Ashford and St. Peter's Hospitals NHS
NHS Foundation Trust

ANNUAL REPORT & ACCOUNTS

1st April 2015 to 31st March 2016

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

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CONTENTS

1. Introduction

Welcome…….. 7
About us…….. 10

2. Performance Report

Overview…….. 12
Performance analysis ……... 21
Progress against our strategic objectives…….. 33
Best Outcomes……... 33
Excellent Experience…… 38
Skilled Motivated Teams…….. 46
Top Productivity…… 50

3. Accountability Report

Directors' Report……..…… 57
Remuneration Report……... 59
Staff Report……... 64
NHS Foundation Trust Code of Governance……. 71
Regulatory Ratings……... 91
Sustainability Report…… 93
Statement of Accounting Officers' Responsibilities…….. 96
Annual Governance Statement…… 97

4. Quality Report

Introduction ……. 110
Statement on Quality from the Chief Executive …… 111
Priorities for improvement 2016/17 …… 114
Statements of assurance …….. 125
Performance against core indicators ……... 148
Overview of quality of care against 2015/16 priorities ……. 161
Performance against NHS Improvement risk assessment indicators …….. 176
Statements from other organisations …….. 183
Statement of directors' responsibilities …… 189
Independent auditor's report to the Council of Governors …….. 191

5. Annual Accounts

Financial Accounts …… 194

1. Introduction

Welcome Statement by the Chairman, Aileen McLeish

Welcome to our Annual Report which covers the financial period from 1st April 2015 to 31st March 2016.

Within a national context of rising demand for NHS services and continued financial pressure on the health and social care sector, Ashford and St Peter's has risen well to the challenge and overall this has been another positive year for our Foundation Trust.

Described last year as 'a caring organisation' by the Care Quality Commission we have worked hard to maintain high standards of care despite increasing pressure on services across the board. We were proud to win the national Quality of Care Award from CHKS last year and to be finalists for the same award this year, which is a significant achievement by the wider team. And unlike many other hospital Trusts we have achieved this while keeping control of our finances and have finished the year with a relatively small deficit of £0.6m, which benchmarks us well against many of our peers.

We continue to make progress in developing our clinical services in a variety of ways. For example two particularly inspiring 'experience based co-design' projects were run by our Breast and Urology services involving patients in making positive improvements to our services. This year has seen the continued development of our Electronic Medical Record project which will help transform the way we provide care to patients, as well as a number of impressive 'app' developments designed and implemented by teams and members of staff.

Operationally, this has been a year once again dominated by rising demand and emergency pressures, not just in our hospitals but up and down the country. As is becoming increasingly the norm, this hasn't been restricted to the traditional winter months and we have seen surges in emergency demand throughout the year.

Following severe pressures experienced last winter (2014-15) which resulted in the declaration of a Major Incident, we worked closely with local partners to prevent a similar crisis situation arising this year. While pressures overall have not eased and continue to be extremely challenging – recording our highest ever daily attendances in A&E only recently (356) – there is no doubt we have improved the way we work together as a local system. I would like to publicly record our thanks to all our local partners -

including commissioners, ambulance, social and primary care, our mental health service colleagues and the community and voluntary sector - for their ongoing support.

However, as a result of sustained demand we continue to struggle to meet the four hour waiting target. Much of our focus therefore remains on improving our emergency care pathway and on working collaboratively with partners across the local health system. We recognise this is not just a hospital issue but one that clearly requires a whole system approach and we will continue to work together to secure the right solutions for local patients

In the face of continued challenge, our proposed merger with Royal Surrey County Hospital NHS Foundation Trust and, importantly the scale it would bring, has been a key element of our longer-term strategy to help ensure financial and clinical sustainability for local hospital services. We have worked hard to develop robust plans to integrate our two organisations. However, earlier this year both Boards decided to pause our merger planning, predominantly due to the deteriorating financial position at Royal Surrey which is being investigated by NHS Improvement. While the rationale for creating a bigger, stronger organisation is still there, it is important this is built on firm foundations and we will keep the situation under review in the coming months as we await the outcome of NHS Improvement's investigation.

In the meantime, we continue our work to secure the right sustainable solutions for local patients, exploring a range of other strategies. In particular, as part of delivering the NHS Five Year Forward View, local health systems have been asked to come together to plan across larger geographical areas to deliver sustainable and transformed local health services. We are now part of a partnership called Surrey Heartlands, led by our commissioning colleagues across North West Surrey, Guildford and Waverley and Surrey Downs and work is beginning in earnest to develop plans to transform health services in this part of Surrey over the next five years.

With sustained pressure on services we recognise that more is being asked of our staff and we continue to work with colleagues to develop a positive culture programme. We were disappointed that recent improvements in staff survey results were not sustained this year, although our top scores indicate that staff are experiencing less work-related stress compared to other Trusts and good communication with managers. At a time of continuing change, working in partnership with our teams is essential to shape the right strategy and culture for the future, and this will be one of our top priorities in the coming year.

Staff continue to demonstrate their talent and innovation – locally and nationally – as we have celebrated what feels like a record number of award winners and shortlisted entries this year. I am particularly pleased to report that Suzanne Rankin was not only shortlisted as Chief Executive of the Year at the national HSJ awards – a reflection on the whole team - she was also named as one of the top 50 Chief Executives in the country.

I would like to take this opportunity to thank Non-Executive Directors Dr Philip Beesley and Peter Taylor for their contribution to Ashford and St Peter's as they have announced their intention to step down from the Board later this summer.

I would also like to thank and say goodbye to Governors Margaret Lenton, Public Governor for Windsor and Maidenhead, Hugh Meares, Appointed Governor for Runnymede, Jean Pinkerton, Appointed Governor for Spelthorne Borough Council, Bhupendra Vyas, Public

Governor for Hounslow and Tracy Ward, Public Governor for Runnymede. In their stead we welcome Lilly Evans, Public Governor for Runnymede and Windsor & Maidenhead, Mark Maddox, Appointed Governor for Runnymede, Bhagat Singh Rupal, Public Governor for Hounslow and Richmond upon Thames and Maureen Attewell, Appointed Governor for Spelthorne Borough Council.

Overall we remain optimistic about the future despite the obvious challenges. We are a strong, ambitious organisation and continue to build a talented team of clinical and non-clinical colleagues with one common aim – to provide the very best care for our patients and their families.

Aileen McLeish
Chairman

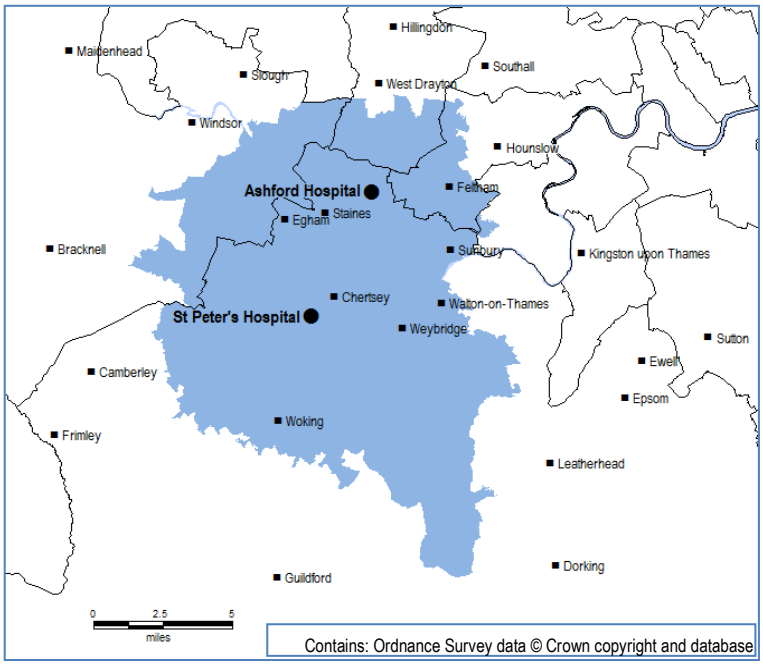
About us

Trust profile

Originally established in 1998 from the merger of Ashford and St Peter's Hospitals, the Trust has been on a long journey of development and improvement to its current position as the largest provider of acute hospital services to Surrey residents, and having become a Foundation Trust in December 2010.

Ashford and St Peter's Hospitals NHS Foundation Trust serves a population of over 410,000 people living in the boroughs of Runnymede, Spelthorne, Woking and parts of Elmbridge, Hounslow, Surrey Heath and beyond. The Trust employs around 3750 individual members of staff and in 2015/16 our turnover for the year was £268 million.

The Trust provides a whole range of services across its two hospital sites in Surrey - Ashford Hospital, situated along the A30 close to the border with Hounslow, and St Peter's Hospital in Chertsey. The majority of planned care, like day case and orthopaedic surgery and rehabilitation services, is provided at Ashford hospital, with more complex medical and surgical care and emergency services at St Peter's Hospital.



Our catchment area

Our services

We provide the following hospital and community based health services to our catchment population:

- Admitted patient care for planned surgery and emergency medicine and surgery
- Accident and emergency services
- Critical care
- Outpatient services, both in the hospitals and across a number of community settings
- Community midwifery services

Services are split across our two main hospital sites as follows:

Ashford Hospital	St Peter's Hospital
Day-case surgery	Accident and emergency services
Stroke and rehabilitation care	Intensive care
Elective orthopaedic surgery	Emergency surgical and medical care
Ophthalmology	Elective and day-case surgery
Outpatients (including paediatrics) and diagnostics; X ray, ultrasound, and MRI scans	Orthopaedics (Rowley Bristow unit)
	Maternity care
	Paediatric services (children's services)
	Neonatal intensive care unit which provides care for acutely ill babies
	Outpatients and diagnostics; X ray, ultrasound, CT scans, endoscopy (using cameras to look inside the body) and MRI scans
	Pathology services
	Paediatric services

We run many specialist clinics in the community - for example at Woking, Weybridge, Walton and Cobham Community Hospitals, at the Heart of Hounslow Centre for Health, Teddington Memorial Hospital and others – providing more accessible care, closer to where our patients live.

We've been busy …..

Over the last year we have:

- Treated 25,000 emergency admissions
- Admitted 39,000 people for planned inpatient and day case treatment
- Seen 96,000 people in our A&E department
- Treated over 414,000 patients in our outpatient clinics
- Helped deliver over 4,000 babies
- Had a turnover of £268m with a financial deficit last year of £0.6m

2. Performance Report

Performance Report - Overview

Statement by the Chief Executive

Overall the Trust has performed well against its corporate objectives and assurance targets this year (see our Performance Analysis section for a more detailed analysis). After another particularly challenging year financially, the Trust managed to end the year with a deficit of just £0.6 million, £0.6 million ahead of our planned deficit of £1.2 million. This has benchmarked us well with other Trusts and is a significant achievement given the increasing financial challenge. Within this we managed to achieve £13.7 million of savings from a turnover of £268 million. Our final risk rating at the end of the year from NHS Improvement dropped to 2, although this was anticipated and we expect this to rise to 3 in the first part of the new financial year.

In terms of quality performance, mortality rates continue to match with those of our peers, and remain lower than the national average. Mirroring national trends, there was a spike in crude mortality in the final quarter of the year when the Trust was experiencing its busiest period of the year. We reported just one case of hospital acquired MRSA bacteraemia and low levels of clostridium difficile with just five attributable cases (i.e. hospital acquired). More detail on our full range of quality targets is given in our *Quality Report* which starts on p. 110.

Much of our work this year has been focused on improving our emergency care pathway and in particular improving performance against the four hour waiting target. We have struggled to meet the target this year achieving a performance of 90.2% for the year, against the target of 95%. During the final quarter of the year, performance dropped to 85.3% reflecting a surge in activity which peaked in March with our highest ever daily attendances in A&E (356 compared to an average of 290 for that time of year). This dip in performance reflected a national picture, with only five Trusts in the country meeting the waiting standard during February. Overall, A&E attendances rose during the year by about 2%.

Following on from the difficulties we experienced during the winter of 2014/15, we have significantly improved the way we work with our local partners, in particular our commissioners, social services, Virgin Care and the South East Coast Ambulance Service. A joint root cause analysis was conducted following the declaration of a Major Incident in January 2015, and this has resulted in a number of system wide improvements and actions, as well as detailed work internally by the teams across our hospitals. The introduction of a data analysis system working with Alamac has been pivotal in understanding surges in demand across the local health economy and has helped partners work collectively to proactively manage these spikes. While this has been an extremely challenging winter once again, and one that has lasted well into Spring, this joint approach has certainly helped. Moving forward we have a robust Urgent Care Pathway Programme in place with our

partners and we hope to be meeting the four hour waiting target by October 2016 as set out in our improvement trajectory.

This year we have seen a decrease in the number of emergency admissions, partly due to a new electronic system introduced by commissioners for the ambulance Trust, IBIS, which helps paramedics seek alternatives to hospital for their patients.

During the year we have seen an increase in urgent cancer referrals in a number of key specialties. We have been working with our commissioner colleagues at North West Surrey CCG to address this, and to reduce the number of declined or re-arranged appointments which can lead to patients being seen outside the two-week urgent cancer referral rule. For a number of months we have also struggled to meet the 62 day standard for urgent GP cancer referrals predominantly due to delays caused by emergency care pressures and staffing issues. We are now addressing these areas through a robust recovery action plan and are seeing an improvement in performance.

Our 18 week referral to treatment performance is on track and since last year we have seen a slight decrease in activity due to all backlogs from the previous year having been cleared. During the year the way this standard is measured was changed so now Trusts are no longer required to report pauses or suspensions in the waiting time pathway; we have achieved the remaining incomplete pathway referral to treatment standard throughout the year with an average performance of 95.7% against the target of 92%, which benchmarks the Trust in the upper quartile when compared with other NHS acute providers.

Outpatient appointments have increased during the year, particularly for new outpatient appointments reflecting an increase in referral rates of around 5%. This won't be sustainable in the future and we are working harder with partners to seek alternatives to hospital and new pathways of care within the community. One example is our partnership in the new Locality Hubs, a new service to support elderly and frail patients in the community, designed and set up by a partnership of local health organisations led by North West Surrey CCG (see more on p. 38). Looking forward we will need to continue to work more collaboratively with our partners, supporting a shift of care into the community which will help our hospitals remain sustainable.

Like other local health and care organisations, staffing remains one of our biggest challenges, particularly given our proximity to London. There are national shortages of trained staff in a number of areas, which has traditionally resulted in high levels of agency spend, for example on middle grade A&E doctors. This is becoming increasingly challenging, with national safer staffing levels and recent caps on expensive agency spend. While we are supportive of both, we have to become more creative in terms of recruitment and retention, particularly around recruitment campaigns, role redesign and staff benefits and wellbeing to aid retention.

We continue to work closely with our commissioners, in particular North West Surrey Clinical Commissioning Group (CCG) who commissions the majority of our services (representing over 70% of our income). We also have good relationships with our other commissioners, including Hounslow CCG (representing c. 5% of our income) and CCGs in Berkshire (who

represent c.2.5%). We continue to work well with NHS England who commissions the specialist services we provide including cardiovascular and neonatal services with a contract value of around £35.6 million (c. 15% of our income).

During the course of the year we have performed well against our strategic objectives, continuing to improve clinical outcomes, enhance the experience of patients and staff, developing an open culture of curiosity and creativity, and supporting innovation across our organisation. A lot of time this year was spent progressing our proposed merger plans which are now paused. Along with colleagues across this part of Surrey we are turning our focus onto the strategic opportunities offered through the Surrey Heartlands planning partnership (see more on p.17).

As always, our guiding focus will be on securing and improving the very best care for our patients and the best experience for our staff.

Suzanne Rankin
Chief Executive
26 May 2016

Our vision and strategy

Our vision 'Creating excellent joined up patient care' captures our ambition to provide more seamless care within our hospitals and care into and out of hospital, stressing the need for excellence and putting patients at the centre of everything we do.

Our strategy has two over-arching missions:

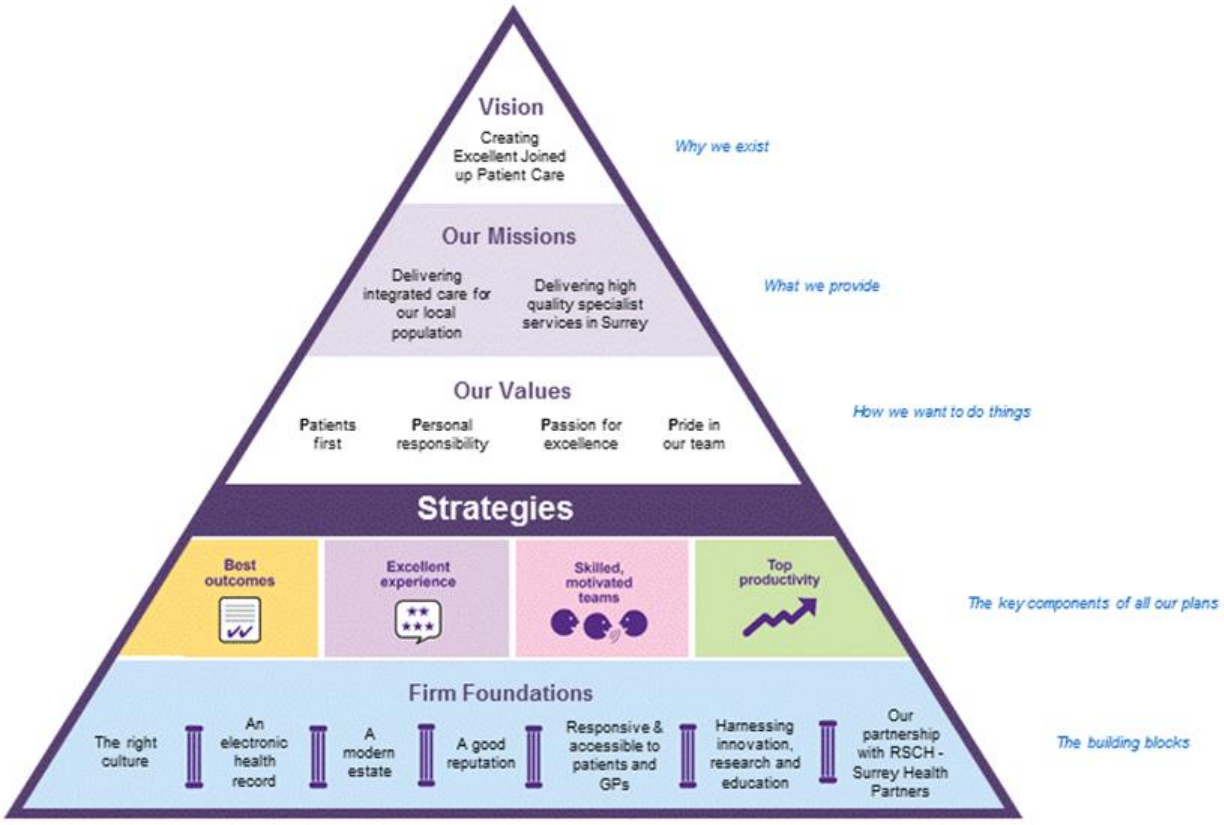
- To develop integrated care for our local population – working to join up care pathways with primary, community and social care
- Deliver high quality specialist services in Surrey – with our aim to become an Emergency Centre for Surrey

These are underpinned by our four strategic objectives; Best Outcomes; Excellent Experience; Skilled, Motivated Teams; and Top Productivity.

Our objectives for 2015/16 were developed within the context of our two missions and strategic objectives, and our agreed contracts with Clinical Commissioning Groups (particularly North West Surrey CCG) and NHS England.

They are also consistent with the national context set out in the NHS Five Year Forward View and by the Surrey Health and Wellbeing strategy.

Our strategy triangle:



In summary our four strategic objectives are:

- **Best Outcomes** – reducing in-hospital mortality, eradicating avoidable harm and reducing inappropriate re-admissions.
- **Excellent Experience** - improving patient experience, ensuring delivery of key national operational targets, improving the response management and use of the learning from complaints.
- **Skilled Motivated Teams** - recruiting, retaining and developing the workforce, improving staff engagement, experience, wellbeing and team working, improving education and development and developing and implementing a pay and reward framework.
- **Top Productivity** – delivering a cost improvement programme, driving clinical and corporate efficiencies, securing profitable activity growth and delivering our long term capital plan.

Progress against these objectives for 2015/16 is given in our Performance Analysis on p. 33.

Future plans and development

There are a number of external factors and uncertainties that will impact on the future of our business and our ability to continue to offer the best healthcare to patients.

Our plans for 2016/17 have been devised to be consistent with the national context recently set out in the NHS Five-Year Forward View and the local context informed by local and specialist commissioning strategies, by the Surrey Health and Wellbeing Strategy and importantly by the new *Sustainability and Transformation Plan* which is being developed through the Surrey Heartlands Partnership (see more below).

Like most healthcare providers across the NHS our key challenge is that of continuing to deliver high quality care for our patients, whilst underlying demand for our services increases and funding is decreasing in real terms. In particular, we are seeing an increasing number of frail, elderly patients who often require longer and more complex care and treatment packages. At the same time, we are also experiencing significant recruitment and retention challenges, particularly for certain staff groups, at a time when there is increased focus – quite rightly – on quality and transparency, with tougher national quality standards and requirements to deliver seven day working.

Proposed merger with Royal Surrey County Hospital NHS Foundation Trust

Our proposed merger plans with Royal Surrey County Hospital NHS Foundation Trust seek to address many of these challenges, its aim to help strengthen our future development and put us in a stronger position to realise our long-term ambitions. In particular, both Boards have identified a number of key patient benefits by bringing both organisations together, including:

- Strengthening seven-day consultant presence in a number of key specialities including stroke, gastroenterology and interventional radiology

- Creating the scale to secure our more specialist services – notably cardiovascular and cancer services
- Development of diagnostic, elective and cancer services at Ashford Hospital
- Creating opportunities for significant financial savings
- Creating further opportunities for:
    - Supporting the delivery of integrated care
    - Improving staff recruitment and retention
    - Enhancing research and education
    - Maximising benefits of digital technology, for example by developing an electronic patient record

In September 2015, after a lengthy Phase Two review, the Competition and Markets Authority approved the merger business case, concluding that merger, if completed, would not give rise to a substantial lessening of competition for patients. At the end of January 2016, following a remodelling of the full business case and financial plans that recognised a changing environment, both Boards approved the Full Business Case for the merger. However, in March due to the deteriorating financial position at Royal Surrey County Hospital, both Boards made the decision to pause the merger work to allow time to focus on resolving these financial difficulties. In the meantime, NHS Improvement has begun an investigation at Royal Surrey focusing predominantly on their financial position.

While the merger process is paused, the Boards of both Trusts have agreed they will wait before making any further decisions until they have received:

- the 2016/17 Quarter two performance data;
- the outcome of the NHS Improvement investigation.

Once that information is available, our Boards will be able to decide our next steps in relation to the merger. In the meantime, we continue with the sustainability and transformation planning as part of Surrey Heartlands, see below.

Wider sustainability and transformation planning

There is no doubt that the original rationale for merging remains – to create the scale required to ensure we remain sustainable, both clinically and financially, into the future - and a 'do nothing' approach is not an option.

Similar to most local health economies across the country, it is clear that some form of transformational change is needed and this is signalled clearly in the NHS Five Year Forward View. Health systems across the country have been asked to come together in wider geographical footprints – a 'place' based approach - which bring together commissioners, providers, local authorities and the voluntary sector to plan and transform services at greater scale. Nationally there are 42 different footprints or *Sustainability and transformation* planning areas (STPs). We are part of the Surrey Heartlands partnership which covers the geographical areas covered by North West Surrey, Surrey Downs and Guildford and Waverley CCGs.

We believe that coming together in this way will create a meaningful planning footprint to ensure the clinical and financial sustainability of healthcare services across the footprint and to improve services for patients. Surrey Heartlands has identified six key workstreams; urgent and emergency care; musculoskeletal services; cardiovascular services; cancer; mental health; and maternity and paediatrics, each bringing together clinicians, managers and lay representatives from across the participating organisations. Each planning footprint has to submit a high level five year *Sustainability and Transformation Plan* to NHS England by the end of June.

Our plans for 2016/17

In the meantime, we have developed our Annual Operating Plan for 2016/17 which represents the first year of this wider five year sustainability plan. As part of this, our commissioners, North West Surrey CCG, have signalled their intention to move as much care as possible out of hospital over the next 12 months into primary and community settings – where appropriate – which is consistent with this longer-term strategy.

This will be a significant challenge and will require teams from both organisations working collectively to support the shift towards primary and community care. This will encompass our joint planning work to date - *Better Care, Better Health* (see p. 55) - and *Best Care* principles, a national approach which focuses on best practice and eliminating variation in care which results in better outcomes for patients. To do this, we will agree a Shared Delivery Programme with our commissioners with the appropriate governance arrangements over the forthcoming year through a Joint Programme Board.

Key issues and risks

Taking into account both external and internal factors and uncertainties, as part of our risk management process we have identified the following key risks to our strategic objectives which are summarised below:

Objective 1 - Best Outcomes Key Risks
1.1 If the quality governance and impact assessment processes fail during the design of QIPP/CIPs this could lead to poor quality of care.
1.2 If divergent and multiple organisational priorities compete with and undermine staff engagement leading to a distraction from the focus on high quality care.
1.3 If there is poor capacity and flow in the emergency pathway and insufficient frequency in senior decision making this could result in poor outcomes and patient experience.
1.4 If the Trust workforce was not appropriately aligned to demand and acuity, agency usage and pay costs, resulting in poor patient outcomes.
1.5 If delivery of CQC inspection action plan slips this risks quality of service delivery, reputation and further regulatory action.
Objective 2 - Excellent Experience Key Risks
2.1 The Friends and Family Test (FFT) results and feedback are not used as a driver to achieve excellent patient experience.
2.2 Lack of awareness of key issues relating to vulnerable groups may lead to compassionless care and poor patient experience.
2.3 If the Trust fails to adopt the culture of a listening, kind and compassionate organisation in dealing with complaints then our patients, within the course of their care and treatment, will have a poor experience.
2.4 Administrative delays and cancellations to appointments leading to poor patient experience.
Objective 3 - Skilled, Motivated Teams Key Risks
3.1 The inability to recruit and retain high calibre staff would lead to lack of skilled and motivated teams.
3.2 If individuals and teams do not feel valued or motivated resulting in poor patient care and staff experience and ineffective team working.
Objective 4: Top Productivity Key Risks
4.1 Poor alignment of the clinical workforce around the Trust's efficiency improvement programme could lead to insufficient productivity.
4.2 A failure to deliver the clinical quality incentives (CQUINS), the performance standards or to respond to the admission thresholds/readmission caps/ambulance turnaround penalties within the 2016/17 contract leads to an under recovery of income and reduction in productivity.
4.3 A failure to deliver 2016/17 CIPs to the level required and/or pay and non-pay expenditure exceed budget without a compensating increase in income may lead to a reduction in productivity.
4.4 Financial or service pressures on third party providers of health and social care or commissioners cause operational difficulties or to enforcement of contract levers more aggressively than expected leading to reduced income and inability to achieve top productivity.
4.5 Excess demand could increase financial pressure due to emergency income on over-performance being received at marginal tariffs whilst additional staffing is paid at premium rates.
4.6 The Trust in its existing configuration may not be clinically or financially viable in the long-term, and if the current organisational strategy to achieve sustainability fails, this presents a risk to the Trust. In mitigation of the risk we are working on the following schemes:

- Merger – approach
- Sustainability and Transformation Plan (STP)
- Revised Clinical Strategies

For more detail on how we manage and respond to risk see our Annual Governance Statement on p. 97.

Disclosure

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

Performance Report - Analysis

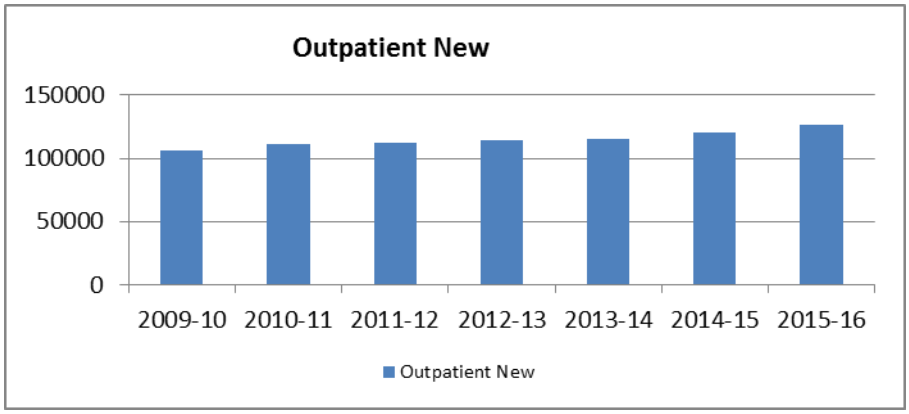
This section gives a more detailed description of our activity and performance, including our key performance metrics and how we have performed against our key strategic objectives.

Detailed activity review

Over the last year the total number of patient contacts in our hospitals increased by 7.2%, which reflects a growing demand for NHS services with a particularly high spike in emergency activity during the Spring. Specifically we have seen a rise in outpatient contacts, particularly in endoscopy referrals, with our planned activity remaining more in line with previous years. A more detailed breakdown of activity is given in the tables below.

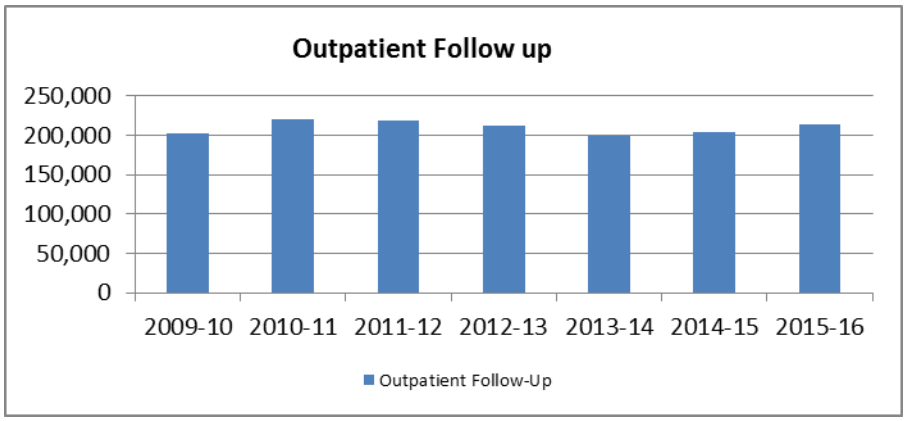
New outpatient attendances

This year sees a rise in new outpatient appointments, reflecting the continuing rise in referrals to the Trust which increased by 5%.



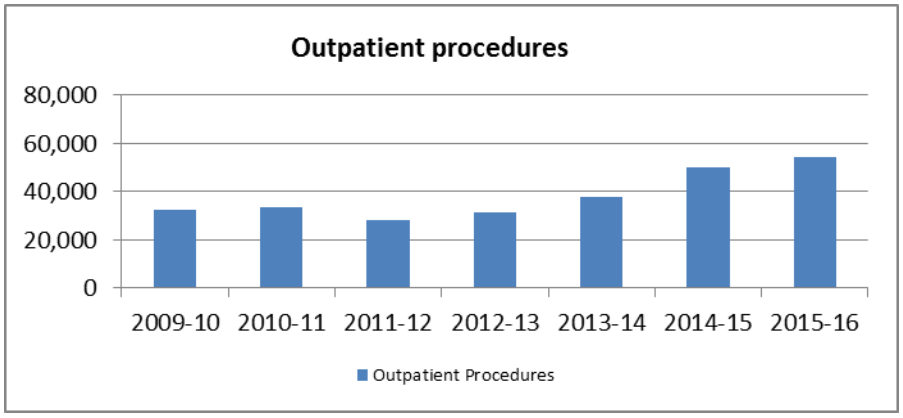
Outpatient follow up attendances

This year saw a slight rise in follow up outpatient attendances from 204,102 this year to 214,353, as a result of increased referrals.



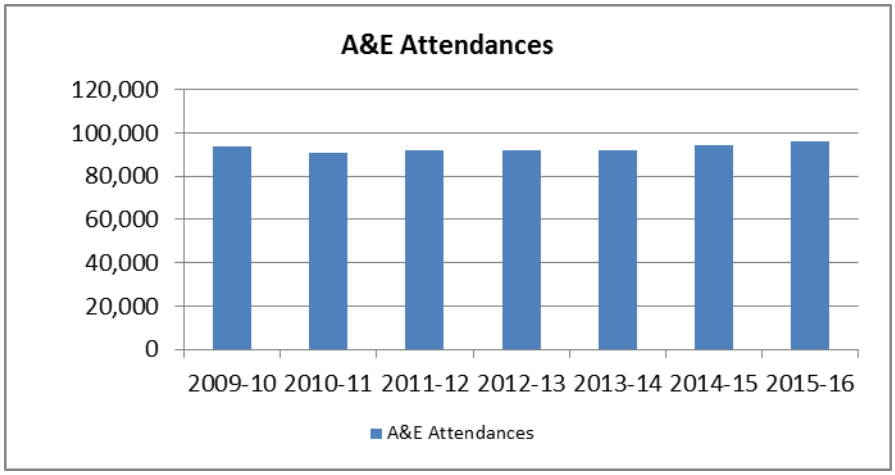
Outpatient procedure attendances

The number of outpatient procedures has continued to show an increase although this is predominantly due to better data recording of procedures (rather than a net increase).



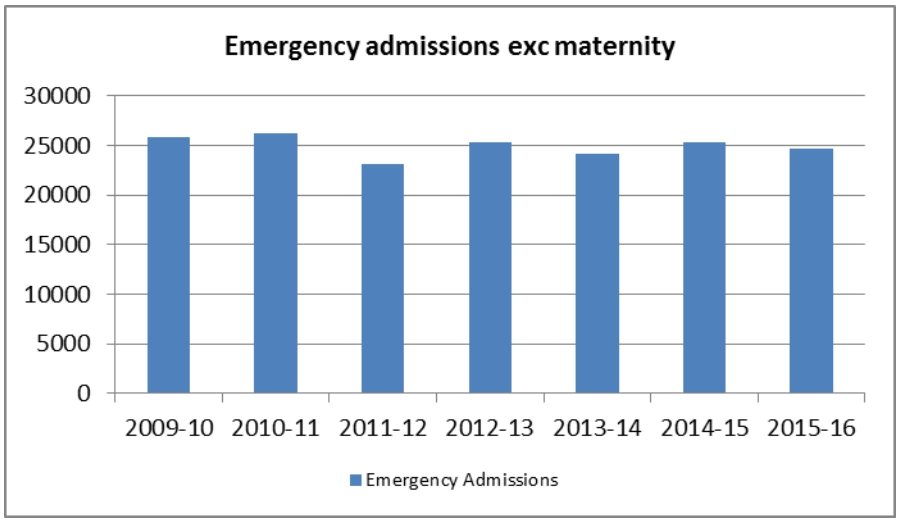
A&E attendances

Following several years where A&E attendances have remained relatively static - predominantly as a result of schemes put in place by our commissioners to encourage people to choose alternative services - the past two years have seen a modest growth of around 2%. Within this, we have seen individual periods of intense demand, particularly from the frail, elderly and from the 0-4 age group.



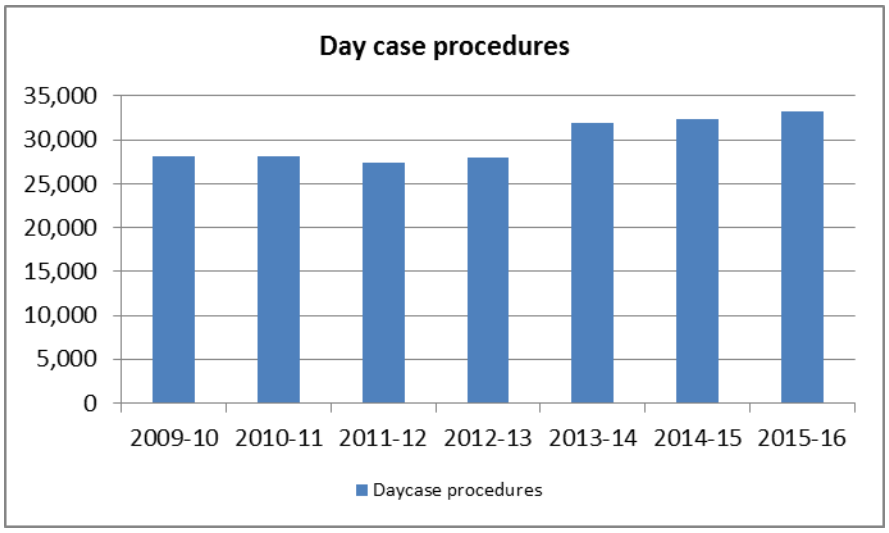
Emergency admissions

Emergency admissions have fallen this year, predominantly due to work undertaken by our commissioners with the ambulance service. This has involved the introduction of a system called IBIS (*intelligence based information system)* which enables community health professionals to register patients with a long-term condition. The ambulance trust then uses this information to provide their crews with a better understanding of the patient they are attending, helping to reduce A&E attendances.



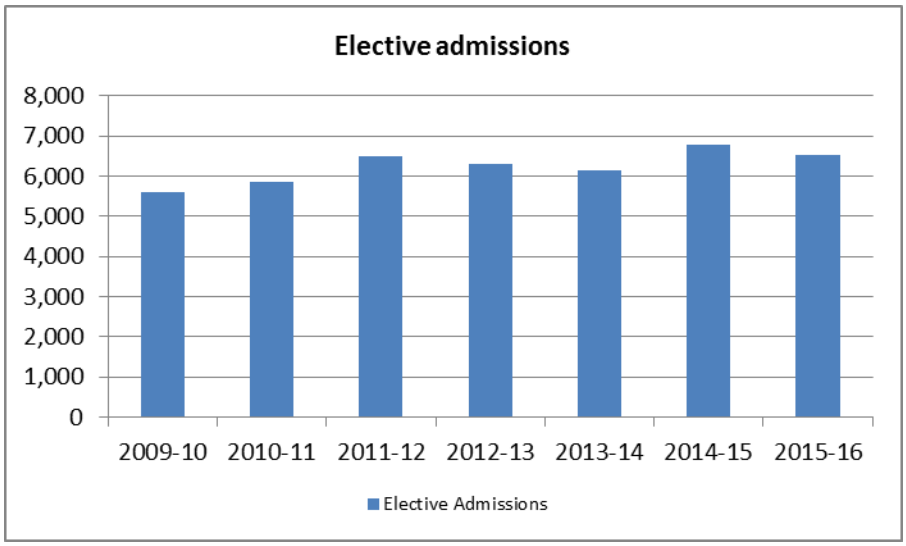
Day case procedures

The number of day case procedures and regular day attenders has seen an increase this year from 32,355 to 33,253, an increase of c. 3%. This is due predominantly to a growth in referrals for Endoscopy.



