are reviewed annually by both the Committee and Board to ensure that robust governance and assurance arrangements are in place. Each Board Committee receives a set of regular assurance reports from committees and groups, as outlined in their terms of reference. The minutes of Board committee meetings are circulated to the Board and supported by a verbal and written updates by the Chair of each Committee.

The Quality Improvement Committee scrutinises the detail of quality governance thereby providing additional assurance to the Board. It meets monthly and regularly receives reports on progress against both the Trust's Quality Improvement Plan and its Quality Report priorities. The Committee also carries out 'deep dive' reviews into particular aspects of quality that are causing concern and receives exception reports from the Trust-wide Governance Group.

The Resources Committee meets monthly and includes within its remit the monitoring of the Trust's Cost Improvement Programme (CIP).

The Audit Committee provides assurance to the Board of the effectiveness of the Trust's systems of governance and control across the full range of the Trust's responsibilities. It does this by receiving and testing assurance provided in relation to the establishment and maintenance of effective systems of governance, risk management, finance, counter-fraud and internal control across the whole of the Trust's activities, and assures itself regarding the Trust's compliance with regulatory, legal and other requirements. It also receives regular reports from the external auditors, the internal auditors and the local Counter Fraud specialists.

The Board is actively engaged in quality improvement at the Trust through its quality improvement programme 'Our Community Way'. This programme has been a key priority for the Board in 2019-20 and will continue to be so in future years.

Executive and Non-Executive service visits

Executive and Non-Executive Directors conduct a rolling programme of visits to clinical areas. These visits enable staff and service users to provide direct feedback to Board members and discuss any patient safety or quality issues they may have. Any significant concerns are raised with the relevant service/Area manager. Governors also regularly attend service visits with a Non-Executive Director.

Raising Concerns Policy and Procedure (including Freedom to Speak Up)

This policy sets out the commitment of the Board to provide a range of processes to enable all staff to report their concerns promptly and in ways in which they are comfortable.

The policy emphasises that all staff should be confident that they can raise concerns without fear of reprisal. The policy describes where staff can get guidance and support from within the Trust and from other independent organisations.

The Trust has appointed a Freedom to Speak Up Guardian and also has a nominated Senior Independent Director (SID). The SID role is fulfilled by one of the Trust's Non-Executive Directors. They are available to all staff who feel that their concerns have not been addressed through the Raising Concerns policy, or where the individual feels that their concerns are of such a serious nature that use of the Raising Concerns procedure is not desirable.

Reporting Arrangements Including 'ON CALL'

The Trust has a management and accountability structure, as outlined within job descriptions and as supported by the internal reporting arrangements. This approach underpins and supports the escalation of risks and issues to an appropriate level of authority.

Out of normal working hours the Trust operates a Bronze, Silver and Gold On-Call rota. Issues that cannot be resolved by the Bronze on call will be escalated to Silver and, if necessary, to Gold.

Risks to compliance with the NHS Foundation Trust Licence condition 4 (FT governance)

The Board considers that there are no current or anticipated future risks to compliance with the Trust's Licence.

The Trust is able to assure itself of the validity of its Corporate Governance Statement as required under NHS Foundation Trust condition Licence FT4 through the following mechanisms that have been deployed during 2019-20:

a. The Board has an established Quality Improvement Committee to provide scrutiny and strategic oversight and assurance of quality and innovation.

b. The Board has an established Audit Committee to scrutinise any areas of concern arising from the Board's monitoring of a range of integrated governance, risk management and internal control procedures.

c. The Board has an established Resources Committee to provide scrutiny and strategic oversight and assurance on the effective development and use of its workforce, financial, commercial, digital and estate resources.

d. The Board carries out an annual review of Board members' skills to assist with succession planning and identify when is the right time to bring in additional skills aligned to the next phase of the Trust's strategic development.

e. The Board has maintained a strong emphasis on quality in its meeting agendas to ensure that quality is the focus of decision-making and planning.

f. The Board has an executive lead for quality and clear accountability structures are in place for a quality agenda that is integrated into all aspects of the organisation's work.

g. The Board carries out regular visits to services and intermediate care units to meet with staff and patients and get feedback. Governors also attend visits to services with either the Chair or a Non-Executive Director.

h. Annual workforce planning for clinical and non-clinical staff groups is carried out to ensure that the Trust has in place personnel on the Board, reporting to the Board and within the rest of the organisation, who are sufficient in number and appropriately qualified to ensure compliance with the Conditions of the Licence.

i. The Board has driven and overseen delivery of the 2019-20 Operational Plan, demonstrating that the Trust can operate with efficiency, economy and effectiveness.

j. The Board has maintained appropriate oversight of regulatory and inspection regimes including that of the NHS England and NHS Improvement (NHSE and NHSI), the Care Quality Commission (CQC) and the Medicines and Healthcare products Regulatory Agency (MHRA), and has monitored the management of gaps where any have been identified. The Board encourages close working with regulators and inspectors to ensure that all requirements are met and quality standards are maintained at the highest level.

k. The Board reviewed and refined the format of the Board Assurance Framework to ensure this is a more meaningful document that focuses Board members on the key risks to delivery of the organisation's principal objectives at all times.

l. Greater interaction between the Council of Governors (CoG) and the Board started in 2018-19 and continued in 2019-20. The CoG have engaged in the Trust's future strategy, its plans to redevelop the Brighton General site and its decision to appoint new auditors. More detail is available on page 53.

Data Quality

Data quality, as it relates to the performance information provided, is monitored in-house by the Data Quality team and is also subject to internal and external audit reviews.

Risks to Data Security

The Trust met all mandatory requirements in the Data Security and Protection Toolkit and received 'reasonable assurance' from our internal auditors, showing that the Trust has robust mechanisms in place to manage risks to data security. Information risk management is overseen by the Senior Information Risk Owner (SIRO) and reviewed and monitored by the Information Governance and Security Group.

Information Governance

In 2019-20 the Trust reported two serious information governance incidents to the Information Commissioner's Office (ICO). The first was reported on 28 May 2019, in which patient information was found in rented accommodation which had been left by an agency worker vacating the property. The second was reported on 13 August 2019 and related to a bag stolen from a member of staff's car which contained patient information. In both cases the ICO closed their investigations with no further action required.

Emergency Preparedness, Resilience and Response

All Trusts have a duty to prepare for emergencies, maintain plans for preventing emergencies and for reducing or controlling the effects and returning to business as usual as soon as possible.

In order to give assurance that it has addressed this duty, the Trust has developed a comprehensive management framework which addresses NHS England's Core Standards for Emergency Preparedness, Resilience and Response (EPRR). An annual report is taken to the

Board of Directors to provide evidence of the annual self-assessment process covering the core standards.

In 2019-20 the Trust became fully compliant with the EPRR core standards.

COVID-19

The Trust has a robust emergency preparedness infrastructure overseen by the Trust Resilience Group which reports to the Executive Committee quarterly and to the Board annually. The Trust mobilised its established incident response command structure in March 2020 to oversee its preparedness for, and response to, the COVID-19 pandemic and to support the operational running of the Trust during the major incident.

The Trust adapted its corporate governance approach in response to the major incident to maintain control over decision-making while meeting social distancing requirements and reducing the burden of routine business to enable focus on managing the response to the pandemic. On 26 March 2020 the Board temporarily suspended its standing orders and adopted COVID-19 terms of reference to govern its proceedings during the major incident. During this period the Board met virtually every fortnight to discuss key items of business. The Quality Improvement Committee continued to meet monthly to support and scrutinise safe service delivery across all areas of the Trust's operations. The Audit Committee also continued to meet. Other Board committees met only by exception during this period where there was urgent business that could not be conducted through the Board or by email.

Other Control Measures/Managing Conflicts of Interest in the NHS

The Foundation Trust is fully compliant with the registration requirements of the CQC.

The Foundation Trust has published an up-to-date register of interests for decision-making staff within the past twelve months.

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

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

The Trust has undertaken risk assessments and has a sustainable development management plan in place which 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.

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

The Trust produces detailed annual plans reflecting its service and operational requirements and its financial targets in respect of income and expenditure and capital investments. These include the Trust's plans for improving productivity and efficiency in order to meet the national efficiency targets applied to all NHS providers and fund local investment proposals. Financial plans are approved by the Board, having previously been reviewed by the Resources Committee.

The in-year resource utilisation is monitored by the Board and its Committees through a series of detailed reports. Monthly performance reviews are undertaken with each divisional and corporate team where their performance is assessed across a full range of financial and quality indicators,

which in turn forms the basis of performance reporting to the Board. The Trust is committed to the implementation of service line reporting and management as a way to assess and measure effective utilisation of resources.

The Board is provided with assurance on the use of resources through a monthly report and, in addition, further assurance is provided by the Resource Committee following its detailed monthly review. Reports are submitted to NHSE and NHSI on a monthly and quarterly basis from which segmentation is assigned in line with the Single Oversight Framework (SOF). External auditors annually review the use of resources as part of the annual audit. Internal audit are directed to areas where risk is attached or where significant issues have been detected. Any concerns on the economy, efficiency and effectiveness of the use of resources are well monitored and addressed in a timely and appropriate manner.

6. 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, Resources Committee and Quality Improvement Committee, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The Trust continually seeks to improve the effectiveness of its systems of internal control and puts in place action plans to meet any identified shortfalls. During the year, the Board has reviewed its governance arrangements and committee structure, and debated the sources and strengths of the various assurance mechanisms available to it, particularly with regard to assurance on quality and use of resources.

The revised governance structure is as follows:

The Board: The powers reserved to the Board are, broadly, regulation and control; appointments; strategy; business plans and budgets; risk management; financial and performance reporting and audit arrangements.

Audit Committee: Provides assurance to the Board as to the effectiveness of the Trust's systems of governance and control across the full range of the Trust's responsibilities.

Quality Improvement Committee: Provides strategic oversight and assurance of quality and innovation for the Board.

Resources Committee: Provides to the Board strategic oversight and assurance on the effective development and use of the workforce, financial, commercial, digital and estate resources.

Nominations and Remuneration Committee: Responsible for the appointment of Executive Directors, including the Chief Executive, and for making decisions on their remuneration.

Charitable Funds Committee: The Charitable Funds Committee is responsible for monitoring the income and expenditure of charitable donations, approving expenditure up to a specified range and for considering how charitable funds are invested. The Board is the corporate trustee of the charitable funds, the Charitable Funds Committee oversees the charity's operation on behalf of the corporate trustee.

My review is also informed by opinion and reports by internal audit, who work to a risk-based annual plan with topics that cover governance and risk management, service delivery and performance, financial management and control, human resources, operational and other reviews.

The Head of Internal Audit Opinion for 2019-20 was as follows: “Reasonable assurance can be given that there is generally sound systems of internal control, designed to meet the organisation’s objectives, and that controls are generally being applied consistently. However, some weaknesses in the design and/or inconsistent application of controls put the achievement of particular objectives at risk. I can confirm that COVID-19 has not affected my overall review of effectiveness of the control environment”.

There were three reports where Internal Audit gave limited assurance, which were equality and diversity, use of the HealthRoster system and ICT review – cyber security (in relation to efficient recovery from loss of systems). These areas are not fundamental to their overall conclusion and the Trust is taking remedial action to address these weaknesses and to help drive improvements.

Other sources of assurance include:

- Opinion and reports from the Trust’s external auditors.
- Quarterly performance management reports to NHSE and NHSI.
- Department of Health and Social Care performance requirements/indicators.
- Full compliance across all Care Quality Commission domains.
- Information governance assurance framework, including the Data Security and Protection Toolkit.
- Results of national patient and staff surveys.
- Investigation reports and action plans following serious incidents.
- Council of Governors’ engagement.
- Clinical audit reports.

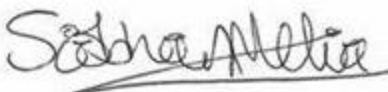
The Trust has proactively recognised the need for ongoing development of the robustness of its systems of control and assurance and the monitoring of its risk registers and assurance framework to ensure it identifies the changing impact and likelihood of risk and fully support the delivery of business objectives. During 2019-20, the BAF and governance processes continued to identify key risks in the following areas:

- Financial sustainability.
- Workforce.
- System fluidity.

Conclusion

No significant internal control issues have been identified for the year ended 31 March 2020 and up to the date of approval of the annual report and accounts.

Signed:



Siobhan Melia, Chief Executive
Date: 16 June 2020

Sussex Community NHS Foundation Trust

Annual accounts for the year ended 31 March 2020

Foreword to the accounts

Sussex Community NHS Foundation Trust

These accounts, for the year ended 31 March 2020, have been prepared by Sussex Community NHS Foundation Trust in accordance with paragraphs 24 & 25 of Schedule 7 within the National Health Service Act 2006.

Signed …….