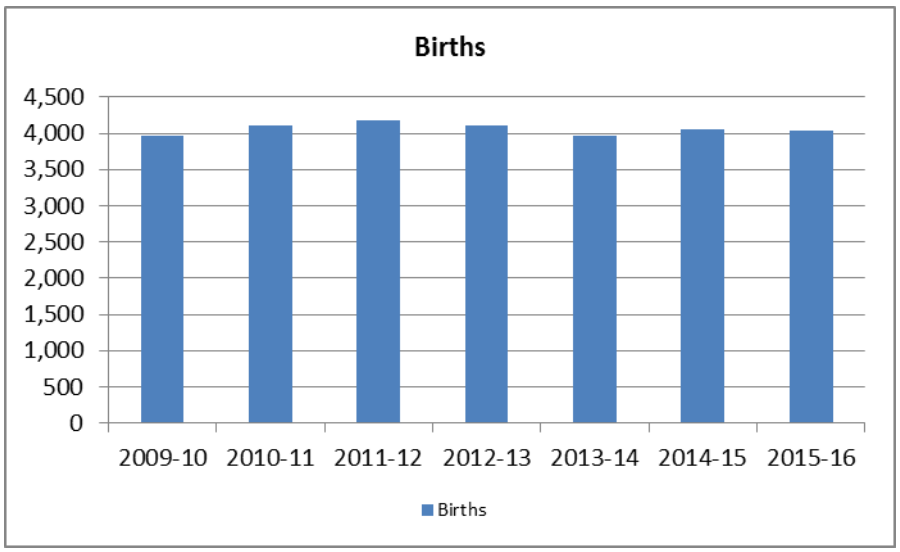
Elective (planned) admissions

In 2014/15 the Trust undertook an 18 week backlog clearance programme in conjunction with our commissioners to bring performance back in line with national targets. The 4% decline in activity in 2015/16 is as a result of no requirements this year to undertake additional activity.



Births

Our market share for births has remained consistent at 82-83% over the past 8 years. The actual number of births at St Peter's reflects the variation in the birth rate locally.



Key performance metrics

The following table describes how we have performed against key national targets and minimum standards, giving overall performance against target for the year, performance by Quarter as well as how this year compares to previous years.

National Targets and Minimum Standards	Target	Target (2015/16)	2015/16	2015/16				2014/15	2013/14	2012/13
				Q4	Q3	Q2	Q1			
Infection Control	*Number of clostridium difficile cases*	9	15	*6*	*3*	*2*	*4*	18	10	15
	Number of MRSA blood stream infection cases	0	0	0	0	0	0	1	2	2
Access to Cancer Services	*% of cancer patients waiting a maximum of 31 days from diagnosis to first definitive treatment*	96%	97.6%	*97.5%*	*96.3%*	*99.0%*	*97.4%*	98.8%	99.6%	99.2%
	% of cancer patients waiting a maximum of 31 days for subsequent treatment (anti-cancer drugs)	98%	100.0%	*100.0%*	*100.0%*	*100.0%*	*100.0%*	100.0%	100.0%	100.0%
	% of cancer patients waiting a maximum of 31 days for subsequent treatment (surgery)	94%	96.2%	*91.3%*	*96.4%*	*97.4%*	*97.5%*	95.0%	100.0%	98.7%
	% of cancer patients waiting a maximum of 2 months from urgent GP referral to treatment	85%	84.6%	*83.4%*	*85.6%*	*81.9%*	*87.7%*	78.8%	90.0%	87.5%
	% of cancer patients waiting a maximum of 2 months from the consultant screening service referral to treatment	90%	96.4%	*100.0%*	*96.8%*	*96.3%*	*88.9%*	96.1%	96.8%	98.1%
	% of cancer patients waiting a maximum of 2 weeks from urgent GP referral to date first seen	93%	94.4%	*94.6%*	*95.4%*	*93.7%*	*93.9%*	92.9%	96.7%	97.4%
	% of symptomatic breast patients (cancer not initially suspected) waiting a maximum of 2 weeks from urgent GP referral to date first seen	93%	96.3%	*94.7%*	*96.0%*	*97.0%*	*97.2%*	94.3%	97.1%	96.9%

National Targets and Minimum Standards	Target	Target (2015/16)	2015/16	2015/16				2014/14	2013/14	2012/13
				Q4	Q3	Q2	Q1			
Access to Treatment	*18 weeks Referral to Treatment - admitted patients*	90%	n/a	*n/a*	*n/a*	*89.8%*	*91.1%*	87.5%	88.2%	93.6%
	18 weeks Referral to Treatment - non-admitted patients	95%	n/a	*n/a*	*n/a*	*95.2%*	*95.8%*	95.4%	97.3%	97.8%
	18 weeks Referral to Treatment - patients on an incomplete pathway	92%	95.7%	*94.6%*	*95.8%*	*96.1%*	*96.4%*	95.5%	96.9%	97.9%
Access to A&E	*% of patients waiting a maximum of 4 hours in A&E from arrival to admission, transfer or discharge*	95%	90.2%	*85.3%*	*90.4%*	*92.2%*	*93.3%*	92.7%	95.5%	95.3%
Access to patients with a learning disability	*The Trust provides self-certification that it meets the requirements to provide access to healthcare for patients with a learning disability*	n/a	Yes	*Yes*	*Yes*	*Yes*	*Yes*	Yes	Yes	Yes

Our performance explained

Infection control – hospital acquired infections

There were 15 cases of post 72 hour clostridium difficile infections recorded during 2015/16, against a target of no more than nine. Of these, just five were considered as due lapses in care (i.e. avoidable infections). Of these five, three were related to non-compliance with antibiotic prescribing guidelines; one due to a delay in obtaining a sample and one due to transmission from another case on the ward which coincided with a norovirus ward outbreak.

There were no recorded MRSA bacteraemia cases during 2015/16.

Access to Cancer Treatment

During the year we have seen an increase in urgent cancer referrals in a number of key specialties and have been working with our commissioner colleagues at North West CCG to address these increases in demand in order to deliver compliant performance. We have also been working with our commissioners to reduce the number of appointments either declined or re-arranged by patients resulting in them being seen outside the two-week urgent cancer referral timeframe.

During a number of months we experienced difficulties in meeting the 62 day standard for urgent GP referrals due to delays caused by emergency care pressures, staffing difficulties and a number of difficult cross-over pathways between the Trust and tertiary partners; these areas are being addressed through a robust recovery action plan.

Improving cancer waiting times is a continued area of focus. Work is being undertaken with primary care on patient engagement and referral management to improve compliance. We have also experienced occasional difficulty meeting the 31 day subsequent surgical treatment, again due to delays caused by emergency care pressures. The new clinical lead for the Cancer Board and new Cancer Manager are leading on improving our response to this issue.

In terms of monitoring performance, a separate weekly Cancer oversight meeting is held (chaired by the Chief Operating Officer) which specifically monitors cancer performance and progression of our cancer recovery action plan from NHS England.

Referral to Treatment (18 week target)

On 1 October 2015, the National Health Service Commissioning Board and Clinical Commissioning Groups (Responsibilities and Standing Rules) (Amendment) (No.2) Regulations 2015 came into effect, removing the provision to report pauses or suspensions in referral to treatment (RTT) waiting time clocks in monthly returns to NHS England and removing the admitted and non-admitted standards.

The Trust has achieved the remaining Incomplete Pathways Referral to Treatment standard throughout the year with an average performance of 95.7% against the target of 92%. This

level of good performance placed the Trust in the upper quartile when benchmarked with other NHS acute providers.

In terms of monitoring performance, specialty level 'patient list' meetings are held weekly. The aim of these meetings, chaired by the relevant service managers, is to identify key delays along the pathway in particular with the assessment and admission process. Our aim is to keep the number of cancelled operations and other treatments to a minimum at all times, and to ensure surgery and treatments are rebooked as soon as possible after cancellation.

This forum also oversees the correct application of rules, and plans and manages patient pathways within the specialty ensuring patients are dated by clinical priority. Issues requiring escalation are resolved where possible within the divisional management team as part of business as usual processes. A summary of performance along with the identification of risks is presented to the Trust Performance Committee (chaired by the Chief Operating Officer) on a weekly basis.

A&E four hour waiting target

The Trust has struggled with the four hour waiting target throughout the year and has continued to focus much effort on improving the emergency care pathway (see more detail on p. 36). However, the Trust did not meet the A&E four hour waiting target for the year, recording a total of 90.2% for the full year and 93.3%, 92.2% and 90.4% respectively for the first three quarters of the year. Performance dipped further during the final quarter of the year to just 83.4% when capacity issues experienced a particular spike during February and March. During March we experienced the highest number of attendances to A&E ever recorded in the Trust as well as the busiest day recorded at 356 attendances (21st March) - 66 patients higher than our 290 per day average.

Challenges regarding inpatient flow have continued to dominate and exacerbate our emergency department pressures with exit block (when patients are unable to be moved from A&E) from the Emergency Department to inpatient wards an ongoing challenge. A refreshed recovery programme is looking to address this in partnership with our external urgent care partners and North West Surrey Clinical Commissioning Group in line with NHS Improvement's performance expectations. (See more on p. 179).

Key actions of the recovery programme include further expansion and reconfiguration of the Emergency Department and improved consultant rotas to deliver 5 and 7 day continuous cover. The intention is to further develop ambulatory care and direct GP referral pathways along with further development of the recently opened Urgent Care Centre. Additionally a programme of clinical and cultural change aimed at putting emergency care at the heart of the Trust's business as usual operating patterns is a further key element.

A&E performance is monitored on multiple occasions during each day at regular Capacity Action Team (CAT) meetings held with key hospital operational staff. At a programme level, weekly Urgent Care Pathway Programme Board meetings are held to manage the improvement workstreams.

Trustwide Assurance and Governance

The Trust has a series of fixed weekly and monthly milestone points where performance is reviewed, managed and assured. Separate forums exist to scrutinise performance and improvement actions in each of the three key domains (A&E, 18 week referral to treatment, and Cancer) as detailed above.

All elements of business performance, quality and workforce issues are discussed at a monthly Divisional Performance reviews attended by the Divisional leadership team (including clinical leads) and the Trust Executive team.

All these forums are supported by a series of reporting tools which provide the basis for effective performance management and accountability.

Trustwide performance is then reviewed monthly within the Financial Management Committee before being presented to the Trust Board for further scrutiny.

The Trust provides regular monthly and quarterly performance updates to Monitor (now NHS Improvement). These detail performance issues and recovery trajectories (where relevant) for A&E, RTT and Cancer standards. NHS Improvement's relationship team follow up with regular telephone calls and quarterly site visits.

The Trust also provides weekly and monthly performance updates to North West Surrey CCG and has face to face meetings to review all aspects of Trust performance, including recovery and future capacity to ensure compliance.

The System Resilience Group (chaired by North West Surrey CCG) meets fortnightly with representation from the Trust, the CCG and key health system partners to review and assure current and future performance across the local system while determining where gaps in service and planning exist, and implementing plans to address any shortfalls.

Audit

An RTT compliance audit was conducted by the Trust's independent internal auditors during July 2014. The audit reviewed the case notes and records of 100 patients on the 18 week pathway to verify the accuracy of the reported clock start and clock stop times, appropriate measurement of waiting times and how we apply the rules. The results of this audit were published in December 2014 and gave endorsement that appropriate policy and procedures were being followed. The Trust was not audited on RTT during the 2015/16 financial year.

The Board is assured that the Trust measures and records patients' progress against the Cancer rules guidance appropriately. An external audit undertaken in May 2015 identified 3 minor data errors against a sample of 44 pathways. None of these resulted in an extension to the waiting time for patients.

Financial performance

2015/16 was an extremely challenging year for all NHS providers who faced sustained operational and financial challenges. Rising demand especially for urgent and emergency care, coupled with high agency costs adversely impacted the performance of the whole provider sector while efficiencies proved increasingly difficult to deliver.

Although the Trust's financial performance was heavily influenced by these trends, we are pleased to report that we reduced our planned deficit of £1.2m to an actual deficit of just £0.6m. An analysis of this set out below – this is in the format reported to Monitor (now NHS Improvement) as part of the Risk Assessment Framework and as such differs slightly from the Annual Accounts analysis.

	2015/16			2014/15		
	Plan £m	Actual £m	Var £m	Plan £m	Actual £m	Var £m
Income						
Clinical Income	240.2	248.3	8.1	236.7	243.8	7.1
Non-Clinical Income	16.9	19.2	2.3	15.5	16.8	1.3
Total Income	257.1	267.5	10.4	252.2	260.6	8.4
Expenses						
Pay Costs	-163.0	-169.1	-6.1	-155.4	-161.8	-6.4
Non-Pay Costs	-80.3	-86.6	-6.3	-79.9	-85.3	-5.4
Total Expenses	-243.3	-255.7	-12.4	-235.3	-247.1	-11.8
EBITDA	13.8	11.8	-2.0	16.9	13.5	-3.4
Depreciation & Amortisation	-7.2	-6.4	0.8	-9.4	-6.1	3.3
Impairments, net of reversals	-1.2	-	1.2	-0.5	-1.5	-1.0
Charitable contributions	0.1	0.2	0.1	0.1	0.1	-
Interest (net)	-0.4	-0.4	-	-0.4	-0.3	0.1
Non-operational expenses	-1.0	-0.6	0.4	-1.5	-1.5	-
Dividend on PDC	-5.3	-5.2	0.1	-5.2	-5.2	-
Net surplus/(deficit)	-1.2	-0.6	0.6	-	-1.0	-1.0

Key movements year on year are set out below:

- NHS clinical income increased by £4.5m (1.8%) year on year, despite non-recurrent income streams in 2014/15 and a decrease in the national tariff for 2015/16. The largest increases in NHS clinical income occurred across outpatient activity which increased by £6.5m (13.6%) and A&E income £1.4m (11.8%).
- Pay costs were £7.3m (4.5%) higher than 2014/15. Reductions from cost improvement programmes and agency rate capping were offset by the costs of meeting the increased activity levels (in general, increased activity has been covered by using agency staff which still incur a significant premium) and incremental pay awards. Additional costs were generated in the Trust's Accident & Emergency

department and across the wards as the Trust looked to improve its emergency pathway and performance against the 4hr target.

- Non-pay costs were £1.3m (1.5%) higher than 2014/15 which was mainly spent on drugs and clinical supplies used in delivering the additional activity. In particular drug costs were up £2.4m (12.1%) which are in the main directly recovered through income.
- The above led to a decreased EBITDA performance, which reduced by £1.7m (12.6%) year on year. The Trust's EBITDA margin is now 4.4% compared to 5.2% in 2014/15 and this still benchmarks well with comparable Foundation Trusts.
- Post EBITDA the Trust incurred £0.6m in non-operational expenditure in relation to merger activities – this being a mix of pay and non-pay costs. Without this expenditure the Trust would have broken even.

The Trust's health service income from the provision of goods and services in England exceeded income from the provision of other services, which is only a small part of total income. Income from other services is used to support health services at the Trust. Further details on income can be found in notes 3 and 4 of the Annual Accounts which follow later on in this Annual Report.

The Trust's cost improvement programme (CIP) was delivered in full with £13.7m of savings in 2015/16 against a plan of £13.6m. Early slippages in the programme were compensated by replacement schemes later in-year.

The 2015/16 capital programme focused on improving infrastructure and working up plans for developments in 2016/17. This has included:

- The second year of a programme of operating theatre ventilation equipment replacement and upgrades. In 2015/16 works were completed in two operating theatres at Ashford Hospital
- Main power distribution system at Ashford Hospital
- Our Managed Equipment Service agreement with Philips saw the installation of a second CT scanner at St Peter's Hospital and the replacement of the CT scanner at Ashford Hospital. A wide range of other equipment was purchased, including theatre tables, anaesthetics machines, monitoring equipment, beds and trolleys.
- Completing the installation of an MRI scanner by Alliance Health at Ashford Hospital.

The majority of the capital programme was funded by internally generated resources; however in addition the Trust increased borrowings in the form of finance leases and also received £0.1m of Department of Health maternity capital (PDC) funding.

Cash balances fluctuated throughout the financial year as the Trust over-performed in activity terms, incurring costs, but did not receive payment for the bulk of this over-performance until March 2016. The Trust ended the financial year with a cash balance of £8.7m which was partially aided by slippage in the capital programme.

The Trust's financial performance for the whole of the 2015/16 financial year was given a Financial Sustainability Risk Rating of 2, against a plan of 3. The Financial Sustainability Risk Ratings are given between 1 and 4, where 4 is 'low risk'. The metrics making up this

rating are set out in the table below. Note that the elements making up the overall risk rating changed during 2015/16.

	2015/16			2014/15		
	Weight	Metric	Score	Weight	Metric	Score
Debt Service Cover	25%	1.59x	2	50%	1.78x	3
Liquidity	25%	-9.7	2	50%	-6.8	3
I&E Margin	25%	-0.24%	2			
I&E Margin Variance	25%	-0.23%	3			
Weighted score			2.25			3.00
Continuity of Service Risk Rating						3
Financial Sustainability Risk Rating			2			

2016/17 Plan

The 2016/17 financial year will provide further substantial challenges for the Trust as public funding for hospitals is tightened further and activity levels and complexity continue to increase. The Trust Board has approved and submitted to NHS Improvement an ambitious annual plan that will deliver a post impairment surplus of £12.3m on planned income of £287.6m. This will return us to a Financial Sustainability Risk Rating of 4 for the full year.

The plan assumes Sustainability and Transformation funding of £8.4m, a cost improvement programme of £10.7m and capital investments of £10.0m. This is an extremely stretching plan and there remains significant risk that the conditions around the Sustainability and Transformation funding and the associated savings targets. In our submission to NHS Improvement we have set out the risks associated with this plan.

All our commissioners also face significant affordability challenges given the potential levels of activity in 2016/17. We continue to work with our commissioners to manage activity levels back within their affordability envelopes; inevitably though this increases the financial risks carried by the Trust should our joint mitigation Quality, Innovation, Productivity and Prevention (QIPP) plans fall short. However if we are to continue to deliver the quality of patient care we aspire to, and deliver the NHS constitutional standards as well as financial balance, we need to eliminate unwarranted variation across our services, whilst also making the transformation that is needed to ensure long-term sustainability.

Suzanne Rankin
Chief Executive
26 May 2016

Progress against our strategic objectives

The following section describes our progress against each of our four corporate objectives;

- Best Outcomes;
- Excellent Experience;
- Skilled, Motivated Teams;
- Top Productivity.

Strategic objective 1: Best Outcomes

The Trust's ambition is to deliver the highest possible quality of care and treatment, safely with the best outcomes for our patients.

Developing our specialist services

We continue with our strategy to develop our specialist acute services, with highlights as follows:

- ***Improving treatments and outcomes for patients with Acute Kidney Injury (AKI)***

  In November 2015 the Trust was selected to be part of a collaborative project funded by the Health Foundation looking at improving treatments and outcomes for patients with AKI. The project aims to raise awareness of AKI, with earlier diagnosis and treatment leading to better outcomes for patients at the Trust and beyond. These include using VitalPAC to alert staff to symptoms using patients' recorded observations, education of staff to spot the early signs of AKI and a care bundle (a specific set of interventions / treatments) for the patient.

- ***Developing our CEMIG service***

  The Trust's Centre for Endometriosis and Minimally Invasive Gynaecological surgery (CEMIG) is one of 48 Endocentres nationally. Ashford and St Peter's was one of the first hospitals in the UK to become an Accredited Centre by the British Society for Gynaecology Endoscopy (BSGE) for the treatment of severe endometriosis.

  Trusts must meet certain requirements to be accredited, including the provision of a dedicated consultant-led endometriosis service within a specialist outpatient clinic and an Endometriosis Specialist Nurse. They must also ensure there is a sufficient workload throughput to maintain surgical skills for the most complex cases and earlier this year, in the Annual Accreditation from BSGE in the UK, we ranked third in the country for the number of patients with advanced endometriosis we treated surgically.

- ***Emergency treatment for heart attacks available 24/7***

  Since July 2015 the Trust is able to offer primary angioplasty 24 hours a day, seven days a week. This direct access primary Percutaneous Coronary Intervention (PCI) service allows acute patients suffering from a heart attack and in need of cardiac

revascularisation, to bypass A&E and be brought directly from the ambulance for assessment and treatment in the cardiac catheterisation laboratory 24 hours/day.

Previously, out of hours, patients would be taken to St George's Hospital in Tooting or Frimley Park Hospital in Frimley to receive this treatment, so the new service is particularly significant as it means that patients will receive prompt treatment for a heart attack, in a closer centre. Feedback from patients, their families and the ambulance service has been excellent.

This will be followed by prompt after care on the dedicated cardiac unit - Birch Acute Cardiac Unit (BACU) and then a period of cardiac rehabilitation following discharge from hospital. The dedicated cardiac catheterisation laboratory is located immediately adjacent to BACU, creating a seamless pathway for the transfer of patients from before to after their procedure.

- ***New Inpatient Safety Initiative – Hypo Boxes***

  Hypo boxes were launched on the wards from August 2015 as part of a new inpatient safety initiative to improve the treatment of hypoglycaemia. The new boxes have made treating incidents of hypoglycaemia much easier as each box neatly contains all the equipment needed to treat patients quickly, thereby improving outcomes.

- ***Sepsis Awareness***

  We have done a lot of work over the last year to educate our staff about the signs and dangers of Sepsis, including our Sepsis champions, including consultants, junior doctors and nurses from A&E, intensive care and our outreach team, running an awareness campaign throughout Sepsis Awareness Month in September. Sepsis claims the lives of 37,000 patients a year but recognising the signs early and providing prompt treatment can save nearly 50% of these patients from dying.

  Last July we introduced a Sepsis screening programme in A&E and are now screening over 90% of all patients coming into the majors' area of the department. We have also put new care bundles (a specific set of interventions / treatments that should take place is Sepsis is identified) in place for our paediatric patients and continue working with our clinical teams to raise awareness.

- ***Top outcomes for Stoma Patients***

  In November 2015 the Trust won the 2015 Opus Healthcare Research Award jointly with a team from Western Sussex Hospitals NHS Foundation Trust, for a combined project to study patients' views on an innovative surgical method of reducing or eliminating distressing stoma leakages after gastric surgery, improving both outcomes and the experience for our patients.

  The method was taken from reconstructive surgeons at Western Sussex Hospitals, who have been using lipomodelling or 'fat transfer' in breast cancer patients with great success. Over the last year, colorectal surgeons have introduced the technique to patients with a permanent stoma who suffer from leakages due to abnormalities around the stoma.

- ***Ashford and St Peter's performing well in emergency bowel operations***

  The National Emergency Laparotomy Audit (NELA) published in July 2015, looked at over 190 hospital Trusts nationally and showed that we are performing well in emergency bowel surgery. NELA looked specifically at 30 day mortality following emergency laparoscopic surgery. The national average is 15%, whilst our rate is less than half – 7%. This is an excellent indication of the high level of care these patients are receiving and how well different services – A&E, radiology, surgery, intensive care – are working together. Work still continues to further improve the pathway for patients with acute abdominal conditions.

Quality and Safety

- ***Surrey Crisis Resource Management – SCReaM***

  Last September, a joint safety initiative named SCReaM (Surrey Crisis Resource Management) was launched, led by consultant anaesthetists from both Ashford and St Peter's Hospitals and the Royal Surrey County Hospital NHS Foundation Trust.

  This important safety initiative recognises the pressure that staff can find themselves under during surgery and how, during particularly stressful situations, it can be difficult to instantly recall certain processes or work efficiently together as a team. The project introduced a number of cognitive aids for theatre staff to help in these high pressured situations including checklists, posters, and a mobile app, all used to prompt staff of key processes when they are under pressure. Since the launch training has been rolled out across the Trust.

- ***Sign up to Safety***

  Ashford and St Peter's are taking part in the national initiative by NHS England 'Sign up to Safety' Campaign to help NHS organisations and their staff achieve their patient safety aspirations and care for their patients in the safest way possible.

  As part of this the Trust has made improvements around pressure ulcers, venous thromboembolism (VTE) and the introduction of the national GAP programme to improve patient safety in maternity care. We have also introduced a yellow socks and blanket scheme for patients to support frontline staff in identifying those with a high risk of falling, including an easy to remember ABCS checklist:

  - Age (80 or above, frail or with a recent history of falls)
  - Bones (has history or risk of fracture or osteoporosis)
  - Coagulation (is on anti-coagulation medication or has a bleeding disorder)
  - Surgery (has had a recent operation).

- ***Manchester Patient Safety Framework – MaPSaF***

  At the end of 2015 we completed a piece of work using the Manchester Patient Safety Framework, a tool to help NHS organisations and teams assess their progress in developing a safety culture.

  There was a high level of engagement from staff across all four of our Divisions, with action plans put in place following assessment. This safety culture work is continuing, working in partnership with the Kent, Surrey, and Sussex (KSS) Academic Health Science Network (AHSN) and Yorkshire and Humber Hospitals we are putting in place a number of frontline assessments in ward areas including 'safety huddles' - daily discussions by the frontline team of specific safety issues.

- ***Enhancing Quality and Enhanced Recovery Programmes***

  The Trust has continued to participate in the Kent Surrey Sussex Academic Health Science Network (KSS AHSN) led Enhancing Quality and Enhanced Recovery Programmes. These aim to speed up the spread of best practice and reduce variation in the quality of care, leading to better outcomes for patients.

  For Enhancing Quality, our performance in treating community acquired pneumonia remained significantly above the KSS regional average and is the best in the region. The Heart Failure pathway is setting a new baseline with clinical staff working to embed new measures.

  For the Enhanced Recovery programmes, our performance in orthopaedic surgery (hip and knee replacements) and colorectal surgery was better than last year and above the regional average. Gynaecology surgery scored lower than the previous year (but has recently returned to 100% and it is felt that auditor error accounted for the previous poor results),

  The Trust is also participating in new pathways for emergency laparotomy, COPD (chronic obstructive pulmonary disease) and fractured neck of femur.

Improving the Emergency Care Pathway

One of our key objectives this year has been to improve the emergency care pathway within our hospitals, focusing on the front door, internal flow and discharge planning - to improve patient experience, outcomes and performance against the four hour waiting target. Although we didn't meet the four hour waiting target of 95%, much work was done during the course of the year with a refreshed recovery programme now underway in partnership with our external partners and North West Surrey CCG in line with NHS Improvement's performance expectations.

Key improvements during the year have included:

Whole System Root Cause Analysis

Following the pressures faced by the Trust last winter, a system-wide root cause analysis (RCA) was conducted by the System Resilience Group (SRG), to identify the key root causes and contributory factors. This was followed by a system-wide post RCA workshop, again involving all system partners to identify solutions. As a result, a number of key changes were made to strengthen system resilience including the engagement with Alamac to give a better understanding of activity.

- ***System-wide information system (Alamac)***

  Working with Alamac the local health system has developed an information system to support better understanding of activity and performance across the system. Alamac is a specialist company who partner with NHS organisations to improve urgent care. As a result, all urgent care system providers within North West Surrey, including the Trust, have been collecting, sharing and discussing key performance metrics on a daily basis since July. Using these metrics, a daily call enables 'front-line' partners to predict when the system is challenged so we can all take earlier, more proactive, action.

- ***New Urgent Care Centre (UCC)***

  Earlier this year the Trust opened a new Urgent Care Centre to treat all patients that have made their own way to our Emergency Department. The aim of the new centre is to alleviate pressure on the main emergency department allowing them to concentrate on more serious conditions. The UCC is open between 08:00 and 20:00 seven days a week providing safe, timely care for walk-in patients and is staffed by a combination of Emergency Department Doctors and Emergency Nurse Practitioners.

- ***Creation of a new Acute Medical Unit***

  In December our Medical Assessment Unit (MAU) and Medical Short Stay Unit (MSSU) merged to create a new Acute Medical Unit (AMU). Co-locating MAU and MSSU together enables us to manage our medical patients in a more efficient way - ensuring they get to the right place with the right doctor, to receive the right care, more quickly. To further support this, our consultants also changed the way they work and moved to a 'Consultant Continuity Rota'. This means that patients will see the same consultant who admitted them until they are discharged, with obvious benefits for patients.

- ***New Older persons' short stay unit***

  The vacated space on MAU offered the opportunity to create an Older Persons' Short Stay Unit on two of the bays and an escalation area on the other two bays and side rooms. We know that our older, frail patients often have a longer length of stay in hospital and this leaves them susceptible to infection and also at risk of becoming less well and mobile as they start to lose their independence. The new unit aims to look at the overall holistic needs of these patients and their families; we know they do better in their own environment, so the aim is to enable their independence by returning them home as quickly and safely as possible

Strategic objective 2: Excellent Experience

Our aim is to deliver a great patient experience and for patients to be confident in the care and treatment we provide.

Putting patients first

We have been working on a number of specific projects to improve the experience of patients in our hospitals, including:

- ***Improving the experience for patients with dementia***

  Our dementia strategy was launched in 2015 and we have made some excellent progress, particularly in improving the way we identify patients with dementia, by using a 'forget-me-not' symbol behind their bed, and in providing more person-centred care.

  We have purchased a number of dementia specific activities, including 'my life' software, which is a computer designed for people with dementia. Plus members of staff have been volunteering to make 'fidget blankets' and 'twiddle muffs' - handmade, tactile pieces which can help to reduce agitation and anxiety in confused patients.

  To support the carers, family and friends of patients affected by memory loss we opened a 'Memory Café' in April 2015; an informal drop-in facilitated by a member of the dementia team offering emotional and practical support.

  We continue making good progress with our dementia training programme and going forward, we plan to begin work in the summer on Swift and Holly Ward to create dementia friendly bays, with bespoke lighting and flooring.

- ***Improving care for rehabilitation patients in North West Surrey***

  Last year we worked with our commissioners at North West Surrey CCG to change the way we provide rehabilitation care for patients.

  It is well recognised that keeping patients in hospital for long periods of time is not necessarily in their best interests, particularly for older, frail patients, and their wellbeing and independence can actually deteriorate as a result. In 2014 the CCG commissioned a review of rehabilitation care, concluding that our patients would do better if the majority of this care was moved away from Wordworth and Fielding Wards at Ashford Hospital and instead provided in the community. This was implemented from June 2015 with enhanced rehabilitation services provided at Walton and Woking Community Hospitals, in local nursing homes and at patients' homes.

- ***Transforming outpatients***

  We began a successful project in 2015 to improve the administration processes supporting our outpatient services. 95% of calls are now being answered first time by the Outpatient Appointment Centre and calls are now answered in less than 90 seconds on average, reduced from an average of four minutes last year. The back log of follow up appointments and clinic outcome letters post-appointment has also been dramatically

reduced. Work continues to make further improvements, particularly in reducing the number of return visits patients need to make.

- ***Improving care for cancer patients***

  In 2015, the cancer services team supported over 10,000 patients referred with suspected cancer and helped and cared for over 1,700 patients who were diagnosed with cancer. We have made good progress in providing better care for these patients, including improved performance against waiting targets. The team has expanded, recruiting additional Clinical Nurse Specialists for urology and secondary breast cancer.

  The provision of chemotherapy for breast cancer patients, closer to home at Ashford Hospital, has been very successful and we now provide the service to patients with lung cancer, with plans for further expansion to other tumour types in the future.

  The team also organised a successful Cancer and Wellbeing Day, jointly with North West Surrey CCG, in March – highlighting the full range of advice and support services available locally to support cancer patients more holistically. Testament to their hard work is the fact the team was shortlisted for two national Patient Safety Awards last year, in the 'Cancer Care' and 'Quality of Care' categories.

  Improving the cancer '62-day pathway' – much work has taken place to improve pathways for cancer patients and ensure they receive a definitive diagnosis and treatment as quickly and seamlessly as possible – specifically to ensure we meet the national target of patients waiting no longer than 62 days from an urgent two-week referral to the first definitive treatment. This has been led by members of the multi-disciplinary team for five different cancer types – lung, upper GI, gynaecology, urology and head and neck cancers – with involvement from patient and GP representatives.

  Working with our patients to improve breast cancer services - in July 2015 our breast cancer team started an 'experienced-based co-design' project. This was centred on patients and staff working together, through making a film of their experiences and a series of discussion and feedback events, to identify and plan improvements for the service. Subsequently, the team reduced the frequency of cancelled and delayed clinic appointments, re-designed the Jasmine Suite (breast unit) environment in line with patient's suggestions, developed alternative patient information via mobile app (work for this is ongoing) and improved the experience of breast cancer patients in the day surgery unit and on our wards.

- ***Improving palliative and end-of-life care***

  We continue to strive to provide the best possible care for patients in their last days and hours of life, and their families and have recently appointed two new substantive consultants for palliative medicine. The training of staff to provide an individualised approach to care of the dying adult is a vital part of this and every two months the palliative care team, with involvement from community and hospice care colleagues, run a Professional Development day for our nursing staff and allied health professionals. They also provide training and support for new starters, FY1 (junior doctors), students from the ambulance service and student nurses.

Providing 24/7 consultant cover by the acute palliative medicine rota and also increasing the ward presence of Clinical Nurse Specialists are both very positive developments. The service has also been enhanced by one of the team becoming a 'Nurse Prescriber', meaning they can prescribe medicines, such as pain relief, improving care for patients referred to the palliative care team.

Continued investment in the patient environment

During the year we have continued investing in the patient environment to ensure our facilities are well maintained and kept up-to-date.

- ***Improvements to our Imaging service***

  Many resources have been put into improving our imaging equipment and services, in partnership with Phillips, such as replacing the CT scanners at both Ashford and St Peter's Hospitals with new, state-of-the-art scanners, which enable much higher quality images and also new types of specialist scans to be performed. An additional CT scanner was installed at St Peter's Hospital and the two scanners are housed in a purpose built suite to provide a better and more spacious environment for patients.

  The Interventional Radiology Suite at St Peter's was re-located to a more suitable and spacious location and now incorporates a three bedded recovery area, which means that patients do not have to move to day surgery after their procedure to recover.

  In partnership with Alliance Medical, a new GE Signa Explorer MRI scanner was officially opened in November by special guest Sarah Ayton OBE, a former Olympic medallist and World Champion sailor. This was part of a £1.4 million investment to improve MRI services for patients. The old MRI scanner was housed in a mobile unit on the Ashford site, whereas the new scanner is located in a larger, purpose built modular unit attached the main hospital building, which makes access much easier.

- ***Updating theatres***

  We have also invested in refurbishing two operating theatres at Ashford Hospital and purchased a wide range of other equipment, such as theatre tables, anaesthetic machines, monitoring equipment, beds and trolleys.

- ***Good patient environment scores***

  As in previous years we received broadly good scores for the quality of our environment in the Patient-Led Assessments of the Care Environment (known as PLACE). These inspections were carried out in March 2015 at Ashford and April 2015 at St Peter's Hospital.

Areas:	Ashford Hospital	St Peter's Hospital	National Average
Cleanliness (of hospital areas)	**99.23%**	**99.52%**	97.57%
Food	**93.29%**	**95.62%**	88.49%
Privacy, Dignity and Wellbeing	75.66%	**88.03%**	86.03%
Condition, Appearance and Maintenance	87.39%	88.29%	90.11%
Dementia	70.98%	72.63%	74.51%

Cleanliness was rated above the national average at both hospitals and has been for consecutive years, highlighting the dedication of our housekeeping team, who were shortlisted for the Building Better Healthcare Awards in the category of Facilities Team of the Year in 2015.

The excellent food score is also consistent with previous inspections and the continuous improvement associated with this service, including the updating of menus to ensure the dishes are seasonal.

At Ashford Hospital our privacy, dignity and wellbeing score was below the national average, due in part to the small number of audit questions, just 14 with little room for non-compliance. Patients do not have access to their own TV, or radio at Ashford, or a separate room on the wards for private conversations to take place, which is reflected in the scoring.

Both hospitals scored marginally lower than the national average for condition, appearance and maintenance. We have been undergoing a programme of painting and refurbishment over the last couple of years and continue to identify areas for improvement with a work plan in place.

The assessment for dementia is new and we know that being measured against this new standard highlights we have some work to do. This is supported by our dementia strategy (see page 38 for more information).

Listening and acting

We continue to gather and act on patient feedback, whether positive or negative, to make the right improvements in our hospitals and ensure patients have the best possible experience. We do this through a number of different ways:

- ***National surveys***

  This year's *National Inpatient survey* (sent to patients who had spent at least one night in hospital in the summer 2015) showed significant improvement regarding patients being asked to give views on the quality of their care. Overall, we have remained relatively static following the significant improvements achieved in the previous year and (as this report goes to press) we await publication of the nationally benchmarked scores which compare our results with other Trusts across the country.

  The Children and Young Person's Survey was the first national paediatric survey conducted by the Trust. Our results were published in March 2015 and nationally, we scored about the same as others on all but one question. However, for children aged 0-7 the Trust scored worse than average regarding things for children to play with. Following this we have made improvements throughout the year by setting up a 'wish list' page on Amazon, where the public can donate toys to the department. To date, the children's playroom has received approximately £1500 worth of donations through the page.

- ***NHS Choices and social media***

  NHS Choices and other websites, such as Patient Opinion, remain a popular way for people to instantly share experiences and feedback. We continue to monitor and respond to these comments, ensuring we post timely and personalised replies and share feedback with staff. Both Ashford and St Peter's hospitals currently have 4.5 star ratings on NHS Choices (the highest being 5), reflecting users' experience of our hospitals. The Trust also uses a Facebook page and a Twitter account to share information of interest for patients and staff.

- ***Friends and Family Test*** - the Friends and Family Test (FFT) - which asks the simple question "*How likely are you to recommend our ward to friends and family if they needed similar treatment?*" is now running across all services.

  The inpatient, outpatient and maternity recommendations have largely remained above the national average scores. The Trust recognises challenges within the A&E department for which recommendations have fluctuated above and below the national average.

  We receive a monthly score on areas surveyed, plus any extra comments that patients write on their questionnaire. The scores help us compare our performance against other hospitals and guide where and how we can make improvements.

- ***PALS***

  Over the past year there have been 1481 concerns raised through our PALS service, a reduction of 18% compared to the previous year. This is against an overall increase in activity for the Trust of 4.5%.

- ***Complaints***

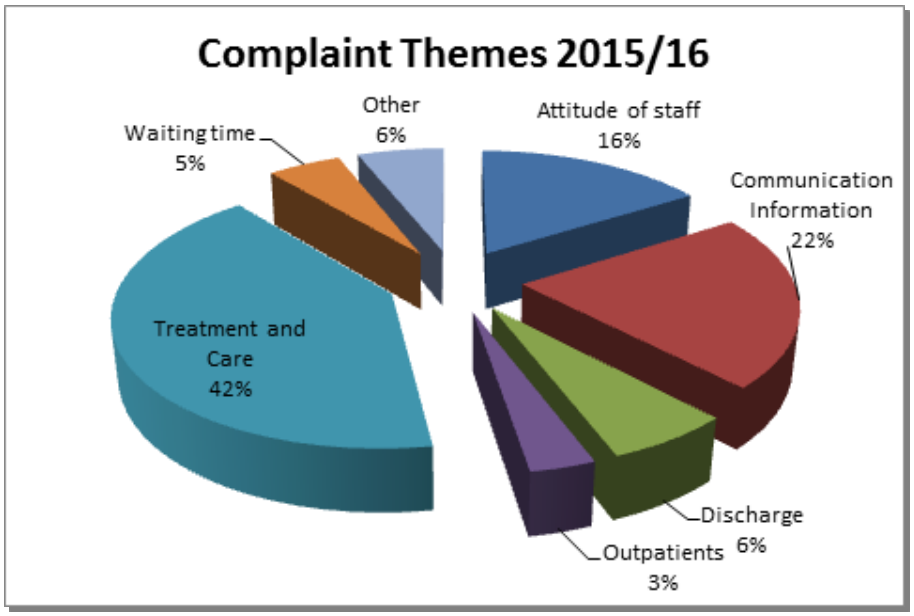
  There has been a significant (27%) decrease in formal complaints received this year compared to last year (589 to 432); as well as a decrease in follow-ups received (where the complainant declares they are not satisfied with the initial response from the Trust) - with 35 received this year, compared to 127 the previous year.

  This is likely to be the result of a new complaints process being embedded with tighter controls and more devolvement and authority given to divisions to be responsible for their areas. The Trust was runner-up at the Patient Experience Network National Awards (PENNA) ceremony for its work in developing a culture based approach to complaints handling.

  During 2015/16 the Trust was notified of 8 complaints referred to the Parliamentary and Health Service Ombudsman for review – a 50% reduction compared to the previous year.

  Issues raised through complaints - the chart below provides a breakdown of the 432 formal complaints raised last year. Themes are consistent with the previous year with the majority pertaining to aspects of treatment and care and communication / information.

  Each of our clinical divisions takes responsibility for monitoring their level of complaints and importantly the issues raised, with appropriate actions and learning taking place as a result. This is discussed at the quarterly patient Experience Monitoring Group which is chaired by the Chief Executive.



- ***Ensuring the right learning takes place***

  We take all feedback very seriously and regularly meet patients face-to-face to discuss their concerns in more detail and wherever possible, act on the feedback we hear in a continuous cycle of listening and learning. Examples of improvements that have been

made as a result of patient feedback include improving the gynaecology pathway through A&E and new initiatives to help care for patients with dementia.

Earlier this year, we co-hosted a multi-agency Child Safeguarding workshop following a serious case review from 2013, to reflect on the learning and actions we have taken from this case. Those attending, including the new Chair of the Surrey Safeguarding Children Board, commended our open and honest approach.

Two teams were also finalists at the PENNA Awards for improvement work undertaken with patients around providing more support at discharge within the neonatal field, and for the development of a service called the well-baby clinic focussed on infant feeding.

- ***Duty of candour***

  Following recommendations from the Francis Review, this is the requirement for healthcare providers to act in an open and transparent way when things go wrong. We have processes and policies in place to comply with this legislation and have developed an animated video for staff to promote Duty of Candour with an accompanying e-learning package – which we have gladly shared with other hospitals in the spirit of shared learning across the NHS.

- **Working with our patients and the local community**

  Good engagement with our patients and the wider community continues to be of upmost importance to the Trust, helping us understand what people need and expect from the services we provide. We continue to use a variety of ways to engage with these key groups, including further development of our social media strategy with increasing use of Twitter (up from around 1800 followers last year to over 2500 currently) and Facebook (with around 700 likes, increasing from 460 last year).

  Whilst our plans for merger with Royal Surrey County Hospital are currently paused (at the time of going to print) we have worked extensively with local stakeholders over the last year on the proposed merger plans; and as our future path becomes clearer, we will continue to do so.

- ***Governors and members***

  We have been helping our Governors to reach out to their individual membership groups and have relaunched the old Members' Matters magazine into a new, more substantial, quarterly Aspire publication with dedicated members' pages. We continue to run our regular programme of Members' Health Events.

- ***Members of our Patient Panel***

  Continue to meet on a monthly basis to ensure the Trust is in touch with the patient perspective. The patient panel has been involved in numerous projects such as supporting improvements in outpatient processes, PLACE (patient-led environment) inspections, improvements to the experience of patients with dementia, and offering feedback and opinions on things like patient information leaflets, and policies.

- ***Public accountability***

  We keep dialogue open through regular contact with Surrey County Council's Health Scrutiny Committee, local MPs and county and borough councillors, making sure they are kept aware of key Trust developments. We continue to work positively with Surrey Healthwatch, particularly over the development of our quality priorities.

Strategic objective 3: skilled, motivated teams

We continue to take steps to develop a strong, caring and empowered culture across Ashford and St Peter's Hospitals. Over the last year, that has meant building the levels of confidence, resilience and engagement amongst our staff that are needed to deliver change.

Developing our Staff

- ***Leadership and listening***

  We have continued to see high numbers of staff enrolling on our Institute of Leadership and Management leadership courses, as well as creating success stories as graduates of national programmes such as the NHS Leadership Academy's Elizabeth Garrett Anderson programme. Our innovative New Consultants' Programme also continues to produce confident, capable and well connected medical leaders.

  And in October, two of our leaders were shortlisted for the Kent, Surrey and Sussex Leadership Collaborative's prestigious Leadership Recognition Awards.

  Staff have engaged well throughout the year with listening and discussion opportunities, such as the Chief Executive's Sounding Board and our monthly team briefing.

  As well as sharing their thoughts and ideas through our face to face meetings, staff have also provided feedback at regular intervals through the Staff Friends and Family test, local pulse surveys and the annual National Staff Survey.

  An increasing number of our workforce are now actively using social media to connect with one another, and to share and discuss information in a timely and transparent way. The Trust's own *Be The Change* app also launched this year, which serves as a quick and simple way for staff to submit suggestions for improvement through the *Change Portal* – an online change tool.

- ***Capability and confidence***

  Alongside formal role-specific programmes of education and training, this year has seen our range of learning and development opportunities broadening. Staff have attended interactive masterclasses covering topics such as root cause analysis, improvement methodology, and the human side of change, they have joined online webinars, and we have seen a trend towards a "go see" approach to learning.

  For example, the Trust's *In Their Shoes* shadowing programme has once again seen almost one hundred applicants over the last year, as staff take advantage to see and try new skills for themselves, as well as to experience potential next roles, or simply to gain insight into someone else's perspective. In addition, the grass roots talent programme, *Best Foot Forward*, has also supported a number of individuals in understanding their career pathways and options, and has seen some of those individuals actively making those next steps.

In fact, a period of change has allowed a number of our staff to prove themselves in acting up positions, and a number of improvement programmes have created opportunities for secondments.

The new-style appraisal system introduced last year is becoming better embedded, and our staff report that it is allowing them to have better quality conversations around organisational values, and to determine clearer objectives for the year ahead.

- ***Wellbeing and resilience***

Our Schwartz Rounds continue to prove popular as an opportunity for members of the team to reflect, in a safe and supported environment, on difficult situations which have arisen by the nature of their day to day work.

The introduction of revalidation as a requirement for nurses from April 2016 creates a formal mechanism for reflective discussion, and we will continue to build those mechanisms into the organisation throughout the coming year. During 2015/16, we have started some of that work through our programme of emotional wellbeing workshops. We were fortunate to be selected as a pilot site to roll out these workshops and the new NHS Employers wellbeing toolkit in partnership with business psychologists, Robertson Cooper. These workshops have focused on developing self-awareness and self-management skills in individuals for the purposes of achieving and maintaining emotional wellbeing.

- ***Appreciation and recognition***

The Trust's staff recognition scheme, the WOW! Awards, has seen over 600 nominations this year for staff who have gone the extra mile at work. These nominations are submitted by staff and patients, and continue to be a powerful way of acknowledging special effort and achievement. Almost 200 people will attend the Trust's annual Achievement Awards in May – the shortlist for which is taken from those WOW! Awards nominations.

- ***National and regional winners***

During the year we have continued to celebrate the success of our staff on regional and national platforms including:

- Biomedical Scientists Judi Scott and Sareh Farshchi were honoured to be awarded 'Ebola Medals' for their contribution to the Ebola crisis in West Africa.

- Consultant Physician and Endocrinologist Dr Han won an International Award for Publishing Excellence by the prestigious Endocrine Society, based in Chicago, for his article published last summer in the Journal of Clinical Endocrinology and Metabolism titled "Comparison of immunoassay and mass spectrometry measurement of serum estradiol [oestrogen] levels and their influence on clinical association studies in men".

- Ashford and St Peter's Hospitals NHS Foundation Trust won the Quality of Care Award at the CHKS Top Hospitals Awards for 2015. The Trust was also named as a Top 40 Hospital by CHKS for the third time in a row.
- Our CEMIG (endometriosis) team won the "Golden Laparoscope" at the British Society of Gynaecological Endoscopy Conference.
- Our Chief Nurse, Heather Caudle was listed as a Nursing Times Leader 2015.
- Our maternity unit was awarded the prestigious Baby Friendly Award and is the latest UK health care facility to win international recognition from UNICEF (United Nations Children's Fund).
- Our Chief Executive, Suzanne Rankin, was named as one of the top 50 Chief Executives by the HSJ in March 2016.

Voluntary services

Ashford and St Peter's is proud and appreciative of its volunteer workforce which has risen in number to 400 volunteers in the last year. Volunteers enhance the patient and family experience and support staff in over 50 different locations across both sites. Volunteers offer services including; guiding to clinics, patient mealtime and listening support, fundraising, gardening and administration. Specialist services with volunteer input include the Pastoral Care Team, Community Radio Wey, Heartbeat, Dementia Care Support, Meal Time Support and A&E.

Highlights over the year include:

- At Christmas volunteers enjoyed a special 'Thank You' lunch and enjoyed the inaugural concert of the impressive and talented ASPH Staff Choir
- Launching a pilot Volunteer Workshop for current and prospective Volunteers
- Launching of the 'Adopt a Grandparent Scheme' across Medicine and our Surgical wards
- An increase in the number of student volunteers
- The Tea Party held in June for the annual celebration of Volunteers' Week 2015
- Engaging in community volunteer organisations to help recruit volunteers for Christmas Day meal time support and ward support, the paediatric playroom and play area.

Thank you to our 'Friends'

- **Ashford Hospital League of Friends** highlights**:**

  Our shop continues to thrive regarding takings and we are extremely pleased to report that in the first two months of this year our income from the shop was in excess of £3,000. During the last year we have donated a portable ECG machine for the Cardiology Department, sponsored a film made by and for the Breast Clinic, completely refurbished the staff room of the Physiotherapy Department which included new flooring, new cabinets, new chairs and a refrigerator. We are in the process of funding an anchorage device for the Oral and Maxillofacial Clinic, an Icare Tonometer for the Eye Ward, two Stryker wheelchairs for the Outpatients Department and a TV set for the Tennyson Ward waiting room.

  The League held two Easter craft sales in March which raised over £600. Our twice yearly Race Night is always very successful for raising funds. The League also continues to maintain four of the gardens within the hospital with volunteer gardeners. We also continue to provide and distribute gifts to both patients and ward staff on duty at Christmas time.

- **The Friends of St Peter's Hospital** highlights:

  The Friends of St. Peter's Hospital, originally established in 1952, have now completed over 63 years of active support of the hospital, and continue to give their support with improvement projects around the hospital. Wholesale refurbishments of the Blanche Heriot Unit staff room, and Labour Ward staff room were completed recently to the delight of the hospital staff who work in these areas. The refurbishment of a counselling room in the Early Pregnancy Unit is almost complete.

  Currently the Friends are working on plans for the refurbishment of the Chapel Garden. The refurbishment of the Pathology Department staff room is also due to start shortly.

  A few years ago the Friends embarked on a programme of refurbishing and buying new, where necessary, patient waiting are chairs around the hospital – some 350 chairs have now been completed but there are still a few more to be attended to.

Above: our Volunteer's tea party, June 2015

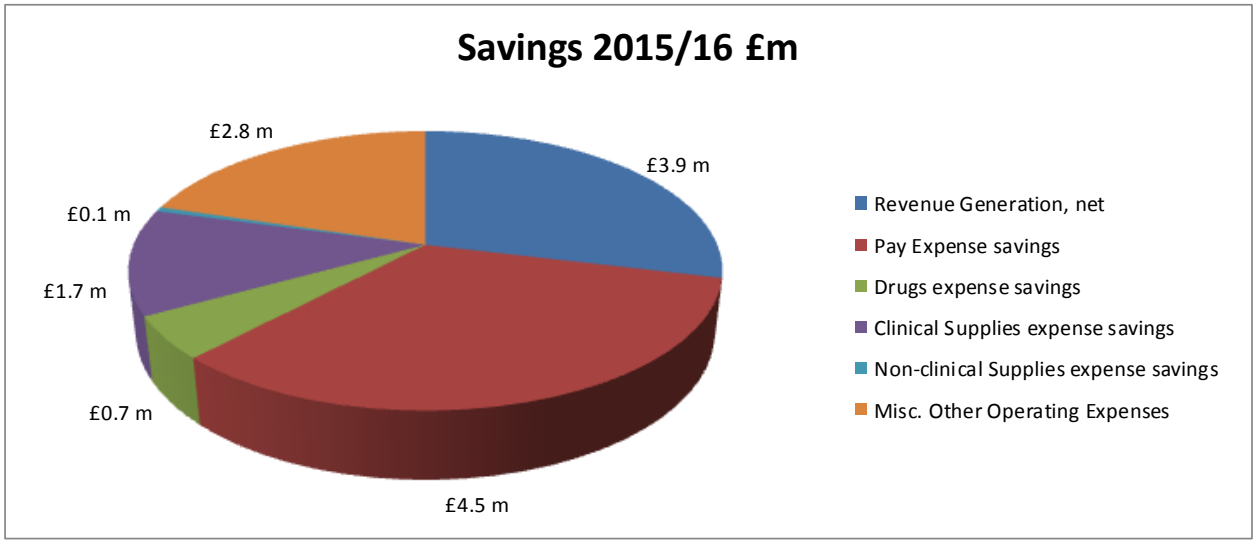
Strategic objective 4: Top Productivity

The Trust ended the year with a small deficit of £0.6 million, £0.6million less than our planned deficit of £1.2 million, and the achievement of £13.7 million cost savings. This gave us a Monitor Financial Sustainability Risk Rating of 2.

Achieving our cost improvements

In order to withstand future financial challenges and achieve efficiency gains, the Trust has adopted an approach of 'transformational change' to the way services are delivered. This approach aims to optimise effectiveness and productivity but with careful consideration of the impact on quality and safety to ensure no disadvantage to patients or staff.

Over the year we achieved £13.7 million of cost savings (on plan), split across areas as follows:



A Cost Improvement Programme (CIP) of £10.7m, equating to 3.8 % of income, has been developed for 2016/17. All schemes within the programme have detailed, supporting plans including an assessment of any impacts on service quality and how this will be managed during the year.

- ***Improving delivery of our quality payments (CQUINs)***

  Commissioning for Quality and Innovation (CQUIN) is a quality improvement initiative run by NHS England to encourage and reward excellence through the use of a payment structure. This works by linking a proportion of the Trust's income (currently 2.5%) to achieving certain local quality outcomes and improvement goals. In 2015/16, this was approximately £4m of our income.

  Delivery of the CQUIN programme has continued to benefit from a structured programme management approach. Key achievements in quality outcomes were:

  - Establishment of sepsis screening programme in A&E
  - Introduction of the GAP/Grow programme to reduce the number of stillbirths at ASPH

- Focus on improving cancer patient experience
- Improve support provided to carers of patients with dementia

The Trust expects to achieve 75% of the CQUIN goals in 2015/16, which equates to approximately £3m, but discussions are still taking place with NW Surrey CCG to finalise this. Goals we didn't fully achieve included targets for the timely treatment of sepsis in A&E and reducing delayed discharges from ICU to ward based care. See our Quality Report for more details on our quality targets.

Compliance with the Carter review

In 2014 Lord Carter was asked to assess what efficiency improvements could be generated in hospitals across England. His interim report, published in June 2015, estimated potential savings of £5bn in the acute sector by 2020 through improving workforce costs, best use of in-hospital medicines, and more efficient estates and procurement management. In 2016 Lord Carter published his final report into hospital efficiency which benchmarked individual Trusts and included a range of recommendations.

According to the Carter review, Ashford and St Peter's benchmarks well in terms of efficiency, achieving an efficiency metric – known as the 'Adjusted Treatment Cost' -of £0.91. This means we are approximately 9 pence less expensive per £1 spend than the national average. The key recommendation in terms of improvement for the Trust focuses on workforce and the need to fill our substantive posts and reduce reliance on agency staff.

Strengthening our approach to service improvement

To continue providing high quality health services in the face of current challenges, we need to make significant and transformational changes over the next few years. Supporting this is our 'Transformation and Quality Improvement' strategy, which looks to empower teams and individuals with the capacity and capability they need to lead changes for themselves.

- ***Building capacity for improvement***

  This year, in order to support our QI strategy and approach, we have invested time in training, mentoring and coaching for a number of teams and individuals**.** Our training programmes aim to build a broad knowledge of improvement methodology that is simple and repeatable; teach measurement and problem-solving skills at all levels and develop people-focused improvement skills, through the coaching of teams.

- ***Using technology***

  In 2015, we launched our QI microsite – www.bethechangeasph.com – which provides staff with helpful online tools and resources to get started with quality improvement ideas as well as blogs, articles, project updates and short videos for inspiration. This was followed by the launch of a new mobile app to spread to word about the 'Be the Change' programme and help more people become involved, with all the support and information they need easily accessible.

Be the Change

This began as a project led by our junior doctors in February 2014 and has now become the main mechanism for 'bottom up' change throughout the organisation. Staff can put their ideas forward through an online portal and over the last year, around 50 improvement projects have been proposed. These are supported by 'Change Champions' and the

There are many excellent examples of large scale service improvement projects that have been completed over the last year, including the breast cancer services co-design project, improvement of the pathway for cancer patients and achievement of the '62 day' national target and the transformation of our outpatients service. Read more about these in the 'Excellent Experience' section. Other improvements include:

QI and team working in the emergency department **–** led by one of our Emergency Department (ED) consultants, Dr Asim Nayeem, the team have introduced bi-monthly 'ED Assemblies'. In a busy environment like A&E it can be difficult to find the time and space for team meetings, but Dr Nayeem introduced the ED Assembly format of 'short, sharp' meetings open to everyone. Each member of staff is given a few minutes to speak about any issues they are facing or things they believe could be improved. Individuals then volunteer to find solutions and report back at the next ED Assembly. It is a very positive way of engaging and empowering the whole team and the 'Assembly' model is working so well it is now being adopted in other areas.

Improving weekend handover – 'Friday Ward Round' sheet **–** doctors providing weekend and out-of-hours care on our wards were finding it challenging to search through the (often extensive) medical notes of patients they were not familiar with to find important details. They also felt that the jobs they were expected to undertake and the criteria for discharging patients over the weekend could be handed over better.

To tackle this, two of our FY1 doctors devised a special ward round sheet to be used on Fridays, which is brightly coloured so easy to find, summarises the current problems and patient background, clarifies specific jobs to be completed and defines the criteria for discharge over the weekend. It was successfully trialled on Swift Ward at St Peter's Hospital and is now being rolled out to other clinical areas.

Making a difference with resuscitation **–** in August 2014 an audit was undertaken across the Trust of all resuscitation trollies, particularly looking at the items present in comparison to those essentially required. One particular ward trolley contained a large number of additional items, cluttering the trolley and potentially making it slower for users to identify the equipment they need in an emergency.

The Aspen Ward and resuscitation teams took the lead in identifying 'what good looks like' and through using photos and 1:1 training on the ward have ensured the trolley now only contains essential items and is better organised. Feedback from the medical team has been very positive, with staff saying the new trolley is 'smoother' and 'slicker' to use in emergency situations.

Dotty for directions **–** one of the first 'Be the Change' suggestions came from our porters, who identified a problem with patients and visitors finding their way around St Peter's

Hospital. Porters were often interrupted and delayed whilst transporting patients to be asked for directions.

They collectively agreed that a colour-coded system would help and this has now come to fruition in the form of colour-coded dots, which guide visitors from the main reception to different areas of the hospital. Feedback has been positive, particularly from visitors going to harder-to-find departments such as MRI, haematology and pathology.

Harnessing technology to effect change

The Health Informatics department continues to grow from strength to strength, and this year has seen an overall increase in our profile as a result of the commencement of the Electronic Medical Records (eMR) project. This will see the digitisation of our medical records, and has attracted £3.9m of government funding

The four-year eMR project kicked off in May 2015, and the first year was all about preparation for the changes to processes, building the solution, and testing. The project team increased to include a full quota of Change Management staff, three of whom are nurses, and all of whom are existing members of staff on secondment.

The digitisation of the medical records starts in summer 2016, so we have mapped all our processes and feel we are in a good position to understand the change. We have worked hard on our communications around the project, setting up the @YoureMR Twitter account and our own Facebook page.

Other achievements include:

- Accreditation has been received from the Clinical Classifications Service to host a Clinical Coding Academy – 'Coderight'. We are very proud of our Clinical Coding team for this recognition of their skills.
- The Vital Signs solution is now fully operational, with nurses able to electronically record their observations on mobile devices, thus increasing patient safety.
- The commencement of our Single Sign On project, which will save clinicians from having to remember multiple login details, but maintain the security of our patient data.
- We have initiated partnering work with East Kent Beautiful Information to share reporting applications.
- We are collaborating with North West Surrey CCG and all our neighbouring trusts as part of the Digital Roadmap for our local health community, a piece of work supported by NHS England to encourage better sharing of vital patient information.
- We have built a secondary server room on site with an uninterruptible power supply and air conditioning to provide resilience for our new clinical systems
- Our PC replacement continues with newer low power consumption devices to lower our carbon foot print.

Developing our business

Securing our business – the total number of referrals to the Trust has continued to rise during 2015/16, in particular for our musculoskeletal (MSK), dermatology and ophthalmology services.

At the same time, our market share has remained largely stable for all our commissioners with the exception of North West Surrey Clinical Commissioning Group (North West Surrey CCG), where we have seen some significant market share gains in orthopaedics following the award of the MSK pilot scheme to the Trust.

Tenders – North West Surrey CCG gave notice on a number of services early in the year all relating to the MSK pathway. They now wish to procure a new service based on a biopsychosocial model of care by October 2016. The Trust is fully supportive of this approach and whilst this provides a significant risk to the Trust's MSK business, we are actively seeking to continue providing these services to the local population and are bidding for the new contract.

Surrey County Council commissions the majority of the sexual health services by the Trust and in line with national guidelines they have notified the Trust of their intention to tender for these services.

New services – we have developed a number of new pathways in partnership with North West Surrey CCG. For example, a new nurse-led micro-suction service has been introduced for ENT (Ear Nose Throat services). Community based services have been initiated in both Dermatology and Ophthalmology.

We are working with the CCG to develop a number of new service developments in areas such as cardiology and gastro-intestinal services where the NHS Rightcare group has identified service redesign opportunities that will improve patient care and potentially reduce costs to the local healthcare economy. New sexual health services began at Bronzefield Prison where the Trust is working with the healthcare team to develop services for the prison population. Further schemes are in development to improve healthcare for this hard to access population.

Our strategy remains to continue to bid for services where we believe we can provide high quality care for patients and which also provide a positive financial return for the Trust.

Further partnership working - we continue to be proactive in developing relationships between partner organisations within North West Surrey – particularly with our commissioners, with community services (Virgin Care) and Social Services – working together and to develop more services outside hospital.

We are continuing our work with Virgin Care and Social Services on a number of joint projects including supported discharge and admission avoidance schemes and will continue to explore opportunities to integrate care pathways across Surrey. This is of particular importance to support our ageing population and to reduce the acute pressures on emergency admissions experienced over the winter period. We are also working closely with the CCG in the development of services in the newly created Locality Hubs – in which we are an active partner - and with the Nursing home project.

We continue to support programmes of care that deliver services within patients' homes through our partnership arrangements with Healthcare at Home and Virgin Care; for

example, commissioning services directly from them to support discharge and ensure that patients continue to receive the care they need when they get home, (e.g. home visits to administer intravenous antibiotics) without which they would need to spend longer in hospital.

We have also been working closely with Surrey Pathology Services to develop the anti-coagulation services offered and support the repatriation of stable patients back to primary care. This work will continue over the next year.

Better Care, Better Health

We know that tackling the issue of long stays in hospital – which is often not the best place for many patients – is something that we need to address collectively with our partners. Aside from putting pressure on our hospitals, it can mean people are not getting the best care they need to return to independent living. It is also expensive and is a shared problem across the North West Surrey health economy.

In May 2015, we began a joint programme of work with our commissioners, North West Surrey CCG, to look together at a way forward that makes the most of what we have, including our skilled workforce. This work became known as *Better Care Better Health* and has developed ideas that underpin our shared vision to deliver a health and care service across North West Surrey that focuses on keeping people well at home, supports health and care needs in the community, provides acute intervention when required, and makes sure people have access to specialist advice. Our organisations are now working together to implement ideas and to engage our teams in developing further initiatives that will deliver meaningful changes in how we organise and deliver care to the benefit of our local population.

Spotlight: the Bedser Hub

The Trust is an active partner in a new service to support elderly and frail patients in the community, the Locality Hubs, designed and set up by a partnership of local health organisations led by North West Surrey CCG. The partnership includes Virgin Care, social services, local GPs, Age UK and ourselves. The first hub, the Bedser Hub, opened in Woking Community Hospital in December and aims to support people to live an independent and fulfilled life in the community for as long as possible, with access to the health, social care and community services they need all in one place. This kind of proactive care will help reduce the number of visits needed to A&E and hospital admissions.

Working with local general practice - the Trust continues to develop relationships with GPs and practices both within the North West CCG area and other neighbouring CCG areas such as Hounslow. Our business development team has regular contact with practices within our catchment area and provides a GP liaison service. The team also provides a hotline and dedicated secure e-mail for GPs to contact to resolve issues and problems quickly. This continued close contact is enabling the development of new services in a variety of specialities particularly for common conditions.

We also hold regular meetings between our consultants and GPs to help improve communication and resolve issues. We distribute our electronic Clinical Publication, *'GP Link'* to practices across our catchment area and beyond to ensure that GPs and other referrers are kept up to date with clinical developments and services within the Trust.

3. Accountability Report

Directors' Report

The Directors present their report for the financial year 1st April 2015 to 31st March 2016, which incorporates a summary of our overall performance against our corporate objectives.

Our Executive Team

Our Executive Team over the last year has comprised:

- Suzanne Rankin, Chief Executive
- Valerie Bartlett, Deputy Chief Executive
- Heather Caudle, Chief Nurse
- David Fluck, Medical Director
- Simon Marshall, Director of Finance & Information
- Louise McKenzie, Director of Workforce Transformation
- Robert Peet, Chief Operating Officer (from September 2015)

Non-Executive Directors

During the year our Non-Executive Directors have been:

- Aileen McLeish, Chairman
- Philip Beesley, Deputy Chairman
- Nadeem Aziz
- Sue Ells
- Clive Goodwin
- Terry Price
- Carolyn Simons (until June 2015)
- Peter Taylor

More details on our directors are given from p.73 of this report.

Director disclosures

For each individual director currently in post at the time of approval of this report, so far as each director is aware, there is no relevant audit information of which our auditor is unaware.

Each director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that our auditor is aware of that information. Each director has also made such enquiries of their fellow directors and of the Trust's auditor for that purpose and taken such other steps required by his/her duty as a director of the Foundation Trust to exercise reasonable care, skill and diligence.

Directors have taken the necessary responsibilities in preparing this Annual Report and Accounts. They consider that the Annual Report and Accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for patients, regulators and other stakeholders to assess the Trust's performance, business model and strategy.

Remuneration Report

Remuneration Committee and Policy on Remuneration of Senior Managers

The Remuneration Committee consists of four Non-Executive Directors chaired by Senior Independent Director, Clive Goodwin and attended by Aileen McLeish, Sue Ells, Carolyn Simons (two meetings) and Philip Beesley (one meeting). The Committee met three times and attendance is set out on p. 83.

The Remuneration Committee sets the policy, and the level, for remuneration and terms and conditions of the Executive Directors of the Trust. The Committee receives an annual report on the performance of Executive Directors. Mindful of its duties in managing public funds, in particular as one or more senior managers are paid in excess of £142,500 (equating to the Prime Minister's ministerial and parliamentary salary), its policy is set to balance the need to appoint and retain Executive Directors within the Trust. In doing so it considers benchmarked information from external sources where required. All Executive Directors contracts were open-ended with notice periods of three to six months. There were no contracts containing a provision for compensation over and above legal entitlement for early termination. In 2015/16 all Executive Directors were paid through the Trust's payroll. During the year one Senior Manager with significant financial responsibility was paid through an agency whilst working as an interim. The cost of this is disclosed in Table A: Remuneration below. During the year the Committee considered the Department of Health letter regarding Very Senior Managers pay, and approved the Trust's response to the request for information and supported the Chairman to respond on behalf of the Trust.

Remuneration of Chairman and Non-Executive Directors

The remuneration of the Chairman and Non-Executive Directors is agreed by the Council of Governors following review by its Remuneration and Appraisal Committee. Details of this Committee are set out on p. 86.

Expenses

In 2015/16 the Trust paid out a total of £6,480 (2014/15 - £4,671) in expense payments to 10 (2014/15 - 8) Trust Board members. Further analysis of these expenses by Trust Board member is available on the Trust website at

http://www.ashfordstpeters.nhs.uk/board-member-expenses.

The role of Governor of a Foundation Trust is voluntary but the NHS Act and the Constitution states that the Trust 'may pay travelling and other expenses to members of the Council of Governors at rates decided by the Trust'. The Trust has a policy on such reimbursement and this was last reviewed and approved in May 2015. In 2015/16 a total of £1,117 (2014/15 - £842) was paid out in such expenses to 6 (2014/15 – 6) Governors.

Median Salary

The median remuneration of the Trust is £28,076 (2014/15 £27,901). This calculation is based on the full-time equivalent staff of the Trust on an annualised basis. The median is the total remuneration of the staff member lying in the middle of a linear distribution of the total staff of the Trust. Remuneration includes all aspects of pay and excludes employers' pension contributions.

The mid-point of the banded remuneration of the highest paid Director is £172,500 (2014/15 - £172,500). Further details on this remuneration are provided in table A of the section that follows.

The ratio between the highest paid Director and the median salary is 6.1 (2014/15 - 6.2).

Salary and pension entitlements of senior managers for the year to 31 March 2016

The tables on the next page set out remuneration and pension benefit details for the reporting period.

A) Remuneration

	2015-16					2014-15				
Name and Title	**Salary (bands of £5,000)**	**Other Remuneration (bands of £5,000)**	**Benefits in Kind (Rounded to the nearest £100)**	**All pension-related benefits (bands of £2,500)**	**Total (bands of £5,000)**	**Salary (bands of £5,000)**	**Other Remuneration (bands of £5,000)**	**Benefits in Kind (Rounded to the nearest £100)**	**All pension-related benefits (bands of £2,500)**	**Total (bands of £5,000)**
Executive Team	£000	£000	£00	£000	£000	£000	£000	£00	£000	£000
Suzanne Rankin, Chief Executive (from 1 September 2014) Acting Chief Executive (from 18 August 2014 to 31 August 2014);Chief Nurse (to 17 August 2014)	170-175	-	66	-	180-185	145-150	-	59	-	150-155
Andrew Liles, Chief Executive (to 31 August 2014)	-	-	-	-	-	75-80	-	17	2.5-5.0	80-85
Simon Marshall, Director of Finance & Information	130-135	-	43	20.0-22.5	155-160	130-135	-	31	12.5-15.0	145-150
Dr David Fluck, Medical Director	40-45	125-130	61	-	175-180	40-45	125-130	37	-	170-175
Valerie Bartlett, Deputy Chief Executive	135-140	-	53	12.5-15.0	150-155	135-140	-	45	10.0-12.5	150-155
Louise McKenzie, Director of Workforce Transformation	120-125	-	95	17.5-20.0	150-155	120-125	-	105	7.5-10.0	140-145
Heather Caudle, Chief Nurse (from 1 September 2014); Acting Chief Nurse (from 18 August 2014 to 31 August 2014)	105-110	-	65	52.5-55.0	170-175	65-70	-	26	40.0-42.5	110-115
Chairman and Non-Executives										
Aileen McLeish, Chairman	45-50	-	-	-	45-50	40-45	-	-	-	40-45
Carolyn Simons Non-Executive Director (to 30 June 2015)	0-5	-	-	-	0-5	10-15	-	-	-	10-15
Prof. Philip Beesley, Non-Executive Director	10-15	-	-	-	10-15	10-15	-	-	-	10-15
Terry Price, Non-Executive Director	10-15	-	-	-	10-15	10-15	-	-	-	10-15
Sue Ells, Non-Executive Director	10-15	-	-	-	10-15	10-15	-	-	-	10-15
Clive Goodwin, Non-Executive Director	10-15	-	-	-	10-15	10-15	-	-	-	10-15
Peter Taylor Non-Executive Director (from 10 September 2014)	10-15	-	-	-	10-15	5-10	-	-	-	5-10
Nadeem Aziz Non-Executive Director (from 10 September 2014)	10-15	-	-	-	10-15	5-10	-	-	-	5-10
Jim Gollan, Non-Executive Director (to 31 July 2014)	-	-	-	-	-	0-5	-	-	-	0-5
Senior Managers with Significant Financial Responsibility										
Lorraine Knight, Interim Chief Operating Officer (from 1 April 2015 to 3 September 2015)	95-100	-	-	-	95-100	-	-	-	-	-
Robert Peet, Chief Operating Officer (from 1 September 2015)	70-75	-	17	17.5-20.0	90-95	-	-	-	-	-

a) Amount shown under Other Remuneration for Dr David Fluck relate to medical work as a Consultant at the Trust.
b) Benefits in kind relate to benefits for lease cars (please note that these costs are shown in £ hundreds and not £ thousands in line with Monitor guidance).
c) There were no annual performance-related bonuses paid.
d) There were no long-term performance-related bonuses paid.
e) There were no payments for compensation for loss of office.
f) Non-Executive Directors waive remuneration due for chairing sub-Committees of the Trust Board. No other remuneration was waived by directors, no allowances were paid in lieu and there were no payments in respect of golden hello's.
g) Lorraine Knight was appointed as Interim Chief Operating Officer until 3 September 2015 and payments were made to an agency Practicus Limited. As payments were though an agency there is no pensions disclosure in the following table.

B) Pension Benefits

Name and Title	Real increase in pension at pension age (bands of £2,500)	Real increase in lump sum at pension age (bands of £2,500)	Total accrued pension at pension age at 31 March 2016 (bands of £5,000)	Lump sum at pension age related to accrued pension at 31 March 2016 (bands of £5,000)	Cash Equivalent Transfer Value at 1 April 2015	Real Increase/ (Decrease) in Cash Equivalent Transfer Value	Cash Equivalent Transfer Value at 31 March 2016	Employer's Contribution to Stakeholder Pension (to nearest £100)
Executive Team	£000	£000	£000	£000	£000	£000	£000	£00
Suzanne Rankin Chief Executive (from 1 September 2014) Acting Chief Executive (from 18 August 2014 to 31 August 2014); Chief Nurse (to 17 August 2014)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	-
Simon Marshall Director of Finance & Information	0-2.5	(2.5)-0	20-25	60-65	320	10	344	-
Dr David Fluck Medical Director	n/a	n/a	n/a	n/a	n/a	n/a	n/a	-
Valerie Bartlett Deputy Chief Executive	0-2.5	2.5-5.0	45-50	140-145	870	15	911	-
Louise McKenzie Director of Workforce Transformation	0-2.5	(2.5)-0	25-30	80-85	401	9	425	-
Heather Caudle Chief Nurse (from 1 September 2014); Acting Chief Nurse (from 18 August 2014 to 31 August 2014)	5.0-7.5	7.5-10.0	25-30	70-75	315	34	386	-
Senior Managers with Significant Financial Responsibility								
Robert Peet, Chief Operating Officer (from 1 Sept 2015)	0-2.5	0-2.5	20-25	15-20	241	11	281	-

Notes:

a) Suzanne Rankin opted out of the NHS Pension scheme on 1 November 2011.
b) David Fluck opted out of the NHS Pension scheme on 1 April 2014.
c) As Non-Executive Directors do not receive pensionable remuneration, there will be no entries in respect of pensions for Non-Executive Directors.
d) The Interim Chief Operating Officer does not appear on the above table as she was employed through an agency.

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme, or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which the disclosure applies. The CETV figures and 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.
On 16 March 2016, the Chancellor of the Exchequer announced a change in the Superannuation Contributions Adjusted for Past Experience (SCAPE) discount rate from 3.0% to 2.8%. This rate affects the calculation of CETV figures in this report.

Due to the lead time required to perform calculations and prepare annual reports, the CETV figures quoted in this report for members of the NHS Pension scheme are based on the previous discount rate and have not been recalculated.

Real Increase in CETV

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

Suzanne Rankin
Accounting Officer
26 May 2016

Staff Report

Average staff numbers

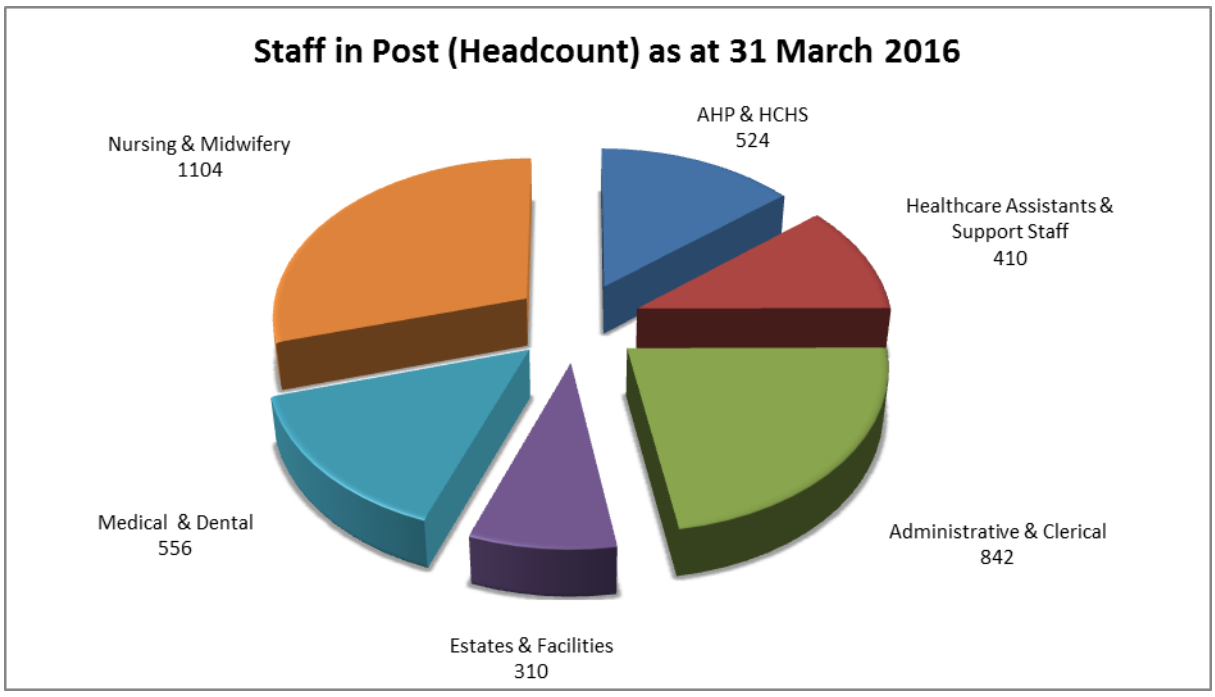
The Trust's average staff numbers in whole time equivalents (wte) during the year is shown below:

Average Staff Numbers (WTE) during the year to 31 March 2016			
	Total Number	Permanent Number	Other Number
Medical and dental	500	500	-
Administration and estates	929	929	-
Healthcare assistants and other support staff	495	495	-
Nursing, midwifery and health visiting staff	922	922	-
Scientific, therapeutic and technical staff	339	339	-
Healthcare science staff	67	67	-
Agency and contract staff	164	-	164
Bank staff	269	-	269
Other	7	7	-
Total average numbers	**3,692**	**3,259**	**433**

The total of 3,692 wte compares to 3,628 wte for 2014/15. The largest part of our workforce is nursing and midwifery, and medical and dental staff who account for 44% of our employees.