Name	**Siobhan Melia**
Job title	**Chief Executive**
Date	**16-Jun-20**

Statement of Comprehensive Income

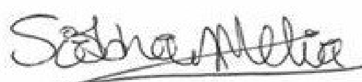
	Note	2019/20	2018/19
		£000	£000
Operating income from patient care activities	3	231,465	217,370
Other operating income	4	17,464	19,681
Operating expenses	7, 9	(247,458)	(229,707)
Operating surplus/(deficit) from continuing operations		**1,471**	**7,344**
Finance income	12	58	43
Finance expenses	13	(99)	(117)
PDC dividends payable		(1,217)	(1,160)
Net finance costs		**(1,258)**	**(1,234)**
Other gains / (losses)	14	4	7
Share of profit / (losses) of associates / joint arrangements		-	-
Gains / (losses) arising from transfers by absorption		-	-
Corporation tax expense		-	-
Surplus / (deficit) for the year from continuing operations		**217**	**6,117**
Surplus / (deficit) on discontinued operations and the gain / (loss) on disposal of discontinued operations		-	-
Surplus / (deficit) for the year		**217**	**6,117**
Other comprehensive income			
Will not be reclassified to income and expenditure:			
Impairments	8	(629)	(34)
Revaluations		19	623
Share of comprehensive income from associates and joint ventures		-	-
Fair value gains / (losses) on equity instruments designated at fair value through OCI		-	-
Other recognised gains and losses		-	-
Remeasurements of the net defined benefit pension scheme liability / asset		-	-
Gain / (loss) arising from on transfers by modified absorption		-	-
Other reserve movements		-	-
May be reclassified to income and expenditure when certain conditions are met:			
Fair value gains/(losses) on financial assets mandated at fair value through OCI		-	-
Recycling gains/(losses) on disposal of financial assets mandated at fair value through OCI		-	-
Foreign exchange gains / (losses) recognised directly in OCI		-	-
Total comprehensive income / (expense) for the period		**(393)**	**6,706**

Statement of Financial Position

	Note	31 March 2020 £000	31 March 2019 £000
Non-current assets			
Intangible assets	15	6,459	7,064
Property, plant and equipment	16	44,648	44,497
Investment property		-	-
Investments in associates and joint ventures		-	-
Other investments / financial assets		-	-
Receivables	19	418	204
Other assets		-	-
Total non-current assets		**51,525**	**51,765**
Current assets			
Inventories	18	1,209	1,112
Receivables	19	18,473	21,229
Other investments / financial assets		-	-
Other assets		-	-
Non-current assets for sale and assets in disposal groups		-	-
Cash and cash equivalents	20	5,169	4,901
Total current assets		**24,851**	**27,242**
Current liabilities			
Trade and other payables	21	(20,288)	(22,172)
Borrowings	22	(1,436)	(1,590)
Other financial liabilities		-	-
Provisions	25	(49)	(68)
Other liabilities		-	-
Liabilities in disposal groups		-	-
Total current liabilities		**(21,773)**	**(23,830)**
Total assets less current liabilities		**54,603**	**55,177**
Non-current liabilities			
Trade and other payables		-	-
Borrowings	22	(3,584)	(5,016)
Other financial liabilities		-	-
Provisions	25	(959)	(787)
Other liabilities		-	-
Total non-current liabilities		**(4,543)**	**(5,803)**
Total assets employed		**50,060**	**49,374**
Financed by			
Public dividend capital		2,605	1,526
Revaluation reserve		12,562	13,172
Financial assets reserve		-	-
Other reserves		(11,603)	(11,603)
Merger reserve		-	-
Income and expenditure reserve		46,496	46,279
Total taxpayers' equity		**50,060**	**49,374**

Notes 1 to 34 form part of these accounts.

Name	Siobhan Melia
Position	Chief Executive
Date	16-Jun-20
Signature	



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

	Public dividend capital	Revaluation reserve	Other reserves	Income and expenditure reserve	Total
	£000	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2019 - brought forward	**1,526**	**13,172**	**(11,603)**	**46,279**	**49,374**
Surplus/(deficit) for the year	-	-	-	217	**217**
Gain/(loss) arising from transfers by mofieid absorption	-	-	-	-	**-**
Transfers by absorption: transfers between reserves	-	-	-	-	**-**
Transfer from revaluation reserve to income and expenditure reserve for impairments arising from consumption of economic benefits	-	-	-	-	**-**
Other transfers between reserves	-	-	-	-	**-**
Impairments	-	(629)	-	-	**(629)**
Revaluations	-	19	-	-	**19**
Transfer to retained earnings on disposal of assets	-	-	-	-	**-**
Share of comprehensive income from associates and joint ventures	-	-	-	-	**-**
Fair value gains/(losses) on financial assets mandated at fair value through OCI	-	-	-	-	**-**
Fair value gains/(losses) on equity instruments designated at fair value through OCI	-	-	-	-	**-**
Recycling gains/(losses) on disposal of financial assets mandated at fair value through OCI	-	-	-	-	**-**
Foreign exchange gains/(losses) recognised directly through OCI	-	-	-	-	**-**
Other recognised gains and losses	-	-	-	-	**-**
Remeasurements of the defined net benefit pension scheme liability/asset	-	-	-	-	**-**
Public dividend capital received	1,079	-	-	-	**1,079**
Public dividend capital repaid	-	-	-	-	**-**
Public dividend capital written off	-	-	-	-	**-**
Other movements in public dividend capital in year	-	-	-	-	**-**
Other reserve movements	-	-	-	-	**-**
Taxpayers' and others' equity at 31 March 2020	**2,605**	**12,562**	**(11,603)**	**46,496**	**50,060**

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

	Public dividend capital	Revaluation reserve	Other reserves	Income and expenditure reserve	Total
	£000	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2018 - brought forward	**1,514**	**12,583**	**(11,603)**	**40,162**	**42,656**
Prior period adjustment	-	-	-	-	-
Taxpayers' and others' equity at 1 April 2018 - restated	**1,514**	**12,583**	**(11,603)**	**40,162**	**42,656**
Impact of implementing IFRS 15 on 1 April 2018	-	-	-	-	-
Impact of implementing IFRS 9 on 1 April 2018	-	-	-	-	-
Surplus/(deficit) for the year	-	-	-	6,117	**6,117**
Transfers by absorption: transfers between reserves	-	-	-	-	-
Transfer from revaluation reserve to income and expenditure reserve for impairments arising from consumption of economic benefits	-	-	-	-	-
Other transfers between reserves	-	-	-	-	-
Impairments	-	(34)	-	-	**(34)**
Revaluations	-	623	-	-	**623**
Transfer to retained earnings on disposal of assets	-	-	-	-	-
Share of comprehensive income from associates and joint ventures	-	-	-	-	-
Fair value gains/(losses) on financial assets mandated at fair value through OCI	-	-	-	-	-
Fair value gains/(losses) on equity instruments designated at fair value through OCI	-	-	-	-	-
Recycling gains/(losses) on disposal of financial assets mandated at fair value through OCI	-	-	-	-	-
Foreign exchange gains/(losses) recognised directly through OCI	-	-	-	-	-
Other recognised gains and losses	-	-	-	-	-
Remeasurements of the defined net benefit pension scheme liability/asset	-	-	-	-	-
Public dividend capital received	12	-	-	-	**12**
Public dividend capital repaid	-	-	-	-	-
Public dividend capital written off	-	-	-	-	-
Other movements in public dividend capital in year	-	-	-	-	-
Other reserve movements	-	-	-	-	-
Taxpayers' and others' equity at 31 March 2019	**1,526**	**13,172**	**(11,603)**	**46,279**	**49,374**

Information on reserves

Public dividend capital

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

Revaluation reserve

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

Other reserves

This reserve represents Public Dividend Capital repaid to the Department of Health in prior years, in excess of the Public Dividend Capital held by the Trust and was in respect of fixed assets transferred to other NHS organisations.

Income and expenditure reserve

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

Statement of Cash Flows

	Note	2019/20 £000	2018/19 £000
Cash flows from operating activities			
Operating surplus / (deficit)		1,471	7,344
Non-cash income and expense:			
Depreciation and amortisation	7.1	4,536	4,614
Net impairments	8	2,079	(299)
Income recognised in respect of capital donations	4	(193)	(210)
Amortisation of PFI deferred credit		-	-
Non-cash movements in on-SoFP pension liability		-	-
(Increase) / decrease in receivables and other assets		2,584	(4,418)
(Increase) / decrease in inventories		(97)	(45)
Increase / (decrease) in payables and other liabilities		(2,511)	(393)
Increase / (decrease) in provisions		151	(20)
Tax (paid) / received		-	-
Operating cash flows from discontinued operations		-	-
Other movements in operating cash flows		(1)	10
Net cash flows from / (used in) operating activities		**8,019**	**6,583**
Cash flows from investing activities			
Interest received		58	43
Purchase and sale of financial assets / investments		-	-
Purchase of intangible assets		(1,560)	(1,494)
Sales of intangible assets		-	-
Purchase of PPE and investment property		(4,541)	(3,139)
Sales of PPE and investment property		4	12
Receipt of cash donations to purchase assets		193	-
Investing cash flows from discontinued operations		-	-
Cash from acquisitions / disposals of subsidiaries		-	-
Net cash flows from / (used in) investing activities		**(5,846)**	**(4,578)**
Cash flows from financing activities			
Public dividend capital received		1,079	12
Public dividend capital repaid		-	-
Movement on loans from DHSC		(876)	(876)
Movement on other loans		-	-
Other capital receipts		-	-
Capital element of finance lease rental payments		(707)	(700)
Interest on loans		(65)	(77)
Other interest		-	-
Interest paid on finance lease liabilities		(33)	(41)
PDC dividend (paid) / refunded		(1,303)	(1,085)
Financing cash flows of discontinued operations		-	-
Cash flows from (used in) other financing activities		-	-
Net cash flows from / (used in) financing activities		**(1,905)**	**(2,767)**
Increase / (decrease) in cash and cash equivalents		**268**	**(762)**
Cash and cash equivalents at 1 April - brought forward		**4,901**	**5,663**
Prior period adjustments			-
Cash and cash equivalents at 1 April - restated		**4,901**	**5,663**
Cash and cash equivalents transferred under absorption accounting		-	-
Unrealised gains / (losses) on foreign exchange		-	-
Cash and cash equivalents at 31 March		**5,169**	**4,901**

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

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.

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

Note 1.3 Interests in other entities

The Trust does not have any associates, joint ventures or joint operations

Note 1.4 Revenue from contracts with customers

Where income is derived from contracts with customers, it is accounted for under IFRS 15. The GAM expands the definition of a contract to include legislation and regulations which enables an entity to receive cash or another financial asset that is not classified as a tax by the Office of National Statistics (ONS).
Revenue in respect of goods/services provided is recognised when (or as) performance obligations are satisfied by transferring promised goods/services to the customer and is measured at the amount of the transaction price allocated to those performance obligations. At the year end, the Trust accrues income relating to performance obligations satisfied in that year. Where the Trust’s entitlement to consideration for those goods or services is unconditional a contract receivable will be recognised. Where entitlement to consideration is conditional on a further factor other than the passage of time, a contract asset will be recognised. Where consideration received or receivable relates to a performance obligation that is to be satisfied in a future period, the income is deferred and recognised as a contract liability.
The Trust has applied the practical expedients allowed by the standard as follows. (1) As per paragraph 121 of the Standard the Trust does not disclose information regarding performance obligations part of a contract that has an original expected duration of one year or less. (2) The GAM does not require the Trust to disclose information where revenue is recognised in line with the practical expedient offered in paragraph B16 of the Standard where the right to consideration corresponds directly with value of the performance completed to date. (3) The GAM has mandated the exercise of the practical expedient offered in C7A of the Standard that requires the Trust to reflect the aggregate effect of all contracts modified before the date of initial application.

Revenue from NHS contracts

The main source of income for the Trust is contracts with commissioners for health care services. A performance obligation relating to delivery of a spell of health care is generally satisfied over time as healthcare is received and consumed simultaneously by the customer as the Trust performs it. The customer in such a contract is the commissioner, but the customer benefits as services are provided to their patient. Even where a contract could be broken down into separate performance obligations, healthcare generally aligns with paragraph 22(b) of the Standard entailing a delivery of a series of goods or services that are substantially the same and have a similar pattern of transfer. At the year end, the Trust accrues income relating to activity delivered in that year, where a patient care spell is incomplete. This accrual is disclosed as a contract receivable as entitlement to payment for work completed is usually only dependent on the passage of time.

Revenue is recognised to the extent that collection of consideration is probable. Where contract challenges from commissioners are expected to be upheld, the Trust reflects this in the transaction price and derecognises the relevant portion of income.

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

NHS injury cost recovery scheme

The Trust receives income under the NHS injury cost recovery scheme, designed to reclaim the cost of treating injured individuals to whom personal injury compensation has subsequently been paid, for instance by an insurer. The Trust recognises the income when performance obligations are satisfied. In practical terms this means that treatment has been given, it receives notification from the Department of Work and Pension's Compensation Recovery Unit, has completed the NHS2 form and confirmed there are no discrepancies with the treatment. The income is measured at the agreed tariff for the treatments provided to the injured individual, less an allowance for unsuccessful compensation claims and doubtful debts in line with IFRS 9 requirements of measuring expected credit losses over the lifetime of the asset.

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

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

Note 1.5 Other forms of income

Grants and donations

Government grants are grants from government bodies other than income from commissioners or trusts for the provision of services. Where a grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure. Where the grants is used to fund capital expenditure, it is credited to the consolidated statement of comprehensive income once conditions attached to the grant have been met. Donations are treated in the same way as government grants.