Staff in post (headcount) as at 31 March 2016

The full breakdown of staff in post (headcount) at 31 March 2016, which includes staff on permanent and fixed-term contracts, is shown as follows:



The table below provides a breakdown at the year end of the number of male and female staff in the following categories:

- directors
- other senior managers and
- employees.

Directors			
Gender	Headcount Numbers		
	Total	Exec	Non-Exec
Female	6	4	2
Male	8	3	5
Total	**14**	**7**	**7**

Snr Managers			
Gender	Headcount Numbers		
	Total	Full Time	Part Time
Female	141	106	35
Male	43	42	1
Total	**184**	**148**	**36**

All Perm/FTC staff				
Gender	Headcount Numbers			Gender as % of Workforce
	Total	Full Time	Part Time	
Female	2830	1754	1076	75.5%
Male	916	813	103	24.5%
Total	**3746**	**2567**	**1179**	**100.0%**

Sickness absence data

The Trust's sickness average for the year was 2.99% which is below the national average; the table below gives a breakdown by staff group.

Sickness average	
Add Prof Scientific and Technic	1.77%
Additional Clinical Services	4.39%
Administrative and Clerical	3.37%
Allied Health Professionals	1.77%
Estates and Ancillary	4.46%
Healthcare Scientists	1.18%
Medical and Dental	0.96%
Nursing and Midwifery Registered	3.13%
Students	1.37%
ASPH -Total	**2.99%**

Staff policies and actions applied during the financial year

- The Trust has a range of employment policies and procedures which are designed to ensure that our staff can carry out their roles to support the Trust in achieving its objectives. All our employment policies are subject to Equality Impact Assessments so that we understand the potential impact on staff and potential employees with protected characteristics.

- There are no specific policies that deal with disabled persons or employees who become disabled during their employment however all relevant policies give due

regard to this group. The following policies have particular relevance to disabled persons:

- Performance and capability
- Recruitment and Selection
- Sickness absence
- Work-life balance

Engagement with employees and staff-representatives

- The Trust has a structured and regular communication process with our employees and their representatives.

- The Employee Partnership Forum (EPF) takes place monthly and is the formal meeting between Executive Directors and local Trade Union representatives. The Trust's performance report and balanced scorecard is a standing agenda item for this meeting. Service changes which will affect staff are discussed at the EPF and where necessary formal consultation is managed through this forum.

- As well as the formal meeting there are a number of other processes used, such as:

- Chief Executive weekly message
- Chief Executive monthly video message
- Daily Aspire bulletins
- Quarterly meetings with Staff Governors
- Monthly Sounding Board meeting between Chief Executive and invited employees
- Monthly team briefing

Staff survey

The National Staff Survey provides a snapshot of staff experience at Ashford and St. Peter's Hospitals. Feedback from staff, whether through formal surveys or day to day conversation, helps us to understand the bigger picture, and the context to the patient care we provide.

a) Summary of performance – results from the NHS staff survey

Top five ranking scores:

	2014/2015		**2015/2016**		**Trust response**
	Trust	National Average	Trust	National Average	
Quality of appraisal	N/A	N/A	3.25	3.05	New style appraisal has been introduced and is considerably more structured than previous appraisal system. Encouraging but will continue to evaluate and deliver

					regular training for appraises and appraisers.
% of staff reporting good communication between senior management and staff	33	30	35	32	We have focused over previous years on this, so pleased to see an improvement.
% of staff suffering work-related stress	31	37	33	36	Reflects high levels of resilience in our workforce, and we will continue to build resilience through resilience and emotional wellbeing workshops over the coming year.
% of staff experiencing harassment, bullying or abuse from patients or relatives over the previous 12 months	14	29	27	28	Satisfactory in relation to national average although need to acknowledge that 27% is still a large number.
% of staff witnessing potentially serious errors, near misses or incidents over the previous 12 months	30	34	31	31	Reflects focus on quality and safety across the organisation.

Bottom five ranking scores:

	2014/2015		**2015/2016**		**Trust response**
	Trust	National Average	Trust	National Average	
% of staff /colleagues reporting most recent experience of harassment, bullying or abuse	36	N/A	11	37	Will be addressed through a wider piece of work geared towards encouraging staff to speak up for improvement.

Staff confidence and security in reporting unsafe clinical practice	3.55	N/A	3.41	3.62	Will be addressed through the programme of work as described above.
Support from immediate managers	3.67	3.65	3.55	3.69	A refreshed leadership strategy is now in place, which seeks to support people management performance through recruitment and selection, improved evaluation, peer support and development.
% of staff working extra hours	75	71	78	72	This result is unsurprising as a busy Trust, with familiar recruitment challenges.
Effective use of patient/service user feedback	3.59	N/A	3.46	3.70	In early 2016, the Trust will be taking advantage of our new "I Want Great Care" system as an open and transparent mechanism for patient feedback.

b) Future priorities and targets

The clear priority for staff experience and culture at Ashford and St. Peter's Hospitals over the coming year is to optimise our leadership capacity and capability so that our staff feel supported by their immediate managers and leaders to speak openly and honestly about their ideas and concerns.

Expenditure on consultancy

During 2015/16 the Trust spent £855,000 on consultancy compared to £2,004,000 in 2014/15. The main area of spend was in relation to merger discussions with Royal Surrey County Hospital NHS Foundation Trust.

Off-payroll engagements

As a result of the Review of Tax Arrangements of Public Sector appointees published by the Chief Secretary to the Treasury in 2012, the Trust is required to disclose the number of off-

payroll engagements at a cost of over £220 per day and which last for longer than six months. Disclosures are set out in the tables below.

For all off-payroll engagements as of 31 March 2016, for more than £220 per day and that last longer than six months:

	No
Number of existing engagements as of 31 March 2016	16
Of which, the number that have existed:	
for less than one year at the time of reporting	11
for between one and two years at the time of reporting	1
for between two and three years at the time of reporting	2
for between three and four years at the time of reporting	1
for four or more years at the time of reporting	1

All payroll engagements listed above have been subject to a risk based assessment as to whether assurance is required that the individual is paying the right amount of tax and, where necessary, that assurance has been sought. Of the above engagements two have transferred to the Trust's payroll since 31 March 2016.

	No
Number of new engagements, or those that reached six months in duration, between 1 April 2015 and 31 March 2016	13
Number of new engagements which include contractual clauses giving the Trust the right to request assurance in relation to income tax and National Insurance obligations	10
Number for whom assurance has been requested	-
Of which:	
assurance has been received	-
assurance has not been received	-
engagements terminated as a result of assurance not being received	-

Of the 13 new engagements in the table above, two have subsequently transferred to the Trust's payroll.

Of these 10 were as a result of the Trust entering into a direct engagement model with Brookson Healthcare Services LLP whereby Brookson's ensure that the limited company or personal services company has the appropriate required assurance status, and will conduct an IR35 review where required. The Trust then pays the individuals through their personal service companies.

In accordance with Monitor guidance the Trust supported the review, and implemented the changes, in regard to off-payroll appointments. The Trust's policy on the use of off-payroll transactions in relation to highly paid staff, defined as those at a cost of over £220 per day, is to ensure that all senior level appointments are made through the payroll where possible and off-payroll assignments are used only for interim or locum engagements.

In respect of Trust Board members and senior managers with significant financial responsibility, details are set out in the table below:

Number of off-payroll engagements of Board members, and/or, senior officials with significant financial responsibility, during the financial year	1
Number of individuals that have been deemed 'Board members and/or senior officials with significant financial responsibility; during the financial year (which includes both off-payroll and on-payroll engagements)	16

The one off-payroll engagement shown above for the financial year was for a period of just over five months that ended on 3rd September 2015. This was an Interim Chief Operating Officer which, whilst not a voting Board member role, does have significant financial responsibility. This role was substantively filled in September 2015 with the new individual in post being paid through the payroll. Further details on the remuneration of Trust Board members and senior managers with significant financial responsibility are set out in the Remuneration Report on pages 59 to 63.

Exit packages

Details of exit packages agreed during the year to 31 March 2016 are set out in the following tables:

Exit package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
£10,001 - £25,000	-	1	1
£25,001 - £50,000	1	2	3
Total number of exit packages by type	1	3	4
Total resource cost (£000)	33	71	104

	Agreements No.	Total value of agreements £'000
Non-contractual payments requiring HM Treasury approval	3	71

HM Treasury approval was received for the three agreements set out above and none of these payments was for more than twelve months of any individuals' salary. The highest payment was for £35,000 and the lowest was £10,000.

None of the exit packages were for Board members or senior managers with significant financial responsibility.

In 2014/15 there were no exit packages.

NHS Foundation Trust Code of Governance

Ashford and St Peter's Hospitals NHS Foundation Trust recognises that the capability of the Trust Board of Directors and Council of Governors is critical to the success of the Hospitals. Our ability to do what we do, and to do it well, will help us to serve our patients and our community.

The Trust strives to continuously improve its processes, in line with key national guidance, to ensure safe, high quality services for our patients, and to provide a clear framework within which our staff can thrive.

Each year we review our governance arrangements against the provisions of Monitor's Code of Governance which sets the standard for best practice and the following disclosures give a clear and comprehensive picture of the Trust's governance arrangements and how we apply the main principles.

It is the responsibility of the Board of Directors to confirm that the Trust complies with the provisions of the Code of Governance or, where it does not, to provide an explanation which justifies departure from the Code in particular circumstances. For the year ending 31 March 2016 the Trust complied with all the provisions of the Code of Governance published by Monitor in 2015.

Board of Directors and the Council of Governors

The Board has agreed a Trust Governance Framework which describes the roles of the Board and the Council. This confirms that the Council will carry out its statutory duties (further detail is given in the section on the Council below) and will be consulted on the Trust's forward plans.

The Board has agreed to meet formally and in public at least nine times per year, and considers items under four broad agenda headings:

- Quality and safety
- Performance
- Strategy and planning
- Regulatory

In addition the Board meets in closed session, having published a framework setting out the types of matters normally dealt with in private. These typically include matters relating to individuals or matters of a commercial nature.

The unitary Board of Directors is responsible for ensuring the Trust complies with its License, the mandatory guidance issued by Monitor, its Constitution and relevant statutory requirements and contractual obligations. The Board of Directors sets the Trust's strategic aims, taking into consideration the views of the Council of Governors. The Board of Directors as a whole is responsible for ensuring the quality and safety of healthcare services, education, training and research delivered by the Trust.

The Council of Governors represents the interests of the local community, both members of the public and staff who are Foundation Trust members, and local stakeholders. The Council of Governors is not responsible for the day-to-day management of the organisation which is the responsibility of the Board of Directors, but the Council holds the Board to account via the Non-Executive Directors.

The Board has approved a formal Scheme of Delegation of Authority and Responsibility and within this Scheme there is a Schedule of Matters Reserved for the Board. This Scheme forms an important part of the Trust's system of internal controls.

In the event of a dispute between the Board and the Council a disputes procedure is described in the Constitution.

Composition of the Board

The Board is made up of the Chairman, six Non-Executive Directors and six Executive Directors. The Company Secretary attends all Board meetings.

In June 2015 Carolyn Simons made the decision to step down from her role as Non-Executive Director.

In June 2015 the Council of Governors appointed Non-Executive Director, Philip Beesley for a further one year term of office.

At their meeting in September 2015, they extended the term of office for Aileen McLeish, Chairman for a further two year period and for Terry Price, Non-Executive, for a further one year term.

In March 2016, the Council of Governors appointed Sue Ells, Non-Executive Director for a further two year term.

The Nominations Committee held on 26 March 2015 agreed to appoint Lorraine Knight as Interim Chief Operating Officer from 30 March 2015 to enable Valerie Bartlett to step out of the operational running of the hospital to focus on strategic development. The Chief Operating Officer is a non-voting member of the Board, and Board level accountability for operational performance sits with the Chief Executive.

In September 2015 Robert Peet was seconded to the role of Chief Operating Officer. Bob Peet joined Ashford and St Peter's Hospitals NHS Foundation Trust (ASPH) in summer 2012 and led the work on the proposed Merger between ASPH and the Royal Surrey County Hospital NHS Foundation Trust.

Bob has had previous senior appointments at several acute hospitals, including Buckinghamshire Healthcare NHS Trust and Guy's and St Thomas' NHS Foundation Trust. Prior to joining the NHS in 2004, Bob had enjoyed a varied career in the Army, including operational tours in Bosnia and the Gulf, going to the Joint Services Staff College and being an Instructor at the Royal Military Academy Sandhurst.

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Introducing our Board of Directors

Aileen McLeish, Chairman

Aileen McLeish has been Chairman of Ashford & St Peter's Hospitals since October 2008 having been a Non-executive Director of the Trust since November 2005. She obtained a degree in Mechanical Sciences from Girton College, Cambridge. During her career Aileen has worked at Unilever PLC and H J Heinz Co Ltd in the UK where she became Group Financial Controller. She then transferred to the not for profit sector as Director of Finance at Historic Royal Palaces followed by a move to WWF-UK as Director of Resources. Aileen is a Fellow of the Royal Society of Arts, Fellow of the Institute of Directors, as well as a Fellow of the Chartered Institute of Management Accountants.

In addition to chairing the Board of Directors and the Council of Governors, Aileen chairs the Nominations Committees (for both Executive Directors and Non-Executive Directors) and is a member of the Remuneration Committee (Executive Directors), Quality and Performance Committee, and is Chair of the Charitable Funds Committee.

Professor Philip Beesley, Non-Executive Director and Deputy Chairman

Philip joined the Board in July 2008 and was appointed as the Deputy Chairman by the Council of Governors with effect from 11th February 2011. Philip is currently Emeritus Professor of Neuroscience and was previously Dean of Science and Vice Principal for Research at Royal Holloway University of London. By training, Philip is a biological scientist specialising in neuroscience and has been closely involved in the development of biomedical science at Royal Holloway and in the development of collaborative work with St. George's University of London and Kingston University. He has published some 70 research papers.

Philip chairs the Quality and Performance Committee and the Clinical Excellence Awards Committee, and is a member of the Workforce & Organisational Development Committee.

Sue Ells, Non-Executive Director

Sue joined the Board in February 2009. Sue Ells has worked as a management consultant for more than 20 years. Her specialism is transformation, change management and organisational development. Aligning with business strategy, Sue has designed, managed and personally delivered a cross-section of change programmes in UK, Europe, US and Asian cultures and has a track record in developing high performing teams, coaching senior individuals and running audits of why major programmes and organisational changes fail, so that lessons can be learnt and future success assured. Sue has a degree in psychology, an MBA, and is a member of the British Psychological Society's Occupational and Coaching Divisions.

Sue chairs the Workforce and Organisational Development Committee and is a member of the Remuneration and Nominations Committees (Executive Directors).

Nadeem Aziz, Non-Executive Director

Nadeem re-joined the Board in September 2014 having previously been a Non-Executive Director in 2010. Nadeem has over 20 years of experience in financial planning. He has held a number of senior financial management positions in international companies including BBC TV, Sony, Emirate Airlines, Seagram, as well as becoming Director of Global Business Analysis for American Express and Director for European FP&A for EA Games. Later Nadeem went on to join Actavis, the 3rd largest generic pharmaceutical business in the world in 2006, as Head of Group Financial Planning and later becoming Director of Internal Audit.

Nadeem is now a partner with the world's No 1 Business Coaching firm ActionCoach. Nadeem is a Chartered Management Accountant, he has an MBA from Sheffield Business School and holds a Chartered Institute of Marketing Diploma and is a Fellow of the British Institute of Management.

Nadeem chairs the Financial Management Committee and is a member of the Audit Committee.

Clive Goodwin, Non-Executive Director

Clive joined the Board in March 2011. He graduated from the University of Salford with a Bachelor of Science degree in Modern Languages and International Business. With 15 years of operating at Board level, he was a Commercial Director at British Telecom from 2008 to 2013 before moving to Vodafone Group Plc. as Global Head of Commercial Voice. He became a member of the Institute of Chartered Accountants in 1997.

Clive is Chair of the Remuneration Committee, a member of the Finance, Nominations and Audit Committees and is the Senior Independent Director.

Terry Price, Non-Executive Director

Terry joined the Board in September 2008 and has wide ranging Executive and Non-executive Director experience in both the public and voluntary sectors. Currently he is Chair of three housing and development subsidiaries within the Thameswey Group of Companies (owned by Woking Borough Council).

He is also Chair of the Audit and Risk Committee for the Immigration Services Commissioner, and has recently been appointed as a member of the Home Office Audit & Risk Committee. He has previously held a number of Non-executive roles in Housing Associations and various government agencies.

In the voluntary sector, Terry is Chair of the Finance Committee and Chair of the Board of Governors at Esher Sixth Form College, a junior school Governor, and a water skills instructor with 1st Molesey Sea Scouts.

Terry is a fully qualified CIPFA accountant, and is the Chair of the Audit Committee, and a member of both the Quality and Performance Committee and the Clinical Governance Committee.

Peter Taylor, Non-Executive Director

Peter re-joined the Board in September 2014 having previously been a Non-executive Director from 2008 to 2013. Peter worked until he retired with the South East England Development Agency, responsible for supporting small and medium size enterprises and promoting manufacturing and innovation. As an advisor to many industries he has an extensive knowledge of marketing, new product development and lean enterprise techniques.

Peter has also held general management and marketing director roles at companies such as Unipart, The Rank Organisation, Grand Metropolitan (now Diageo) and Cadbury Schweppes and has recently stepped down as a member of Runnymede Borough Council where he was Chairman of the Housing Committee.

Peter is a member of the Financial Management Committee and Workforce and Organisational Development Committee.

Suzanne Rankin, Chief Executive

Suzanne was appointed Chief Executive in September 2014 having joined the Trust in December 2010 as Chief Nurse. Suzanne began her nursing and management career with the Royal Navy, including deployment during the 1990 Gulf War; a spell as Senior Nursing Officer at NATO Headquarters in Lisbon; and Nursing Officer in charge of the 56-bed Trauma and Orthopaedic Unit at the former Royal Hospital Haslar in Gosport, Hampshire.

Suzanne graduated with an MA in Defence Studies including advanced staff and command training from the Joint Services Command and Staff College in 2005.

Suzanne joined the Ministry of Defence in 2008 where she supported and advised the Surgeon General on nursing leadership and professional matters, and spent time in Iraq and Afghanistan. Prior to joining the Trust she was Deputy Chief Nurse for NHS South Central.

Valerie Bartlett, Deputy Chief Executive/Director of Strategy and Transformation

Valerie joined the Trust in 2009 and has nearly 15 years of Board level experience within the NHS, including 4 years as a Chief Executive of a mental health trust and 3 years as Director of Service Delivery at the Royal Cornwall Hospitals NHS Trust. Graduating from Oxford and with an MBA from Henley Management College, Valerie also has experience of working outside the NHS, in both local government and the voluntary sector. Valerie's experience within the acute sector of the NHS includes leading on significant service redesign programmes and delivering programmes of substantial financial recovery and significant performance improvement.

Valerie's portfolio was reframed on 30 March 2015 to include the additional role of Director of Strategy and Transformation while remaining Deputy Chief Executive of the organisation. A new temporary role of Interim Chief Operating Officer was created to enable these changes (as detailed above).

Dr David Fluck, Medical Director

David obtained his MBBS, MRCP (UK) and FRCP (UK) from the University of London. He trained at a number of hospitals in London and the South East, including St Bartholomew's, Guys Hospital, and the Hammersmith Medical School. He held Registrar positions at Whipps Cross and the London Chest Hospital and was a Research Fellow at St Mary's Hospital. He joined Ashford & St Peter's in 1996 as a Consultant Cardiologist, and was instrumental in developing services such as the Rapid Access Chest Pain Clinics and trans-oesophageal echocardiography.

He has held the position of Consultant Cardiologist at St George's Hospital since 1996 and has been an Honorary Clinical Senior Lecturer at Imperial College of Science, Technology and Medicine since 2001, and Postgraduate Tutor from 2002 - 2006. He was the Clinical Lead on the West Surrey Cardiac Network, from 2005 to 2008. He became the Clinical Director for Medicine in 2006, and was appointed to Deputy Medical Director in 2010, before being appointed to his current role of Medical Director in 2012.

Heather Caudle, Chief Nurse

Heather was appointed Chief Nurse in September 2014 having joined the Trust as Associate Director of Quality in October 2011 going on to become the Deputy Chief Nurse in October 2013.

Heather has an MSc in Family & Systemic Psychotherapy and is a registered nurse. With more than twenty years' experience in Health and Social Care, Heather has worked as a nurse, systemic psychotherapist and strategic leader in acute, mental and supported housing sectors. Heather has a track record of developing and implementing transformational patient safety and quality improvement strategies across the health economies she has worked in.

Simon Marshall, Director of Finance and Information

Simon Marshall has a degree in Economics and is a Fellow of the Chartered Institute of Public Finance Accountants. Following ten years working with PricewaterhouseCoopers on finance assignments across central government, local government, health, education and charitable sectors he joined the NHS in 2002. Starting as Finance Director for Hounslow PCT, Simon moved in 2005 to become the Finance Director for the West Middlesex University Hospital NHS Trust. Simon joined the Trust in May 2012.

Louise McKenzie, Director of Workforce Transformation

Louise McKenzie joined the Trust in April 2013. She is a Member of the Chartered Institute of Personnel Development and holds a degree in Public Administration and Economics. Louise has worked in the NHS since 1994, primarily in the acute sector, in a number of senior HR roles including Head of Operational HR at Guys & St Thomas' NHS Foundation Trust, Director of HR at Bromley Hospitals and most recently as Director of HR and Organisational Development at South London Healthcare NHS Trust. In her previous role she was a member of the London Partnership Forum working with senior NHS managers and trade union organisations on workforce policy implementation and complex change management programmes.

Significant Commitments of the Trust Chairman

Aileen McLeish is the Deputy Chairman of The Mount School, York, Honorary President of the North West Surrey Branch of the NHS Retirement Fellowship and Chairman of Woking Museum and Arts and Crafts Centre (The Lightbox). She is a member of NHS Providers Quality Working Group and a member of the Advisory Group for Career Savvy Women.

Balance of Board Membership and Independence

The Board of Directors is satisfied that its balance of knowledge, skills and experience is appropriate to the Board and its sub-committees. This conclusion is supported by the results of a skills audit conducted in March 2016.

The Board has evaluated the circumstances and relationships of individual Non-Executive Directors which are relevant to the determination of the presumption of independence. The Board determines all of its Non-Executive Directors to be independent in character and judgement.

All Non-executive Directors, including the Chairman, have made declarations concerning their independence with the last annual review taking place in April 2016.

Performance evaluation

The Board of Directors recognises that a regular evaluation of its collective and individual director performance is critical to continuous development and high performance. During 2015/16 we have continued to build on the work previously identified in 2014/15 and further examined our development needs in order to collectively improve our performance.

The Board has designed and implemented robust performance evaluation processes, structures and systems in accordance with the Code of Effective Corporate Governance within the public sector and the Guide to statutory duties for NHS Foundation Trust Governors (published by Monitor). The Senior Independent Director is the Chairman of the Board of Directors' Remuneration Committee which oversees the remuneration and performance of Executive Directors. The Chairman of the Trust undertakes the appraisal of

the Chief Executive and the Non-executive Directors. The appraisal of the Non-executive Directors was conducted by the Chairman in accordance with the process agreed by the Council of Governors. The Chief Executive undertakes the appraisal of the Executive Directors.

The Senior Independent Director has led the process for the appraisal of the Chairman in accordance with the process agreed by the Council of Governors. The outcome of the evaluation has been discussed and endorsed by the Remuneration and Appraisal Committee and will be reported to the Council of Governors in June 2016.

In addition the performance of members of the Board is assessed in terms of the following:

- Attendance at Board and Committee meetings
- Independence of individual directors
- An effective contribution to the Board and Committees through the range and diversity of experience and skills
- Strategic decision making and delivery of the Trust's forward plan

The Council of Governors holds the Non-Executive Directors independently and collectively to account for the performance of the Board, and does this through receiving performance information and a process of constructive challenge at Council of Governor meetings and seminars with the Executive and Non-Executive Directors.

Access to the Register of Directors' Interests

Members of the public can gain access to the Register of Directors' Interests by making a request to the Trust secretary, either at St Peter's Hospital, Guildford Rd, Chertsey, KT16 0PZ , or via email foundation.trust@asph.nhs.uk or on 01932 723110.

Board meetings

The Board met in open session nine times during 2015/16 and in closed session 12 times during 2015/16. Directors' attendance was as follows:

Name	End of term of office	Open Board Meetings attended	Closed Board Meetings attended
Non-Executive Directors			
Nadeem Aziz	10th September 2017	8 of 9	11 of 12
Prof. Philip Beesley	15th July 2016	7 of 9	10 of 12
Sue Ells	8th February 2018	9 of 9	12 of 12
Clive Goodwin	30th March 2017	7 of 9	10 of 12
Aileen McLeish	30th September 2017	9 of 9	11 of 12
Terry Price	13th September 2016	9 of 9	12 of 12
Carolyn Simons*	1st November 2016	3 of 3	3 of 3
Peter Taylor	10th September 2017	9 of 9	12 of 12

*Carolyn Simons stepped down in June 2015

Executive Directors	Position	Open Board Meetings attended	Closed Board Meetings attended
Valerie Bartlett	Deputy Chief Executive	9 of 9	12 of 12
Heather Caudle	Chief Nurse	8 of 9	10 of 12
Dr David Fluck	Medical Director	6 of 9	8 of 12
Lorraine Knight	Interim Chief Operating Officer	3 of 3	3 of 3
Simon Marshall	Director of Finance & Information	9 of 9	12 of 12
Louise McKenzie	Director of Workforce Transformation	7 of 9	10 of 12
Robert Peet	Chief Operating Officer	5 of 6	7 of 8
Suzanne Rankin	Chief Executive	8 of 9	11 of 12

Board Sub Committees

The Board of Directors has the following sub committees:

- Audit Committee
- Financial Management Committee
- Quality and Performance Committee (QPC)
- Nominations Committee (Executive Directors)
- Remuneration Committee (Executive Directors)
- Workforce and Organisational Development Committee
- Charitable Funds Committee

Audit Committee

Membership and Attendance

The Audit Committee is chaired by Non-executive Director Terry Price, and includes two other Non-executive Directors. Internal Audit (TIAA), External Audit (KPMG LLP) and the Local Counter Fraud Specialist are all invited to attend the meetings.

Discharging its responsibilities

The Audit Committee assures the Trust Board that there is an effective system of integrated governance, risk management and internal control across the whole of the Trust's activities that supports the achievement of the organisation's objectives. In addition financial reporting and counter fraud measures are also reviewed. In doing this the Audit Committee primarily utilises the work of internal audit, external audit and other external bodies. The Audit Committee approves the annual work plans of internal audit, external audit and the Local Counter Fraud Specialist. The Trust's internal audit function is provided by TIAA.

At its meeting in January 2016 the Audit Committee reviewed and agreed two significant audit opinion risks, in terms of their impact on our financial statements, as set out in the following two paragraphs.

The main source of income for the Trust is the provision of healthcare services to the public under contracts with NHS commissioners, which make up 91% of total Trust income. Given the materiality in value, and the judgement used in relation to areas such as accruals for services not yet invoiced and partially completed spells, this was identified as a risk in 2015/16. The Trust participates in the national Agreement of Balances exercise. The Agreement of Balances exercise identifies mismatches between receivable and payable balances recognised by the Trust and its commissioners and all differences are investigated by the finance team.

Management is typically in a unique position to perpetrate fraud because of their ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Internal and external audit reviews of the control environment test this risk and results are reported to the Audit Committee quarterly.

The Terms of Reference of the Audit Committee are approved by the Trust Board and these set out the duties and key responsibilities. The Committee prepares an annual report to the Trust Board setting out its operations during the year.

Policy for Safeguarding External Auditors' Independence

The external auditors were reappointed by the Council of Governors, following a tender exercise, at their meeting on 17th May 2012. The current contract is still in place.

In so far as the Trust has purchased work from its external auditors outside of the Audit Code in 2015/16, the external auditors' objectivity and independence has been safeguarded.

Responsibility for Preparing the Annual Accounts

The Chief Executive is the Trust's designated Accounting Officer with the duty to prepare the financial statement for each financial period in accordance with the National Health Service Act 2006.

Financial Management Committee

The Committee is chaired by Non-executive Director Nadeem Aziz. The committee includes two other Non-executive Directors, the Chief Operating Officer and the Director of Finance and Information.

The Financial Management Committee's role is to review the financial and operational performance, position, risks and decision-making of the Trust. It gives assurance to the Board that this process of review is satisfactory and draws matters of importance to their attention.

Nominations Committee (Executive Directors)

The Nominations Committee comprises the Trust Chairman, Aileen McLeish, who chairs the Committee, the Senior Independent Director and two other Non-Executive Directors.

The Committee is responsible for appointing Executive Directors including Interim appointments. The Committee is also responsible for ensuring that there is an appropriate balance of skills, knowledge and experience on the Board of Directors, and this includes succession planning taking into account the challenges and opportunities facing the Trust.

Remuneration Committee (Executive Directors)

A description of the work of the Remuneration Committee can be found within the Remuneration Report on page 59. Attendance at meetings by its members is set out in the table below. The Committee is chaired by Senior Independent Director, Clive Goodwin.

Quality and Performance Committee

The Committee is chaired by Non-executive Director Philip Beesley, and includes two other Non-executive Directors (including the Chair of the Audit Committee), the following Executive Officers: Chief Executive, Medical Director, Chief Nurse, Chief Operating Officer, Director of Workforce Transformation, Head of Patient Safety, Associate Director of Quality; the Divisional Directors.

The Quality and Performance Committee has a duty to ensure that the Trust's governance systems, behaviours and processes relating to risk management, clinical and non-clinical governance, the impact of performance on quality and safety, and the achievement of organisational objectives are effective, and provide the Board with the assurance on these duties to enable the Board to govern effectively. The Committee works in association with the Audit Committee in matters of corporate governance.

Workforce and Organisational Development Committee

The Committee is chaired by Non-executive Director, Sue Ells and membership includes two other Non-executive Directors plus all the Executive Directors - the Chief Executive, the Deputy Chief Executive, the Director of Workforce Transformation, the Chief Nurse, Medical Director and Director of Finance and Information.

The Committee's role is to provide assurance to the Board on workforce supply and demand, the development and delivery of the Trust's workforce, leadership, organisational development, education and training, equality and diversity and employee wellbeing strategies and a detailed review and challenge of the workforce and organisational development aspects of the Board Assurance Framework.

Charitable Funds Committee

The Committee is chaired by Aileen McLeish, Chairman, and membership includes one other Non-executive Director, the Chief Nurse and Director of Finance and Information.

The Committee is responsible for the overall management of the Charitable Funds and provides strategic direction in accordance with objects and fulfilment of public benefit; and ensures compliance with governing documents, laws and obligations imposed by donors.

The Committee is accountable to the Trust Board (as corporate Trustee) for the proper use of the charitable funds and to the public as a beneficiary of those funds.

Details of Directors' membership of Board sub committees and number of meetings attended are (including formal Council of Governors meetings):

	Audit Committee	Remuneration Committee	Financial Management Committee (FMC)	Quality and Performance Committee	Nominations Committee	Workforce & Organisational Development Committee	Charitable Funds Committee	Council of Governors (in attendance)
Nadeem Aziz	3 of 4	n/a	9 of 12	n/a	1 of 1	n/a	n/a	2 of 4
Valerie Bartlett	n/a	n/a	n/a	2 of 9	n/a	1 of 6	n/a	1 of 4
Philip Beesley	n/a	1 of 1	n/a	9 of 9	2 of 2	4 of 6	3 of 4	4 of 4
Heather Caudle	n/a	n/a	n/a	7 of 9	n/a	4 of 6	1 of 4	3 of 4
Sue Ells	n/a	2 of 3	n/a	n/a	0 of 2	6 of 6	n/a	2 of 4
David Fluck	n/a	n/a	n/a	7 of 9	n/a	2 of 6	n/a	3 of 4
Clive Goodwin	4 of 4	3 of 3	9 of 12	n/a	2 of 2	n/a	n/a	3 of 4
Lorraine Knight**	n/a	n/a	3 of 5	n/a	n/a	1 of 2	n/a	1 of 1
Simon Marshall	n/a	n/a	10 of 12	1 of 9	n/a	2 of 6	3 of 4	4 of 4
Louise McKenzie	n/a	n/a	n/a	4 of 9	n/a	6 of 6	n/a	4 of 4
Aileen McLeish****	n/a	3 of 3	2 of 12	n/a	2 of 2	n/a	4 of 4	3 of 4
Robert Peet***	n/a	n/a	6 of 7	4 of 7	n/a	3 of 4	n/a	2 of 3
Terry Price*****	4 of 4	1 of 1	1 of 12	5 of 9	1 of 1	n/a	n/a	3 of 4
Suzanne Rankin	n/a	n/a	n/a	5 of 9	n/a	5 of 6	n/a	2 of 4
Carolyn Simons*	n/a	1 of 2	n/a	n/a	n/a	0 of 1	1 of 1	1 of 1
Peter Taylor	n/a	n/a	11 of 12	n/a	1 of 1	4 of 6	n/a	4 of 4

*Carolyn Simons stepped down in June 2015
** Interim COO April-August 2015
*** COO Sept 15-March 16
**** AM attended FMC to maintain quorate
*****TP attended FMC to maintain quorate

Council of Governors

How the Board of Directors and the Council of Governors operate

The Board recognises the value and importance of engaging with Governors in order that the Governors may properly fulfil their role as a conduit between the Board and Ashford and St. Peter's Hospitals NHS Foundation Trust's stakeholders.

The Board of Directors is responsible for the effective running of the organisation, whilst the Council of Governors holds the Non-Executive Directors to account for the performance of the Board of Directors. The Council does not delegate any of its statutory decision making to its committees or individual Governors, since the Constitution provides for committees to undertake advisory work only, with all decisions requiring ratification in a general Council meeting.

In addition to the role of listening to, and reflecting back, the views of the membership to the Board and vice versa, the Council of Governors exercises statutory duties enshrined in law. These include the appointment of, and, if necessary, the removal of Non-Executive Directors and determining their remuneration. The Council also appoints an External Auditor and ratifies the appointment of the Chief Executive. The Council approves any changes to the Trust Constitution and any significant transactions the Trust may wish to enter into as defined within the Constitution. The Council has the right to be presented with the Annual Report and Accounts and to be consulted on forward plans being made by the Board. These roles provide a clear context for the Board to run the Trust, the execution of which is achieved through the Chief Executive and her Executive Team.

The Governors have been consulted on the development of the Annual Plan 2016/17 at two workshops held in October 2015 and February 2016.

The Governors were heavily involved in the planning for the proposed merger with Royal Surrey County Hospital in 2015/16. Over the year the Trust held a number of meetings and seminars to further set out the rationale for the merger and the benefits which would be derived. These were well attended by our Governors. Independent training was also provided to articulate the role of the Governor in a statutory merger. The Governors have led detailed work including discussing and agreeing the draft Constitution for the proposed new merged Trust, agreeing the process for future appointments to the shadow Board and participation in a stakeholder panel for the merger.

Governors have also been involved in agreeing the priorities for the Quality Accounts.

Understanding the views of the Council and Members

Engagement by the Board with Governors takes many forms. In 2015/16 the constructive working relationship has continued with discussion on a number of matters both in and out of Council meetings. As well as the quarterly Council meetings the Board and Governors also meet at least twice a year to discuss strategic issues and input into the Trust business plan.

There are regular seminars and informal meetings open to all Governors and hosted by the Chairman and Chief Executive. All Governors have a 'buddy' Non-Executive Director who is available as a point of contact to advise and support in addition to the support routinely offered by the Membership Office.

All Directors are encouraged to attend the Council of Governors' formal meetings. Governors have continued to take up the opportunity to attend the open Board meetings.

Composition of the Council

There are 25 seats on the Council of Governors including:

- 15 public governors covering six constituencies;
- Five staff governors covering five staff constituencies; and
- Five appointed governors from partnership organisations.

The Chairman of the Board is also the Chairman of the Council of Governors. The Council of Governors reappointed David Frank (Public Governor for Surrey Heath) as the Lead Governor in May 2016.

The Council meets formally four times each year. Details of the membership of the Council and the attendance of Governors are included in the table 'Register of Governors'. Executive and Non-Executive Directors are also invited to attend the Council meetings.

Governor elections were held in October 2015 with successful candidates being elected for a three term of office from

1st December 2015 to 30th November 2018. We will hold elections for a further 15 seats in November 2016 with terms commencing on 1st December 2016.

We would like to acknowledge the contribution made by those Governors that stood down in 2015:

- Margaret Lenton, Public Governor for Windsor and Maidenhead
- Jean Pinkerton, Appointed Governor for Spelthorne Borough Council
- Bhupendra Vyas, Public Governor for Hounslow
- Tracy Ward, Public Governor for Runnymede

A bye election took place in September 2015 in the newly combined constituency of Hounslow and Richmond upon Thames after Bhupendra Vyas' resignation. The successful candidate, Bhagat Singh Rupal commenced a period of one year and two months in office from 5th October 2015 to 30th November 2016.

Access to the Register of Interests

All Governors are required to comply with the Trust's code of conduct and declare any interests that may result in a potential conflict of interest in their role as Governor of the Trust. Members of the public can gain access to the Register of Governors' Interests which is available on the Trust's website at:

www.ashfordstpeters.nhs.uk/what-is-an-ft or by making a request via the Membership and Engagement Manager at St Peter's Hospital, Guildford Road, Chertsey, KT16 0PZ, or via email foundationtrust@asph.nhs.uk or by telephone on 01932 722063.

Contacting a Governor

Members who wish to contact their Governor can do this via the Membership Office at St Peter's Hospital, Guildford Road, Chertsey, KT16 0PZ or calling 01932 722063. In addition, a special e-based communication form is available via www.ashfordstpeters.nhs.uk

Statutory Council of Governors' Committees

The Council of Governors has two Committees carrying out specific statutory duties. Details are provided below.

1. Nomination and Appointments Committee

The Nominations and Appointments Committee provides the Council of Governors with independent and objective recommendations in respect of the names of those individuals they consider suitable for appointment as Non-Executive Director to the Board of Directors.

The Committee met on two occasions during 2015 recommending to the Council the re-appointment of Chairman, Aileen McLeish and Non-Executive Directors, Philip Beesley, Terry Price and Sue Ells.

Membership and attendance is given below:

Nominations and Appointments Committee	Meetings attended
Maurice Cohen (Public Governor – Woking and Guildford)	2 of 2
Godfrey Freemantle (Public Governor – Hounslow and Richmond upon Thames)	1 of 2
Sue Harris (Staff Governor – Nursing and Midwifery)	1 of 2
Chris Howorth (Appointed Governor – The Royal Holloway, University of London)	2 of 2
Steve McCarthy (Public Governor – Elmbridge)	2 of 2
Aileen McLeish (Trust and Committee Chairman)	2 of 2

3. Remuneration and Appraisal Committee

The Remuneration and Appraisal Committee makes recommendations to the Council of Governors concerning the remuneration and terms of appointment of any Non-Executive Director and endorses their appraisals.

The Committee met on two occasions in 2015 and approved the appraisal process to be used when appraising the Chairman; reviewed Chairman and Non-Executive remuneration; endorsed the outcome of the Chairman's appraisal and endorsed the appraisals of the Non-Executive Directors.