Apprenticeship service income

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

Note 1.6 Expenditure on employee benefits

Short-term employee benefits

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

Pension costs - NHS Pension Scheme

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Both schemes are unfunded, defined benefit schemes that cover NHS employers, general practices and other bodies, allowed under the direction of Secretary of State for Health and Social Care in England and Wales. The scheme is not designed in a way that would enable employers to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as though it is a defined contribution scheme: the cost to the trust is taken as equal to the employer's pension contributions payable to the scheme for the accounting period. The contributions are charged to operating expenses as and when they become due.

Additional pension liabilities arising from early retirements are not funded by the scheme except where the retirement is due to ill-health. The full amount of the liability for the additional costs is charged to the operating expenses at the time the trust commits itself to the retirement, regardless of the method of payment.

NEST Pension Scheme
For those staff not entitled to join the NHS Pension scheme, the Trust uses an alternative pension scheme operated by National Employment Savings Trust (NEST) to fulfil its automatic enrolment obligations to enrol workers meeting certain criteria into a pension scheme and pay contributions toward their retirement. NEST is a defined contribution pension scheme established by law. Contributions are taken from qualifying earnings, which are currently from £6,136 up to £50,000 but will be reviewed each year by the Government. The initial employee contribution is 3% of qualifying earnings with an employer contribution of 5%. For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to the statement of comprehensive income at the time the Trust commits itself to the retirement, regardless of the method of payment.

Note 1.7 Expenditure on other goods and services

Expenditure on goods and services is recognised when, and to the extent that they have been received, and is measured at the fair value of those goods and services. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment.

Note 1.8 Property plant and equipment

Recognition

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

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

Subsequent expenditure

Subsequent expenditure relating to an item of property, plant and equipment is recognised as an increase in the carrying amount of the asset when it is probable that additional future economic benefits or service potential deriving from the cost incurred to replace a component of such item will flow to the enterprise and the cost of the item can be determined reliably. Where a component of an asset is replaced, the cost of the replacement is capitalised if it meets the criteria for recognition above. The carrying amount of the part replaced is de-recognised. Other expenditure that does not generate additional future economic benefits or service potential, such as repairs and maintenance, is charged to the Statement of Comprehensive Income in the period in which it is incurred.

Measurement

Valuation

All property, plant and equipment assets are measured initially at cost, representing the costs directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management.

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

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

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

For specialised assets, current value in existing use is interpreted as the present value of the asset's remaining service potential, which is assumed to be at least equal to the cost of replacing that service potential. Specialised assets are therefore valued at their depreciated replacement cost (DRC) on a modern equivalent asset (MEA) basis. An MEA basis assumes that the asset will be replaced with a modern asset of equivalent capacity and meeting the location requirements of the services being provided. The Trust has taken a current site optimised valuation approach for the Brighton General site, rather than the alternative site basis.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees and, where capitalised in accordance with IAS 23, borrowings costs. Assets are revalued and depreciation commences when the assets are brought into use.

IT equipment, transport equipment, furniture and fittings, and plant and machinery that are held for operational use are valued at depreciated historic cost where these assets have short useful lives or low values or both, as this is not considered to be materially different from current value in existing use.

Depreciation

Items of property, plant and equipment are depreciated over their remaining useful lives in a manner consistent with the consumption of economic or service delivery benefits. Freehold land is considered to have an infinite life and is not depreciated.

Revaluation gains and losses

Revaluation gains are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease that has previously been recognised in operating expenses, in which case they are recognised in operating expenditure.

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

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

Impairments

At each financial year end the Trust checks whether there is any indication that its property, plant and equipment or intangible assets have suffered an impairment loss. In accordance with the GAM, impairments that arise from a clear consumption of economic benefits or of service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of (i) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before the impairment.

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

Other impairments are treated as revaluation losses. Reversals of ‘other impairments’ are treated as revaluation gains.

De-recognition

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

Following reclassification, the assets are measured at the lower of their existing carrying amount and their ‘fair value less costs to sell’. Depreciation ceases to be charged. Assets are de-recognised when all material sale contract conditions have been met. Property, plant and equipment which is to be scrapped or demolished does not qualify for recognition as ‘held for sale’ and instead is retained as an operational asset and the asset’s useful life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

Donated and grant funded assets

Donated and grant funded property, plant and equipment assets are capitalised at their fair value on receipt. The donation/grant is credited to income at the same time, unless the donor has imposed a condition that the future economic benefits embodied in the grant are to be consumed in a manner specified by the donor, in which case, the donation/grant is deferred within liabilities and is carried forward to future financial years to the extent that the condition has not yet been met. The donated and grant funded assets are subsequently accounted for in the same manner as other items of property, plant and equipment.

Useful lives of property, plant and equipment

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

	Min life Years	Max life Years
Buildings, excluding dwellings	8	81
Plant & machinery	4	25
Transport equipment	7	7
Information technology	5	10
Furniture & fittings	7	11

The range of useful lives for intangible assets are shown below

	Min life Years	Max life Years
Information technology	5	12
Software	2	7
Licenses	5	5

Note 1.9 Intangible assets

Recognition

Intangible assets are non-monetary assets without physical substance which are capable of being sold separately from the rest of the trust's business or which arise from contractual or other legal rights. They are recognised only where it is probable that future economic benefits will flow to, or service potential be provided to, the Trust and where the cost of the asset can be measured reliably and where the cost is at least £5,000.

Software which is integral to the operation of hardware, eg an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware, eg application software, is capitalised as an intangible asset.

Expenditure on research is not capitalised. Internally generated assets are recognised if and only if the following have been demonstrated.

- The technical feasibility of completing the intangible asset so it will be available for use
- The intention to complete the intangible asset and use it
- The ability to sell or use the intangible asset
- How the intangible asset will generate probable future economic benefits or service potential
- The availability of adequate technical, financial and other resources to complete the intangible asset and sell or use it
- The ability to measure reliably the expenditure attributable to the intangible asset during its development

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 are amortised over their expected useful lives in a manner consistent with the consumption of economic or service delivery benefits.

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 1.12 Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the Trust's cash management. Cash, bank and overdraft balances are recorded at current values.

Note 1.13 Financial assets and financial liabilities

Recognition

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

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

Classification and measurement

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

Financial assets and liabilities are classified as subsequently measured at amortised cost.

Financial assets and financial liabilities at amortised cost

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

After initial recognition, these financial assets and financial liabilities are measured at amortised cost using the effective interest method less any impairment (for financial assets). The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.
Interest revenue or expense is calculated by applying the effective interest rate to the gross carrying amount of a financial asset or amortised cost of a financial liability and recognised in the Statement of Comprehensive Income and a financing income or expense. In the case of loans held from the Department of Health and Social Care, the effective interest rate is the nominal rate of interest charged on the loan.

Impairment of financial assets

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

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

Expected credit losses on receivables are assessed by reviewing outstanding debtors for objective evidence of impairment. The Trust applies the practical expedient set out in IFRS9 and calculates a provision based on the length of time a receivable had been outstanding. The following percentages are provided.

- Between 3 and 6 months 25 %
- Between 6 months and 1 year 50%
- Over 1 year 100%

HM Treasury has ruled that central government bodies may not recognise stage 1 or stage 2 impairments against other government departments, their executive agencies, the Bank of England and Exchequer funds where repayment is ensured by primary legislation. The Trust therefore does not recognise loss allowances for stage 1 or stage 2 impairments against these bodies. Additionally the Department of Health and Social Care provides a guarantee of last resort against the debts of its arm's length bodies and NHS bodies (excluding NHS charities) and the Trust does not recognise loss allowances for stage 1 or stage 2 impairments against these bodies.

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

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

Derecognition

Financial assets are de-recognised when the contractual rights to receive cash flows from the assets have expired or the Trust has transferred substantially all the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

Note 1.14 Leases

Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

The trust as a lessee

Finance leases

Where substantially all risks and rewards of ownership of a leased asset are borne by the trust, the asset is recorded as property, plant and equipment and a corresponding liability is recorded. The value at which both are recognised is the lower of the fair value of the asset or the present value of the minimum lease payments, discounted using the interest rate implicit in the lease. The implicit interest rate is that which produces a constant periodic rate of interest on the outstanding liability.

The asset and liability are recognised at the commencement of the lease. Thereafter the asset is accounted for an item of property plant and equipment.

The annual rental charge is split between the repayment of the liability and a finance cost so as to achieve a constant rate of finance over the life of the lease. The annual finance cost is charged to finance costs in the Statement of Comprehensive Income.

Operating leases

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

Leases of land and buildings

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

The trust as a lessor

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 1.15 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%

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

Clinical negligence costs

NHS Litigation Authority (NHSLA) operates a risk pooling scheme under which the trust pays an annual contribution to NHSLA, 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 25 but is not recognised in the Trust's accounts.

Non-clinical risk pooling

The trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the Trust pays an annual contribution to NHS Resolution and in return receives assistance with the costs of claims arising. The annual membership contributions, and any excesses payable in respect of particular claims are charged to operating expenses when the liability arises.

Note 1.16 Contingencies

The Trust does not recognise contingent assets
Contingent liabilities are not recognised, but are disclosed in note 27, unless the probability of a transfer of economic benefits is remote.
A contingent liability is defined as a possible obligation 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 1.17 Public dividend capital

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

The Secretary of State can issue new PDC to, and require repayments of PDC from, the trust. PDC is recorded at the value received.

A charge, reflecting the cost of capital utilised by the trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for
(i) donated and grant funded assets,
(ii) average daily cash balances held with the Government Banking Services (GBS) and National Loans Fund (NLF) deposits, excluding cash balances held in GBS accounts that relate to a short-term working capital facility, and
(iii) any PDC dividend balance receivable or payable.

In accordance with the requirements laid down by the Department of Health and Social Care (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the "pre-audit" version of the annual accounts. The dividend calculated is not revised should any adjustment to net assets occur as a result the audit of the annual accounts.

Note 1.18 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 1.19 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 1.20 Losses and special payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis.

The losses and special payments note is compiled directly from the losses and compensations register which reports on an accrual basis with the exception of provisions for future losses.

Note 1.21 Gifts

Gifts are items that are voluntarily donated, with no preconditions and without the expectation of any return. The Trust has a policy of not giving gifts.

Note 1.22 Early adoption of standards, amendments and interpretations
No new accounting standards or revisions to existing standards have been early adopted in 2019/20.

Note 1.23 Standards, amendments and interpretations in issue but not yet effective or adopted

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

IFRS 16 changes the definition of a lease compared to IAS 17 and IFRIC 4. The trust will apply this definition to new leases only and will grandfather its assessments made under the old standards of whether existing contracts contain a lease.
On transition to IFRS 16 on 1 April 2021, the Trust will apply the standard retrospectively with the cumulative effect of initially applying the standard recognised in the income and expenditure reserve at that date. For existing operating leases with a remaining lease term of more than 12 months and an underlying asset value of at least £5,000, a lease liability will be recognised equal to the value of remaining lease payments discounted on transition at the trust's incremental borrowing rate. The Trust's incremental borrowing rate 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 IFRS16 in the UK public sector to 1 April 2021 on 19 March 2020. Due to the need to reassess lease calculations together with uncertainty on expected leasing activity from April 2021 and beyond, it is not practical to quantify the precise impact of the standard in 2021/22. In particular the Trust is currently engaged in a facilitated process with its main landlord NHS Property Services which is reviewing the value and terms of its largest lease arrangements going forward.
The Trust does expect the impact of IFRS16 will materially increase the value of its non current assets and depreciation from 2021/22, however our expectation is also that it should not materially affect the Trust's income and expenditure position.

Note 1.24 Critical judgements in applying accounting policies
The following are the judgements, apart from those involving estimations (see below) that management has made in the process of applying the Trust accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

The Trust is the corporate trustee to Sussex Community NHS Foundation Trust charitable fund. The Trust has assessed its relationship to the charitable fund and determined it to be a subsidiary because the Trust is exposed to, or has rights to, variable returns and other benefits for itself, patients and staff from its involvement with the charitable fund and has the ability to affect those returns and other benefits through its power over the fund.
The charitable fund's statutory accounts are prepared to 31 March in accordance with the UK Charities Statement of Recommended Practice (SORP) which is based on UK Financial Reporting Standard 102.
Sussex Community NHS Foundation Trust has an investment portfolio which is managed on a full discretionary basis by Barclays Wealth Management, who act as the Trustee Directors' nominee. All monies received, apart from that required for working capital, should be invested to maximise the overall return consistent with the Charity's strategy, restrictions

- to avoid investment in companies which produce tobacco or alcohol related products or who manufacture armaments;
- to invest following an agreed medium-low risk profile which has a limited potential for capital losses in exchange for higher returns than those offered by savings or bank deposit accounts;
- to value the portfolio and report on the performance of the constituent investments against relevant indices at the end of each quarter.

The value of charity investments as at 31 March 2020 is £1.4 million, as reported in the investment manager's report as at 31 March 2020. It should be noted that the value has significantly reduced during March 2020 due to the effect of the coronavirus on all markets and investment values.
The Trust has concluded that consolidation of the charity and preparation of group accounts is not required in 2019/20. This is because the charity is not material to the Trust. The value of the charity's investments is less than 1% of the Trust's operating expenditure in 2019/20.

In November 2018 the Trust registered Sussex Primary Care as a limited company that is wholly owned by Sussex Community NHS Foundation Trust. Sussex Primary Care has been established to provide primary care GP services across the county of Sussex.

In June 2019 Sussex Primary Care acquired a GP practice, the Dolphins practice in Haywards Heath. In November 2019 a second practice was acquired, the Wish Park surgery in Hove.

Total expenditure by Sussex Primary Care in 2019/20 was approximately £2.4 million as shown in the table below.

Dolphins Practice	**£1.5 million**
Wish Park Practice	**£0.2 million**
SPC Corporate costs	**£0.7 million**

In 2019/20 this expenditure, and the associated income, are not included in the accounts of Sussex Community NHS FT and have not been consolidated on the grounds that it is not material to the Trust. Later in 2020 Sussex Primary Care will be producing its own separate accounts, which will be audited and lodged with Companies House.

Note 1.25 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:

The most significant accounting estimate in the financial statements relates to the valuation of Property, Plant and Equipment. Valuations are carried out by an external professional valuer, the Valuation Office Agency, in accordance with RICS Valuation Professional Standards and following a Modern Equivalent Asset approach. If the valuer had applied different assumptions, this may have led to materially different carrying values for Property Plant and Equipment.

The valuation exercise was carried out in February 2020 with a valuation date of 31 March 2020. In applying the Royal Institute of Chartered Surveyors (RICS) Valuation Global Standards 2017 ('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 the COVID-19 pandemic.

The valuer states "As at the valuation date, we consider that we can attach less weight to previous market evidence for comparison purposes, to inform opinions of value. Indeed, the current response to COVID-19 means that we are faced with an unprecedented set of circumstances on which to base a judgement." and goes on to state "Our valuation is therefore reported on the basis of 'material valuation uncertainty' as per VPS 3 and VPGA 10 of the RICS Red Book Global. Consequently, less certainty – and a higher degree of caution – should be attached to our valuation than would normally be the case. Given the unknown future impact that COVID-19 might have on the real estate market, we recommend that you keep the valuation of (the estate) under frequent review."

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.

Leasehold improvements are written off over the shorter of remaining life of the lease or the useful economic life of the asset. The uncertainty in deciding on the life of an asset means that it is possible to over or under-estimate its life and also the cost that needs to be written off each year to the income & expenditure account.

Note 2 Operating Segments

Consistent with previous years, we have determined that the Trust operates a single reportable segment, being the provision of healthcare. Similar methods are used to provide services across all locations and all policies, procedures and governance arrangements are trust-wide. As an NHS Foundation Trust all our services are subject to the same regulatory environment and standards set by our external performance managers.

Accordingly the Trust operates as one segment and reports in this format to the Chief operating decision maker, which is the Trust Board. No discrete activities of the business have individual revenue exceeding 10% of the total combined revenue, profit or assets.

Note 3 Operating income from patient care activities

All income from patient care activities relates to contract income recognised in line with accounting policy 1.4

Note 3.1 Income from patient care activities (by nature)	2019/20	2018/19
	£000	£000
Acute services		
A & E income	6,957	6,783
High cost drugs income from commissioners (excluding pass-through costs)	2,361	2,629
Other NHS clinical income	-	-
Mental health services		
Cost and volume contract income	-	-
Block contract income	9,162	8,689
Community services		
Community services income from CCGs and NHS England	174,562	166,655
Income from other sources (e.g. local authorities)	22,192	21,950
All services		
Private patient income	407	293
Agenda for Change pay award central funding*		2,916
Additional pension contribution central funding**	7,840	
Other clinical income	7,984	7,455
Total income from activities	**231,465**	**217,370**

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

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

Note 3.2 Income from patient care activities (by source)

	2019/20	2018/19
Income from patient care activities received from:	£000	£000
NHS England	20,361	10,723
Clinical commissioning groups	180,521	174,033
Department of Health and Social Care	18	2,939
Other NHS providers	2,729	2,883
NHS other	-	-
Local authorities	19,445	19,067
Non-NHS: private patients	407	293
Non-NHS: overseas patients (chargeable to patient)	48	1
Injury cost recovery scheme	565	326
Non NHS: other	7,371	7,105
Total income from activities	**231,465**	**217,370**
Of which:		
Related to continuing operations	231,465	217,370
Related to discontinued operations	-	-

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

	2019/20	2018/19
	£000	£000
Income recognised this year	48	1
Cash payments received in-year	-	-
Amounts added to provision for impairment of receivables	-	-
Amounts written off in-year	-	-

Note 4 Other operating income

	2019/20			2018/19		
	Contract income	Non-contract income	Total	Contract income	Non-contract income	Total
	£000	£000	£000	£000	£000	£000
Research and development	304	-	**304**	370	-	**370**
Education and training	2,508	286	**2,794**	2,191	-	**2,191**
Non-patient care services to other bodies	8,305		**8,305**	9,009		**9,009**
Provider sustainability fund (PSF)	2,881		**2,881**	4,911		**4,911**
Income in respect of employee benefits accounted on a gross basis	936		**936**	603		**603**
Receipt of capital grants and donations		193	**193**		210	**210**
Charitable and other contributions to expenditure		-	**-**		196	**196**
Support from the Department of Health and Social Care for mergers		-	**-**		-	**-**
Rental revenue from finance leases		-	**-**		-	**-**
Rental revenue from operating leases		362	**362**		325	**325**
Amortisation of PFI deferred income / credits		-	**-**		-	**-**
Other income	1,689	-	**1,689**	1,866	-	**1,866**
Total other operating income	**16,623**	**841**	**17,464**	**18,950**	**731**	**19,681**
Of which:						
Related to continuing operations			**17,464**			**19,681**
Related to discontinued operations			**-**			**-**

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

The Trust has no additional information to disclose on contract revenue recognised in the period. The Trust has exercised the practical expedients permitted by IFRS 15 paragraph 121 in preparing this disclosure. Revenue from (i) contracts with an expected duration of one year or less and (ii) contracts where the trust recognises revenue directly corresponding to work done to date is not disclosed.

Note 5.2 Transaction price allocated to remaining performance obligations

The Trust has exercised the practical expedients permitted by IFRS 15 and has no revenue to disclose in respect of remaining performance obligations.

Note 5.3 Income from activities arising from commissioner requested services

Under the terms of its provider licence, the trust is required to analyse the level of income from activities that has arisen from commissioner requested and non-commissioner requested services. Commissioner requested services are defined in the provider licence and are services that commissioners believe would need to be protected in the event of provider failure. This information is provided in the table below:

	2019/20	2018/19
	£000	£000
Income from services designated as commissioner requested services	66,290	65,639
Income from services not designated as commissioner requested services	165,175	151,731
Total	**231,465**	**217,370**

Note 5.4 Profits and losses on disposal of property, plant and equipment

The Trust sold three vehicles in year making a profit of £4 K

Note 6.1 Fees and charges

The Trust did not receive fees and charges income in excess of £1 million in 2019/20

Note 7.1 Operating expenses

	2019/20	2018/19
	£000	£000
Purchase of healthcare from NHS and DHSC bodies	5,177	4,682
Purchase of healthcare from non-NHS and non-DHSC bodies	5,020	5,098
Purchase of social care	-	-
Staff and executive directors costs	183,430	170,013
Remuneration of non-executive directors	112	110
Supplies and services - clinical (excluding drugs costs)	15,539	14,511
Supplies and services - general	2,032	2,056
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	3,278	3,158
Inventories written down	-	-
Consultancy costs	122	64
Establishment	2,258	2,308
Premises	5,806	7,088
Transport (including patient travel)	3,738	3,735
Depreciation on property, plant and equipment	3,696	3,715
Amortisation on intangible assets	840	899
Net impairments	2,079	(299)
Movement in credit loss allowance: contract receivables / contract assets	366	(386)
Movement in credit loss allowance: all other receivables and investments	-	-
Increase/(decrease) in other provisions	(10)	(14)
Change in provisions discount rate(s)	131	42
Audit fees payable to the external auditor		
audit services- statutory audit	57	81
other auditor remuneration (external auditor only)	-	43
Internal audit costs	147	132
Clinical negligence	582	483
Legal fees	94	121
Insurance	229	252
Research and development	356	419
Education and training	783	667
Rentals under operating leases	10,211	9,334
Early retirements	-	-
Redundancy	20	15
Car parking & security	138	117
Hospitality	18	17
Losses, ex gratia & special payments	8	14
Grossing up consortium arrangements	-	-
Other services, eg external payroll	1,201	1,232
Other	-	-
Total	**247,458**	**229,707**
Of which:		
Related to continuing operations	247,458	229,707
Related to discontinued operations	-	-

Note 7.2 Other auditor remuneration

	2019/20	2018/19
	£000	£000
Other auditor remuneration paid to the external auditor:		
1. Audit of accounts of any associate of the trust	-	-
2. Audit-related assurance services	-	-
3. Taxation compliance services	-	-
4. All taxation advisory services not falling within item 3 above	-	-
5. Internal audit services	-	-
6. All assurance services not falling within items 1 to 5	-	-
7. Corporate finance transaction services not falling within items 1 to 6 above	-	-
8. Other non-audit services not falling within items 2 to 7 above	-	43
Total	**-**	**43**

Note 7.3 Limitation on auditor's liability

The limitation on liability for the auditor's external audit work is £2 million.

Note 8 Impairment of assets

	2019/20	2018/19
	£000	£000
Net impairments charged to operating surplus / deficit resulting from:		
Loss or damage from normal operations	-	-
Over specification of assets	-	-
Abandonment of assets in course of construction	-	-
Unforeseen obsolescence	-	-
Loss as a result of catastrophe	-	-
Changes in market price	452	(299)
Other	1,627	-
Total net impairments charged to operating surplus / deficit	**2,079**	**(299)**
Impairments charged to the revaluation reserve	629	34
Total net impairments	**2,708**	**(265)**

The Trust carries out an annual impairment review of the carrying value of its PPE and intangible assets. From this the Trust has concluded it is appropriate to impair its intangible asset "SystmOne" by £1.6 million.
Technological changes, changes in service requirements and the need for Trust wide standardisation mean that the Trust is having to reimplement the system at many services where the system was already in place. We have concluded it is not appropriate to continue to recognise the full carrying value of the asset from earlier implementations and we have made a prudent estimate of the amount of the impairment.

Note 9 Employee benefits

	2019/20	2018/19
	Total	Total
	£000	£000
Salaries and wages	140,724	134,834
Social security costs	13,062	12,527
Apprenticeship levy	688	660
Employer's contributions to NHS pensions	25,782	17,151
Pension cost - other	46	28
Other post employment benefits	-	-
Other employment benefits	-	-
Termination benefits	-	-
Temporary staff (including agency)	5,510	6,774
Total gross staff costs	**185,812**	**171,974**
Recoveries in respect of seconded staff	-	-
Total staff costs	**185,812**	**171,974**
Of which		
Costs capitalised as part of assets	2,006	1,527

Note 9.1 Retirements due to ill-health

During 2019/20 there were 4 early retirements from the trust agreed on the grounds of ill-health (2 in the year ended 31 March 2019). The estimated additional pension liabilities of these ill-health retirements is £162k (£76k in 2018/19).

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

Note 10 Pension costs

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

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

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2020, is based on valuation data as 31 March 2019, updated to 31 March 2020 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019 to 20.6% and the Scheme Regulations were amended accordingly.

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

Pension Costs - NEST Pension Scheme

The Pensions Act 2008 and 2011 automatic enrolment regulations required all employers to enrol workers meeting certain criteria into a pension scheme and pay contributions toward their retirement.

The auto-enrolment 'staging' date for Sussex Community NHS FT compliance was 1 September 2013. For those staff not entitled to join the NHS Pension Scheme the Trust utilised an alternative pension scheme called NEST fo fulfil its automatic enrolment obligations.

NEST stands for National Employment Savings Trust and is a defined contribution pension scheme established by law to support the introduction of auto-enrolment.

Contributions are taken from qualifying earnings, which are currently from £6,032 up to £46,350 but will be reviewed every year by the Government. The initial employee contribution is 1% of qualifying earnings, with an employer contribution of 1%. This increases in stages to meet levels set by the government.

Date	Employee Contribution	Employer Contribution	Total Contribution
1st March 2013	1%	1%	2%
6 April 2018	3%	2%	5%
6 April 2019	5%	3%	8%

Pension members can choose to let NEST manage their retirement fund or can take control themselves and alter contribution levels and switch between different funds. If pension members leave the Trust they can continue to pay into NEST.

NEST Pension members can take their money out of NEST at any time from age 55. If suffering from serious ill health or incapable of working due to illness members can request to take their money out of NEST early. They can take the entire retirement fund as cash, use it to buy a retirement income or a combination. Additionally members can transfer their NEST retirement fund to another scheme.

NEST is run by NEST Corporation, a trustee body which is a non-departmental public body operating at arms length from government and is accountable to Parliament through the Department for Work and Pensions.

Note 11 Operating leases

Note 11.1 Sussex Community NHS Foundation Trust as a lessor

This note discloses income generated in operating lease agreements where Sussex Community NHS Foundation Trust is the lessor.