Membership and attendance is given below:

Remuneration and Appraisal Committee	Meetings attended
Paul Darling-Wills (Staff Governor - Healthcare Assistants / Allied Health Professionals / Healthcare Scientists)	2 of 2
David Frank (Lead Governor and Committee Chairman, Public Governor – Surrey Heath)	2 of 2
Margaret Lenton (Public Governor – Windsor and Maidenhead)	2 of 2
Hugh Meares (Appointed Governor - Runnymede Borough Council)	2 of 2
Barbara Mogensen (Public Governor – Elmbridge)	1 of 2

Foundation Trust membership

Members fall into two constituencies:

Public Constituency; anyone living in the Boroughs of Elmbridge, Runnymede, Spelthorne, Woking and parts of the following Boroughs; Guildford, Hounslow, Richmond upon Thames, Surrey Heath and Windsor and Maidenhead. Nine areas became eight as of 1st December 2013 when Woking and Guildford became one constituency. These eight areas became six, as of 1st December 2015, when Hounslow and Richmond upon Thames became one constituency and Runnymede and Windsor & Maidenhead became one constituency. They are defined by electoral wards, each of which can elect one or more Governors as set out in the Constitution. Full details of the electoral wards included can be viewed on the Trust's website.

Staff Constituency; any permanent member of staff, including registered volunteers, can be a staff member. There are five classes which each elect one Governor:

1. nursing and midwifery
2. medical and dental
3. ancillary, administrative, clerical and managerial
4. allied health professionals, healthcare scientists and healthcare assistants
5. volunteers

Staff are automatically members unless they decide to opt out.

Membership numbers as at 31 March 2016

Public: 7,212

Staff: 3,490

Total: 10,702

Developing our membership

The Membership and Community Engagement Group of the Council of Governors was set up in March 2011 and leads on developing and implementing the Membership Strategy together with improving two way communications between Governors and members. The strategy was reviewed in April 2016 and contains targets for membership with a particular focus on areas where we know the Trust needs to develop a more representative membership:-

- To increase membership in the marginally under-represented areas of Elmbridge and Hounslow; and
- To increase membership in the 14-16 age group.

In addressing these priorities, the Trust continues to be mindful of hard to reach groups. Regular presentations to college students have taken place to encourage membership from students wishing to pursue a career in the NHS. The Group has been keen to encourage membership engagement activities and also considers ways of facilitating two way communications with members. Surveys have been utilised in the past and will continue to feature.

Feedback is encouraged through the Governor Contact form on the Trust's website and via personal communications either written or spoken. The Trust holds a number of Members' Health Events throughout the year which provide a presentation and question and answer session on a number of health-related topics. Events held between April 2015 and March 2016 included Cancer Services, Cardiovascular Services and Dementia Services as well as the Annual Members' Meeting. These health events are extremely popular with members and the Trust receives positive feedback on the content and the opportunity it provides for members to converse with Governors.

Feedback is also welcomed and discussed by Governors who are members of the Patient Experience Group. The Group meets around six times a year and the Chief of Patient Safety, Associate Director of Quality and Head of Patient Experience are invited to attend to give reports relating to the patient experience and also to enable issues and concerns to be raised and appropriate actions taken. The Group also makes visits to departments and wards and meets senior clinical and nurse managers in order to be more effective in sharing the improvement of the patient experience.

Register of Council of Governors

Name (Constituency / Organisation)	Date elected or appointed	Term of office	Meetings attended
Roderick Archer (Public – Elmbridge)	**1st Dec 2013**	**3 years to 30/11/16**	**2 of 4**
Maureen Attewell (Stakeholder – Spelthorne Borough Council)	**1st July 2015**	**17 months to 30/11/16**	**2 of 2**
Simon Bhadye (Public – Spelthorne)	**1st Dec 2013 (2nd term)**	**3 years to 30/11/16**	**3 of 4**
Keith Bradley (Public – Woking and Guildford)	**1st Dec 2013 (2nd term)**	**3 years to 30/11/16**	**4 of 4**
Brian Catt (Public – Spelthorne)	**1st Dec 2013 (2nd term)**	**3 years to 30/11/16**	**4 of 4**
Maurice Cohen (Public – Woking and Guildford)	**1st Dec 2013 (2nd term)**	**3 years to 30/11/16**	**3 of 4**
Paul Darling-Wills (Staff – Allied Health Professionals, Healthcare Scientists)	**1st Dec 2015 (3rd term)**	**3 years to 30/11/18**	**1 of 4**
Richard Docketty (Staff – Volunteers)	**1st Dec 2013**	**3 years to 30/11/16**	**3 of 4**
Lilly Evans (Public – Runnymede and Windsor & Maidenhead)	**1st Dec 2015**	**3 years to 30/11/18**	**1 of 1**
David Frank (Public – Surrey Heath)	**1st Dec 2013 (2nd term)**	**3 years to 30/11/16**	**4 of 4**
Godfrey Freemantle (Public – Hounslow and Richmond upon Thames)	**1st Dec 2013 (2nd term)**	**3 years to 30/11/16**	**4 of 4**
Ann Gallagher (Stakeholder – University of Surrey)	**1st Dec 2013 (2nd term)**	**3 years to 30/11/16**	**3 of 4**
Arun Gupta (Staff – Medical and Dental)	**1st Dec 2015 (2nd term)**	**3 years to 30/11/18**	**2 of 4**
Sue Harris (Staff- Nursing and Midwifery)	**1st Dec 2013 (2nd term)**	**3 years to 30/11/16**	**4 of 4**
Chris Howorth (Stakeholder – Royal Holloway, University of London)	**1st Dec 2013 (2nd term)**	**3 years to 30/11/16**	**4 of 4**
Samantha Lamb (Staff – Admin and Clerical / Ancillary)	**1st Dec 2013 (2nd term)**	**3 years to 30/11/16**	**2 of 4**
Margaret Lenton (Public – Windsor and Maidenhead)	**1st Dec 2012 (2nd term)**	**3 years to 30/11/15**	**2 of 3**
Steve McCarthy (Public – Elmbridge)	**1st Dec 2013 (2nd term)**	**3 years to 30/11/16**	**3 of 4**
Hugh Meares (Stakeholder – Runnymede Borough Council)	**1st Dec 2013 (2nd term)**	**3 years to 30/11/16**	**3 of 4**

Name (Constituency / Organisation)	Date elected or appointed	Term of office	Meetings attended
Barbara Mogensen (Public – Elmbridge)	**1st Dec 2013**	**3 years to 30/11/16**	**3 of 4**
Judith Moore (Public – Woking and Guildford)	**1st Dec 2013 (2nd term)**	**3 years to 30/11/16**	**4 of 4**
Jean Pinkerton (Stakeholder – Spelthorne Borough Council)	**1st Dec 2013 (2nd term)**	**1 year, 7 months to 30/06/15**	**2 of 2**
Bhagat Singh Rupal (Public – Hounslow and Richmond upon Thames)	**5th Oct 2015**	**14 months to 30/11/16**	**1 of 1**
Andrew Ryland (Public – Runnymede and Windsor & Maidenhead)	**1st Dec 2015 (3rd term)**	**3 years to 30/11/18**	**3 of 4**
Denise Saliagopoulos (Public – Spelthorne)	**1st Dec 2013**	**3 years to 30/11/16**	**3 of 4**
Michael Smith (Stakeholder - Woking Borough Council)	**1st Dec 2013 (2nd term)**	**3 years to 30/11/16**	**3 of 4**
Danny Sparkes (Public – Runnymede and Windsor & Maidenhead)	**1st Dec 2015 (2nd term)**	**3 years to 30/11/18**	**4 of 4**
Bhupendra Vyas (Public – Hounslow)	**1st Dec 2013**	**1 year, 8 months to 2/08/15**	**0 of 2**
Tracy Ward (Public – Runnymede)	**1st Dec 2012**	**3 years to 30/11/15**	**2 of 3**

Regulatory Ratings

Risk ratings

The Trust is regulated by NHS Improvement (formerly Monitor), to whom it submits its annual plan for the forthcoming year. On the basis of the information contained in the annual plan, including financial plans, and the national targets set by the Care Quality Commission (CQC), NHS Improvement assesses and assigns risk ratings for each Foundation Trust. These are updated every quarter.

Financial sustainability (formerly 'continuity of services') – assesses financial risks that could lead to a Foundation Trust's financial failure and so threaten the continuity of its key services. There are four rating categories ranging from 1, which represents the most serious risk, to 4, representing the least.

Governance rating – assesses how well a Foundation Trust is governed, including how they oversee care for patients, deliver national standards and remain efficient, effective and economic. Trusts are rated green if no issues are identified and red where NHS Improvement is taking enforcement action.

Risk ratings 2014/15

The following table gives our ratings for each quarter of 2014/15:

Risk ratings	Annual Plan 2014/15	Quarter 1 2014/15	Quarter2 2014/15	Quarter 3 2014/15	Quarter 4 2014/15
Continuity of Services risk rating	**3**	**3**	**3**	**3**	**3**
Governance risk rating	Green	Green	Green	Green	Green

Risk ratings 2015/16

The following table gives our risk ratings compared to our annual plan for 2015/16:

Risk ratings	Annual Plan 2014/15	Quarter 1 2015/16	Quarter2 2015/16	Quarter 3 2015/16	Quarter 4 2015/16
Financial sustainability	**3**	**3**	**3**	**3**	**2**
Governance risk rating	Green	Under review	Under review	Under review	Under review

Financial sustainability – the Trust reported a financial deficit of £0.6m in 2015/16 compared to a deficit of £1.0m in 2014/15. This generated a full year Financial Sustainability Risk Rating of 2 for the full year, against a plan of 3 within the Annual Plan submission to Monitor. Commentary on the financial performance for 2015/16 can be found on p.30 of this Annual Report.

Governance risk ratings - The Trust previously had a Green Governance rating with NHS Improvement although this is currently under review due to failing to meet the four hour A&E waiting time target over all four quarters of the year, and concerns about the forecast financial position. The Trust met all other NHS Improvement standards during quarter 4 2015/16 except the Cancer 62-day wait for first treatment target and 31-day subsequent surgery target, both only marginally non-compliant. The Trust Board has a good understanding of the internal and external issues which led, in part, to these failures with comprehensive action plans underway to address them. The detailed action plans have been agreed with our Commissioners alongside trajectories to achievement with performance against these trajectories reported to the Trust Board on a monthly basis.

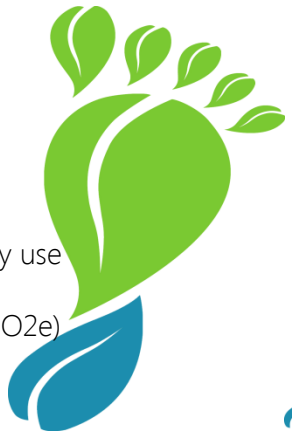
Sustainability Report

Our Trust aims to make choices that provide favourable long-term outcomes to enhance and develop our services to the public. As a large local employer and healthcare provider we also want to demonstrate sound corporate and social responsibility.

The Trust uses the measure of a "carbon footprint" to gauge the overall environmental impact of our activities on land, air and water. The term "carbon" is used as a simplified way of referring to all the polluting gases released into the atmosphere that cause climate change through the process of global warming.

Consistent with national reporting guidelines we report our carbon footprint in what are known as equivalent tonnes of carbon dioxide (tCO2e).

Our Carbon Footprint 2015-16



Energy use

31% (11,500 tCO2e)

Procurement

65% (24,000 tCO2e)

Waste/Transport

4%

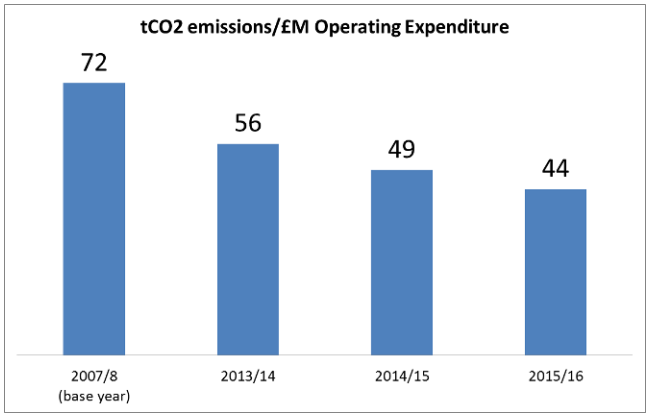
Our targets and progress to date 2015-16

The NHS overall has been set a commitment to meet the government target to reduce our carbon footprint by 15% by 2015 then 34% by 2020 and 80% by 2050.

Overall,11,484 tonnes of equivalent CO2 were emitted by the Trust during 2015/16.

Carbon Sector	% change against previous year	% change against 2007/8 base year
Energy use	-4%	-12%
Transport	-4%	-69%
Waste production	-4%	-49%
Water/Sewage	+3%	-35%
Procurement (outsourced emissions)	+1%	-5%
Overall change in our carbon footprint 2015-16	-1%	-12.9%

We use operating expenditure in the same way “turnover” is used by business as a yardstick to measure emissions against Trust business activity. Since 2007/8, operating expenditure has increased by 44%, yet our carbon footprint fell by 1% compared to last year and has fallen by 12.9% against the 15% reduction target. It is clear we have succeeded in keeping emissions growth in check whilst providing more and more patient services.



Contributing to these successes during 2014-15, we have achieved the following sustainable initiatives to reduce our costs and carbon footprint:

- Smarter Buying
    - Tackling carbon emissions from procurement is a challenge. In order to provide healthcare services we have to buy-in goods and services, and so incur CO2 emissions as a result. If the Trust buys smarter we can reduce costs, and also cut our CO2 emissions.
    - Our procurement team takes a pragmatic, sustainable approach by considering the whole-life costs of ownership for goods and services. For existing contracts, the team conducts on-going price reviews, challenging service contractors to match and better competitor offers.
    - Calculating reported emissions from procurement sources has been aided and improved by the use of national “e-classifications”. These help organisations like ours to remain consistent in our reporting methods.
- Reduced our waste
    - Waste disposal costs the Trust around £300,000 per year. This is why we’ve reduced the carbon footprint of our solid waste by 60% since 2007 from 123 tonnes to just 49 tonnes of CO2. None of our waste goes to landfill; it is either recycled or sent for processing where useful energy is extracted.
    - We have cut deliveries and collections for our laundry service from seven to six days per week, reducing on-site vehicle movements, local traffic and cutting transport costs by 15%.
    - Segregating our waste stream still remains a challenge which can help us improve upon our existing performance. All this requires is for everyone to place their waste in the correct bin and we will plan further communication campaigns within the Trust.
- Greener Heating and cooling, brighter lighting
    - To further improve the indoor environment, we are continuing our upgrades to our building control systems and have upgraded our hot water boilers with ultra-efficient

and responsive technology called plate heat exchangers. Like a kettle they provide "instant" hot water just when we need it, rather than having to heat-up and store huge amounts of water on the off-chance someone might run the hot tap.

- We are replacing older "air conditioning" systems that contain polluting greenhouse gases called R22. Instead we are using alternatives that use the safest possible coolants.
- We have installed a further 100+ replacement lighting fittings to improve visitor experience and to cut electricity used by lighting by 20%. £90,000 of work to upgrade parts of Abbey Wing and Departmental block were completed in March 2015.

- Promoting sustainable travel and wellbeing
  - The Trust vehicle fleet has installed a new vehicle telematics system. This helps monitor driving performance, thereby improving fuel economy and reduces journey time. It also includes an on-board road camera system to record other driver behaviour, reducing the Trust's insurance liability.
  - In March 2016 we installed the Trust's first electric vehicle fast-charge point outside the Stephanie Marks Building. Already in daily use, the Trust will be reviewing options to extend this project so that more staff are encouraged to use "zero tailpipe" emission vehicles.
  - The Trust Nutritional Strategy was launched this year. This commits the Trust to high quality, nutritional sourcing foods to higher sustainability and nutritional standards. For example all meat supplies and diary used at the Trust have the "Red Tractor" accreditation. This guarantees quality and origin in the food supply chain.
  - At our cafés the use of seasonal menus is continuing and we provide information on the provenance of local foods wherever possible.

Statement of Accounting Officer's Responsibilities

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 Monitor.

Under the NHS Act 2006, Monitor has directed Ashford and St. Peter's Hospitals NHS Foundation Trust to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of Ashford and St. Peter's Hospitals NHS Foundation Trust and of its income and expenditure, total recognised gains and losses and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the *NHS Foundation Trust Annual Reporting Manual* and in particular to:

- observe the Accounts Direction issued by Monitor, 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* have been followed, and disclose and explain any material departures in the financial statements;
- ensure that the use of public funds complies with the relevant legislation, delegated authorities and guidance; and
- prepare the financial statements on a going concern basis.

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

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

Suzanne Rankin
Chief Executive
26 May 2016

Annual Governance Statement 2015/16

Scope of responsibility

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

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of Ashford & St Peter's Hospitals 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 Ashford & St Peter's Hospitals NHS Foundation Trust for the year ended 31 March 2016 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

Risk Management is a corporate responsibility and the Trust Board has ultimate responsibility for ensuring that effective processes are in place. The Trust Board is committed to the continuous development of a framework to manage risks in a structured and focused way in order to protect patients, staff and the public from harm and to protect the Trust from losses or damage to its reputation.

The Trust's approach to risk is set out in the Quality, Safety and Risk Management (QSRM) Strategy 2012-2017, which identifies the roles and responsibilities of Directors, managers and staff in relation to identification and management of risks. Senior managers and Directors are trained in risk management on joining the organisation and subsequently in accordance with the Trust's Mandatory Training policy.

Through the Quality and Performance Committee (QAPC)[1], which is chaired by a Non-Executive Director and which I attend together with the Chair of the Audit Committee, Internal Audit, Executive Directors and senior managers, the Trust seeks to learn and share good practice through rigorous assessment of the Trust Risk Register and the Board Assurance Framework, and to cascade this information both to and from relevant Divisional teams through constructive challenge, training and support.

[1] QAPC was formerly known as the Integrated Governance and Assurance Committee (IGAC)

The risk and control framework

This section outlines the key ways risk management is embedded in the activity of the Trust, the main elements of the Trust's quality governance arrangements, performance information assessment and assurance regarding CQC compliance monitoring. Also outlined is how the Trust assures the validity of its Corporate Governance Statement. Specific disclosures on the pension scheme, equality and diversity, and climate change follow.

Risk Management

The Quality, Safety and Risk Management (QSRM) Strategy is the result of an extensive consultation exercise. A key element of the strategy is the vision of being one of the best Trusts in the country underpinned by our values, the 4 Ps[2]. The strategy is based upon the principles of the National Quality Board's Quality Governance Framework. Section 2.3 of the strategy addresses risk appetite and seeks to minimise risk to patients, staff and stakeholders via integrated risk management and robust internal controls, with steps in place to reduce avoidable harm. The strategy states that positive and managed risk taking is essential to growth, development and innovation; with risks managed effectively as part of the continual improvement process.

All Divisions monitor their quality and financial risks regularly within each divisional governance framework and are reviewed on a quarterly basis at Risk Scrutiny Committee. Trust Board monitors the high scoring risks every three months. A risk assessment matrix is used to ensure a consistent approach is taken to assessing and responding to risks identified. The Trust's strategic framework is based on four key strategic objectives: best outcomes, excellent experience, skilled motivated teams, and top productivity. Management decide, taking into account the grading of each risk, whether it is appropriate to tolerate, transfer, terminate or treat the risk. The rating for each risk will be matched to a certain level of management within the organisation.

Key Issues and Risks

Taking into account both external and internal factors and uncertainties, as part of our risk management process we have identified the following key risks to our strategic objectives which are summarized below:

Objective 1 - Best Outcomes **Key Risks**
1.1 If the quality governance and impact assessment processes fail during the design of QIPP/CIPs this could lead to poor quality of care.
1.2 If divergent and multiple organisational priorities compete with and undermine staff engagement leading to a distraction from the focus on high quality care.
1.3 If there is poor capacity and flow in the emergency pathway and insufficient frequency in senior decision making this could result in poor outcomes and patient experience.
1.4 If the Trust workforce was not appropriately aligned to demand and acuity, agency usage and pay costs, resulting in poor patient outcomes.
1.5 If delivery of CQC inspection action plan slips this risks quality of service delivery, reputation and further regulatory action.
Objective 2 - Excellent Experience **Key Risks**
2.1 The Friends and Family Test (FFT) results and feedback are not used as a driver to achieve excellent patient experience.

[2] The 4 Ps values are Patients First, Personal Responsibility, Pride in our Team, and Passion for Excellence.

2.2 Lack of awareness of key issues relating to vulnerable groups may lead to compassionless care and poor patient experience.
2.3 If the Trust fails to adopt the culture of a listening, kind and compassionate organisation in dealing with complaints then our patients, within the course of their care and treatment, will have a poor experience.
3.4 Administrative delays and cancellations to appointments leading to poor patient experience.
Objective 3 - Skilled, Motivated Teams **Key Risks**
3.1 The inability to recruit and retain high calibre staff would lead to lack of skilled and motivated teams.
3.2 If individuals and teams do not feel valued or motivated resulting in poor patient care and staff experience and ineffective team working.
Objective 4: Top Productivity **Key Risks**
4.1 Poor alignment of the clinical workforce around the Trust's efficiency improvement programme could lead to insufficient productivity.
4.2 A failure to deliver the clinical quality incentives (CQUINS), the performance standards or to respond to the admission thresholds/readmission caps/ambulance turnaround penalties within the 2016/17 contract leads to an under recovery of income and reduction in productivity.
4.3 A failure to deliver 2016/17 CIPs to the level required and/or pay and non-pay expenditure exceed budget without a compensating increase in income may lead to a reduction in productivity.
4.4 Financial or service pressures on third party providers of health and social care or commissioners cause operational difficulties or to enforcement of contract levers more aggressively than expected leading to reduced income and inability to achieve top productivity.
4.5 Excess demand could increase financial pressure due to emergency income on over-performance being received at marginal tariffs whilst additional staffing is paid at premium rates.
4.6 The Trust in its existing configuration may not be clinically or financially viable in the long-term, and if the current organisational strategy to achieve sustainability fails, this presents a risk to the Trust. In mitigation of the risk we are working on the following schemes: • Merger – approach • Sustainability and Transformation Plan (STP) • Revised Clinical Strategies

The impact of Trust processes on patient and staff safety is an integral aspect of Trust policies. There is a framework for assessing the quality and safety impact of cost improvement plans which is outlined in the Quality and Safety impact Assessment (QSIA) Policy.

The Quality Governance Committee (QGC) oversees assurance regarding clinical quality standards and Divisions prepare annual reports to the QGC on their clinical governance activities. The Committee receives exception reports from each Division with high level action plans for significant quality and safety matters.

The Risk Scrutiny Committee (RSC) reports to Quality and Performance Committee (QAPC). RSC oversees integrated risk management through quarterly divisional risk register and action plan reviews, commissioning deep dives into key areas, triangulating risks from incidents, claims, and external reviews. Operational divisions and specialist committees provide risk management information to the Committee. The Trust Executive Committee (TEC) is the forum at which items are approved for inclusion on the Trust Risk Register.

The Quality and Performance Committee receives reports from the Quality Governance Committee, the Risk Scrutiny Committee, the Clinical Effectiveness and National Audit Review Group (CENARG) and the Patient Experience Monitoring Group. Below this there are divisional quality governance meetings, quality improvement discussions and specialty level performance reviews. These meetings support staff engagement and empowerment on quality, driving review of data and performance and encouraging a quality-focused culture throughout the Trust.

Performance monitoring

Compliance with, and delivery of, the quality indicators within Trust contracts is actively monitored through the robust Committee process as outlined above which demonstrates monthly internal scrutiny at a corporate level to manage the potential and active risks to clinical quality and service delivery. Monthly Executive led Performance Reviews and the Clinical Quality Review Forum further support this scrutiny of clinical quality. Operational service performance is reported monthly to Trust Board and this is also supported by the monthly executive led Performance Reviews and divisional operational groups and committees .

Data quality

In respect of data quality which underlies payments made within the NHS, the Trust participates in the Payment and Tariff Assurance Framework [formerly the Payment by Results (PBR) Data Assurance Framework]. Under the framework audits of the clinical coding at acute trusts are undertaken to review the accuracy of clinical coding.[3]To ensure compliance and the appropriate management of data, the Trust has dedicated Data Quality and Clinical Coding Teams which proactively engage clinicians and clerical staff to encourage best practice in data entry and coding. These teams also address quality issues and processes that are in place to ensure timely identification of data quality issues and the remedial steps required. Training on the Trust's Patient Administration System and other key systems is mandatory at Induction, and is followed up by an ongoing programme of training sessions that is available to staff throughout the year.

[3] Clinical coding involves categorising a patient's clinical care into a standardised national classification system.

A rolling programme of data quality audits on our Patient Administration System (PAS) take place during the year and these cover the important items for admitted, outpatient and waiting list areas. Additionally this year a targeted audit gave reassurance about the accuracy of recording of data for emergency admissions.

A weekly process checks the GP registration, NHS Number and other demographics of our active patients against data held on the national spine database and any anomalies are verified.

Managing risks to data security

The Trust actively manages information security risks by ensuring that our anti-virus software is up to date through a process of auto update on all PC's, laptops and servers. The Trust also undertakes an annual network penetration test as part of our COIN contract and any recommendations as a result of this are acted upon. To further protect data we have resilient firewalls at both sites. All servers are located in secure data centers protected by UPS and fire suppression systems and only authorized staff has access to these areas.

The Trust receives and acts on HSCIC's CareCERT notifications and the Head of Information Assurance has passed the Healthcare Information Security & Privacy Practitioner (HCISPP®) examination as part of the HSCIC's pilot cyber security project this year.

CQC compliance

The Quality and Performance Committee (QAPC) monitors the Trust's assurance activities in respect of its registration with the Care Quality Commission (CQC) and receives information from the CQC Quality Review Group and divisional governance reports. CQC compliance is assessed using a variety of mechanisms including self-assessment against the Regulations through the Domains in Clinical Practice Audit[4], internal audit and divisional governance monitoring. QAPC and the Board monitor the Trust's assurance activities regarding registration with the Care Quality Commission with information provided from the CQC Quality Review Group oversight and divisional governance updates.

The CQC undertook announced and unannounced inspections of both Ashford Hospital and St Peter's Hospital in December 2014 and issued its Inspection Report on 10 March 2015. The report for the Trust and for each site can be obtained from the CQC on http://www.cqc.org.uk/provider/RTK. The Trust's current registration is 'registered' with the following ratings: The Trust's overall rating is 'good'. Each registered site receives its own rating and Ashford Hospital was rated as "good" and St Peter's Hospital received "requires improvement".

The foundation trust is not fully compliant with the registration requirements of the Care Quality Commission. In the March 2015 Inspection Reports the CQC issued the Trust with compliance action notices in ten action areas across two regulated activity areas where the CQC has notified that essential standards of quality and safety have not been met regarding (1) Treatment of Disease, Disorder or Injury and (2) Diagnostic and Screening Procedures. The specific Regulations of the Health and Social Care Act 2008 (Regulated Activities) Regulations 2010 to which improvement must be made are:

[4] Formerly known as the Compliance in Practice Audit

9 (1)(b)(ii) – Care and welfare of service users regarding the deteriorating patient

10 (1)(a),(b),(c),(e) – Assessing and monitoring quality of service provision in Critical Care

22 – Adequacy of staffing levels in Critical Care, Surgery and Paediatrics

20(2)(a) – Record keeping security

13 – Management of medicines

The Trust has implemented improvement actions in eight of the ten action areas during 2015/16 and has robust plans to resolve the remaining two outstanding actions. Further details on this can be found in the Annual Quality Report.

The Trust has a process for the completion of in-year and annual returns to NHS Improvement. Data is compiled from source records and validated where applicable by specialists from Finance and Information, Business Development, and Corporate Quality. Detailed information on oversight is provided in the Review of Effectiveness section on page 106 of this report.

NHS Pension Scheme

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

Equality, diversity and human rights legislation

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

Climate Change

The Foundation Trust has undertaken risk assessments and Carbon Reduction Delivery Plans are in place contributing towards emergency preparedness and civil contingency requirements, as based on UKCIP 2009 weather projects, to ensure that this organisation's obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

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

The resources of the Trust are managed through various measures, including an established and tested budgetary control system, the consistent application of internal financial controls and effective procurement and tendering procedures.

The Financial Management Committee is a sub-committee of the Trust Board and meets monthly, chaired by a Non-Executive Director. It reviews operational performance, workforce and finance reports as well as progress against the cost improvement programme. The Trust Board obtains assurance from the Financial Management Committee in respect of financial and budgetary management across the Trust.

Each Division has a Divisional Director, who is a clinician and is actively involved in the business and devolved financial management of clinical services. Divisional scorecards are used to assess each Divisions performance at a specialty and ward level, and these are reviewed at performance reviews held with Executive Directors.

The Trust has continued to use and further develop Service Line Reporting (SLR) and Patient Level Costing during the year and there are clinical specialty leads within Divisions amongst whose responsibilities is the use and review of this data. These leads attend the performance reviews where SLR data is also discussed.

Business cases and the financial evaluation of new investments are reviewed on a monthly basis, with subsequent approval by the Trust Executive Committee, Financial Management Committee or Trust Board according to the Scheme of Delegation. Service line information is used in support of clinical business cases.

Our Internal Auditors include value for money considerations in their audit scope and action points.

Information governance

Ashford & St Peter's Hospitals NHS Foundation Trust's Information Governance Assessment Report overall score for the 12 months ending 31 March 2016 was 82% and the Trust was graded at not satisfactory. To reach "satisfactory" a Trust has to achieve at least Level 2 in each of the 45 indicators. This year the Trust has declared level 1 in one indicator as it has been unable to reach the required threshold of 95% of all staff being up-to-date with Information Governance training which is required to be refreshed annually. We expect the majority of Trusts to report non-compliance in 2015/16 with this element due to the inherent difficulty of ensuring all staff have had this refreshed training during the year.

All Trust staff have a duty to report incidents such as breaches of confidentiality, however minor, so that lessons can be identified and used to inform future practice. All information-related incidents reported in 2015/16 were assessed in accordance with HSCIC's (*Health & Social Care Information Centre)* guidance:[5]

- All incidents are scored against a series of 'sensitivity factors', which increase or reduce the severity of an incident.
- A score of 2 or more is graded as a 'Level 2' incident, reportable to the Department of Health and the Information Commissioner's Office, and narrated individually in annual reports.

[5] HSCIC "Checklist Guidance for Reporting, Managing and Investigating Information Governance and Cyber Security Serious Incidents Requiring Investigation" , Version 5.1 – 29 May 2015; https://www.igt.hscic.gov.uk

- A score of 1 or below is graded as a 'Level 1' incident, reportable in aggregate in annual reports.
- 'Near misses', where an incident is prevented due to fortunate events which were not part of pre-planned controls – or where a suspected breach is confirmed not to have been an actual breach – are graded at 'Level 0'. Near misses are not reportable but are used internally to improve Trust processes, in order to aid the prevention of actual incidents.

'Level 1' and 'Level 2' incidents from 2015/16 are reported below.

Information incidents

The Trust recorded 67 incidents at 'Level 1' severity.

Incidents reported to the Information Commissioner's Office

The Trust recorded one incident at 'Level 2' severity, which was reported to the Department of Health and the Information Commissioner's Office.

Date of incident (month)	Nature of incident	Nature of data involved	Number of data subjects potentially affected	Notification steps
November 2015	**Lost or stolen paperwork** – a clinician's briefcase containing paper-based patient identifiable information was left unattended and was stolen from the recovery room at Maxfacs out-patient department.	The briefcase contained details of 167 patients that had been identified for a two week rule (TWR) audit of mouth cancer patients and several operation lists of approximately 20 patients.	180	ICO notified and recommendations completed. Letters informing patients of the information breach were sent.

Information Commissioner's Office (ICO) recommendations	The ICO recommended that the Trust should: "Consider issuing reminders or additional technical guidance, to any employees who extract and transport hard copy audit information or other information involving large amounts of sensitive personal data, advising that wherever possible extracted information should be limited and/or anonymised to reduce the chance of identification." Staff were reminded to use resources available to them as, in this instance, there were staff lockers available in the surgical planning room along the corridor. The audit should have been registered as per the Trust Audit Policy and a check made to ensure that all of the information deemed 'required' is necessary. The staff member was reminded of this and in general, staff were reminded of the importance of the following summary of guidance:

	• Do not use identifiable data unless absolutely necessary. • Where identifiable data is used be clear about the lawful basis (e.g. patient care, or in this case audit by a member of the care team). • Keep all paper records secure at all times – normally this means on site and in a locked cabinet but they must never be left unattended. • Electronic records must be on a Trust-issued encrypted device and only transmitted via secure email to a recipient with a lawful basis for receipt. An audit was carried out of public areas by security staff to identify unattended staff handbags/ briefcases.

Annual Quality Report

The Directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 (as amended) to prepare Quality Accounts for each financial year. NHS Improvement[6] has issued guidance to NHS Foundation Trust boards on the form and content of annual Quality Reports which incorporate the above legal requirements in the NHS Foundation Trust Annual Reporting Manual.

The Board is assured that the Quality Report presents a balanced view and that there are appropriate controls in place to ensure the accuracy of data.

The monthly quality report to the Trust Board provides assurance on a limited number of key quality priorities, both local and national; relating to patient safety, patient experience and clinical effectiveness. On a quarterly basis the report includes the progress against the Quality Account and Quality Business Plan priorities.

Stakeholder scrutiny and review of progress against Quality Account Priorities occurred during interactive workshop sessions held during the year. Our stakeholders include commissioners, governors and patient representatives from the Patient Panel. The Clinical Commissioning Group has provided a statement confirming that the draft Quality Account has been reviewed, that it is a "fair reflection" of the work at the Trust, and includes the mandatory elements required.

A range of other reports and dashboards enable the Trust Board to monitor performance regularly and provide assurance on the final outcome data for the year. The Balanced Scorecard is a high level visual summary of key data and targets. The Scorecard comprises four quadrants covering quality of patient care and treatment (through best outcomes and excellent experience), maintaining and developing a skilled and motivated workforce and sustaining top financial productivity. The Trust has also purchased healthcare intelligence services from CHKS[7] to enable clinicians to access key quality and performance data on their specialty.

[6] NHS Improvement resulted from a merger between Monitor and the NHS Trust Development Authority (NHS TDA)
[7] CHKS Limited, part of Capita PLC

KPMG LLP provides external assurance on the Quality Accounts by issuing a limited assurance report (limited in scope) on compliance with the Regulations (included in the Quality Accounts). Data quality and accuracy in the Quality Report is also subjected to an external audit by KPMG LLP.

As Chief Executive I am confident in the quality of services we provide across our services and that for the majority of our quality and performance targets we meet the standards expected by and acceptable to our regulator and commissioners. Further, the information contained within the Quality Account is provided from our data management systems and our quality improvement systems and to the best of my knowledge is accurate, and provides a true reflection of our organisation, with the exception of the indicators which KPMG LLP (our Statutory Auditor) has tested as part of their work on the Quality Account and are detailed within that Account. On these indicators (Percentage of incomplete pathways within 18 weeks for patients on incomplete pathways at the end of the reporting period, maximum waiting time of 62 days from urgent GP referral to first treatment for all cancers, to improve the quality of care and clinical outcomes of patients with Sepsis) KPMG have been unable to issue opinions and I am unable to confirm these items are accurate. The Trust is actively scoping the improvements needed to resolve the above issues as a priority.

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

The following information highlights some of the key methods that the Trust Board uses to be assured its system of internal control is effective.

The Trust Board ensures the effectiveness of the system of internal control through clear accountability and reporting arrangements. The Trust Board has reviewed its Standing Financial Instructions and Scheme of Delegation during the year.

The Trust Board has reviewed the Board Assurance Framework on a quarterly basis and also receives regular information from Quality and Performance Committee (QPC) on the operation of the Board Assurance Framework. In addition, the Trust Board has received regular reports on incidents, claims, complaint trends and Health and Safety.

The Trust Board has established the Audit Committee and QPC with specific focus on risk management; the Chairs of these Committees report to the Trust Board at the first available Trust Board meeting after each committee meeting. Urgent matters are escalated by the Committee chair to the Trust Board as deemed appropriate.

The Audit Committee is a formal sub-committee of the Trust Board and is accountable to the Trust Board for reviewing the establishment and maintenance of an effective system of

internal control and risk management. The Committee meets at least four times per year. The Audit Committee approves the Annual Audit plans for internal and external audit activities and ensures that recommendations to improve weaknesses in control arising from audits are actioned by executive management. The Annual Internal Audit Plan enables the Trust Board to be reassured that key internal financial controls and other matters relating to risk are regularly reviewed. During the year, the Committee has reviewed internal and external audit reports, Local Counter Fraud Specialist reports and policies and reviewed progress on meeting the requirements of the Assurance Framework.

The Quality and Performance Committee (QPC) has a duty to ensure that the Trust's governance systems, behaviours and processes relating to risk management, clinical and non-clinical governance, and the achievement of organisational objectives are effective, and provide the Trust Board with the assurance required to govern effectively. The Committee met nine times in the year and has been reviewing key areas of risk to ensure the Trust Board can have sufficient assurance. The Committee is supported by a range of groups including the Quality Governance Committee and Risk Scrutiny Committee and Patient Experience Monitoring Group.

Over the year the Committee has reviewed progress on compliance with CQC Essential Standards and will track and monitor the progress with the CQC action plan following the inspection in December 2014.

The Committee is monitoring the progress and effectiveness of the Quality, Safety and Risk Management Strategy 2012 to 2017.

The Financial Management Committee's remit is to review the financial performance, position, risks and decision-making of the Trust. To the Trust Board it gives assurance that this process of review is satisfactory and draws matters of importance to their attention.

The Workforce and Organisational Development Committee's (WOD) role is to provide assurance to the Board on workforce supply and demand, the development and delivery of the Trust's workforce, organisational development, education and training and employee wellbeing strategies and a detailed review and challenge of the workforce and organisational development aspects of the Board Assurance Framework

Executive Directors have clear responsibilities for internal control and risk management within their area of control. They also have corporate responsibility as Trust Board members.

Internal Audit: The Trust has contracted with TIAA (formerly Parkhill Internal Audit Services) as the providers of internal audit services since 1 April 2012. The contract specifies that the delivery of the internal audit function will continue to be in compliance with the NHS Internal Audit Standards and those of the Institute of Internal Auditors (UK).

The annual opinion provided by the Head of Internal Audit for 2015/16 stated that substantial assurance can be given that there is a sound system of internal control which is designed to meet the organisation's objectives and that controls are being consistently applied in all the areas reviewed.

External agencies: High level overview of external agency assessments and the associated action plans is overseen by the Quality and Performance Committee.

The Trust previously had a Green Governance rating with NHS Improvement although this is currently under review due to failing to meet the four hour A&E waiting time target over the four quarters of the year and concerns about the forecast financial position. The Trust met all other NHS Improvement standards during quarter 4 2015/16 except the Cancer 62-day wait for first treatment target and 31-day subsequent surgery target, both only marginally non-compliant. The Trust Board has a good understanding of the internal and external issues which led, in part, to these failures with comprehensive action plans underway to address them. The detailed action plans have been agreed with our Commissioners alongside trajectories to achievement with performance against these trajectories reported to the Trust Board on a monthly basis.

Conclusion

I am reporting one significant internal control issue within the NHS Foundation Trust, being the failure to meet the four hour waiting time target in 2015/16.