The Trust rents land and buildings to other healthcare providers. The rentals reflect the market value for the relevant properties and the lease agreements do not include any provision allowing the lessee the right to exercise an option to purchase the asset at the end of the lease period.

	2019/20	2018/19
	£000	£000
Operating lease revenue		
Minimum lease receipts	362	325
Contingent rent	-	-
Other	-	-
Total	**362**	**325**

	31 March 2020	31 March 2019
	£000	£000
Future minimum lease receipts due:		
- not later than one year;	362	325
- later than one year and not later than five years;	318	318
- later than five years.	795	875
Total	**1,475**	**1,518**

Note 11.2 Sussex Community NHS Foundation Trust as a lessee

This note discloses costs and commitments incurred in operating lease arrangements where Sussex Community NHS Foundation Trust is the lessee.

The Trust leases land and buildings used in the delivery of services. The rentals reflect the market value for the relevant properties and the lease agreements do not include any provision allowing the Trust to exercise an option to purchase the asset at the end of the lease period.

	2019/20	2018/19
	£000	£000
Operating lease expense		
Minimum lease payments	10,211	9,334
Contingent rents	-	-
Less sublease payments received	-	-
Total	**10,211**	**9,334**

	31 March 2020	31 March 2019
	£000	£000
Future minimum lease payments due:		
- not later than one year;	10,026	9,195
- later than one year and not later than five years;	1,180	438
- later than five years.	1,327	613
Total	**12,533**	**10,246**
Future minimum sublease payments to be received	-	-

Note 12 Finance income

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

	2019/20	2018/19
	£000	£000
Interest on bank accounts	58	43
Interest income on finance leases	-	-
Interest on other investments / financial assets	-	-
Other finance income	-	-
Total finance income	**58**	**43**

Note 13.1 Finance expenditure

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

	2019/20	2018/19
	£000	£000
Interest expense:		
Loans from the Department of Health and Social Care	64	77
Other loans	-	-
Overdrafts	-	-
Finance leases	33	41
Interest on late payment of commercial debt	-	-
Main finance costs on PFI and LIFT schemes obligations	-	-
Contingent finance costs on PFI and LIFT scheme obligations	-	-
Total interest expense	**97**	**118**
Unwinding of discount on provisions	2	(1)
Other finance costs	-	-
Total finance costs	**99**	**117**

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

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

Note 14 Other gains / (losses)

	2019/20	2018/19
	£000	£000
Gains on disposal of assets	4	7
Losses on disposal of assets	-	-
Total gains / (losses) on disposal of assets	**4**	**7**
Gains / (losses) on foreign exchange	-	-
Fair value gains / (losses) on investment properties	-	-
Fair value gains / (losses) on financial assets / investments	-	-
Fair value gains / (losses) on financial liabilities	-	-
Recycling gains / (losses) on disposal of financial assets mandated as fair value through OCI	-	-
Other gains / (losses)	-	-
Total other gains / (losses)	**4**	**7**

Note 15 Intangible assets - 2019/20

	Software licences	Licences & trademarks	Internally generated information technology	Development expenditure	Websites	Intangible assets under construction	Total
	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2019 - brought forward	**1,274**	**22**	**8,051**	**-**	**-**	**-**	**9,347**
Transfers by absorption	-	-	-	-	-	-	**-**
Additions	213	-	1,345	-	-	2	**1,560**
Impairments	-	-	(2,271)	-	-	-	**(2,271)**
Reversals of impairments	-	-	-	-	-	-	**-**
Revaluations	-	-	-	-	-	-	**-**
Reclassifications	-	-	-	-	-	-	**-**
Transfers to / from assets held for sale	-	-	-	-	-	-	**-**
Disposals / derecognition	-	-	-	-	-	-	**-**
Valuation / gross cost at 31 March 2020	**1,487**	**22**	**7,125**	**-**	**-**	**2**	**8,636**
Amortisation at 1 April 2019 - brought forward	**933**	**4**	**1,346**	**-**	**-**	**-**	**2,283**
Transfers by absorption	-	-	-	-	-	-	**-**
Provided during the year	106	4	730	-	-	-	**840**
Impairments	-	-	(946)	-	-	-	**(946)**
Reversals of impairments	-	-	-	-	-	-	**-**
Revaluations	-	-	-	-	-	-	**-**
Reclassifications	-	-	-	-	-	-	**-**
Transfers to / from assets held for sale	-	-	-	-	-	-	**-**
Disposals / derecognition	-	-	-	-	-	-	**-**
Amortisation at 31 March 2020	**1,039**	**8**	**1,130**	**-**	**-**	**-**	**2,177**
Net book value at 31 March 2020	**448**	**14**	**5,995**	**-**	**-**	**2**	**6,459**
Net book value at 1 April 2019	**341**	**18**	**6,705**	**-**	**-**	**-**	**7,064**

Intangible assets - 2018/19

	Software licences	Licences & trademarks	Internally generated information technology	Development expenditure	Websites	Intangible assets under construction	Total
	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2018 - as previously stated	**1,164**	**-**	**6,773**	**-**	**-**	**89**	**8,026**
Prior period adjustments	-	-	-	-	-	-	**-**
Valuation / gross cost at 1 April 2018 - restated	**1,164**	**-**	**6,773**	**-**	**-**	**89**	**8,026**
Transfers by absorption	-	-	-	-	-	-	**-**
Additions	163	22	1,189	-	-	-	**1,374**
Impairments	-	-	-	-	-	-	**-**
Reversals of impairments	-	-	-	-	-	-	**-**
Revaluations	-	-	-	-	-	-	**-**
Reclassifications	-	-	89	-	-	(89)	**-**
Transfers to / from assets held for sale	-	-	-	-	-	-	**-**
Disposals / derecognition	(53)	-	-	-	-	-	**(53)**
Valuation / gross cost at 31 March 2019	**1,274**	**22**	**8,051**	**-**	**-**	**-**	**9,347**
Amortisation at 1 April 2018 - as previously stated	**831**	**-**	**606**	**-**	**-**	**-**	**1,437**
Prior period adjustments	-	-	-	-	-	-	**-**
Amortisation at 1 April 2018 - restated	**831**	**-**	**606**	**-**	**-**	**-**	**1,437**
Transfers by absorption	-	-	-	-	-	-	**-**
Provided during the year	155	4	740	-	-	-	**899**
Impairments	-	-	-	-	-	-	**-**
Reversals of impairments	-	-	-	-	-	-	**-**
Revaluations	-	-	-	-	-	-	**-**
Reclassifications	-	-	-	-	-	-	**-**
Transfers to / from assets held for sale	-	-	-	-	-	-	**-**
Disposals / derecognition	(53)	-	-	-	-	-	**(53)**
Amortisation at 31 March 2019	**933**	**4**	**1,346**	**-**	**-**	**-**	**2,283**
Net book value at 31 March 2019	**341**	**18**	**6,705**	**-**	**-**	**-**	**7,064**
Net book value at 1 April 2018	**333**	**-**	**6,167**	**-**	**-**	**89**	**6,589**

Note 16.1 Property, plant and equipment - 2019/20

	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2019 - brought forward	**7,315**	**26,636**	**865**	**5,231**	**527**	**13,360**	**925**	**54,859**
Transfers by absorption	-	-	-	-	-	-	-	**-**
Additions	-	1,248	1,263	389	-	2,311	-	**5,211**
Impairments	(25)	(2,484)	-	-	-	(1,915)	-	**(4,424)**
Reversals of impairments	-	16	-	-	-	-	-	**16**
Revaluations	-	(196)	-	-	-	-	-	**(196)**
Reclassifications	-	56	(56)	-	-	-	-	**-**
Transfers to / from assets held for sale	-	-	-	-	-	-	-	**-**
Disposals / derecognition	-	-	-	(408)	(26)	(223)	(16)	**(673)**
Valuation/gross cost at 31 March 2020	**7,290**	**25,276**	**2,072**	**5,212**	**501**	**13,533**	**909**	**54,793**
Accumulated depreciation at 1 April 2019 - brought forward	**-**	**12**	**-**	**3,268**	**468**	**6,196**	**418**	**10,362**
Transfers by absorption	-	-	-	-	-	-	-	**-**
Provided during the year	-	1,615	-	491	29	1,470	91	**3,696**
Impairments	-	(1,412)	-	-	-	(1,613)	-	**(3,025)**
Reversals of impairments	-	-	-	-	-	-	-	**-**
Revaluations	-	(215)	-	-	-	-	-	**(215)**
Reclassifications	-	-	-	-	-	-	-	**-**
Transfers to / from assets held for sale	-	-	-	-	-	-	-	**-**
Disposals / derecognition	-	-	-	(408)	(26)	(223)	(16)	**(673)**
Accumulated depreciation at 31 March 2020	**-**	**-**	**-**	**3,351**	**471**	**5,830**	**493**	**10,145**
Net book value at 31 March 2020	**7,290**	**25,276**	**2,072**	**1,861**	**30**	**7,703**	**416**	**44,648**
Net book value at 1 April 2019	**7,315**	**26,624**	**865**	**1,963**	**59**	**7,164**	**507**	**44,497**

Property, plant and equipment - 2018/19

	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2018 - as previously stated	**7,035**	**27,722**	**1,420**	**5,043**	**603**	**11,232**	**933**	**53,988**
Prior period adjustments	-	-	-	-	-	-	-	**-**
Valuation / gross cost at 1 April 2018 - restated	**7,035**	**27,722**	**1,420**	**5,043**	**603**	**11,232**	**933**	**53,988**
Transfers by absorption	-	-	-	-	-	-	-	**-**
Additions	-	999	542	399	23	1,768	19	**3,750**
Impairments	-	(529)	-	-	-	-	-	**(529)**
Reversals of impairments	85	(51)	-	-	-	-	-	**34**
Revaluations	195	(1,487)	-	-	-	-	-	**(1,292)**
Reclassifications	-	-	(1,093)	-	-	1,093	-	**-**
Transfers to / from assets held for sale	-	-	-	-	-	-	-	**-**
Disposals / derecognition	-	(18)	(4)	(211)	(99)	(733)	(27)	**(1,092)**
Valuation/gross cost at 31 March 2019	**7,315**	**26,636**	**865**	**5,231**	**527**	**13,360**	**925**	**54,859**
Accumulated depreciation at 1 April 2018 - as previously stated	**-**	**1,166**	**-**	**2,888**	**527**	**5,485**	**343**	**10,409**
Prior period adjustments	-	-	-	-	-	-	-	**-**
Accumulated depreciation at 1 April 2018 - restated	**-**	**1,166**	**-**	**2,888**	**527**	**5,485**	**343**	**10,409**
Transfers by absorption	-	-	-	-	-	-	-	**-**
Provided during the year	-	1,539	-	591	39	1,444	102	**3,715**
Impairments	-	(275)	-	-	-	-	-	**(275)**
Reversals of impairments	-	(485)	-	-	-	-	-	**(485)**
Revaluations	-	(1,915)	-	-	-	-	-	**(1,915)**
Reclassifications	-	-	-	-	-	-	-	**-**
Transfers to / from assets held for sale	-	-	-	-	-	-	-	**-**
Disposals / derecognition	-	(18)	-	(211)	(98)	(733)	(27)	**(1,087)**
Accumulated depreciation at 31 March 2019	**-**	**12**	**-**	**3,268**	**468**	**6,196**	**418**	**10,362**
Net book value at 31 March 2019	**7,315**	**26,624**	**865**	**1,963**	**59**	**7,164**	**507**	**44,497**
Net book value at 1 April 2018	**7,035**	**26,556**	**1,420**	**2,155**	**76**	**5,747**	**590**	**43,579**

Note 16.2 Property, plant and equipment financing - 2019/20

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2020									
Owned - purchased	7,290	21,465	-	2,072	1,093	12	5,340	408	**37,680**
Finance leased	-	434	-	-	-	-	2,356	-	**2,790**
On-SoFP PFI contracts and other service concession arrangements	-	-	-	-	-	-	-	-	**-**
Off-SoFP PFI residual interests	-	-	-	-	-	-	-	-	**-**
Owned - government granted	-	117	-	-	-	-	-	-	**117**
Owned - donated	-	3,260	-	-	768	18	7	8	**4,061**
NBV total at 31 March 2020	**7,290**	**25,276**	**-**	**2,072**	**1,861**	**30**	**7,703**	**416**	**44,648**

Property, plant and equipment financing - 2018/19

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2019									
Owned - purchased	7,315	22,512	-	865	1,259	38	4,439	494	**36,922**
Finance leased	-	472	-	-	-	-	2,714	-	**3,186**
On-SoFP PFI contracts and other service concession arrangements	-	-	-	-	-	-	-	-	**-**
Off-SoFP PFI residual interests	-	-	-	-	-	-	-	-	**-**
Owned - government granted	-	130	-	-	-	-	-	-	**130**
Owned - donated	-	3,510	-	-	704	21	11	13	**4,259**
NBV total at 31 March 2019	**7,315**	**26,624**	**-**	**865**	**1,963**	**59**	**7,164**	**507**	**44,497**

Note 16.3 Donations of property, plant and equipment"

In the year ended 31 March 2020 the Trust has received donations in respect of assets capitalised in full during the year . The main element of this is the £ 187K donation from Uckfield League of Friends, for a new X-Ray machine and Panoramic Radiograph

	£000s
Plant and machinery	193
Buildings	0
Total	193

Note 16.4 Revaluations of property, plant and equipment"

The Valuation Office Agency revalued the Trust's estate as at 31 March 2020. As with the previous year, the Trust adopted a Modern Equivalent Asset approach to its estate, while applying an optimised asset approach to the Brighton General Hospital site. The net effect is a reduction in land values of £ 25 K and in building values of £ 1,036 K. The reduction is caused by changes in market conditions.

In 2019/20 there have been no significant changes in valuation approach, in asset lives, in residual lives or in the approach to the calculation of depreciation. Asset lives are set out in our accounting policy 1.8.

Note 16.5 Investment Property

The Trust does not have any investment property

Note 17 Disclosure of interests in other entities

The Trust has two subsidiaries, Sussex Primary Care and the Trust's charitable funds. Both organisations produce their own financial statements and are not consolidated in these accounts. Further details are in note 1.24 Critical judgements. Details of transactions between the Trust and its subsidiaries are shown in note 33 Related Party Transactions.

Note 18 Inventories

	31 March 2020	31 March 2019
	£000	£000
Drugs	56	26
Work In progress	73	40
Consumables	466	432
Energy	-	-
Other	614	614
Total inventories	**1,209**	**1,112**
of which:		
Held at fair value less costs to sell	-	-

Note 19.1 Receivables

	31 March 2020 £000	31 March 2019 £000
Current		
Contract receivables	17,864	19,999
Contract assets	-	-
Capital receivables	7	8
Allowance for impaired contract receivables / assets	(907)	(574)
Allowance for other impaired receivables	-	-
Deposits and advances	-	-
Prepayments (non-PFI)	1,259	1,425
Interest receivable	-	-
Finance lease receivables	-	-
PDC dividend receivable	43	-
VAT receivable	207	371
Corporation and other taxes receivable	-	-
Other receivables	-	-
Total current receivables	**18,473**	**21,229**
Non-current		
Contract receivables	414	261
Contract assets	-	-
Capital receivables	-	-
Allowance for impaired contract receivables / assets	-	-
Allowance for other impaired receivables	(90)	(57)
Deposits and advances	-	-
Prepayments (non-PFI)	-	-
Interest receivable	-	-
Finance lease receivables	-	-
VAT receivable	-	-
Corporation and other taxes receivable	-	-
Other receivables	94	-
Total non-current receivables	**418**	**204**
Of which receivable from NHS and DHSC group bodies:		
Current	8,397	13,414
Non-current	94	-

Note 19.2 Allowances for credit losses

	2019/20		2018/19	
	Contract receivables and contract assets	Other	Contract receivables and contract assets	All other receivables
	£000	£000	£000	£000
Allowances as at 1 April - brought forward	**631**	**-**	**-**	**1,017**
Prior period adjustments			-	-
Allowances as at 1 April - restated	**631**	**-**	**-**	**1,017**
Impact of implementing IFRS 9 (and IFRS 15) on 1 April 2018			1,017	(1,017)
Transfers by absorption	-	-	-	-
New allowances arising	366	-	65	-
Changes in existing allowances	-	-	-	-
Reversals of allowances	-	-	(451)	-
Utilisation of allowances (write offs)	-	-	-	-
Changes arising following modification of contractual cash flows	-	-	-	-
Foreign exchange and other changes	-	-	-	-
Allowances as at 31 Mar 2020	**997**	**-**	**631**	**-**

Note 19.3 Exposure to credit risk

	31 Mar 2020 receivables	31-Mar 2019 receivables
Ageing of allowance for credit losses	**£000**	**£000**
0 - 30 days	-	-
30-60 Days	-	-
60-90 days	-	-
90- 180 days	7	9
Over 180 days	990	622
Total	**997**	**631**
Ageing of non-impaired financial assets past their due date		
0 - 30 days	3,046	1,895
30-60 Days	711	596
60-90 days	509	623
90- 180 days	843	1,972
Over 180 days	2,349	3,448
Total	**7,458**	**8,534**

Note 20 Cash and cash equivalents movements

Cash and cash equivalents comprise cash at bank, in hand and cash equivalents. Cash equivalents are readily convertible investments of known value which are subject to an insignificant risk of change in value.

	2019/20	2018/19
	£000	£000
At 1 April	**4,901**	**5,663**
Prior period adjustments		-
At 1 April (restated)	**4,901**	**5,663**
Transfers by absorption	-	-
Net change in year	268	(762)
At 31 March	**5,169**	**4,901**
Broken down into:		
Cash at commercial banks and in hand	14	15
Cash with the Government Banking Service	5,155	4,886
Deposits with the National Loan Fund	-	-
Other current investments	-	-
Total cash and cash equivalents as in SoFP	**5,169**	**4,901**
Bank overdrafts (GBS and commercial banks)	-	-
Drawdown in committed facility	-	-
Total cash and cash equivalents as in SoCF	**5,169**	**4,901**

The Trust does not hold any third party assets

Note 21 Trade and other payables

	31 March 2020	31 March 2019
	£000	£000
Current		
Trade payables	12,042	14,705
Capital payables	1,467	797
Accruals	3,172	3,376
Receipts in advance and payments on account	13	16
Social security costs	3,303	3,192
VAT payables	-	-
Other taxes payable	-	-
PDC dividend payable	-	43
Other payables	291	43
Total current trade and other payables	**20,288**	**22,172**
Non-current		
Trade payables	-	-
Capital payables	-	-
Accruals	-	-
Receipts in advance and payments on account	-	-
VAT payables	-	-
Other taxes payable	-	-
Other payables	-	-
Total non-current trade and other payables	**-**	**-**
Of which payables from NHS and DHSC group bodies:		
Current	7,497	8,749
Non-current	-	-

Note Early retirements in NHS payables above

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

Note 22 Borrowings

	31 March 2020	31 March 2019
	£000	£000
Current		
Bank overdrafts	-	-
Drawdown in committed facility	-	-
Loans from DHSC	882	883
Other loans	-	-
Obligations under finance leases	554	707
Total current borrowings	**1,436**	**1,590**
Non-current		
Loans from DHSC	3,104	3,980
Other loans	-	-
Obligations under finance leases	480	1,036
Total non-current borrowings	**3,584**	**5,016**

Note 23 Reconciliation of liabilities arising from financing activities

	Loans from DHSC	Other loans	Finance leases	Total
	£000	£000	£000	£000
Carrying value at 1 April 2019	**4,863**	**-**	**1,743**	**6,606**
Cash movements:				
Financing cash flows - payments and receipts of principal	(876)	-	(707)	**(1,583)**
Financing cash flows - payments of interest	(65)	-	(33)	**(98)**
Non-cash movements:				
Transfers by absorption	-	-	-	**-**
Additions	-	-	-	**-**
Application of effective interest rate	64	-	33	**97**
Change in effective interest rate	-	-	-	**-**
Changes in fair value	-	-	-	**-**
Early terminations	-	-	-	**-**
Other changes	-	-	(2)	**(2)**
Carrying value at 31 March 2020	**3,986**	**-**	**1,034**	**5,020**

Reconciliation of liabilities arising from financing activities -

	Loans from DHSC	Other loans	Finance leases	Total
	£000	£000	£000	£000
Carrying value at 1 April 2018	**5,732**	**-**	**2,439**	**8,171**
Prior period adjustment	**-**	**-**	**-**	**-**
Carrying value at 1 April 2018 - restated	**5,732**	**-**	**2,439**	**8,171**
Cash movements:				
Financing cash flows - payments and receipts of principal	(876)	-	(700)	**(1,576)**
Financing cash flows - payments of interest	(77)	-	(41)	**(118)**
Non-cash movements:				
Impact of implementing IFRS 9 on 1 April 2018	8	-	-	**8**
Transfers by absorption	-	-	-	**-**
Additions	-	-	-	**-**
Application of effective interest rate	77	-	41	**118**
Change in effective interest rate	-	-	-	**-**
Changes in fair value	-	-	-	**-**
Early terminations	-	-	-	**-**
Other changes	(1)	-	4	**3**
Carrying value at 31 March 2019	**4,863**	**-**	**1,743**	**6,606**

Note 24 Finance leases

Note Sussex Community FT as a lessor

There were no finance leases where the Trust was the lessor

Note Sussex Community FT as a lessee

Obligations under finance leases where the trust is the lessee.

	31 March 2020	31 March 2019
	£000	£000
Gross lease liabilities	**1,710**	**2,452**
of which liabilities are due:		
- not later than one year;	579	740
- later than one year and not later than five years;	100	656
- later than five years.	1,031	1,056
Finance charges allocated to future periods	(676)	(709)
Net lease liabilities	**1,034**	**1,743**
of which payable:		
- not later than one year;	554	707
- later than one year and not later than five years;	10	563
- later than five years.	470	473
Total of future minimum sublease payments to be received at the reporting date	-	-
Contingent rent recognised as expense in the period	-	-

The Trust has a finance lease in connection with the building that it occupies in Conway Court Brighton. The lease commenced in 1967 and is for a 99 year period. There are no options for the Trust to purchase the building (or land which is leased under the terms of an operating lease) at the end of the lease period.

The Trust has a finance lease in connection with the implementation of a unified communications service known as VOiP. The lease is for a period of 5 years from 1 January 2016 with the option of a 2 year extension. The lease also indicates that the Trust has the option to purchase the equipment for a consideration equal to half a per cent (0.5%) of the cost of assets as at the commencement of the managed lease agreement (contract price).

Note 25 Provisions for liabilities and charges analysis

	Pensions: early departure costs	Pensions: injury benefits	Legal claims	Re-structuring	Equal Pay (including Agenda for Change)	Redundancy	Other	Total
	£000	£000	£000	£000	£000	£000	£000	£000
At 1 April 2019	**218**	**611**	**26**	**-**	**-**	**-**	**-**	**855**
Transfers by absorption	-	-	-	-	-	-	-	-
Change in the discount rate	**26**	**105**	-	-	-	-	-	**131**
Arising during the year	-	-	**7**	-	-	-	**94**	**101**
Utilised during the year	(17)	(24)	(23)	-	-	-	-	**(64)**
Reclassified to liabilities held in disposal groups	-	-	-	-	-	-	-	-
Reversed unused	**(15)**	-	**(2)**	-	-	-	-	**(17)**
Unwinding of discount	-	**2**	-	-	-	-	-	**2**
At 31 March 2020	**212**	**694**	**8**	**-**	**-**	**-**	**94**	**1,008**
Expected timing of cash flows:								
- not later than one year;	17	24	8	-	-	-	-	**49**
- later than one year and not later than five years;	195	670	-	-	-	-	**94**	**959**
- later than five years.	-	-	-	-	-	-	-	-
Total	**212**	**694**	**8**	**-**	**-**	**-**	**94**	**1,008**

Note 26 Clinical negligence liabilities

At 31 March 2020, £583k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of Sussex Community NHS Foundation Trust (31 March 2019: £1,413k).

Note 27 Contingent assets and liabilities

	31 March 2020 £000	31 March 2019 £000
Value of contingent liabilities		
NHS Resolution legal claims	-	-
Employment tribunal and other employee related litigation	-	-
Redundancy	-	-
Other	8,733	-
Gross value of contingent liabilities	**8,733**	**-**
Amounts recoverable against liabilities	-	-
Net value of contingent liabilities	**8,733**	**-**
Net value of contingent assets	**-**	**-**

The Trust's Trade Payables figure includes an amount of £4.1 million payable to NHS Property Services for the lease of land and buildings used in the provision of patient services. The amount recognised in our accounts is consistent with our spending in previous years. In our view this is appropriate because there have been no significant changes either to portfolio of properties which we are leasing, to the value of those properties or to the terms of our engagement with NHS Property Services.
However NHS Property Services have invoiced the Trust for significantly more than the amount recognised in the financial statements. The agreement of balances exercise shows a difference between our payables and Property Services receivables of approximately £ 8.7 million, which is material. This is a long running dispute and this represents the cumulative effect of differences from a number of financial years. Despite repeated requests NHS Property Services have not provided the Trust with evidence to support their invoicing or with satisfactory explanation of the reasons for the significant increases. Sussex Community NHS Foundation Trust disagrees with the amounts invoiced and has escalated the matter to NHS Improvement.
The same issue was also disclosed in the 2018/19 financial statements as an "estimation uncertainty". The equivalent figure for last year was £ 5.7 million.
This is an issue which affects several other providers in Sussex as well as Sussex Community NHS FT. Those providers have been involved in a facilitated process with NHS Property Services to resolve these differences. While Property Services have indicated they will be crediting or writing off much of the historic debt, the issues have not been fully resolved in time for the 2019/20 year end.
If this matter is not fully resolved in the Trust's favour, the result would be to increase the Trust's payables and expenditure. The Trust does not believe this will be the outcome and consequently we have not recognised it. It is relevant also to note that previous disputes with NHS Property Services have been resolved in the Trust's favour.