Suzanne Rankin
Chief Executive
26 May 2016

4. Quality Report

Contents

Introduction 110

Part 1

Statement on quality from the Chief Executive 111

Part 2

Priorities for improvement and statements of assurance from the Board 114

2.1 Priorities for improvement 114

2.1.1 Priorities for improvement for 2016/17 114

Patient safety 115

Clinical effectiveness 120

Patient experience 121

2.2 Statements of assurance from the Board 125

2.3 Performance against core indicators 148

Part 3

Other information 161

3.1 Overview of the quality of care against 2015/16 priorities 161

3.2 Performance against NHS Improvement Risk Assessment Framework Indicators 176

Part 4

Statements on the engagement process for the development of the Quality Account 183

Statement of Directors' responsibilities in respect of the Quality Report 189

Independent auditor's report to the Council of Governors 191

This Quality Account is available from a number of sources including the Trust's internet site and the NHS Choices website.

Introduction

The Quality Account (Quality Report) is an annual report to the public about the quality of services that providers of healthcare deliver and their plans for improvement. The requirement to produce a Quality Account is outlined in the NHS Act 2009 and the terms set out in the collective Quality Accounts Regulations.[8]

The Quality Report incorporates all the requirements of the Quality Account Regulations as well as a number of additional reporting requirements set by NHS Improvement (formerly Monitor). The Quality Report specifically aims to improve public accountability for the quality of care and is contained within the Trust's overall Annual Report.[9]

The purpose of the Quality Account is to help improve public accountability for the quality of care provided by NHS Foundation Trusts.[10] Quality improvements are reported in 3 categories: patient safety, clinical effectiveness and patient experience.

This Quality Account summarises performance and improvements against the quality priorities and objectives which were set for 2015/16 and outlines the quality priorities and objectives which have been set for 2016/17. This report also includes feedback including from our patients, Governors, Healthwatch Surrey and North West Surrey Clinical Commissioning Group on how well they think we are doing.

Your feedback

If you have any comments or suggestions on this Quality Account, we would welcome your feedback. Please contact: Mrs Heather Caudle, Chief Nurse, through our Patient Experience Team's advice and liaison service on: email: PALS@asph.nhs.uk or telephone 01932 722216.

[8] NHS (Quality Accounts) Regulations 2010 as amended by the NHS (Quality Accounts) Amendment Regulations 2011 and the NHS (Quality Accounts) Amendment Regulations 2012 (collectively "the Quality Accounts Regulations").
[9] Detailed requirements for quality reports 2013/14, p. 2 (Monitor: www.monitor.gov.uk).
[10] Detailed guidance for external assurance on quality reports 2014/15, p. 4 (Monitor).

Part 1: Statement on quality from the Chief Executive of Ashford and St Peter's Hospitals NHS Foundation Trust

Welcome to our seventh Quality Account for Ashford and St Peter's Hospitals NHS Foundation Trust. This is an annual report to the public about the quality of services that the Trust delivers and describes just how important we consider quality and safety within our hospitals. Our vision is to create excellent joined-up patient care both within our hospitals and in partnership with our community and other health system partners, putting patients at the centre of everything we do. We are now in year three of our refreshed five year Trust strategy, and our quality priorities for 2016/17 have been aligned with this and national guidance including *Hard Truths: the Journey to Putting Patients First*[11] and the *NHS Five Year Forward View*. We want patients, carers and visitors to feel assured about the high quality of services we provide and this report sets out our quality priorities for 2016/17 and details how we have performed against key quality measures this past year. This report can only give an overview of the wide range of improvement work we are doing and there are many other initiatives taking place in our hospitals to improve care for our patients.

A real achievement for us this year was being shortlisted as a finalist for Board Leadership in the 2015 national HSJ awards for our commitment to leading a culture of candour across the Trust through continually seeking ways to involve staff and patients in decision making. Feedback is particularly meaningful when patients can see how sharing their views leads to tangible change and our interactive workshops to involve patients in changes to surgical care pathway design were particularly well received. Our staff have been supported through the ability to express emotional reactions to healthcare in the internationally renowned Schwartz Rounds and we are delighted that our learning has been shared more widely in the June 2015 edition of the Future Hospital Journal of the Royal College of Physicians.

We were again successful in this year's national CHKS Top Hospitals Awards, being named as a Top 40 Hospital and being shortlisted for the Quality of Care Award.

Maintaining a sustained focus on improving the quality of our services is a critical factor in achieving improved care for our patients and I am pleased to outline below a number of areas which we have focussed on this year.

In March our new Urgent Care Centre (UCC) opened at St Peter's Hospital to cater for walk-in patients to the Emergency Department between 08:00 and 20:00 seven days per week. The UCC is staffed by a combination of Emergency Department doctors, GPs and Emergency Nurse Practitioners and will be able to deal with the majority of patients who arrive of their own accord; this new service is a key aspect of delivering a better experience for our walk-in patients.

The Trust was delighted to be one of eight organisations in the UK selected to pilot the *Always Event* programme of the Institute of Healthcare Improvement. *Always Events* are

[11] Hard Truths: The Journey to Putting Patients First, Volume One of the Government Response to the Mid Staffordshire NHS Foundation Trust Public Enquiry, Department of Health, January 2014.

key things which should always occur when service users interact with healthcare professionals and implementing *Always Events* provides a way of enabling health care providers to achieve reliable person and family centred care processes which is a key element of our Patient's First value. Our first *Always Event* aim statement has been formulated from interviews with families and staff and is to always engage dementia patients and their carers in meaningful two-way conversation. Work is continuing on Holly Ward as to how we will put this into action. More on our *Always Events* programme for next year can be found on p.122.

Every day teams across our hospitals are doing fantastic things to improve care for our patients and I am proud to share that in March 2016 the Nutrition Steering Group launched the Trust's Nutrition and Hydration Strategy which outlines the excellent services we have in place and addresses our visions for future improvement. Having such a document is recognised as good practice by the Department of Health and whilst many trusts are working towards this, we are among the few who have a working document published.

I am incredibly proud to let you know that our Consultant Vascular Surgeon Mr Abdullah Jibawi and colleagues have developed an innovative classification system for venous diseases that can be used for reporting intraoperative findings during varicose vein radiofrequency surgery. This new classification has been named Ashford and St Peter's Venous Classification System (ASPVCS) and has been recognised in national conferences.

I attended our engaging audit afternoon this March which featured external speakers from the national bodies NCEPOD[12] and NICE[13] who highlighted the significance of their work and recognised the invaluable support that we provide to national studies and for implementation of NICE guidance in order to improve patient care and clinical outcomes. To read more on our clinicial effectiveness improvement work please refer to p.125 to 134.

Our Project Management Office is actively supporting change management in the Trust and is continually promoting new ways of supporting and engaging our teams in improving their services. As part of our commitment to developing a culture of curiosity and creativity, we have invested time in training, mentoring and coaching for teams and individuals to develop their quality improvement skills. Our approach builds a broad knowledge of improvement methodology that is simple, repeatable and develops people-focused improvement skills, through coaching of teams. Our quality improvement microsite www.bethechangeasph.com provides staff with helpful online resources to get started with improvement. The team has also developed a new mobile app to spread the word and help more people to adopt a simple approach to quality improvement as part of the 'Be The Change' programme.

Equally important to us is learning from others and the Trust has strived to implement the recommendations made by the Care Quality Commission (CQC) from our March 2015 Inspection. In the 12 months since the inspection we have completed 7 of the 10 mandatory compliance actions and 35 of the 53 (66%) actions which the CQC advised we should complete. More information about the status of our actions is outlined on p.140 to 144.

[12] NCEPOD – National Confidential Enquiries into Patient Outcome and Death

[13] NICE – National Institute for Health and Care Excellence

Our key quality challenges for next year focus on continuing to provide excellent service in the areas of safety, clinical effectiveness and patient experience. The Patient Safety Team has recently successfully bid to be one of three pilot sites to implement the KSS AHSN safety culture and leadership improvement capability test site programme next year. Reducing variability in care and maintaining continuity of care is key to improving patient outcomes and the Medical Director is leading the Trust's ambitious Reducing Variation Programme which is an initiative sharing learning in conjunction with NHS England's Sustainable Improvement team that aims to deliver the outcomes of excellent patient experience and clinical outcomes which do not vary upon the day of the week. A number of vehicles to deliver this include implementing the Keogh Standards and transformational change centring upon functional units of care around patients' needs.

As Chief Executive I am confident in the quality of services we provide across our services and that for the majority of our quality and performance targets[14] we meet the standards expected by and acceptable to our regulators and commissioners. Further, the information in this Quality Account is provided from our data management systems and our quality improvement systems and to the best of my knowledge is accurate, and provides a true reflection of our organisation, with the exception of the following indicators which KPMG LLP Statutory Auditor has tested and is unable to issue an opinion over for the below reasons. As Chief Executive I am therefore unable to confirm these items are accurate owing to the exceptions notified below.

Mandated indicator 1 - Percentage of incomplete pathways within 18 weeks for patients on incomplete pathways at the end of the reporting period ("18 week RTT") contained underlying system design weaknesses including sample testing errors pertaining to pathway start date and procedure classification within the pathway. Whilst significant improvements have been made to this pathway during the year the control environment is continuing to be strengthened.

Mandated indicator 2 – the measure that a patient should be admitted, transferred or discharged within 4 hours of arrival at an Accident and Emergency Department ("Accident and Emergency 4 hour wait") cannot be confirmed as accurate owing to a combination of inconsistent design of the transaction processing system and the associated absence of procedural guidance documentation. These findings currently limit the ability to verify the data, particularly manual adjustments to classifications as breach or non-breach. The governance framework around the A&E 4 hour wait process will be strengthened. The Trust will continue to strive for opportunities to refine our data throughout these high volume and complex operational pathways.

Suzanne Rankin
Chief Executive
26 May 2016

[14] Key national targets are outlined along with benchmarked information in Section 2.3 *Performance Against Core Indicators* and Section 3.2 *Performance against Monitor Indicators*.

Part 2: Priorities for improvement and statements of assurance from the Board

2.1 Priorities for improvement

This section of the Quality Report describes areas for improvement in the quality of relevant health services that the Trust intends to provide or sub-contract in 2016/17.

Part 2.1.1 contains the 2016/17 priorities for improvement as agreed by the Trust's Board at its meeting on 31 March 2016. This includes narrative on priority choice and progress which indicates the relationship between identification of the priorities and reviews of data relating to quality of care.

2.1.1 Priorities for improvement for 2016/17

In February and March 2016 a consultation exercise was undertaken with Governors, Surrey County Council, North West Surrey Clinical Commissioning Group and other external representatives who attend our Quality Stakeholder Workshop, and also with staff, in order to obtain feedback on draft Quality Report priorities for the coming year. The consultation process included circulating draft priorities to internal and external stakeholders for contributions along with an interactive feedback session at the Quality Account Workshop event on 29 February 2016.

The views of the following staff groups were included in the consultation exercise: Executive and Non-Executive Directors, Divisional Directors, Associate Directors of Nursing, Directors of Operations, Clinical Specialty Leads, Specialist Nurses and Quality Leads. The views of patients and the wider public were considered through including Governors, our Clinical Commissioning Group and other stakeholders including Patient Panel representatives in the feedback process.

Non-Executive Directors have been actively involved in quality priorities including monitoring at the Quality and Performance Committee, the Quality Governance Committee and through involvement at interactive workshops and improvement events. The outputs of these sessions have provided a useful steer when setting the 2016/17 Quality Report priorities which were approved by Trust Board on 31 March 2016.

Progress to achieve these priorities will be measured as described in each of the 9 priority areas below. Quality priorities will be monitored quarterly and reported to Trust Board in the Quality Report.[15] Progress will be reported to stakeholders in the quarterly Quality Stakeholder Workshops.

[15] This is the monthly Quality Report presented to Trust Board at a meeting held in public.

Patient safety

Priority 1 Safety - Improving harm-free care
Medication safety thermometer data to be collected to enable performance against the national position to be baselined.
Maternity safety thermometer performance to be better than the national average.
Classic safety thermometer performance to be better than the national average.
Continue the Sign up to Safety falls trajectory with a 20% reduction in falls compared to the prior year.
Achieve a 15% reduction in stage 2 and above hospital acquired pressure ulcers compared to the prior year.
Risk assess 97% of adult inpatients for VTE[16] on admission.
Root cause analysis of 100% of identified cases of hospital associated thrombus within 2 months from date of notification.
Audit documentation of the prescription of appropriate chemical thromboprophylaxis with the aim of achieving 85%.
Achieve VTE Exemplar Centre Status by 31 March 2017.
Priority 2 - Embedding and measuring the safety culture
Undertake quarterly audits of the duty of candour with exception reporting to Quality and Performance Committee.
Review the Manchester Patient Safety Framework divisional action plans by Q3 ensuring evidence of implementation of actions.
Implement the KSS AHSN[17] safety culture and leadership and improvement capability test site pilot programme by Q4.
Complete the implementation of the National Standards for Invasive Procedures by September 2016 (criteria as per the NHS England Safety Alert).
Priority 3 – Safety standards
Implement monitoring and support for staff to ensure registered nurses and midwives comply with the timescales for nursing revalidation as set by the Nursing and Midwifery

[16] VTE: Venous thromboembolism.
[17] KSS AHSN: Kent, Surrey, Sussex Academic Health Science Network.

Council.

Progress the Reducing Variation Programme including participating in the external data collection exercise. This programme will continue throughout 2016/17.

Why were these priorities chosen?

Harm free care as measured with the Safety Thermometer was a priority in both 2014/15 and 2015/16 and this national focus area will continue to be a Trust priority this year.

The aim to risk assess 97% of inpatients for VTE remains 2 percentage points above the national target of 95% and this is in line with both 2014/15 and 2015/16. The measure for root cause analysis for hospital associated thrombosis remains at 100%, as per 2014/15 and 2015/16. The measure for documentation of prescribing appropriate chemical thromboprophylaxis was increased from 80% in 2014/15 to 85% in 2015/16 and remains a stretch target. VTE Exemplar Centre Status is awarded by VTE Prevention England, which is a programme of NHS England. The Trust has been working towards achieving Exemplar Centre Status for the past year and will seek to achieve this by next year. The KSS AHSN culture and leadership improvement capability pilot is an exciting opportunity to improve our safety culture through collaborative learning.

The National Safety Standards for Invasive Procedures (NatSSIPs)[18] seek to reduce the number of patient safety incidents related to invasive procedures in which surgical never events could occur. The standards contain safety checks, education and training and also promote local standards along with sharing best practice.

Reducing variability in care and maintaining continuity of care is key to improving outcomes and reducing harm. The Medical Director is leading the Trust's ambitious Reducing Variation Programme which is an initiative sharing learning in conjunction with NHS England's Sustainable Improvement team that aims to deliver the outcomes of excellent patient experience and clinical outcomes which do not vary upon the day of the week. A number of vehicles to deliver this include implementing the Keogh Standards and transformational change centring upon functional units of care around patients' needs. The Keogh Standards work involves participating in sentinel data collection review in March and June this year. The overarching Keogh work plan is in the developmental phase and is being guided by the baselining work to establish the current level of divisional preparedness.

NHS Improvement specific disclosures

In accordance with the recommendations of NHS Improvement[19] outlined below is the Trust's progress in the following areas along with details of how, where applicable, these align with our 2016/17 quality improvement priorities:

- Sign up to Safety Plan
- Implementing the duty of candour

[18] https://www.england.nhs.uk/2015/09/natssips/
[19] Quality Accounts: Reporting Arrangements 2015/16 Gateway reference 04730 (3 February 2016).

- NHS Staff Survey indicators KF19 and KF27
- CQQ ratings and areas for improvement

Sign up to Safety Plan

The Trust is maintaining its commitment to the Sign up to Safety Plan formulated in July 2015. Our quality priorities for 2016/17 in this pertaining to safety culture, duty of candour, Safety Thermometer for VTE, CAUTI, falls, medications and maternity are all aligned with this Plan and we have reported against pre-existing priorities additionally in Section 3.1 on p. 161.

The Sign up to Safety Plan additionally is designed to deliver improvements in the antenatal and intrapartum pathway across the medium term to 2017 with priority areas including reducing stillbirths, reducing unexpected term admissions to neonatal intensive care, improved CTG[20] trace monitoring, and introducing the GROW programme.[21] The maternity plan is currently on track.

The Sign up to Safety Plan includes initiatives to provide training and targeted improvements to reduce hospital acquired pressure ulcers and our target is outlined in Priority 1 on p.115.

The VTE component of the Plan incorporates continuing from learning from root cause analyses and becoming a VTE exemplar centre. Our progress against these priorities is outlined in Section 3.1, Priority 1, p.161 to 162.

Reducing falls with harm and pressure ulcers have trajectories for improvement and the 2016/17 priorities are in Section 2.1.1, Priority 1, p.115.

Management of deteriorating patients is another key area for improvement and areas of focus include sepsis, acute kidney injury (AKI), medication errors, reducing cardiac arrests outside clinical areas and end of life care planning surrounding do not attempt cardiopulmonary resuscitation (DNACPR) decisions.

Providing care for patients with sepsis is outlined in Section 3.1, Priority 3, p.166.

Acute kidney injury care has been prioritised through 2 projects this year, our AKI improvement project sponsored by the Health Foundation focussing on a care bundle for inpatients and a CQUIN pertaining to providing discharge information to general practitioners. A key achievement was introducing alerts to clinical teams to notify them when a patient developed acute kidney injury and the rollout of related training on a clinical care bundle for such patients. This is an ongoing project for next year where we will focus on embedding the care bundle uptake.

Medication errors have been monitored through the national Medication Safety Thermometer programme and performance is shown in Section 3.1, p.164.

The Sign up to Safety Plan goal of reducing cardiac arrests outside clinical areas aimed to reduce both the number of arrests and implementing the VitalPac system for monitoring

[20] Refer to the glossary.
[21] This programme is explained in the section on CQUINs on p.138.

patients and promoting clear escalating actions based on early warning signs of deterioration. Whilst the number of arrests in clinical areas has not reduced by the trajectory within the plan it is of note that the national guidance from the Resuscitation Council on Treatment Escalation Plans is not expected until the middle of 2016 therefore the Trust is awaiting this guidance before finalising its approach to this care area. The VitalPac system has been successfully rolled out to wards during 2015/16 and is a key development in our steps towards electronic patient records.

Implementing the duty of candour

The Trust has actively promoted the duty of candour[22] through a combination of Trustwide and tailored training along with modifications to the Datix incident reporting system to streamline processes. Trustwide training has included an interactive learning video along with customised training from a legal professional regarding communicating with patients and their families in respect of incidents requiring written communications. The Patient Safety website has supporting information and the duty of candour apology letter has been embedded in a standardised template within Datix to assist frontline staff in complying with the specific communications required. Quarterly audits of the duty of candour is a 2016/17 priority area per Priority 2, p.165.

NHS Staff Survey indicators KF21 and KF26

NHS Improvement has asked the Trust to report on 2 indicators from the 2015 NHS Staff Survey.[23]

Indicator KF21 is the percentage of staff believing that the Trust provides equal opportunities for career progression or promotion.

Table 1: NHS Staff Survey indicator KF 21

% staff believing Trust provides equal opportunities KF21	Trust 2015	2015 Acute Trust National Average	Trust 2014
White	88	89	87
BME	78	75	76

The Trust is taking the following actions to improve the above scores: The Trust is investing significant time and resources into refreshing and building upon its leadership and management training development offerings. An increased focus will be placed upon exploring the role of unconscious bias in decision making in relation to accessing training and development, recruitment and selection, along with talent management.

[22] Refer to the glossary.
[23] 2015 NHS National Staff Surveywww.nhsstaffsurveys.com.

Staff Survey indicator KF26 is the percentage of staff experiencing harassment, bullying or abuse from staff in the last 12 months. The percentage of staff reporting experience of this was 23% in 2014 which rose to 29% in 2015.

Table 2: NHS Staff Survey indicator KF 26

% staff experiencing harassment/bullying KF26	Trust 2015	2015 Acute Trust National Average	Trust 2014
White	31	25	24
BME	26	28	22

The Trust is taking the following actions to improve the above scores: In addition to the investment in leadership and management training outlined previously on p.118, which it is anticipated will reduce behaviours which could be interpreted as bullying or harassment, more will be done to more deeply embed our existing co-designed values-based behaviours through recruitment, performance management and recognition. It is hoped that this will continue to encourage diversity in both practice and thinking across the organisation.

Patient safety - progress made during 2015/16

Priority 1 – Improving harm-free care

The measure on maintaining Safety Thermometer performance[24] better than the national average has been a priority since 2013/14 and was achieved in 2015/16 as outlined in Section 3.1 Priority 1 on p.161. Venous Thromboembolism (VTE) was also a measure from 2013/14 and our progress against this measure is shown on p.157 where the Trust demonstrates our consistent achievement above the national average in respect of risk assessing patients for VTE. We did not fully achieve our VTE root cause analysis or documentation audit standard and this is outlined in Section 3.1, Priority 1, on p.161.

Priority 2 – Safety culture

The Trust continues its work from 2015/16 regarding the duty of candour and Manchester Patient Safety Framework. As outlined in Section 3.1, Priority 2, on p.165 this year we achieved our duty of candour training and MaPSaF rollout however duty of candour audits require further progression next year.

Priority 3 – Sepsis

Sepsis first became a priority area in 2014/15 and this year the Trust had a CQUIN for sepsis which was partially achieved. The audits identified the need for improved timeliness regarding administration of antibiotics as outlined in Section 3.1, Priority 3, p.167.

Clinical effectiveness

Priority 4 – Work to improve diagnosis for patients with diabetes
The population of eligible admitted patients to be screened for diabetes will continue to be audited on a spot day each month, with target performance to be set at 98% which is consistent with the target set for 2014/15 and 2015/16.
Priority 5 - Improve dissemination and learning from national audits and National Institute for Health and Care Excellence (NICE) guidance
Implementation of relevant NICE Clinical Guidelines – monthly status report on progress including a gap analysis with reasons for non-compliance identified.[25] Review performance against NICE Guideline NG 31, Care of Dying Adults in the Last Days of Life with a gap analysis and action plan produced by Q3. Participate in all applicable mandatory national audits and implement action plans based on key recommendations from the national bodies.

[24] Covering CAUTI, new pressure ulcers and falls.
[25] NICE Clinical Guidelines are not required to have 100% implementation.

Why were these priorities chosen?

Diabetes screening is a 2015/16 priority and as this is not yet consistently achieving the inpatient target of 98% this measure will therefore be continued.

The Care of Dying Adults NICE guideline was issued in December in 2015 and is a response to the need for an evidence-based guideline targeting clinical care in the last few days of life (as distinct from the wider initiatives involving care in the last months as part of end of life care). The guideline includes recognition, communication and shared decision making and providing individualised care.

Clinical effectiveness - progress made during 2015/16

Priority 4 – Diabetes

Diabetes screening is a measure carried forward since 2013/14. The Trust has not achieved the target for screening as outlined in Priority 4 on p.168.

Priority 5 – Improve dissemination and learning

This was a new priority area for 2015/16 which was achieved as outlined in Priority 6 on p.170.

Patient experience

Priority 6 – Work to improve the experience of vulnerable groups

Mental Health Act

The Mental Health Act training scheme is to be reviewed by Q1 and an action plan for modifications will be prepared by the end Q2 for consideration by Mandatory Training Committee.

We will develop an Introduction to Mental Health Act Training as part of Safeguarding Training for Clinical Staff which is to be implemented in Q2 2016/17.

Privacy and Dignity

A complete rollout of a privacy and dignity campaign addressing both information governance over patient records and patient privacy whilst receiving care will occur by Q2 2016/17.

Dementia

Undertake a comprehensive dementia environment review of clinical areas by Q2 and develop action plan by Q3.

Continue to undertake the dementia carers' local survey; explore themes and implement improvement actions with six monthly updates to Trust Board.

Priority 7 – Obtain patient feedback on outpatient experience
Implement a process to capture, publish and feed back clinician level patient experience data, including both outpatients and inpatients, by Q4.
Priority 8 – Improve patient experience
Develop a means of communicating to inpatients the potential for transfers between wards as part of their expected care pathway and implement this communication process by Q2. The Trust will design and implement a framework for enabling teams to access and use the NHS England *Always Event* toolkit when seeking to make system or service improvements in their area. The aim is to have a minimum of 3 specific *Always Events* in the Trust by Q4. A minimum of 95% of patients in the Urgent Care Centre to achieve the 4 hour wait target. Design a process to measure face-to-face feedback from service users at the Urgent Care Centre. The process will be in place by Q2 with quarterly data capture and improvement actions then to be set.
Priority 9 – Opportunities for patient involvement in research
To implement a new communication programme to further promote the involvement of patients in research opportunities at the Trust; to explore options by Q2 and implement the programme by Q3. To measure outcome by seeking patients' views in Q4 with feedback to the Research Committee.

Why were these priorities chosen?

The focus on the experience of vulnerable groups of patients is a continuation of work from 2015/16 and has been extended to include a trustwide campaign focussing on privacy and dignity. Dementia friendliness of the environment is a continuation of the priority from this year.

Both outpatient and inpatient experience are also continuing focus areas from 2015/16. The focus on *Always Events* is an exciting way of improving service in a positive way and is supported by a toolkit from NHS England.[26] *Always Events* are key things which should always occur when service users interact with healthcare professionals and focussing on these provide a way of enabling health care providers to achieve reliable person and family centred care processes.[27]

As part of measuring the experience of patients receiving emergency care, 2 new measures have been added in respect of the newly opened Urgent Care Centre.

[26] In conjunction with Picker Institute Europe and Institute for Healthcare Improvement.
[27] https://www.england.nhs.uk/ourwork/pe/always-events/

Communication with patients is an ongoing priority area and we are to focus on explaining the reasons for potential transfers between wards in order to promote better understanding of inpatient pathways.

Patient experience - Progress made during 2015/16

Priority 6 – Improving experience of vulnerable groups

Dementia screening has been a measure carried forward for 2 years since 2013/14 and was fully achieved this year as outlined in Priority 7 on p.171.

Priority 7 – Outpatient experience

The current year's measures of communicating waiting time in Outpatients and obtaining service user feedback have been achieved as summarised on Priority 8, p.173.

Priority 8 – Improve patient experience including discharge

This has been a priority area since 2013/14 and when first introduced focussed upon improving complaints performance which was again achieved this year. The 2015/16 priorities were expanded to encompass discharge process and moves of patients between wards and we have only partially achieved our objectives here as outlined in Priority 9 on p.174.

Priority 8 – Research opportunities

This is a new priority area for 2016/17.

Priority areas discontinued from 2015/16

The below priority areas from 2015/16 have been discontinued.

Priority 3, sepsis, will be discontinued as it is part of a CQUIN pertaining to the current year.

Priority 4, diabetes prescribing reviews and pathway working was part of 2015/16 work.

Priority 5, the Woking Locality Hub project was specific to the current year and is now operational as outlined on Priority 5 on p.169.

Regarding the non-elective readmissions measure within Priority 5, whilst the Trust has not achieved its 30 day non-elective readmissions target for either 2014/15 or 2015/16 as outlined in Section 3.1 Priority 5 on p.169 the Trust has discontinued this as a priority area as the Trust benchmarks well for this measure currently with good performance compared to other acute trusts both nationally and against our CHKS peer group.

There is no single specific improvement initiative for readmissions for the current year, rather readmissions is influenced by a complex combination of factors including community programmes and our emergency pathway reconfiguration. Readmissions will continue to be monitored as part of business as usual in the monthly quality report to Board.

Priority 7, patient experience for patients from vulnerable groups has been refreshed. Access to Surrey Public Health suicide prevention training has been achieved and will be part of business as usual.

Priority 7, dementia training is progressing during the current year but as this is part of a long-range programme as part of a 3 year plan this has not been chosen as a current year priority.

Priority 7, 50% applicable dementia patients with significant memory impairment are to have the This is Me/REACH documents by the end of Q3 2015/16 is to be discontinued. The 'This is Me' tool is a booklet which people with dementia can use to inform staff about their needs, interests, likes and dislikes.[28] REACH is a special response plan for patients with dementia. At the national Dementia Action Alliance forum held in February 2016 these documents were discussed and the collective viewpoint from sector specialists was that a number of patients with early dementia do not necessarily benefit from these documents. Thus, it is not practicable to carry this forward as a quantifiable priority measure as determining applicability is insufficiently practicable at the scale needed for this to be a Trustwide priority. However, the Trust will continue to use these booklets in practice where the clinical need warrants this.

Priority 7, dementia screening, is a national CQUIN which is being discontinued in 2015/16. The Trust will continue the clinical screening process but will not monitor this as a quality priority area.

Priority 8 in respect of communicating waiting time in Outpatients has been achieved.

Priority 9, inpatient experience, has been refreshed. Orthopaedic Supported Discharge is now operational. Reviewing assessing patients before discharge to care homes has been undertaken in the current year. End of life care outreach partnership working was specific to the current year. The percentage of follow-up complaints received will be monitored as part of business as usual.

Priority 9 was to review ward moves and setting an improvement trajectory to minimise ward moves. This priority is not continuing during 2016/17 as there are many instances whereby ward moves are an appropriate part of a patient's stay, such as moving from an acute admissions area to a specialty ward, or into intensive care for further treatment. Consequently, the focus will instead move to improving communication with patients about situations whereby they can reasonably expect to move wards as part of a routine care pathway.

[28] Refer to the This is Me section of alzheimers.org.uk.

2.2 Statements of assurance from the Board

These statements of assurance follow the statutory requirements as set out in the National Health Service (Quality Accounts) Regulations as amended.

During 1 April 2015 to 31 March 2016 Ashford and St Peter's Hospitals NHS Foundation Trust provided and/or subcontracted 117 relevant health services.

Ashford and St Peter's Hospitals NHS Foundation Trust has reviewed all the data available to them on the quality of care in 100% of these relevant health services.

The income generated by the relevant health services reviewed in the 12 months ended 31 March 2016 represents 100% of the total income generated from the provision of relevant health services by Ashford and St Peter's Hospitals NHS Foundation Trust for the 12 month period ended 31 March 2016.

Participation in national clinical audit[29] and national confidential enquiries[30]

During the 12 months ended 31 March 2016 33 national clinical audits and 6 national confidential enquiries covered relevant health services that Ashford and St Peter's Hospitals NHS Foundation Trust provides. During that period Ashford and St Peter's Hospitals NHS Foundation Trust participated in 97% of national clinical audits and 100% of national confidential enquiries which it was eligible to participate in.

The national clinical audits and national confidential enquiries that Ashford and St Peter's Hospitals NHS Foundation Trust was eligible to participate in during the 12 months ended 31 March 2016 are listed on the table below.

The national clinical audits and national confidential enquiries that Ashford and St Peter's Hospitals NHS Foundation Trust participated in, and for which data collection was completed during the 12 months ended 31 March 2016, are listed below alongside the number of cases submitted to each audit or enquiry as a percentage of the number of registered cases required by the terms of that audit or enquiry.

[29] Clinical audit involves reviewing clinical practice against evidence based standards in order to improve the quality of patient care and treatment.

[30] A confidential enquiry involves investigating clinical standards and clinical decisions in specific circumstances to determine whether the outcome could have been potentially avoidable.

National clinical audits and national confidential enquiries	Percentage of cases submitted	
National audits **(A shaded box indicates no national data being collected)**	**2014/15**	**2015/16**
Acute Coronary Syndrome Acute Coronary Syndrome or Acute Myocardial Infarction in the Myocardial Ischaemia National Audit Project (MINAP). Managed by The National Institute for Cardiovascular Outcomes Research. Refer to www.ucl.ac.uk/nicor/audits/minap	100%	100%
Adult Asthma British Thoracic Society – data not currently being collected. Refer to www.brit-thoracic.org.uk		
Anaesthesia The Association of Anaesthetists of Great Britain & Ireland audits NAP5 and NAP6.[31] Refer to www.aagbi.org	100%	New
Cardiac Rhythm Management Cardiac Rhythm Management (CRM). Managed by The National Institute for Cardiovascular Outcomes Research (NICOR). Refer www.ucl.ac.uk/nicor	100%	100%
Emergency Use of Oxygen British Thoracic Society. Refer to www.brit-thoracic.org.uk		100%
Fitting Child Fitting Child (Care in Emergency Departments) Audit managed by The Royal College of Emergency Medicine (RCEM). Refer to www.rcem.ac.uk. This is a provisional result with case numbers only.	26 cases	
Inflammatory Bowel Disease Inflammatory Bowel Disease Programme. Managed by The Royal College of Physicians. Refer to www.rcplondon.ac.uk/ibd	0%	TBC
Intensive Care Intensive Care National Audit and Research Centre (ICNARC) Case Mix Programme (CMP). Refer to https://www.icnarc.org/Our-Audit/Audits/Cmp/About. Data is currently under validation.	100%	100%
Major Trauma Major Trauma. Managed by The Trauma Audit and Research Network (TARN). Refer to www.tarn.ac.uk/. Results now presented as a range across the last 9 months.	89.7%	70-86%
Mental Health Mental Health in the Emergency Department; Audit of The Royal College of Emergency Medicine. Refer to www.cem.l2s2.com	0%	
National Adult Diabetes Inpatient Audit National Adult Diabetes Inpatient Audit (NADIA). Managed by The Health and Social Care Information Centre. www/hscic.gov.uk/nda	100%[32]	
National Diabetes Audit National Diabetes Audit (NDA). Managed by The Health and Social Care Information Centre. www/hscic.gov.uk/nda	100%	100%
National Audit of Dementia National Audit of Dementia of The Royal College of Psychiatrists. The third round of the National Audit of Dementia is from 2015 to 2017, with main data collection period to be from April until December 2016. Refer to www.rcpsych.ac.uk		New

[31] Refer to the glossary for details of the NAP5 and NAP6 audits.
[32] Last report published is March 2014. No report published for 2015/16.

National Audit of Inpatient Falls Falls and Fragility Fracture Audit Programme run by the Royal College of Physicians. Refer to www.rcplondon.ac.uk/		100%
National Bariatric Surgery Registry National Bariatric Surgery Registry data of the British Obesity and Metabolic Surgery Society (BOMSS). Refer to http://nbsr.e-dendrite.com/	100%	100%
National Bowel Cancer Audit Programme National Bowel Cancer Audit Programme (NBOCAP). Managed by The Royal College of Surgeons of England. Refer to https://rcseng.ac.uk/	100%	87%
National Cardiac Arrest Audit National Cardiac Arrest Audit (NCAA). The NCAA is a national audit of in-hospital cardiac arrest which is a joint initiative between The Resuscitation Council (UK) and The Intensive Care National Audit and Research Centre. Refer to https://ncaa.icnarc.org	100%	100%
National Care of the Dying Audit (Hospitals) The End of Life Care Audit: Dying in Hospital is a national clinical audit commissioned by the Healthcare Quality Improvement Partnership (HQIP) and run by the Royal College of Physicians. Refer to www.rcplondon.ac.uk/ Awaiting report publication.	84%	100%
National Chronic Obstructive Pulmonary Disease National Chronic Obstructive Pulmonary Disease (COPD) Audit is managed by The Royal College of Physicians. Refer to www.rcplondon.ac.uk/COPD	100%	-[33]
National Clinical Audit of Rheumatoid and Early Inflammatory Arthritis National Clinical Audit of Rheumatoid and Early Inflammatory Arthritis. Managed by The British Society for Rheumatology.	100%	-[34]
National Comparative Audit of Blood Transfusion Programme – Patient Blood Management in Scheduled Surgery National Comparative Audit of Blood Transfusion Programme. Managed by NHS Blood and Transplant. Refer to http://hospital.blood.co.uk/audits/national-comparative-audit/.		23 cases
National Comparative Audit of Blood Transfusion Programme – Audit of Red Cell and Platelet Transfusion in Adult Haematology Patients National Comparative Audit of Blood Transfusion Programme. Managed by NHS Blood and Transplant. Refer to http://hospital.blood.co.uk/audits/national-comparative-audit/.		100%
National Comparative Audit of Blood Transfusion Programme - Audit of lower gastrointestinal bleeding and the use of blood National Comparative Audit of Blood Transfusion Programme. Managed by NHS Blood and Transplant. Refer to http://hospital.blood.co.uk/audits/national-comparative-audit/.		TBC[35]
National Complicated Diverticulitis Audit (CAD) Yorkshire Surgical Research Collaborative Refer to: www.cadsaudit.org.uk		41 cases
National Elective Surgery PROMS[36] – Hip Replacement National Elective Surgery Patient Reported Outcome Measures (PROMs)[37] for Hip Replacement. www.hscic.gov.uk/proms. For all procedures provisional data is available.	89.9%	107%[38]

[33] Participating in the Pulmonary Rehabilitation Organisation of Services Audit. For the Secondary Care Audit no report was published 2015/16. The last report was published in February 2015.
[34] Data collected, report not yet published.
[35] Report not yet published.
[36] Further information and actions in relation to PROMS is available on p. 151 to 152.
[37] NHS Choices defines PROMS as patients' assessments about their health and quality of life before an operation compared with their health after the operation.
[38] For participation rates above 100% this shows a discrepancy between the cases we have included in the audit and the numbers of cases identified within our computer systems (HES – hospital episode statistics) and so have submitted more cases than were expected.

National Elective Surgery PROMS – Knee Replacement National Elective Surgery Patient Reported Outcome Measures (PROMs) for Knee Replacement. www.hscic.gov.uk/proms. For all procedures provisional data is available.	105.1%	107.1%
National Elective Surgery PROMS – Groin Hernia National Elective Surgery Patient Reported Outcome Measures (PROMs) for Groin Hernia Surgery. www.hscic.gov.uk/proms. For all procedures provisional data is available.	35.3%	67.9%
National Elective Surgery PROMS – Varicose Vein National Elective Surgery Patient Reported Outcome Measures (PROMs) for Varicose Vein Surgery. www.hscic.gov.uk/proms. For all procedures provisional data is available.	19.0%	36.7%
National Emergency Laparotomy Audit National Emergency Laparotomy Audit (NELA). Refer to www.nela.org.uk/.	90%	87-100%
National Head and Neck Cancer Audit The Trust does not submit this data as patients are treated at the Royal Surrey County Hospital. www.hscic.gov.uk/clinicalaudits	n/a	n/a
National Heart Failure Audit National Heart Failure Audit. Managed by The National Institute for Cardiovascular Outcomes Research (NICOR). Refer to www.ucl.ac.uk/nicor/audits/heartfailure	100%	100%
National Hip Fracture Database Falls and Fragility Fracture Audit Programme – a national clinical audit run by the Royal College of Physicians designed to audit the care that patients with fragility fractures and inpatient falls receive in hospital and to facilitate quality improvement initiatives. Refer to www.nhfd.co.uk/	103%	100%
National Joint Registry Data National Joint Registry data collection on hip, knee, ankle, elbow and shoulder joint replacements. Refer to www.njrcentre.org.uk	95%	96%[39]
National Lung Cancer Audit National Lung Cancer Audit (NLCA). Managed by The Royal College of Physicians. Refer to https://www.rcplondon.ac.uk/resources/national-lung-cancer-audit	100%	133 cases[40]
National Oesophago-Gastric Cancer Audit The Trust does not submit this data as patients are treated at the Royal Surrey County Hospital. Refer to www/hscic.gov.uk/og	n/a	n/a
National Ophthalmology Audit Royal College of Ophthalmologists. No report published 2015/16.		
National Paediatric Asthma Audit National Paediatric Asthma Audit of the British Thoracic Society. Refer to www.brit-thoracic.org.uk		
National Paediatric Bronchiectasis Audit National Paediatric Bronchiectasis Audit of The British Thoracic Society. Refer to www.brit-thoracic.org.uk		
National Paediatric Diabetes Audit National Paediatric Diabetes Audit (NPDA). Managed by The Royal College of Paediatrics and Child Health (RCPCH). http://www.rcpch.ac.uk/national-paediatric-diabetes-audit-npda	100%	
National Pleural Procedures Audit National Pleural Procedures Audit of The British Thoracic Society. Refer to https://www.brit-thoracic.org.uk/audit-and-quality-improvement/	0%	
National Pregnancy in Diabetes Audit National Pregnancy in Diabetes Audit managed by The Health and Social Care Information Centre. Refer to www/hscic.gov.uk/. Participation rate not provided.	Yes	Yes

[39] 96% of patients consented for their data to be included in the registry.
[40] Percentage not available.