Note 28 Contractual capital commitments

	31 March 2020 £000	31 March 2019 £000
Property, plant and equipment	-	176
Intangible assets	-	-
Total	**-**	**176**

Note 29 Other financial commitments

The trust is has no signifiant commitments to making payments under non-cancellable contracts (which are not leases, PFI contracts or other service concession arrangement):

Note 30.1 Financial instruments

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 SCFT has with CCGs and the way CCGs are financed, the trust is not exposed to the degree of financial risks faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply. The Trust has limited powers to borrow or invest surplus funds. Financial assets and liabilities are generated by day to day operational activities rather than being held to change the risks facing change the risks facing the Trust in undertaking its activities.

The Trust's treasury management operations are carried out by the finance department, within parameters defined formally within the Standing Financial Instructions and policies agreed by the Board of Directors. The Trust's treasury activity is subject to review by the internal auditors.

Currency risk

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

Market risk

SCFT borrows from government for capital expenditure subject to affordability as confirmed by NHS Improvement. Borrowings are for 1 - 25 years in line with the asset lives of associated assets, and interest is charged at the national loans fund rate, fixed for the life of the loan. SCFT therefore has low exposure to interest rate fluctuations.

Credit risk

The majority of the Trust's revenue comes from contracts with other public sector bodies and therefore the Trust has low exposure to credit risk. The maximum exposure relates to the amounts in trade and other receivables as at 31 March 2020. Each month as part of the month end review process all trade and other receivables are reviewed and a provision is made if the debt has a reasonable level of doubt in relation to settlement.

Liquidity risk

The Trust's operating costs are incurred under contracts with CCGs, NHS England and local authorities, which are financed from resources voted annually by Parliament. The Trust is not therefore exposed to significant liquidity risk.

Note 30.2 Carrying values of financial assets

Carrying values of financial assets as at 31 March 2020	Held at amortised cost	Held at fair value through I&E	Held at fair value through OCI	Total book value
	£000	£000	£000	£000
Trade and other receivables excluding non financial assets	17,288	-	-	**17,288**
Other investments / financial assets	-	-	-	**-**
Cash and cash equivalents	5,169	-	-	**5,169**
Total at 31 March 2020	**22,457**	**-**	**-**	**22,457**

Carrying values of financial assets as at 31 March 2019	Held at amortised cost	Held at fair value through I&E	Held at fair value through OCI	Total book value
	£000	£000	£000	£000
Trade and other receivables excluding non financial assets	19,635	-	-	**19,635**
Other investments / financial assets	-	-	-	**-**
Cash and cash equivalents	4,901	-	-	**4,901**
Total at 31 March 2019	**24,536**	**-**	**-**	**24,536**

Note 30.3 Carrying values of financial liabilities

Carrying values of financial liabilities as at 31 March 2020	Held at amortised cost	Held at fair value through I&E	Total book value
	£000	£000	£000
Loans from the Department of Health and Social Care	3,986	-	**3,986**
Obligations under finance leases	1,034	-	**1,034**
Obligations under PFI, LIFT and other service concession contracts	-	-	**-**
Other borrowings	-	-	**-**
Trade and other payables excluding non financial liabilities	16,972	-	**16,972**
Other financial liabilities	-	-	**-**
Provisions under contract	-	-	**-**
Total at 31 March 2020	**21,992**	**-**	**21,992**

Carrying values of financial liabilities as at 31 March 2019	Held at amortised cost	Held at fair value through I&E	Total book value
	£000	£000	£000
Loans from the Department of Health and Social Care	4,863	-	**4,863**
Obligations under finance leases	1,743	-	**1,743**
Obligations under PFI, LIFT and other service concession contracts	-	-	**-**
Other borrowings	-	-	**-**
Trade and other payables excluding non financial liabilities	18,921	-	**18,921**
Other financial liabilities	-	-	**-**
Provisions under contract	-	-	**-**
Total at 31 March 2019	**25,527**	**-**	**25,527**

Note 30.4 Maturity of financial liabilities

	31 March 2020	31 March 2019
	£000	£000
In one year or less	18,408	20,513
In more than one year but not more than two years	879	1,430
In more than two years but not more than five years	1,675	1,674
In more than five years	1,030	1,910
Total	**21,992**	**25,527**

Note 30.5 Fair values of financial assets and liabilities

Due to the relatively straightforward nature of the Trust's assets and liabilities, carrying value is deemed to be a reasonable proxy for fair value

Note 31 Losses and special payments

	2019/20		2018/19	
	Total number of cases	Total value of cases	Total number of cases	Total value of cases
	Number	£000	Number	£000
Losses				
Cash losses	-	-	-	-
Fruitless payments	3	1	-	-
Bad debts and claims abandoned	57	24	-	-
Stores losses and damage to property	-	-	-	-
Total losses	**60**	**25**	**-**	**-**
Special payments				
Compensation under court order or legally binding arbitration award	4	19	4	7
Extra-contractual payments	-	-	-	-
Ex-gratia payments	9	34	11	7
Special severance payments	-	-	-	-
Extra-statutory and extra-regulatory payments	-	-	-	-
Total special payments	**13**	**53**	**15**	**14**
Total losses and special payments	**73**	**78**	**15**	**14**
Compensation payments received		-		-

Note 32 Gifts

The Trust has a policy of no gifts

Note 33 Related parties

During the year none of the Department of Health Ministers, Sussex Community NHS Foundation Trust Board members or members of the key management staff, or parties related to any of them, has undertaken any material transactions with Sussex Community NHS Foundation Trust.

The Department of Health and Social Care is regarded as a related party. During the year Sussex Community NHS Foundation Trust has had a number of significant transactions with the Department, and with other entities for which the Department is regarded as the parent. The major entities are listed below.

- NHS Coastal West Sussex CCG
- NHS Brighton and Hove CCG
- NHS Horsham and Mid Sussex CCG
- NHS Crawley CCG
- NHS High Weald Lewes Havens CCG
- NHS England Group
- NHS Property Services
- Brighton and Sussex University Hospitals NHS Trust
- Health Education England
- Surrey and Sussex Healthcare NHS Trust
- Western Sussex Hospitals NHS Foundation Trust
- East Sussex Healthcare NHS Trust
- Sussex Partnership NHS Foundation Trust
- NHS East Surrey CCG
- NHS Eastbourne, Hailsham and Seaford CCG
- NHS Guildford and Waverley CCG
- NHS Hastings and Rother CCG
- North East London Commissioning Support Unit
- NHS West Kent CCG
- NHS Litigation Authority

The Trust has had a number of material transactions with other government departments and other central and local government bodies. The larges of these are with Brighton and Hove City Council and West Sussex County Council in respect of joint enterprises.

In November 2018 the Trust established a subsidiary company, Sussex Primary Care Limited. During the year the Trust provided various back office and support services to Sussex Primary Care, for which it has recharged a fee. Also during the year the Trust made various creditor and other payments on behalf of Sussex Primary Care, which are then recharged to Sussex Primary Care. As a result at the 31 March 2020 Sussex Primary Care owed £1,145K to the Trust.

The Trust Board is also the Trustee of the Sussex Community NHS FT Charitable fund. During the year the Trust made various payments on behalf of the Charity, for which it recharged the charity. These are reflected in the year end accounts as a receivable of £ 129 K with the charitable fund. The Trust also raises an annual management charge of £43 K to the charity for the administration of the fund.

Note 34 Events after the reporting date

Since 1 April the Trust is continuing to operate in emergency measures as a result of the coronavirus outbreak. This has resulted in some significant changes to how our Trust and others in the sector are financed. On 1 April 2020 the Trust received a block payment in advance of £16.3 million from commissioners, to protect its cash flow during the emergency measures. The Trust is also continuing to be reimbursed for additional costs it incurs as a result of the pandemic.

Independent auditor's report to the Council of Governors of Sussex Community NHS Foundation Trust

Report on the Audit of the Financial Statements

Opinion

Our opinion on the financial statements is unmodified

We have audited the financial statements of Sussex Community NHS Foundation Trust (the 'Trust') for the year ended 31 March 2020 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union, and as interpreted and adapted by the Accounts Directions issued under the National Service Act 2006, the NHS foundation trust annual reporting manual 2019/20 and the Department of Health and Social Care Group Accounting Manual 2019 to 2020.

In our opinion the financial statements:

- give a true and fair view of the financial position of the Trust as at 31 March 2020 and of its expenditure and income for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union, as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2019 to 2020; and
- have been prepared in accordance with the requirements of the National Health Service Act 2006.

Basis for opinion

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

The impact of macro-economic uncertainties on our audit

Our audit of the financial statements requires us to obtain an understanding of all relevant uncertainties, including those arising as a consequence of the effects of macro-economic uncertainties such as Covid-19 and Brexit. All audits assess and challenge the reasonableness of estimates made by the Accounting Officer and the related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the Trust's future operational arrangements.

Covid-19 and Brexit are amongst the most significant economic events currently faced by the UK, and at the date of this report their effects are subject to unprecedented levels of uncertainty, with the full range of possible outcomes and their impacts unknown. We applied a standardised firm-wide approach in response to these uncertainties when assessing the Trust's future operational arrangements. However, no audit should be expected to predict the unknowable factors or all possible future implications for an entity associated with these particular events.

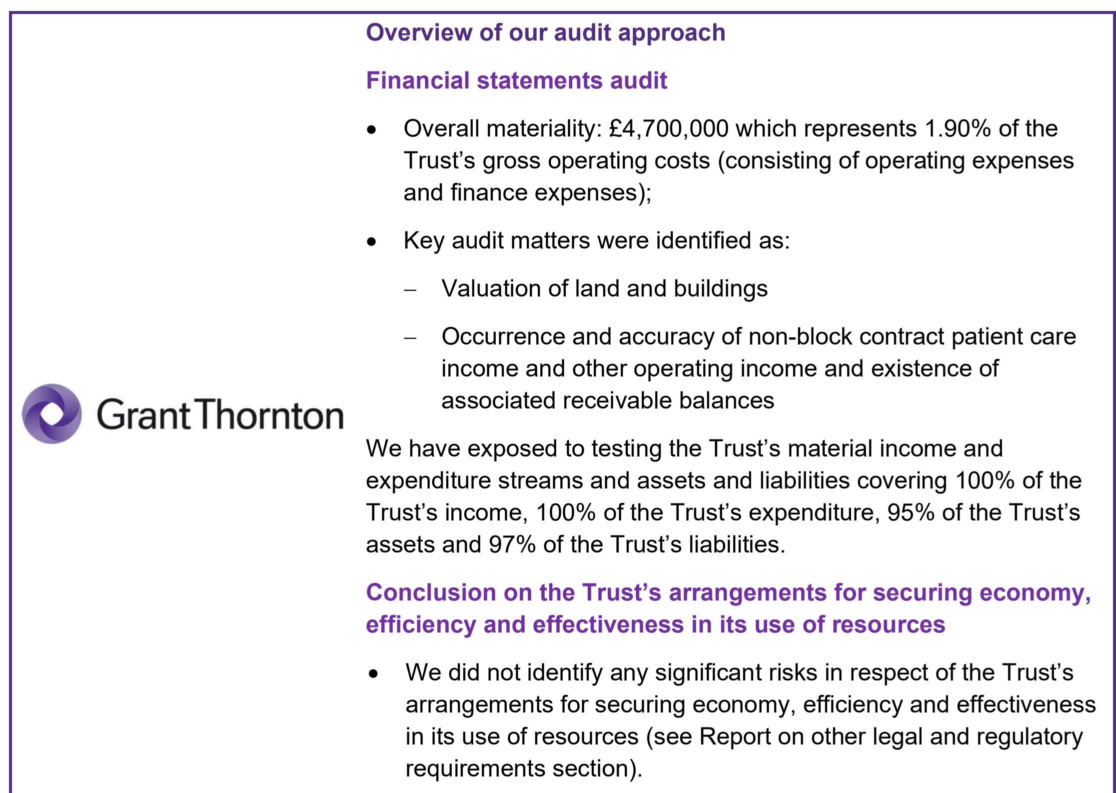
Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Accounting Officer’s use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Accounting Officer has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Trust’s ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

In our evaluation of the Accounting Officer’ conclusions, and in accordance with the expectation set out within the Department of Health and Social Care Group Accounting Manual 2019 to 2020 that the Trust’s financial statements shall be prepared on a going concern basis, we considered the risks associated with the Trust’s operating activities, including effects arising from macro-economic uncertainties such as Covid-19 and Brexit. We analysed how those risks might affect the Trust’s financial resources or ability to continue operations over the period of at least twelve months from the date when the financial statements are authorised for issue. In accordance with the above, we have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Trust will continue in operation.