National Prostate Cancer Audit National Prostate Cancer Audit. The Trust does not submit this data as patients are treated at Royal Surrey County Hospital for radiotherapy, brachytherapy and prostate surgery. Refer to www.npca.org.uk.	n/a	n/a
National Vascular Registry National Vascular Registry (NVR) is a national clinical audit commissioned by The Health Quality Improvement Partnership. Refer to www.vsqip.org.uk.	96%	90-100%[41]
Neonatal Intensive and Special Care Audit Neonatal Intensive and Special Care Audit Programme (NNAP) managed by The Royal College of Paediatrics and Child Health. Refer to www.rcpch.ac.uk/nnap	100%	100%
Non-Invasive Ventilation - Adults Refer to www.brit-thoracic.org.uk. Not collecting data 2015/16.		
Primary Coronary Angioplasty Primary Coronary Angioplasty (PCI) National Audit. Managed by The National Institute for Cardiovascular Outcomes Research. (NICOR).http://www.ucl.ac.uk/nicor/audits/adultpercutaneous/documents/annual-reports.	100%	100%
Procedural Sedation in Adults The Royal College of Emergency Medicine. Refer to www.rcem.ac.uk.		100%
Renal Replacement Therapy Renal Replacement Therapy data managed by The Renal Registry. Refer to www.renalreg.org	n/a	n/a
Sentinel Stroke Sentinel Stroke National Audit Programme (SSNAP). Refer to www.strokeaudit.org.	93%	>90%[42]
Vital Signs in Children The Royal College of Emergency Medicine. Refer to www.rcem.ac.uk.		TBC
VTE risk in Lower Limb Immobilisation in Plaster Cast The Royal College of Emergency Medicine. Refer to www.rcem.ac.uk.		TBC
National confidential enquiries **(A shaded box indicates no national data being collected)**	**2014/15**	**2015/16**
Child Health Child Health Clinical Outcome Review Programme. Delivered by National Confidential Enquiry into Patient Outcome and Death (NCEPOD). Refer to www.ncepod.org.uk and http://www.rcpch.ac.uk/chr-uk .		NEW[43]
Maternal, Newborn and Infants Maternal, Newborn and Infant Clinical Outcome Review Programme: Mothers and Babies: Reducing Risk through Audits and Confidential Enquiries across the UK (MBRRACE-UK). Managed by The National Perinatal Epidemiology Unit, University of Oxford. Refer to www.npeu.ox.ac.uk/mbrrace-uk.	100%	TBC[44]
NCEPOD – Acute Mental Health National Confidential Enquiry into Patient Outcome and Death (NCEPOD) Mental Health in General Hospitals. Refer to www.ncepod.org.uk	N/A	100%
NCEPOD – Acute Pancreatitis National Confidential Enquiry into Patient Outcome and Death (NCEPOD) Acute Pancreatitis. Refer to www.ncepod.org.uk.	N/A	100%
NCEPOD – Gastrointestinal Haemorrhage National Confidential Enquiry into Patient Outcome and Death (NCEPOD) Gastrointestinal Haemorrhage. Refer to www.ncepod.org.uk	N/A	100%

[41] Report expected to be available late 2016.
[42] Data was provided on more patients than nationally required, this received an 'A' grade.
[43] There are 2 new studies underway during 2016: Young People's Mental Health and Chronic Neurodisability.
[44] Report expected to be launched in May 2016.

NCEPOD – Sepsis National Confidential Enquiry into Patient Outcome and Death (NCEPOD) Sepsis. Refer to www.ncepod.org.uk	N/A	100%
National Review of Asthma National Review of Asthma Deaths. http://www.rcplondon.ac.uk/projects/national-review-asthma-deaths.	100%	

National clinical audits reviewed

The reports of 31 national clinical audits were reviewed by Ashford and St Peter's Hospitals NHS Foundation Trust in the 12 months ended 31 March 2016 and Ashford and St Peter's Hospitals NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided, as outlined in the below table. Note that not all of the national audit reports are listed below and some reports were not available during the 2015/16 period. An update on key actions planned for 2015/16 where these were outlined in the 2014/15 Quality Report is also provided for applicable audits.

National clinical audits reviewed with improvement actions
Acute Coronary Syndrome [or Acute Myocardial Infarction in the Myocardial Ischaemia National Audit Project (MINAP)] In 2014/15 the Trust outlined plans to improve data quality and this year this was achieved with data completeness for key fields stands at 99% for 2015/16. Relevant secondary prevention drugs given at discharge is 100%. NSTEMI patients admitted to the Cardiac Unit is 97%, 100% were seen by Cardiology and 99% received an angiogram. For PPCI patients key results are 95% achieving a door to balloon time in less than 90 minutes rising to 97% within 150 minutes.
Cardiac Rhythm Management An aim from last year to focus on data collection and we achieved 93% data completeness from 553 cases using new software and staff support with new end user training material.
Emergency use of Oxygen The Trust aims to ensure that a prescription or bedside order for emergency patients and we achieved this in 67% of applicable patients compared to 57% nationally when last reviewed.
End of Life Care Audit – Dying in Hospital The April 2016 report is currently being reviewed by the Specialist Palliative Care Team who have been involved in the consultation process for NICE[45] guidance NG31 – Care of dying adults in the last days of life. Development work includes individualised care plans, anticipatory prescribing, rapid discharge and training.
Intensive Care National Audit and Research Centre (ICNARC) Case Mix Programme The unit scored lower than similar units in the country for Hospital acquired infections with central venous catheter infection rates and ventilation associated pneumonia being improvement areas which are being audited currently.
Major Trauma The Trust is preparing for a peer review and action areas include access to stroke beds for traumatic brain injury within repatriation pathway and cross divisional review of morbidity and mortality.
National Audit of Inpatient Falls The audit uses 7 key indicators to assess whether patients had been assessed for the risk factors identified by NICE Guidance CG16, and appropriate interventions to prevent falls implemented. The Trust is one of only a few Trusts nationally without any red flags for key indicators. Going forward we aim to achieve 100% across all indicators.

[45] NICE – National Institute for Health and Care Excellence www.nice.org.uk

National Bariatric Surgery Registry data 30 day mortality rate has improved from 0.17% from 2012-2014 and currently is 0.08%.
National Bowel Cancer Audit Programme The Trust has good surgical outcomes compared to other organisations.
National Cardiac Arrest Audit Data shows increased calls over the weekend and between 8 pm to midnight. Calls to ward areas have declined. Initial survival has risen but survival to discharge has fallen. The VitalPac system is intended to identify deteriorating patients sooner. Treatment escalation planning is an ongoing focus area.
National Comparative Audit of Blood Transfusion Programme Pre-operative assessment including anaemia management is a priority. Key NICE Guideline NG 24 is being implemented including considering transfusion alternatives.
National Elective Surgery Patient Reported Outcome Measures (PROMs) for Hip and Knee Replacement Provisional data indicates that practice is within the national range meaning that patients report an improvement in quality of life following the procedures. Submission rates improved in 2015/16.
National Emergency Laparotomy Audit 92% patients have surgery within NELA timeframes which is better than national average of 84%. Action areas are 100% Consultant presence for high mortality risk patients and ensuring high risk patients are admitted to Critical Care which is a continuing priority area from last year.
National Heart Failure Audit The Trust aims to increase patients seeing a member of the Cardiology team up from 71%. The low score reflects patients on general wards who need cardiology referral. New ward information on heart failure service referrals has been introduced to promote referral to Cardiology or the Community Heart Failure Team.
National Hip Fracture Database (NHFD) The percentage of operations within 36 hours has risen from 83% in the 12 months ending December 2014 to 90% currently and mortality rates remain low.
National Joint Registry (NJR) Data Collection on Hip, Knee, Ankle, Elbow and Shoulder Joint Replacements The Trust is within the national range for mortality and revision rates. The Trust is continuing to focus on reviewing prosthesis type used to meet national recommendations, fewer arthroscopies, increasing cemented procedures and monitoring post surgical infection rates.
National Neonatal Audit Programme The Trust service is highly recommended. There is the need to ensure pre-term babies are followed up at 2 years of age and parent consultations could be more timely.
National Vascular Registry Surgeon outcomes in 2014 for abdominal aortic aneurism and carotid endarterectomy demonstrated mortality rates are good and within the expected ranges.
NHS Benchmarking Networks Reports for Acute Therapies The Trust is reviewing the service models from participating organisations to guide future planning and design of our therapy services.
Primary Coronary Angioplasty Audit As planned in 2014/15 data processes have been refined as a result of more readily available information from the VitalPac system.
Sentinel Stroke National Audit Programme (SSNAP) SSNAP outcome data indicates the Trust is making good progress having moved to the highest ranking of A with compliance above 90%. Improving timely access to dedicated stroke beds is a key action.

The reports of 2 national confidential enquiries were reviewed by Ashford and St Peter's Hospitals NHS Foundation Trust in the 12 months ended 31 March 2016 and Ashford and St Peter's Hospitals NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided, as outlined in the below table.

National confidential enquiries into patient outcome or death (NCEPOD)
NCEPOD – "Time to get control?" – Gastrointestinal bleeds A range of actions are underway including care pathway updating, major GI bleed to be discussed with a consultant within 1 hour of diagnosis, 24/7 access to OGD within 2 hours of optimal resuscitation for haemodynamically unstable GI bleed patients.
NCEPOD – "Just say Sepsis" Actions implemented and ongoing include refreshed guidance on antibiotics, junior doctor education with promoting patient identification at handovers and new board rounds.

Local clinical audits reviewed

The reports of 38 local clinical audits were reviewed by the Trust in the 12 months ended 31 March 2016 and Ashford and St Peter's Hospitals NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided, as outlined in the table below which contains a selection of Trustwide and divisional local audits.[46]

Results from key local audits are presented by specialties to the divisional governance meetings and included in annual reports to Quality Governance Committee (QGC) and to Trust Board as applicable. Learning from audits is shared in educational meetings such as Quality and Safety Half Days (QuASH Days). The Clinical Audit Event on 15 March 2016 included speakers from the national bodies NCEPOD and NICE. This event included divisional presentations and was well attended by staff, patient representatives and Governors.

Local clinical audits reviewed with improvement actions for 2016/17
Trustwide audits
Enhancing Quality and Enhanced Recovery Both colorectal surgery and orthopaedic surgery have remained above target and the previous year's performance; gynaecological surgery has scored slightly below, primarily due to a dip in results for provision of patient information and discharge advice. This is a low volume pathway with an average of ten patients per month. In the community acquired pneumonia pathway performance exceeded the level achieved in 2014/15. Data collection for the Heart Failure pathways has merged with the National Heart Failure Audit and new measures are included. A new baseline will be set using July to December 2015 discharges. The Trust is also participating in new pathways for emergency laparotomy, COPD[47] and fractured neck of femur.
Best Care assesses wards against quality and safety indicators with improvements monitored at a Surveillance Panel. Main improvement areas include patient observations, nutrition, skin integrity and nursing documentation.
Antibiotics audit in October 2015 showed favourable overall compliance at 91% in line with last year. An improvement area is the start/stop dates for medications on the drug chart. The Trust is participating in the newly implemented North West

[46] Note that many more local audits have been reviewed than this list; it is not practicable to list all such audits in this publication.
[47] COPD – Chronic Obstructive Pulmonary Disease.

Surrey Antimicrobial Stewardship Group.
Mortality reviews - The Trust has not achieved its Q4 target of 90% of deaths being subject to mortality review with only 56% completed, only slightly improved on 44% for March 2015. The Trust has undertaken a gap analysis against the results of the Mazars Report[48] and following from this learning a sub-Board level Mortality Review Surveillance Panel is being implemented by the Chief of Patient Safety which will include review of the process against sector best practice.
Divisional local audits
Medicine and Emergency Services Division
Hyperglycaemia in acute coronary syndrome – ongoing training is promoting referral of results by doctors to GPs.
Emergency Department (ED) antibiotic prescribing for sepsis – being promoted via guideline review and communication at ED fortnightly assemblies.
Lung cancer experience survey – has identified that presence of Nurse Specialists at diagnosis needs to be increased to enable full compliance with NICE Guideline CG121 on Lung Cancer Diagnosis and Management.
Warfarin audit – modifying administration timing and adding a usual dose to the medication chart will progress.
Diagnostics, Therapies, Trauma and Orthopaedics Division
Fractured neck of femur – follow-up of 810 patients with uncemented stem hemiarthroplasties showed favourable outcomes for mortality and revision surgery compared with cemented stem hemiarthroplasty.
Charcot neuroarthropathy[49] - Preliminary results of the multidisciplinary approach to diabetic foot care showed lower below knee amputation rates compared with published reports.
Orthopaedic early supported discharge (OSD) – 12 month impact of this service for hip fracture patients showed the programme should be widened as it reduces length of stay and leads to cost savings.
Theatres, Anaesthetics, Surgery and Critical Care Division
Waiting time from wire insertion to operation in breast surgery – Booking times have been modified in order to reduce wait times for patients scheduled for afternoon surgery.
18 week referral pathway for non-urgent head and neck maxillofacial patients – in response to delayed referrals a joint clinic with Dermatology and Maxillofacial representation was introduced in January 2016. Extra theatre lists have been added to reduce delays from lack of theatre capacity.

[48] Refer to glossary regarding the Mazars Report.
[49] Refer to glossary for explanation of Charcot neuropathy.

Women's Health and Paediatrics Division
Paediatric prescribing – improvements are needed to attain the Trust's prescribing standards. An award for prescribing excellence is being considered.
Paediatric bronchiolitis management – guidelines to be reviewed to be more user-friendly, induction teaching to be implemented for junior doctors, nursing training to be undetaken on nasopharyngeal aspirate swabs.
Baby Friendly Initiative (BFI) audit – The Trust was awarded the prestigious level 3 accreditation this year; for more details refer to the glossary.

Participation in clinical research

The number of patients receiving relevant health services provided or sub-contracted by Ashford and St Peter's Hospitals NHS Foundation Trust in the 12 months ended 31 March 2016 that were recruited during that period to participate in research approved by a research ethics committee[50] was 1671.[51]

Chart 1: Patients recruited to participate in ethics committee approved research by year

Patients recruited to participated in ethics committee approved research by year					
2009/10	**2011/12**	**2012/13**	**2013/14**	**2014/15**	**2015/16**
215	683	508	1179	1600	1671

The key priorities of our Research and Development strategy are to:

- Offer patients opportunities to participate in clinical research and increase patient recruitment year on year thereby enhancing the Trust as a hospital of choice for patients.
- Increasing the quality and value of research.
- Enhancing research capacity and capability.
- Translating research findings into benefits for patients and the Trust.
- Strengthening Trust partnerships with academia and industry.

Clinical research across the Trust is varied and diverse. Our aim is to have a range of studies within all major specialties. We undertake both interventional and observational studies. Complex interventional studies directly influence the treatments provided. Observational studies expand our knowledge of disease processes. Currently the Trust participates in some 90 research studies, examples of which are outlined below.

CDIGE0012201 - A multicenter clinical evaluation study to determine the external site accuracy of total immunoglobulin E measurements using novel point of care test device compared to a reference method in atopic subjects.

CORKA - Community Based Rehabilitation after Knee Arthroplasty.

ElaTION - The Efficacy and Cost effectiveness of Real Time Ultrasound Elastography in The Investigation of Thyroid Nodules and the diagnosis of thyroid cancer.

ELFIN - A multi-centre randomised placebo-controlled trial of prophylactic enteral lactoferrin supplementation to prevent late-onset invasive infection in very preterm infants.

GOT-IT Trial - Glycerine Trinitrate for Retained Placenta.

[50] Within the National Research Ethics Service.
[51] Provisional: pending confirmation with CRN.

OPTCARE Neuro - Evaluation of the clinical and cost effectiveness of Short-term Integrated Palliative Care Services (SIPC) to OPTimise CARE for people with advanced long-term Neurological conditions (OPTCARE Neuro).

PD STAT - Simvastatin as a neuroprotective treatment for moderate Parkinson's disease.

PRE-EMPT Trial - Preventing Recurrence of Endometriosis by Means of Long Acting Progestogen Therapy.

PRISM - The Effectiveness of Progesterone to Prevent Miscarriage in Women with Early Pregnancy Bleeding.

HART - Hughes Abdominal Repair Trial.

More details of clinical studies the Trust can be found on our website: (http://www.ashfordstpeters.nhs.uk/about-us/research-and-development).

Commissioning for quality and innovation (CQUIN) payment framework[52]

A proportion of Ashford and St Peter's Hospitals NHS Foundation Trust income in the 12 months ended 31 March 2016 was conditional on achieving quality improvement and innovation goals agreed between Ashford and St Peter's Hospitals NHS Foundation Trust and North West Surrey Clinical Commissioning Group for the provision of relevant health services, through the Commissioning for Quality and Innovation payment framework.

A summary of the agreed goals for the 12 months ended 31 March 2016 are shown below.

Further details of the agreed goals for the 12 months ended 31 March 2016 and for the following period are available electronically at: http://www.ashfordstpeters.nhs.uk/quality/cquin.

Chart 2: Income conditional upon attaining quality improvement goals under the CQUIN framework

Income conditional upon attaining quality improvement	2014/15	2015/16
Total income conditional upon achieving CQUIN goals	£5,333 k	£5,195[53] k
Monetary total of the associated CQUIN income received	£3, 942 k	See note[54]

[52] The CQUIN payment framework was introduced in the 2009/10 reporting period and it enables healthcare commissioners to reward excellence by linking a proportion of a service provider's income to attaining a quality improvement goal (NHS Institute for Innovation and Improvement www.institute.nhs.uk).
[53] This is the Plan value for 2015/16
[54] The Trust anticipates 75% recovery from NHS England against specialist goals and 85% recovery from North West Surrey CCG for national and local goals, with the final value to be determined.

The monetary total of income conditional upon achieving CQUIN goals for 2014/15 has been updated this year from £4,800k disclosed last year to £5,333k reflecting the final potential income achievable. Of this, £3,942 was actually received for 2014/15.

The section below provides a summary of some of the agreed goals for 2015/16 and how they align with local and regional strategies.

National goals

National goals set by NHS England reflect areas where improvement across the NHS is needed and enable collation of data nationally, sharing best practice and benchmarking.

National goals for 2015/16 were developed to support national priorities that focus on:

- The physical health of patients
- The mental health and wellbeing of patients
- Enabling care to be provided closer to home for those that need access to urgent and emergency care.

The National goals for 2015/16 focused on 4 areas: acute kidney injury (AKI), sepsis, dementia and delirium along with urgent and emergency care.

The aim of the Acute Kidney Injury CQUIN was to improve the recovery and follow-up for individuals who have sustained AKI. This initiative is a local variation of the National AKI CQUIN and is aligned with a Health Foundation associated project which further seeks to improve care for AKI inpatients via a designated clinical care bundle.

The Sepsis CQUIN focussed on the screening and rapid antibiotic treatment within the first hour of presenting at the Emergency Department for those patients who have suspected severe sepsis, red flag sepsis or septic shock.

The Dementia CQUIN focusses on identification, referral and follow-up for patients with suspected dementia including effective communication between the Trust and general practitioners upon patient discharge. There is a dementia training programme for staff and carers for dementia are surveyed.

The Urgent and Emergency Care CQUIN contains a number of discrete schemes all designed to reduce avoidable emergency admissions and improve patient flow through the hospital including promoting increased weekend discharges, aiming for 35% of weekday discharges to be before 14:00 hours, and creating IBIS[55] records which provide information on patient discharges to the ambulance service in order to maximise the ability for the ambulance service to see and treat patients in circumstances where a hospital admission is not considered applicable.

[55] Intelligence Based Information System (IBIS) is a database which facilitates sharing of care plans.

Local goals

Local goals are agreed in partnership with North West Surrey Clinical Commissioning Group. Goal areas for 2015/16 included developing general practitioner (GP) direct access to assessment areas, promoting medication reviews in high risk patients, cancer patient experience, identification and advice for alcohol misuse, and the GAP/GROW[56] programme in Maternity Services.

The GP direct assess initiative involves developing a plan to increase patient admission directly to an assessment unit with development work to include linkage to other projects including locality hubs, the Urgent Care Centre and other patient flow projects.

The promotion of medication reviews involved polypharmacy for frail patients whereby 75% of high risk patients staying 4 days or longer on Holly and Swift Wards required a medication review.

The cancer patient experience initiative involves seeking to improve patient experience in four key areas as measured by the National Cancer Patient Experience Survey 2015. Areas of focus are patient support, Clinical Nurse Specialists, cancer research and hospital care for day patients and outpatients.

The alcohol misuse CQUIN seeks to reduce alcohol related admissions by improving patient identification and treatment in an acute setting within the focus areas of the Emergency Department, Antenatal Clinics and Gastroenterology Outpatients.

The GAP/GROW programme is part of a safety improvement programme to reduce stillbirths. The aim is for 90% applicable staff to receive the training and 90% of women booking at the Trust to receive an individualised foetal growth chart and risk assessment in line with the Royal College of Obstetricians and Gynaecologists' Guideline Number 31 pertaining to risk factors for small-for-gestational-age foetuses.

Specialist commissioning goals

Specialist Commissioning goals are agreed in partnership with the Specialised Commissioning Team at NHS England. Goal areas for 2015/16 included patients stepping down from Intensive Care Unit (ICU) care to ward level care, avoidable term baby admissions to the Neonatal Intensive Care Unit (NICU) and a breast cancer pathway measure.

The ICU goal focussed on exploring reasons for delays in step-down to ward based care and a scheme to reduce such delays to below 24 hours following a decision.

[56] Refer to the glossary.

The neonatal goal focussed on improving learning around avoidable term baby admissions to both NICU and the Special Care Baby Unit (SCBU) via clinical case reviews.

The breast cancer pathway measure involves consideration of the use of the Oncotype DX genomic test as part of decision making for whether to prescribe chemotherapy for applicable patients with early breast cancer.

Care Quality Commission (CQC) registration

The CQC undertook announced and unannounced inspections of both Ashford Hospital and St Peter's Hospital in December 2014 and issued its Inspection Report on 10 March 2015. The report for the Trust and for each site can be obtained from the CQC on http://www.cqc.org.uk/provider/RTK.

Ashford and St Peter's Hospitals NHS Foundation Trust is required to register with the Care Quality Commission and its current registration is 'registered' with the following ratings:

The Trust's overall rating is 'good'. This is a considerable achievement against the sector benchmarked position for acute trusts, whereby only 35% of acute trusts have been rated as "good" recently with 65% rated as "requires improvement" or "inadequate".[57] Each registered site receives its own rating and Ashford Hospital was rated as "good" and St Peter's Hospital received "requires improvement".

Table 3 - CQC rating of the Trust

	Safe	Effective	Caring	Responsive	Well-led	Overall
Overall trust	Requires improvement	Good	Good	Good	Good	Good

Table 4 - CQC rating of St Peter's Hospital

	Safe	Effective	Caring	Responsive	Well-led	Overall
Urgent and emergency services	Requires improvement	Good	Good	Good	Good	Good
Medical care	Requires improvement	Good	Good	Good	Good	Good
Surgery	Requires improvement	Good	Good	Good	Good	Good
Critical care	Requires improvement	Good	Good	Good	Requires improvement	Requires improvement
Maternity and gynaecology	Good	Good	Good	Good	Requires improvement	Good
Services for children and young people	Requires improvement	Good	Good	Good	Requires improvement	Requires improvement
End of life care	Good	Good	Good	Good	Good	Good
Outpatients and diagnostic imaging	Good	N/A	Good	Good	Good	Good
Overall	Requires improvement	Good	Good	Good	Requires improvement	Requires improvement

[57] Source: CQC NHS acute trust ratings data December 2013 to August 2014 as cited in p. 18 of The State of Health Care and Adult Social Care in England 2013/14.

Table 5 – CQC rating of Ashford Hospital

	Safe	Effective	Caring	Responsive	Well-led	Overall
Medical care	Requires improvement	Good	Good	Good	Good	Good
Surgery	Requires improvement	Good	Good	Good	Good	Good
Outpatients and diagnostic imaging	Requires improvement	N/A	Good	Good	Requires improvement	Requires improvement
Overall	Requires improvement	Good	Good	Good	Good	Good

CQC registration compliance actions

Ashford and St Peter's Hospitals NHS Foundation Trust has the following conditions on registration with the Care Quality Commission (CQC):

In the March 2015 Inspection Reports the CQC issued the Trust with compliance action notices in 10 action areas across 2 regulated activity areas where the CQC has notified that essential standards of quality and safety have not been met: (1) Treatment of Disease, Disorder or Injury and (2) Diagnostic and Screening Procedures. The specific Regulations of the Health and Social Care Act 2008 (Regulated Activities) Regulations 2010 are outlined in the table below along with the current status[58] of the action plan to resolve these actions at year end.

Table 6: CQC compliance actions

Regulated area		Description		Due	Status
9 (1)(b)(ii) – Care and Welfare of Service Users	1	Deteriorating Patient and Resuscitation Council Standards		Due 31 May 2015; Extended to 31 Dec 15	Resolved and effectiveness test complete.
10 (1)(a),(b),(c),(e) – Assessing and Monitoring Quality of Service Provision	2	Critical care - governance and risk management		30-Apr-16	Actions arising from the Critical Care External Review are progressing and are due for completion by April 2016. The location of ITU and HDU and the inability to co-locate these currently is a known residual area which will not be resolved by April and is for longer term consideration.
10 (1)(a),(b),(c),(e) – Assessing and Monitoring Quality of Service Provision	3	Critical Care - Patient experience – informing improvement of care quality		30-Sep-15	In July 2015 a questionnaire was developed. In December 2015 a ward pilot feedback was rolled out for patients stepped down from ITU to the wards. Test of effectiveness complete.
22 - Staffing	4	Adequacy of staffing levels		31-Dec-15	Amber rated as Paediatric staffing review is awaiting final confirmation. Safety on a daily basis is currently mitigated.
20(2)(a) - Records	5	Records storage		2016; Mitigation extended to 31 Dec 15	Substantially complete but Medicine is still awaiting several notes trolleys and Trustwide there are complexities implementing vigilance over records storage.
13 – Management of Medicines	6	Safe use and storage of medicines - storage and safe practice		Due 30 Sep 15. Extended to 31 Dec 15	Complete.
13 – Management of Medicines	7	Specific poor practice regarding intravenous medication		30 Apr 15; further issue Oct 2015.	Resolved.
13 – Management of Medicines	8	Medication prescribing poor practice – reason for 'as required' medication to be		31-Dec-15	Test of effectiveness shows compliance as 90% . Completed.
13 – Management of Medicines	9	Safe and timely dispensing practice and procedures – delay in transit		30-Oct-15	Results of repeat ongoing audit of delayed omitted doses is pending. Test of effectiveness being progressed by Pharmacy.
13 – Management of Medicines	10	Medicines management training out of date in paediatric nursing		Compliant as at October 2015	Resolved.

In addition to the above actions which the Trust must take, the CQC has also outlined 53 actions which the Trust should make to improve its services; of these 40 actions should be undertaken at St Peter's Hospital and 13 actions pertain to Ashford Hospital. The items classified as 'should' are in a broad range of areas including governance and

[58] Actions rated green are on track, amber is minor slippage, red is significant slippage and blue means the item is resolved with test of effectiveness also completed.

risk management, security of clinical areas, care of patients with complex needs, staff training and patient care. Full details can be found on the CQC reports on http://www.cqc.org.uk/provider/RTK.

During the year the Trust has made considerable progress in improving our practice in the areas identified by the Inspection and we have provided regular status updates to the CQC. The Trust remains committed to clearing the remaining actions and is monitoring this through the CQC Quality Review Group, Quality and Performance Committee and the Board.

Table 7: CQC "should" actions at 31 March 2016

RAG Key	Action Status at 31 March 2016	Items	% of Actions
Blue	Complete and effectiveness tested	11	21%
Green 'C'	Completed	24	45%
Completed actions (subtotal)		**35/53**	**66%**
Green	On track and progressing	1	2%
Amber	Minor recoverable slippage	16	30%
Red	Significant slippage	1	2%
Progressing actions (subtotal)		**18/53**	**34%**
Total "should" actions		**53**	**100%**

For more information on how the Trust is progressing with the action plan refer to the Trust's website on http://www.ashfordstpeters.nhs.uk/cqc and the chart on the following page.

The Care Quality Commission has not taken enforcement action against Ashford and St Peter's Hospitals NHS Foundation Trust during the year ended 31 March 2016.

Table 8: CQC “should” actions improvement action plan summary at 31 March 2016

"Should Actions" - Year End Update		Description	RAG	Due
1	Urgent and Emergency	Security of restricted area	C	
2	Urgent and Emergency	Premises layout		30 Sept 15
3	Urgent and Emergency	Mental health patient assessment room	C	
4	Maternity and Gynaecology	Experience and outcomes for complex needs		2015
5a	Critical Care	Night moves of patients from Critical Care		31 Aug, 31 Dec 15
5b	Trustwide	Transferring end of life care patients		30 Sept, Jan 16
6	End of Life Care (EOLC)	Complex palliative care admission pathway		Review Nov 15
7	Critical Care	Display of incidents involving harms		
8	Critical Care	Investigations into serious incidents		
9	Critical Care	Cleaning of clinical areas		
10	Critical Care	Intensive Care Faculty Standards audit		
11	Trustwide	HDU clinical room security	C	
12	Critical Care	Medical staff skills and experience	C	
13	Critical Care	Assessment of delirium		
14	Critical Care	Latest innovations in patient support		
15	Critical Care	Completeness of operational policy	C	
16	Medicine	Dementia care		Dec 15 - revised
17	Medicine	strategic planning	C	
18	Children Young People	High dependency care resource needs		30 Mar 16
19	Children Young People	Meeting mental health needs - Ash skills mix		Review Dec 15
20	Children Young People	implementation of hot drinks policy	C	
21	Trustwide	Pain assessment		31 Aug, 30 Nov 15
22	Surgery	Medicines storage on ward	C	
23	Surgery	Recovery - equipment storage		
24	Trustwide	safeguarding training		30 Mar 16
25	Surgery	Screen on Wren Ward		
26	Trustwide	Assisting visually impaired patients	C	
27	Urgent and Emergency	Mental Capacity Act and Deprivation of Liberty		30-Nov-15
28	-	-	C	-
29	Urgent and Emergency	Recruitment methods		Dec-15
30	Urgent and Emergency	Protected time to attend training		30-Sep-15
31	Trustwide	Probationary period support		
32	Children Young People	Checking controlled drugs in paediatric A&E	C	
33	Urgent and Emergency	Staff meal breaks		Sep-15
34	Trustwide	Hand hygiene compliance	C	
35	Medicine	Staffing ratios	C	
36	Medicine	Direct admission to Stroke Unit		30 Jun 15
37	Medicine	Heart failure aftercare	C	
38	Medicine	Endoscopy on-call rota	C	
39	Medicine	Mixed sex accommodation breaches	C	
40	Trustwide	Wheelchairs available for inpatient use		To set June 15
41	Outpatients and diagnostics	Governance and risk management	C	
42	Trustwide	Data not split by site	C	
43	Medicine	Equipment storage on Medical Wards	C	
44a	Trustwide	Mandatory training for Mental Capacity Act		30-Nov-15
44b	Trustwide	Mandatory training for learning disability		Jan 16 - revised
45	Trustwide	Transferring patients between hospitals	C	
46	Trustwide	Staffing adjusted for changing patient acuity	C	
47	Trustwide	Deteriorating Patient and Resuscitation Council Standards		
48a	Outpatients / Diagnostics	Governance and risk management Outpatients	C	
48b	Outpatients / Diagnostics	Governance and risk management Imaging	C	
49	Trustwide	Pharmacy staffing levels at Ashford	C	
50	Management of medicines	As required medication documentation		
51	Trustwide	Staff attending training		30-Sep-15
52	Outpatients / Diagnostics	strategic planning		On hold.
53	Outpatients / Diagnostics	Clinical Nurse Leader support for theatres	C	

Special reviews undertaken by the CQC under Section 48 of the Health and Social Care Act 2008

Ashford and St Peter's Hospitals NHS Foundation Trust has not participated in any special reviews by the Care Quality Commission during the 12 month period ended 31 March 2016.

Healthcare data submitted to secondary uses service (SUS)[59]

Ashford and St Peter's Hospitals NHS Foundation Trust submitted records during the 12 month period ended 31 March 2016 to the Secondary Uses Service for inclusion in the Hospital Episode Statistics which are included in the latest published data to January 2016:

The percentage of records in the published data:

- Which included the patient's valid NHS number was:

  99.6% for admitted patient care

  99.8% for outpatient care

  98.4% for accident and emergency care.

- Which included the patient's valid General Medical Practice Code was:

  100% for admitted patient care

  100% for outpatient care

  99.9% for accident and emergency care.

Comparative data showing completeness of data submitted to SUS in respect of NHS number and General Medical Practice Code over the past 3 years is outlined in the table below.

[59] The Secondary Uses Service (SUS) is a repository for healthcare data in England. SUS provides reports and data analysis which supports the NHS to deliver its healthcare services. Refer to hscic.gov.uk.

Chart 3: Completeness of data submitted to Secondary Uses Service (SUS)

Completeness of data submitted to secondary uses service (SUS) (%)	2013/14	2014/15	2015/16
NHS Number			
Admitted patient care	99.4	99.5	99.6
Outpatient care	99.1	99.8	99.8
Accident and emergency care	97.6	98.1	98.4
General Medical Practice Code			
Admitted patient care	99.8	99.9	100.0
Outpatient care	99.6	99.8	100.0
Accident and emergency care	99.5	99.7	99.9

Information governance assessment

The Information Governance Toolkit is an online system which enables NHS organisations to assess themselves against the information governance policies and standards of the Department of Health.[60]

Ashford and St Peter's Hospitals NHS Foundation Trust's Information Governance Assessment Report overall score for the 12 months ending 31 March 2016 was 82% and the Trust was graded as "not satisfactory". To reach a "satisfactory" grading the Trust has to achieve at least level 2 in each of the 45 indicators. This year the Trust has declared level 1 in one indicator as it has been unable to reach the required threshold of 95% of all staff being up to date with information governance training which is now stipulated this year as a mandated toolkit component.

Chart 4: Information Governance Toolkit score

Information Governance Toolkit score	2014/15 %	2015/16 %
Governance Assessment Report overall score	85%	82%
Information Governance Toolkit grade	satisfactory	not satisfactory

During the year the Trust has undertaken actions to improve information governance including a review of the justification for disclosures to the Police under Section 29 of the

[60] Refer to the Department of Health's Information Governance Toolkit on www.igt.hscic.gov.uk.

Data Protection Act (1988) and has reached level 3 (the top level) in over half the indicators. The Trust's overall score is likely to be well above the national average for all acute trusts. Going forward the continued focus on implementation of an Electronic Medical Record is to be a key component of the move towards better joined-up healthcare with partner health and social care organisations. The Trust will continue its IG Toolkit Action Plan to promote increasing information governance training which is available both online and in face to face sessions. Formal training is to be supported with awareness raising through posters, screen saver messaging and guidance leaflets with progress monitoring via the Information Governance Steering Group.

Payment and Tariff Assurance Framework

Assurance over the quality of data which underlies payments made within the NHS is provided by the Payment and Tariff Assurance Framework [formerly the Payment by Results (PbR) Data Assurance Framework].[61] Under the framework audits of the clinical coding at acute trusts are undertaken to review the accuracy of clinical coding.[62] There was no audit for the year ended 31 March 2014 so there is no comparison data and the most recent audit results are for the audit undertaken in 2014/15 which was reported this financial year.

Ashford and St Peter's Hospitals NHS Foundation Trust was one of 75 trusts subject to the Payment and Tariff Assurance Framework Audit during the 12 months ended 31 March 2015 by NHS Improvement.[63] The audit results, published in September 2015, are detailed in the table below and placed ASPH in the best performing 25% of trusts (lower quartile: 5.2% and below) which was judged to be good.

[61] Reference cost assurance programme: Findings from the 2014/15 audit. Monitor: September 2015. Available at: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/466112/Reference_cost_audit_report_final_v2.pdf

[62] Clinical coding involves categorising a patient's clinical care into a standardised national classification system.

[63] Formerly known as Monitor.

Chart 5: Payment and Tariff Assurance Framework error rates

Areas tested	Number of spells tested	% of spells changing payment	% diagnoses incorrect		% procedures incorrect	
			Primary	Secondary	Primary	Secondary
Thoracic & Haematology[64]	154	3.2	3.5	5.6	0.9	2.2

The trust undertook an internal audit of clinical coding during 2015/16 which additionally contributed to the Information governance Toolkit Submission as outlined on page 146. The results of the internal audit are included in the table below.

Chart 6: Internal audit of coding against a standard of correct classification

Areas tested	Number of FCEs[65] tested	% diagnoses correct		% procedures correct	
		Primary	Secondary	Primary	Secondary
Inpatients[66]	450	95.1	96.1	94.9	91.1

The results of the audits should not be extrapolated further than the actual samples audited.

Ashford and St Peter's Hospitals NHS Foundation Trust will be taking the following actions to improve data quality. The Payment and Tariff Assurance Framework Audit made 2 recommendations in respect of clinical coding, these being to improve the quality of the information recorded in the discharge summaries for haematology and to update and deliver training to the coding team which has been done as part of a rolling programme. The Trust will continue its existing ongoing surveillance mechanisms to identify and progress improvements in coding including the audit findings through the Clinical Effectiveness and National Audit Review Group and the Information Governance Steering Group. The Clinical Coding Team have progressed recommendations from the internal audit which reiterated the requirement for a comprehensive coverage of all co-morbidities as well as working collaboratively within the team to share expertise, knowledge and case studies.

2.3 Performance against core indicators

NHS Foundation Trusts are required to report performance against a core set of indicators using data made available by the Health and Social Care Information Centre (HSCIC). Comparative data[67] is shown for the prior period, the national average, and the highest and lowest scoring NHS acute trusts and foundation trusts. The core quality indicators closely

[64] Areas tested were thoracic procedures and disorders and haematological disorders.

[65] FCEs are finished consultant episodes.
[66] Areas tested were a random selection from inpatient specialties excluding obstetrics.
[67] Where made available from the HSCIC datasets

align with 5 domains specified in the NHS Outcomes Framework[68] and each indicator is classified within the applicable domain.