Overview of our audit approach

Financial statements audit

- Overall materiality: £4,700,000 which represents 1.90% of the Trust’s gross operating costs (consisting of operating expenses and finance expenses);
- Key audit matters were identified as:
  - Valuation of land and buildings
  - Occurrence and accuracy of non-block contract patient care income and other operating income and existence of associated receivable balances

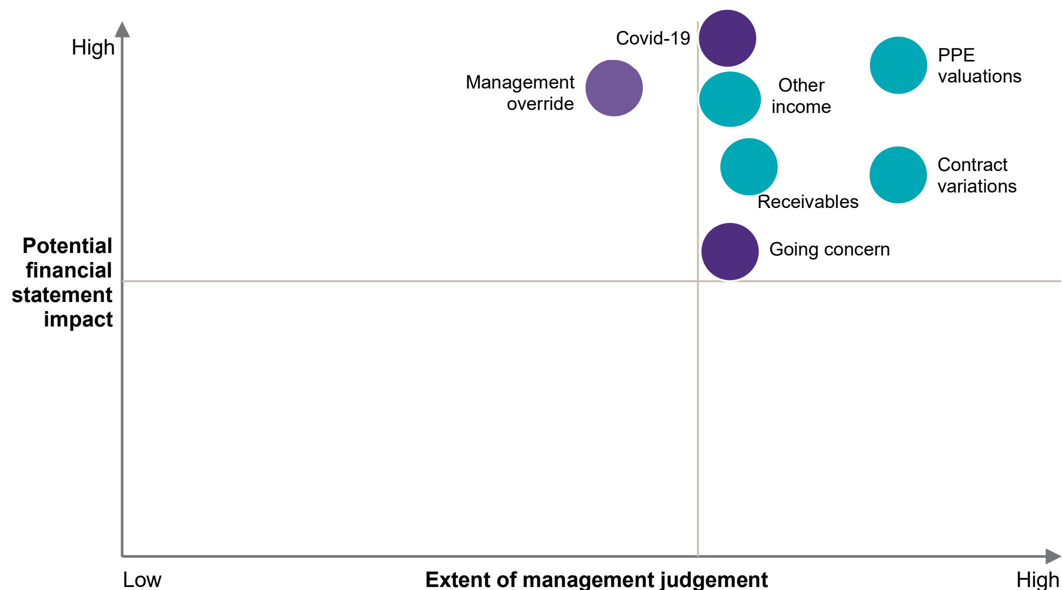
We have exposed to testing the Trust’s material income and expenditure streams and assets and liabilities covering 100% of the Trust’s income, 100% of the Trust’s expenditure, 95% of the Trust’s assets and 97% of the Trust’s liabilities.

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

- We did not identify any significant risks in respect of the Trust’s arrangements for securing economy, efficiency and effectiveness in its use of resources (see Report on other legal and regulatory requirements section).

Key audit matters

The graph below depicts the audit risks identified and their relative significance based on the extent of the financial statement impact and the extent of management judgement.



Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those that had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How the matter was addressed in the audit
Risk 1 Valuation of land and buildings The Trust re-values its land and buildings annually to ensure that the current value is not materially different from fair value. The valuation represents a significant accounting estimate by management in the financial statements, which is sensitive to changes in assumptions and market conditions. Management engage the services of a qualified valuer, who is a Regulated Member of the Royal Institute of Chartered Surveyors (RICS), to estimate the current value of its land and buildings. The full valuation was as at 31 March 2020. The effects of the COVID-19 virus will affect the work carried out by the Trust's valuer in a variety of ways. Inspecting properties could prove difficult and access to evidential data, such as values of comparable assets may be less freely available. RICS Regulated Members have therefore been considering whether a material uncertainty declaration is now appropriate in their reports. Its purpose is to ensure that any client relying upon the valuation report understands that it has been prepared under extraordinary circumstances. In their 2019/20 valuation report the Trust's valuer included a material uncertainty and this was disclosed in note 1.26 to the financial statements. We therefore identified valuation of land and buildings as a significant risk, which was one of the most significant assessed risks of material misstatement.	Our audit work included, but was not restricted to: • evaluating management's processes and assumptions for the calculation of the estimate, the instructions issued to valuation experts and the scope of their work; • evaluating the competence, capabilities and objectivity of the valuation expert; • discussing with the valuer the basis on which the valuation was carried out; • challenging the information and assumptions used by the valuer to assess completeness and consistency with our understanding including how the impact of market volatility had been considered, and how management had satisfied themselves that the existing valuations were not materially different to current value at 31 March 2020; • testing revaluations made during the year to see if they had been input correctly into the Trust's asset register. The Trust's accounting policy on valuation of property, plant and equipment is shown in note 1.8 to the financial statements and related disclosures are included in note 16. **Key observations** As, disclosed in note 1.26 to the financial statements, the outbreak of Covid-19 has caused uncertainties in markets. As a result, the Trust's valuer has declared a 'material valuation uncertainty' in their valuation report which was carried out in March 2020 with a valuation date of 31 March 2020.The values in the valuation

Key Audit Matter	How the matter was addressed in the audit
	report have been used to inform the measurement of property assets at valuation in the financial statements. The Trust has disclosed the estimation uncertainty related to the year-end valuations of land and buildings in note 1.26 to the financial statements and is planning to keep the valuation of the property under frequent review. The Trust's valuer prepared their valuations in accordance with the RICS Valuation – Global Standards using the information that was available to them at the valuation date in deriving their estimates. We obtained sufficient audit assurance to conclude that: • the basis of the valuation of land and buildings was appropriate, and • the assumptions and processes used by management in determining the estimate of valuation of property were reasonable; • the valuation of land and buildings disclosed in the financial statements is reasonable.
Risk 2 Occurrence and accuracy of non-block contract patient care income and other operating income and existence of associated receivable balances Trusts are facing significant external pressure to restrain budget overspends and meet externally set financial targets, coupled with increasing patient demand and cost pressures. In this environment, we have considered the rebuttable presumed risk under ISA (UK) 240 that revenue may be misstated due to the improper recognition of revenue. We have rebutted this presumed risk for the revenue streams of the Trust that are principally derived from contracts that are agreed in advance at a fixed price. We have determined these to be income from: • Block contract income element of patient care revenues • Education & training income We have not deemed it appropriate to rebut this presumed risk for all other material streams of patient care income and other operating revenue. We therefore identified occurrence and accuracy of all income and other operating income and existence of associated receivable balances as a significant risk, which was one of the most significant assessed risks of material misstatement.	Our audit work included, but was not restricted to: • evaluating the Trust's accounting policy for recognition income from patient care activities and other operating revenue for appropriateness and compliance with the DHSC Group Accounting Manual 2019/20 ; • updating our understanding of the Trust's system for accounting for income from patient care activities and other operating revenue, and evaluated the design of the associated controls; • using the analysis provided by the Department of Health to identify any significant differences in income balances with contracting NHS bodies, and investigating the validity of these differences; • agreeing, on a sample basis, amounts recognised in income in the financial statements to signed contracts and invoices; • agreeing a sample of the income from additional non-contract activity in the financial statements to any signed contract variations, invoices, and other supporting documentation, such as correspondence from the Trust's commissioners which confirms their agreement to pay for the additional activity and the value of the income. The Trust's accounting policy on income recognition is shown in note 1.4 to the financial statements and related disclosures are included in notes 3 and 4. **Key observations** We obtained sufficient, appropriate audit evidence to conclude that the income recognised in the Trust's financial statements had occurred and was therefore correct to be recognised by the Trust and the amounts recognised were accurate. In addition, we obtained sufficient, appropriate audit evidence to conclude that the associated receivables balances within the financial

Key Audit Matter	How the matter was addressed in the audit
	statements existed and were therefore due to be received by the Trust.

Our application of materiality

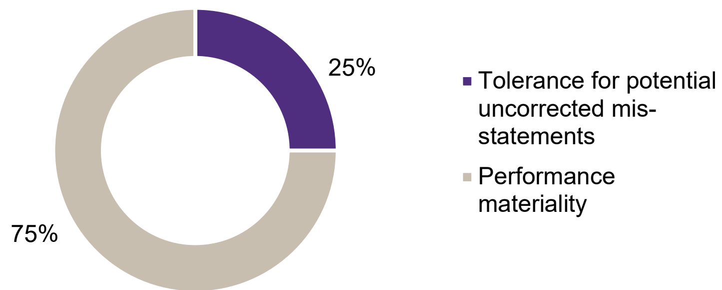
We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality in determining the nature, timing and extent of our audit work and in evaluating the results of that work.

Materiality was determined as follows:

Materiality Measure	Trust
Financial statements as a whole	£4,700,000 which is 1.90% the Trust's gross operating costs. This benchmark is considered the most appropriate because we consider users of the financial statements to be most interested in how the Trust has expended its revenue and other funding.
Performance materiality used to drive the extent of our testing	75% of financial statement materiality
Specific materiality	Senior officer's remuneration materiality set as £100,000 and Cash balance set as £500,000 due to potential public interest.
Communication of misstatements to the Audit Committee	£ 235,000 and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.

The graph below illustrates how performance materiality interacts with our overall materiality and the tolerance for potential uncorrected misstatements.

Overall materiality – Trust



An overview of the scope of our audit

Our audit approach was a risk-based approach founded on a thorough understanding of the Trust's business, its environment and risk profile and in particular included:

- Include a description of the scope of our audit, including total percentage coverage of procedures of total revenues/operating costs/assets
- Include performance of audit– for example, interim visit, evaluation of the Trust's internal controls environment including its IT systems and controls;
- Include changes in the overview of the scope of the current year audit from the scope of that of the prior year and an explanation of those changes.

Other information

The Accounting Officer is responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

In this context, we also have nothing to report in regard to our responsibility to specifically address the following items in the other information and to report as uncorrected material misstatements of the other information where we conclude that those items meet the following conditions:

- Fair, balanced and understandable (Page 52) in accordance with provision C.1.1 of the NHS Foundation Trust Code of Governance – the statement given by the directors that they consider the Annual Report and financial statements taken as a whole is fair, balanced and understandable and provides the information necessary for patients, regulators and other stakeholders to assess the Trust's performance, business model and strategy, is materially inconsistent with our knowledge of the Trust obtained in the audit; or

Other information we are required to report on by exception under the Code of Audit Practice

Under the Code of Audit Practice published by the National Audit Office on behalf of the Comptroller and Auditor General (the Code of Audit Practice) we are required to consider whether the Annual Governance Statement does not meet the disclosure requirements set out in the NHS foundation trust annual reporting manual 2019/20 or is misleading or inconsistent with the information of which we are aware from our audit. We are not required to consider whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls.

We have nothing to report in this regard.

Our opinion on other matters required by the Code of Audit Practice is unmodified

In our opinion:

- the parts of the Remuneration Report and the Staff Report to be audited have been properly prepared in accordance with IFRSs as adopted by the European Union, as interpreted and adapted by the NHS foundation trust annual reporting manual 2019/20 and the requirements of the National Health Service Act 2006; and
- based on the work undertaken in the course of the audit of the financial statements and our knowledge of the Trust gained through our work in relation to the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources, the other information published together with the financial statements in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

Under the Code of Audit Practice, we are required to report to you if:

- we issue a report in the public interest under Schedule 10 (3) of the National Health Service Act 2006 in the course of, or at the conclusion of the audit; or
- we refer a matter to the regulator under Schedule 10 (6) of the National Health Service Act 2006 because we have reason to believe that the Trust, or a director or officer of the Trust, is about to make, or has made, a decision which involves or would involve the incurring of expenditure that was

unlawful, or is about to take, or has begun to take a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency.

We have nothing to report in respect of the above matters.

Responsibilities of the Accounting Officer and Those Charged with Governance for the financial statements

As explained more fully in the Statement of the Chief Executive's responsibilities as the accounting officer, the Chief Executive, as Accounting Officer, is responsible for the preparation of the financial statements in the form and on the basis set out in the Accounts Directions included in the NHS foundation trust annual reporting manual 2019/20, for being satisfied that they give a true and fair view, and for such internal control as the Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Accounting Officer is responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer has been informed by the relevant national body of the intention to dissolve the Trust without the transfer of the Trust's services to another public sector entity.

The Audit Committee is Those Charged with Governance. Those charged with governance are responsible for overseeing the Trust's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

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

Report on other legal and regulatory requirements – Conclusion on the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

Matter on which we are required to report by exception - Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

Under the Code of Audit Practice, we are required to report to you if, in our opinion we have not been able to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2020.

We have nothing to report in respect of the above matter.

Significant risks

Under the Code of Audit Practice, we are required to report on how our work addressed the significant risks we identified in forming our conclusion on the adequacy of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources. Significant risks are those risks that in our view had the potential to cause us to reach an inappropriate conclusion on the audited body's arrangements. We have not identified any significant risks during our audit.

Responsibilities of the Accounting Officer

The Accounting Officer is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in the use of the Trust's resources.

Auditor's responsibilities for the review of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

We are required under paragraph 1 of Schedule 10 of the National Health Service Act 2006 to be satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources and to report where we have not been able to satisfy ourselves that it has done so. We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the guidance on the specified criterion issued by the Comptroller and Auditor General in April 2020, as to whether in all significant respects, the Trust had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. The Comptroller and Auditor General determined this criterion as that necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the Trust put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2020, and to report by exception where we are not satisfied.

We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary to be satisfied that the Trust has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

Report on other legal and regulatory requirements - Certificate

We certify that we have completed the audit of the financial statements of Sussex Community NHS Foundation Trust in accordance with the requirements of Chapter 5 of Part 2 of the National Health Service Act 2006 and the Code of Audit Practice.

Use of our report

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. Our audit work has been undertaken so that we might state to the Trust's Council of Governors those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trust and the Trust's Council of Governors, as a body, for our audit work, for this report, or for the opinions we have formed.

Darren Wells

Darren Wells, Key Audit Partner
for and on behalf of Grant Thornton UK LLP, Local Auditor

Bishopsgate
16 June 2020