Domain 1: Preventing people from dying prematurely

1. Summary hospital-level mortality indicator (SHMI)

The Health and Social Care Information Centre has provided the following information when interpreting the SHMI:[69] "The SHMI compares the actual number of patients who die following hospitalisation at a trust with the number that would be expected to die on the basis of average England figures, given the characteristics of the patients treated there. For any given number of expected deaths, a range of observed deaths is considered to be 'as expected'. If the observed number of deaths falls outside of this range, the trust in question is considered to have a higher or lower SHMI than expected. The SHMI includes deaths which occur in hospital or within 30 days of discharge and is calculated using Hospital Episode Statistics (HES) data linked to Office for National Statistics (ONS) death registrations data. The SHMI is published by the HSCIC as an official statistic on a quarterly basis, with each publication reporting on a 12-month period. The first publication was in October 2011 and this reported on discharges in the period April 2010 – March 2011. SHMI data for earlier reporting periods is not available."

Trusts are categorised into one three bandings:

- Band 1 indicates that the trust's mortality rate is 'higher than expected'
- Band 2 indicates that the trust's mortality rate is 'as expected'
- Band 3 indicates that the trust's mortality rate is 'lower than expected.'

The latest published SHMI was in March 2016 for data from the 12 months ending September 2015.[70]

The SHMI includes all deaths reported of patients who were admitted to non-specialist acute trusts in England and either die whilst in hospital or in the 30 days following discharge.

The palliative care indicator is designed to accompany the SHMI as the SHMI makes no adjustment for palliative care. The indicator shows the deaths occurring under palliative care conditions for each provider reported in the SHMI as reflected by the measure percentage of deaths from palliative care coding.[71]

Chart 7 below shows the Trust's mortality banding as 2 which is as expected.

[68] Refer to http://www.england.nhs.uk/resources/resources-for-ccgs/out-frwrk/ for information on the NHS Outcomes Framework and the 5 domains.
[69] SHMI: Guidance for press teams and journalists.
[70] The next SHMI publication is due in June 2016.
[71] Palliative care coding is at either diagnosis or treatment specialty level.

Chart 7: Mortality data

Summary hospital-level mortality indicator (SHMI)	July 2013 to June 2014	Oct 2013 to Sept 2014	Jan 2014 to Dec 2014	Apr 2014 to March 2015	July 2014 to June 2015	Oct 2014 to Sept 2015
Trust score	0.906	0.892	0.933	0.937	0.942	0.951
Trust banding	2	3	2	2	2	2
National benchmark	1.0	1.0	1.0	1.0	1.0	1.0
Lowest score nationally (most favourable)	0.541	0.597	0.655	0.670	0.661	0.652
Highest score nationally (least favourable)	1.198	1.198	1.243	1.210	1.209	1.177

The below table shows the percentage of deaths reported in the SHMI with palliative care coding. Whilst the Trust tracks above average for coding for specialist palliative care this may reflect multiple factors including that patients have been seen by our specialist palliative care service, the availability of hospice care, or alternatively reflect detailed coding. As outlined in Chart 6 on p.148 the Trust undertook an internal audit during the current year in order to continue to strengthen coding processes.

Chart 8: Palliative care coding rate

Palliative care rate (%)	July 2013 to June 2014	Oct 2013 to Sept 2014	Jan 2014 to Dec 2014	Apr 2014 to March 2015	July 2014 to June 2015	Oct 2014 to Sept 2015
Trust score	32.1	38.2	37.9	37.9	39.5	41.3
National benchmark	24.6	25.3	25.7	25.7	26.0	26.6
Lowest score nationally	7.4	0	0	0	0	0.2
Highest score nationally	49.0	49.4	48.3	50.9	52.9	53.5

The following indicators split deaths into the context of being either occurring in hospital or outside hospital.

Chart 9: Deaths in hospital

Deaths in hospital (%)	July 2013 to June 2014	Oct 2013 to Sept 2014	Jan 2014 to Dec 2014	Apr 2014 to March 2015	July 2014 to June 2015	Oct 2014 to Sept 2015
Trust score	67.9	66.8	66.9	67.5	69.5	71.8
National benchmark	71.7	71.6	71.5	71.7	71.7	71.5
Lowest score nationally	61.4	60.9	61.6	63.2	62.7	62.5
Highest score nationally	94.1	83.7	81.1	81.3	81.7	80.3

Chart 10: Deaths out of hospital

Deaths out of hospital (%)	July 2013 to June 2014	Oct 2013 to Sept 2014	Jan 2014 to Dec 2014	Apr 2014 to March 2015	July 2014 to June 2015	Oct 2014 to Sept 2015
Trust score	32.1	33.2	33.1	32.5	30.5	28.2
National benchmark	28.3	28.4	28.5	28.3	28.3	28.5
Lowest score nationally	5.9	16.3	18.9	18.7	18.3	19.7
Highest score nationally	38.6	39.1	38.4	36.8	37.3	37.5

Ashford and St Peter's Hospitals NHS Foundation Trust considers that this data is as described for the following reasons. Mortality data is monitored at Trust Board and coding reviews are undertaken as part of the Payment and Tariff Assurance Framework.

Ashford and St Peter's Hospitals NHS Foundation Trust intends to take the following actions to improve this percentage, and so the quality of its services. We will continue active monitoring and spot checks as indicated following coding reviews.

Domain 3: Helping people to recover from episodes of ill health or following injury

2. Patient Reported Outcome Measures [72]

Patient Reported Outcome Measures (PROMs) provide an indication of a patient's health status or health-related quality of life from the patient's perspective. This information is gathered from a questionnaire that patients complete before and after surgery. Patients undergoing hip and knee replacement, groin hernia and varicose veins procedures are invited to take part in this national study.

[72] Refer to www.hscic.gov.uk/proms.

The table below shows provisional data from April 2014 onwards and final data for April 2013 to March 2014. The indicator used is the EQ-5D index casemix adjusted health gain.

Chart 11: Patient reported outcome measures hip and knee replacement

	Hip replacement - primary			Knee replacement - primary		
Period	**2013/14**[73]	**2014/15**[74]	**2015/16**[75]	**2013/14**	**2014/15**	**2015/16**
Trust	0.424	0.448	*	0.305	0.302	*
National	0.436	0.436	0.454	0.322	0.315	0.334
Lowest	0.311	0.331	0.359	0.213	0.204	0.207
Highest	0.544	0.524	0.520	0.425	0.418	0.412

Chart 12: Patient reported outcome measures groin hernia and varicose veins

	Groin hernia			Varicose veins		
Period	**2013/14**	**2014/15**	**2015/16**	**2013/14**	**2014/15**	**2015/16**
Trust	*	*	*	0.025	*	*
National	0.085	0.084	0.088	0.093	0.095	0.104
Lowest	0.007	0	0.008	0.023	0	0.037
Highest	0.139	0.154	0.135	0.150	0.154	0.141

*Dataset does not record this item. The result incorporates both pre- and post-surgery questionnaires and data is reported in arrears with post-surgical questionnaires being sent out 6 months after the operation so it is expected that there will be more data when further PROMS publications are released. Varicose vein surgery case volumes are low compared to the other pathways and so future data is not anticipated. Pre-operative assessment teams are taking steps to encourage participation in the pre-surgery questionnaire.

Ashford and St Peter's Hospitals NHS Foundation Trust considers that this data is as described for the following reasons. The Trust has a systematic process for collating data and outcomes and results are monitored at the Clinical Effectiveness and National Audit Review Group.

Ashford and St Peter's Hospitals NHS Foundation Trust intends to take the following actions to improve this percentage, and so the quality of its services: The Trust has reviewed its

[73] 2013/14 final data published August 2015, covering April 2013 to March 2014.
[74] 2014/15 provisional data published February 2016, covering April 2014 to March 2015.
[75] 2015/16 provisional data published February 2016, covering April 2015 to September 2015.

performance and the Trust is not an outlier against national practice in respect of the casemix adjusted health gain. The Trust is actively promoting regular clinical outcome review alongside ways of encouraging patient completion of assessment forms.

3. Emergency readmission to hospital within 28 days of discharge[76]

This indicator is defined as 'the percentage of emergency patients readmitted to a hospital which forms part of the trust within 28 days of being discharged from a hospital which forms part of the trust during the reporting period'.[77]

Chart 13: 28 Day Readmissions

Patient Age	**0-15**			**≥16**		
Period	**2013/14**	**2014/15**	**2015/16**	**2013/14**	**2014/15**	**2015/16**
Trust	7.0%	7.2%	6.7%	14.6%	14.3%	14.2%

The Trust is unable to disclose national comparative data for this measure owing to the absence of this information within the national dataset currently. The HSCIC has advised that data is not expected to be released until August 2016.

Ashford and St Peter's Hospitals NHS Foundation Trust considers that this data is as described for the following reasons. Data is uploaded to external sources in accordance with prescribed guidance and timescales.

Ashford and St Peter's Hospitals NHS Foundation Trust intends to take the following actions to improve this percentage, and so the quality of its services, by monitoring readmissions within the clinical divisions and benchmarking readmission rates to peer Trusts.

[76] This age split has been changed from ages 0-14 to 0-15, and from 15 and over to aged 16 or over this year. Monitor has clarified that an error was made during the drafting of the national regulations and that the split of data should be 0-15; and 16 or over. Refer to Monitor's Detailed Requirements for Quality Reports 2014/15.
[77] Definition per NHS England Quality Account Data Dictionary 2014/15.

Domain 4: Ensuring that people have a positive experience of care

4. Responsiveness to the personal needs of patients

Experience of inpatient care

This indicator measures patient experience of inpatient care based on a selection of questions from the National Inpatient Survey.[78] The national definition of this indicator is 'patient experience measured by scoring the results of a selection of questions from the National Inpatient Survey looking at a range of elements of hospital care.' [79] The score is out of 100. The data for the most recent Emergency and Elective Inpatients Survey was collected September 2015 to January 2016 and is expected to be published in June 2016.[80]

The individual questions extracted from the National Inpatient Survey used to construct the indicator include the following areas:

Access and waiting domain: time on waiting list, changes to admission date, waiting for a ward bed on arrival to hospital.

Safe, high quality co-ordinated care domain: consistency of staff advice, delays on day of discharge, advice on warning signs post discharge.

Better information, more choice domain: involvement in decision making, medication explanations, medication side effects.

Building closer relationships domain: Explanation from doctors to questions, doctors' approach, explanation from nurses to questions, nurses approach.

Clean, friendly, comfortable place to be domain: noise at night, cleanliness, food rating, privacy, adequacy of pain relief, respect and dignity.

[78] Figures per the Adult Inpatient Survey, completed by a sample of patients aged 16 years and over who have been discharged with at least one overnight stay.
[79] Refer to indicator 4b, Patient experience of hospital care, HSCIC indicator portal https://indicators.ic.nhs.uk/webview.
[80] Data from this 2015 Inpatients Survey will not be available at the time of preparing this report.

Chart 14: Patient experience per National Inpatient Survey

Average patient experience score from National Inpatient Survey selected questions				
	Trust 2012/13	**Trust 2013/14[81]**	**Trust 2014/15**	**National 2014/15**
Access and waiting domain	82.2	81.7	85.5	83.8
Safe, high quality co-ordinated care domain	60.9	60.8	62.9	65.5
Better information, more choice domain	64.7	62.5	65.9	68.9
Building closer relationships domain	83.2	80.5	84.0	84.6
Clean, friendly, comfortable place to be domain	77.3	78.6	80.8	80.1
Trust score	73.7	72.8	75.8	
National average	76.5	76.9	76.6	
Lowest score nationally (least favourable)	68.0	67.1	67.4	
Highest score nationally (most favourable)	88.2	87.0	87.4	

Ashford and St Peter's Hospitals NHS Foundation Trust considers that this data is as described for the following reasons. The Trust contracts with an external organisation to distribute and collate survey responses. The Information Services Department undertakes a validation exercise to ensure the sample population is surveyed in line with the national criteria.

Ashford and St Peter's Hospitals NHS Foundation Trust intends to take the following actions to improve this score, and so the quality of its services, through ongoing focus on the key improvement areas of staff informing patients about any danger signals to watch out for after discharge[82] and informing patients of medication side effects to look out for after going home.[83] Specifically the Trust plans to undertake a communication exercise to promote communication with patients on these areas of patient care.

5. Staff who would recommend the Trust to their family or friends

This indicator measures the percentage of staff employed by or under contract to the Trust during the reporting period who would recommend the Trust as a provider of care to their family or friends. The data is from the National NHS Staff Survey and is the percentage of

[81] National Inpatient Survey 2013, data release August 2014.
[82] Where the Trust scored 45.5% compared with national average of 54.7%.
[83] Where the Trust scored 44.2% compared with national average of 49.5%.

staff who either agreed, or strongly agreed, with the following statement – 'If a friend or relative needed treatment I would be happy with the standard of care provided by this organisation.' [84]

Chart 15: Staff recommending the Trust

Staff who would recommend the Trust to their family or friends – National Survey Data	2013	2014	2015
Trust	62.2	64.7	65.4
National average	64.5	64.7	69.8
Lowest score nationally [85] (least favourable)	39.6	38.2	46.0
Highest score nationally (most favourable)	88.5	89.3	85.4

Ashford and St Peter's Hospitals NHS Foundation Trust considers that this data is as described for the following reasons: Data reported is reviewed by the Trust Board in March each year following publication and equivalent data taken from the Staff Friends and Family Test is also reviewed on a quarterly basis. Progress against the staff experience programme is monitored on an ongoing basis by the Workforce and Organisational Development Board Sub-Committee, the Employee Partnership Forum, and the Council of Governors. Ashford and St Peter's Hospitals NHS Foundation Trust considers that this percentage has risen as a result of higher levels of engagement, particularly around quality and safety, in the Organisation.

Ashford and St Peter's Hospitals NHS Foundation Trust intends to improve this percentage, and so the quality of its services, by progressing our staff experience programme which incorporates both corporate and departmental actions with specialist support for those areas where staff have suggested improvements are required.

5. Friends and Family Test (FFT)

In October 2014 NHS England modified the scoring for the FFT from the net promoter score to the percentage recommended score which is shown as satisfaction rate. Outpatients has been newly incorporated this year so has no prior year data. Inpatient and Outpatient scores are stable and Maternity typically achieves high scores. The Emergency Department score remains below the Trust target and has dipped especially in Q4 which is associated with considerable demand pressures. Much of the patient feedback centres upon waiting time and capacity within the department. The Trust currently has a detailed plan to improve experience within the department which is outlined in Section 3.2, p.179.

[84] Definition per http://indicators.ic.nhs.uk/webview Title 21. Staff who would recommend the Trust to their family or friends. 2014 data per http://www.nhsstaffsurveys.com/Page/1019/Latest-Results/Staff-Survey-2013-Detailed%20Spreadsheets/.
[85] For acute trusts.

Chart 16: FFT satisfaction rate

FFT Satisfaction Rate (%)

Inpatients Including Daycase

2014/15	Target	Apr-15	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar-16	YTD
93.9%	>95%	96.7%	96.2%	96.8%	95.8%	95.6%	96.4%	96.0%	97.1%	95.3%	95.8%	96.4%	96.0%	**96.2%**

Maternity

2014/15	Target	Apr-15	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar-16	YTD
95.8%	>96%	96.6%	93.2%	98.7%	100.0%	93.1%	99.0%	94.2%	100.0%	82.6%	96.0%	93.8%	100.0%	**96.3%**

Accident and Emergency Department

2014/15	Target	Apr-15	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar-16	YTD
83.6%	>87%	84.7%	85.4%	88.6%	82.9%	87.0%	86.4%	85.9%	86.5%	82.4%	84.2%	80.1%	77.1%	**84.3%**

Outpatients

2014/15	Target	Apr-15	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar-16	YTD
-	>92%	92.2%	91.9%	94.7%	94.4%	95.7%	95.6%	93.6%	95.8%	91.6%	95.8%	95.0%	95.5%	**94.7%**

Domain 5: Treating and caring for people in a safe environment and protecting them from avoidable harm

6. Patients admitted to hospital who were risk assessed for venous thromoembolism[86]

The definition of this measure is the percentage of patients who were admitted to hospital and who were risk assessed for venous thromboembolism (VTE) during the reporting period.

Chart 17: VTE risk assessment showing the % risk assessed for VTE

Percentage risk assessed for VTE								
	Q1 Apr to Jun 2014	**Q2 Jul to Sep 2014**	**Q3 Oct to Dec 2014**	**Q4 Jan to Mar 2015**	**Q1 Apr to Jun 2015**	**Q2 Jul to Sep 2015**	**Q3 Oct to Dec 2015**	**Q4 Jan to Mar 2016**
ASPH	98.3	97.7	97.8	97.2	98.1	98.9	98.4	98.2
National benchmark	96.1	96.1	95.9	96.0	96.0	95.9	95.5	*[87]
Lowest	87.2	86.4	81.2	79.2	86.1	75.0	61.5	*
Highest	100	100	100	100	100	100	100	*

Ashford and St Peter's Hospitals NHS Foundation Trust considers that this data is as described for the following reasons. The Trust has a systematic method for reviewing robustness of data collection and subsequent submission which includes validation of

[87] * The national VTE data for Q4 is pending release.

population completeness from source case-note review. Results are reported quarterly to Trust Board.

Ashford and St Peter's Hospitals NHS Foundation Trust intends to take the following actions to improve this percentage, and so the quality of its services: the Trust is currently awaiting the results of our application submitted to achieve VTE Exemplar Status[88] during March 2016. Obtaining this information will be used to guide the direction of future improvement areas.

7. Clostridium difficile infection

Taking steps to minimise Clostridium difficile infection[89] continues to be a key priority area and NHS England sets strict annual limits for each Trust with 2 components comprising a target number of CDI cases per 100,000 bed days and a maximum number of cases. The national indicator is the rate per 100,000 bed days of Trust apportioned cases of C. difficile infection that have occurred within the Trust in patients aged 2 or over during the reporting period.[90]

Chart 18: Clostridium difficile infection

Clostridium difficile	Target	2014/15	Target	2015/16
Trust - cases per annum	9	18	17	15
Infection rate per 100,000 bed days	5.1	9.31[91]	9.9	8.49
National comparison data (/100,000 bed days)				
National average bed days		15.1		*
Lowest score nationally bed days – most favourable		0		*
Highest score nationally bed days – least favourable		62.2		*

Ashford and St Peter's Hospitals NHS Foundation Trust considers that this data is as described for the following reasons. All C. difficile cases for patients aged above 2 years are entered onto the Public Health Data Capture System and there is a detailed surveillance structure incorporating root cause analyses for lapses in care with external monitoring quarterly by the Clinical Commissioning Group.

Ashford and St Peter's Hospitals NHS Foundation Trust intends to take the following actions to improve this rate, and so the quality of its services, by progressing its C. difficile action plan. Key elements of the action plan include improving antibiotic prescribing, patient isolation and environmental cleaning regimes.

8. Rate of patient safety incidents and percentage resulting in severe harm or death

[88] Part of the VTE England's National VTE Prevention Programme.
[89] Refer to the glossary for more information describing Clostridium difficile bacterial infection.
[90] Data per http://indicators.ic.ac.nhs.uk/ item 24. Rate of C. difficile infection and the national dataset per https://www.gov.uk/government/statistics/clostridium-difficile-infection-annual-data.
[91] The comparative for 2014/15 has been revised from 10.2 to 9.31 reflecting current bed day data.

This national indicator is the number and, where available, rate of patient safety incidents that occurred within the Trust during the reporting period and the percentage of such patient safety incidents that resulted in severe harm or death.[92] Data is from the most recently published national dataset which is reported incidents between April 2015 and September 2015. Four national classification groups have now been merged into a single category named Acute (Non Specialist) of which the Trust is a member.[93]

HSCIC has advised that the indicator dataset has now been revised and from April to September 2014 datasets onward data has been restated from the former rate of incidents per 100 admissions to the new indicator of incidents per 1000 bed days which is a closer measure of operational activity. All 3 years' data below is restated for consistency in line with the new national methodology. The Trust has increased both the number of incidents reported over the 3 NRLS reporting periods and the rate of incident reporting is also demonstrated as increased which aligns with the emphasis on encouraging incident reporting through campaigns Trustwide by the Patient Safety Team.

Chart 19: Patient safety incidents

Patient safety incidents ASPH	**Apr 14 to Sep 14**	**Oct 14 to Mar 15**	**Apr 15 to Sep 15**
Total number of incidents reported	2331	3102	3173
Number of incidents causing death	1	6	2
Number of incidents causing severe harm or death	10	15	8
Rate of incidents reported per 1000 bed days	27.0	33.5	37.6
% of incidents causing severe harm[94]	0.39%	0.30%	0.19%
% of incidents causing death	0.04%	0.19%	0.06%
% of incidents causing severe harm or death	0.43%	0.49%	0.25%
Acute (Non Specialist) Trust average			
Total number of incidents reported	4196	4539	4647
Rate of incidents reported per 1000 bed days	35.3	36.2	38.1
Lowest rate of incidents reported per 1000 bed days	0.24	3.6	18.1
Highest rate of incidents reported per 1000 bed days	75.0	82.2	74.7
% incidents causing severe harm	0.37%	0.38%	0.32%
% of incidents causing death	0.02%	0.12%	0.11%
% of incidents causing severe harm or death	0.39%	0.50%	0.43%

[92] Refer to Domain 5, Indicators 5a and 5b on HSCIC Indicator Portal. http://indicators.ic.ac.uk/webview. Data is available from http://www.nrls.npsa.nhs.uk/resources/
[93] Combining the former Small Acute, Medium Acute, Large Acute and Acute Teaching provider groups. ASPH was previously in the Medium Acute Trust sub-category.
[94] Percentage data is to 2 decimal places owing to relatively lower sample sizes.

National data is from www.nrls.npsa.nhs.uk/patient-safety-data/

Ashford and St Peter's Hospitals NHS Foundation Trust considers that this data is as described for the following reasons. In 2014/15 the process for assessing the criteria for uploading incident data to NRLS was refined and a Datix User Group was set up to support divisional governance teams validating incidents and source.

Ashford and St Peter's Hospitals NHS Foundation Trust intends to take the following actions to improve this rate, and so the quality of its services, by continuing to monitor to ensure that incidents are appropriately uploaded to the national platform to timescale and national reporting protocols. The Trust is committed to reducing harms and our quality priorities to achieve this are outlined in Section 2.1.1 on p.115 to 116. In 2015/16 further work to increase reporting rates will be focussed on identifying any barriers to reporting from the frontline and improving feedback to reporters to ensure learning from incidents results in quality improvements and reduced harms.

Part 3: Other information

3.1 Overview of the quality of care against 2015/16 priorities

Performance against our quality improvement priorities for 2015/16

We want to ensure the highest possible standards of quality for our patients, meeting and exceeding their expectations in terms of patient experience, patient safety and clinical effectiveness.

In this section we describe our achievements against each of the key priorities we set ourselves in the previous year. We held quarterly workshops with our stakeholders to monitor progress against our quality improvement priorities and reported progress to Trust Board quarterly. Detailed monitoring is via the Quality and Performance Committee.

Patient safety

Priority 1 – Improving harm free care	**Achievement against this priority**	
Partially achieved in 2015/16	**2014/15**	**2015/16**
The Trust will participate in the recently released Medication and Maternity Safety Thermometers and continue with the existing Safety Thermometer areas of hospital acquired falls, catheter associated urinary tract infection, pressure ulcers and new harms including venous thromboembolism (VTE).	Achieved	Achieved
The Medication Safety Thermometer and Maternity Safety Thermometer are to be implemented by the end of Q1 2015/16.	n/a	Not achieved
We will set and agree with clinical divisions trajectories for falls and hospital acquired pressure ulcers reductions by the end of Q1 2015/16.	n/a	Achieved
The Trust aims to maintain Safety Thermometer performance better than (i.e., demonstrating a lower rate than) the national average.	Achieved	Achieved
The Trust will risk assessing 97% of adult inpatients for VTE on admission.	Achieved	Achieved

We will undertake root cause analysis (RCA) of 100% of identified cases of hospital associated thrombosis.	Not achieved	Not achieved
The Trust will audit the documentation of the prescription of appropriate chemical thromboprophylaxis with the aim of achieving 85%.	Not achieved	Not achieved Q1: 78% Q3: 83% Q2: 84% Q4: 81%
The Trust aims to achieve VTE Exemplar Centre Status by 31 March 2016.	n/a	Outcome of submitted application is awaited

Whilst all RCAs for cases of hospital acquired thrombosis are either completed or in progress currently some complex cases have exceeded the customary 2 month completion time period that the Trust continues to strive for so this measure is not fully achieved. Cases are individually reviewed at a VTE Review Group which promotes lessons learned to clinical teams.

Safety Thermometer

Maternity Safety Thermometer was fully implemented by Q1. The Medication Safety Thermometer was not fully rolled out by the end of Q1 however the programme is progressing and case submission volume has doubled since December 2015. Performance is summarised in Chart 24 on p.164.

The percentage of patients with new harms has been below the national average all year. For catheter associated urinary tract infections and falls with harm the same applies except for three and two months respectively where the incidence was slightly higher. New pressure ulcers were below the national average all year.

The Trust successfully continued progression of its falls reduction strategy and action plans this year and falls per 1000 bed days has improved from 3.29 last year to 2.57 this year. The Medical Falls Identification and Intervention of Falls Risk tool has been promoted. Safety initiatives have included the Yellow Toolkit and forget me not batons which identify patients at higher falls risk and sensor alarms. A new scheme, BayWatch24/7, involves observation to ensure patients who require 1:1 nursing or assistance whilst mobilising are supervised.

Chart 20: Percentage of patients with new harms 2014/15 – 2015/16

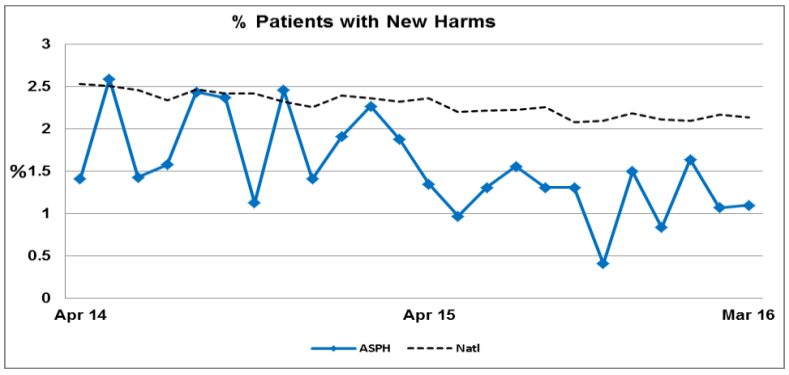


Chart 21: Percentage of patients with new CAUTI 2014/15 – 2015/16

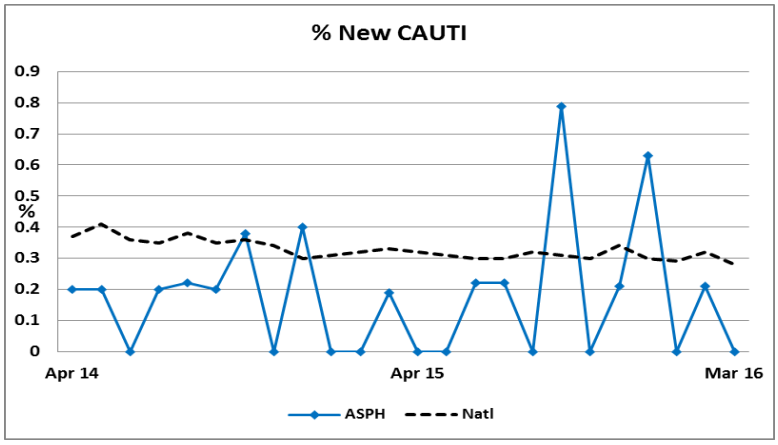


Chart 22: Percentage of patients with new pressure ulcers 2014/15 – 2015/16

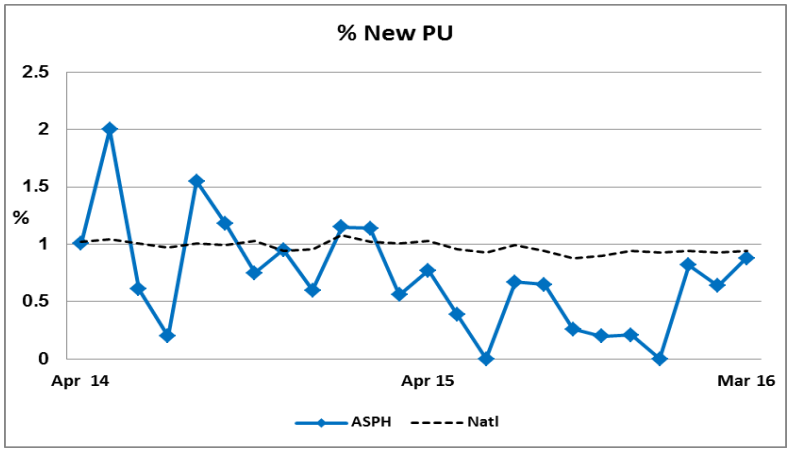
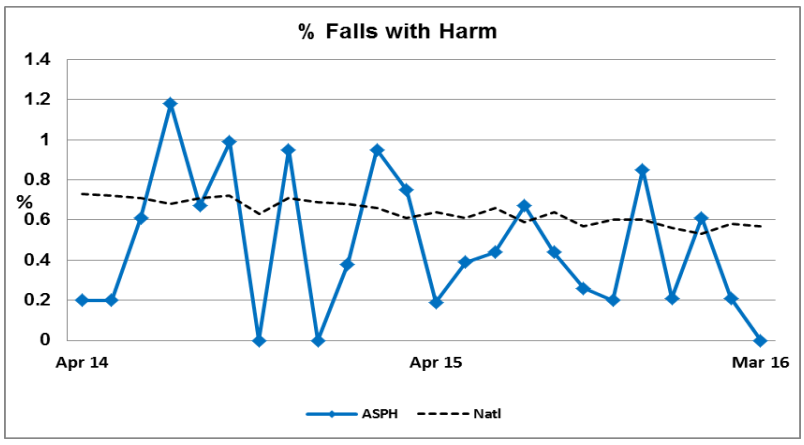


Chart 23: Percentage of patients with falls with harm 2014/15 – 2015/16



The Trust performed a detailed review of its performance against the 6 areas reported in the national Medication Safety Thermometer programme covering data for the period August 2015 to March 2016.

Chart 24: Medication Safety Thermometer

Medication Safety Thermometer (%)	National	Actual
Measures for which a high score represents good performance		
Medication reconciliation[95] started within 24 hours of admission	81.0	58.4
Proportion of patients with medication allergy status documented	97.1	95.7
Measures for which a low score represents good performance		
Proportion of patients with omitted dose in past 24 hours	23.7	22.5
Proportion of patients with critical medicine omitted in past 24 hours	6.9	7.3
Proportion of patients receiving a high risk medication in past 24 hours	38.8	41.6
Proportion of patients that trigger a multidisciplinary huddle	0.8%	0%

The medication reconciliation performance may be contributed to by the absence of a 7 day Pharmacy service over the weekend. Omitted critical medicines[96] is an area for ongoing improvement to be focussed on next year. Multidisciplinary huddles are triggered when there is harm to a patient.

Chart 25: Maternity Safety Thermometer

Maternity Safety Thermometer (%)	National	Actual ytd
NHS Maternity Safety Thermometer – percentage of patients with combined harm free care		
Harm free care – physical harm and women's perception of safety	71.4	75.0

The Trust performed well in the national Maternity Safety Thermometer and scored well above the national average for providing harm free care.

[95] Refer to the glossary for a description of the medication reconciliation.
[96] Omitted critical medicines tested are anticoagulants, opioids, injectable sedatives and insulin.

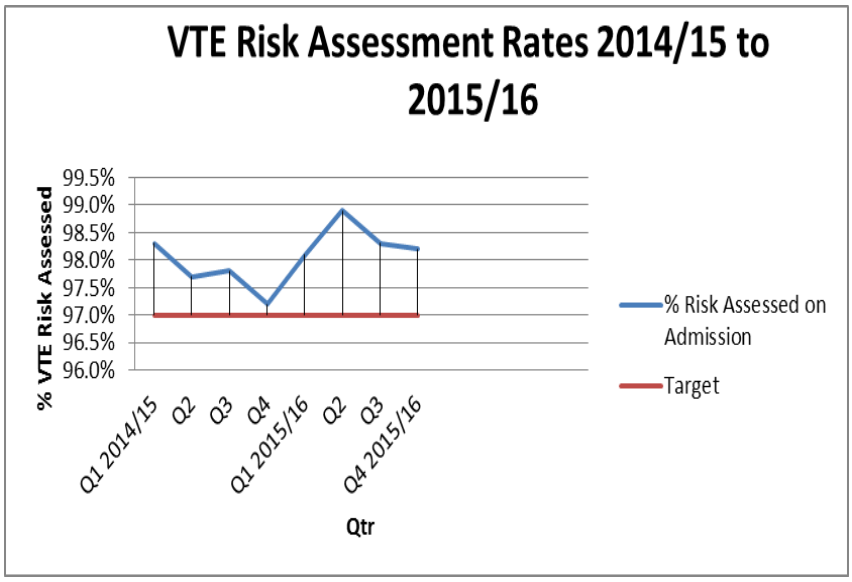
VTE

The Trust consistently exceeded the target of assessing 97% of adult inpatients for VTE on admission scoring over 98% each quarter (refer to Chart 17 on p.157).

Some root cause analyses have been completed outside of the 2 month period that the Trust aims for and several Q4 analyses are still in progress therefore this measure is not achieved.

The prescription of appropriate chemical thromboprophylaxis has not met the 85% target with quarterly scores as above just below the limit. At the end of Q1 a deep dive was undertaken which included a review of the audit tool and thereafter an awareness campaign and training was undertaken. A further review of the methodology is planned for 2016/17. VTE exemplar status is awarded by VTE Prevention England which is a programme of NHS England. An application to NHS England was made in March 2016 and the Trust is awaiting the results of this.

Chart 26: VTE risk assessment rates 2014/15 and 2015/16



Priority 2 – Embedding and measuring the safety culture to strengthen transparency	Achievement against this priority
Partially achieved	**2015/16**
The duty of candour is a new priority for this year and a training programme will be incorporated in Trustwide induction from April 2015. Dissemination of a wider training programme to other staff groups will be fully rolled out by the end of Q2 2015/16.	Achieved
Compliance with the duty of candour requirements will	Partially achieved

be audited quarterly with exception reporting to the Integrated Governance and Assurance Committee.	
An ongoing priority is continued rollout of the Manchester Patient Safety Framework (MaPSaf). Completion of the specialty rollout will be achieved by the end of Q2 2015/16 with feedback via Team Brief. The Board will be updated on progress through the quarterly reports to Trust Board. Action plans for each area including a heatmap will be in place by the end of Q3. Implementation of improvement work will progress in Q4.	Achieved

Duty of candour

Duty of candour training was successfully rolled out and included interactive workshops with a health sector legal specialist and a Trustwide Be Heard campaign with animated messaging.

The objective of quarterly duty of candour auditing this has only been partially achieved as whilst serious incident compliance is validated testing needs to be extended to monitor whether a formal apology letter is issued in moderate harm incidents. Audits are scheduled to commence in July 2016.

Manchester Patient Safety Framework (MaPSaf) work remains a priority focus area and the Safety Team recently won a bid to participate in a KSS AHSN[97] pilot to build upon safety culture work and improvement. The Trust will pilot a ward level safety culture assessment questionnaire with feedback anticipated in June 2016.

Priority 3 – Preventing death and promoting successful recovery from an ill health episode through identification and management of patients with sepsis	**Achievement against this priority**
Not achieved in 2015/16	**2015/16**
Sepsis will be a National CQUIN for 2015/16 and a sepsis measure will be formulated once the CQUIN programme is finalised in conjunction with our	The measure has been set as below.

[97] KSS AHSN: Kent Surrey Sussex Academic Health Science Network.

Commissioners. Performance will be to the Quality and Performance Committee (QAPC).[98]	
Sepsis screening audits undertaken – Percentage of eligible patients that were screened. The target was to reach 90% average for Q4.	Achieved Q2: 57% Q3: 62% Q4: 90%
Sepsis antibiotic administration audits undertaken - Percentage of eligible patients that had antibiotic administration within 1 hour. The target was to reach 90% average for Q4.	Not achieved. Q2: 73% Q3: 71% Q4: 71%

Sepsis

The Trust is continuing to strive to improve the care for patients with sepsis. The goal was to screen for sepsis all patients for whom sepsis screening is appropriate, and to rapidly initiate intravenous antibiotics (within 1 hour of presentation) for those patients who have suspected severe sepsis, Red Flag sepsis or septic shock. Audits were undertaken from Q2 from patients attending the Emergency Department (ED) who meet criteria.

In respect of the percentage of patients receiving an antibiotic within 1 hour the measure is in part impacted by the capacity pressures within the Emergency Department. In 2016/17 the governance team is reviewing and prioritising the various sepsis improvement initiatives being undertaken including updating the clinical care template. The ED is also raising timely sepsis management as part of team handovers and ongoing training to promote prompt completion of the care bundle.

[98] Formerly known as Integrated Governance and Assurance Committee (IGAC).

Clinical effectiveness

Priority 4 – Work to improve diagnosis and treatment for patients with diabetes to improve efficiency of pathways and patient outcomes	Achievement against this priority
Not achieved in 2015/16	**2015/16**
The population of eligible admitted patients to be screened for diabetes will continue to be audited on a spot day each month, with target performance to remain at 98% as per 2014/15.	Not achieved Q1: 95% Q2: 90% Q3: 91% Q4: 89%
The Trust will implement quarterly audits of the documentation of the prescription of insulin from Q2 2015/16 with an action plan to be rolled out by Q3 2015/16.	Partially achieved
By the end of Q3 2014/15 the Trust will undertake a review to identify an opportunity to work with external stakeholders to improve pathway working for patients with diabetes. The review will include setting a trajectory for implementation.	Partially achieved

Diabetes screening results have tracked below the limit this year despite low performing wards receiving Diabetes Specialist Nurse support with both clinical practice and the audit. It is hoped that the inclusion of dedicated space to record blood glucose results on the new Adult Nursing Assessment (ANA) released in April 2016 will improve results next year.

A further re-audit of insulin prescription took place in October 2015 and found some improvement in results. Improvement actions were implemented including a revision of the diabetic drug chart and increased ward rounds for inpatients, along with continuing education for nursing and medical staff. The Q4 audit has not yet occurred.

Pathway working with external stakeholders has progressed including working with podiatry and vascular surgery to develop an urgent outpatients foot care pathway with a view to preventing inpatient admissions. Enhanced inpatient diabetic foot care is an ongoing priority area which is being progressed in line with findings from the National Diabetes Audit. Implementation of these areas is ongoing.

Priority 5 – Readmissions	Achievement against this priority	
Not achieved in 2015/16	**2014/15**	**2015/16**
The Readmissions Project[99] led by the Medical Director is to continue.	Achieved[100]	The project has been transferred to Divisional monitoring.
Target 30 day emergency readmissions will be no greater than 12.2% by Q4 2015/16.	Not achieved Target 12.2% by Q4 Actual Q4: 12.4%	Not achieved Target 12.2% by Q4 Actual Q4: 14.4%
The project will review the current pilot of contacting patients following discharge by the end of Q2 2015/16. If analysis of the data demonstrates that the pilot resulted in benefits (of which one was reduction in readmissions) an action plan for expanding the post discharge contact of patients will be implemented by the end of Q2 2015/16.	n/a	Achieved
The Trust will contribute to the feedback process of the locality hub pilot project in Woking and continue dialogue with external partners as to a trajectory for potential system wide expansion.	Achieved	Achieved

The 2 year Readmissions Project was reviewed and this included an overview of the approaches which had been previously applied both Trustwide and at clinical pathway level in order to drive down readmissions. The Medical Director determined that the focus of improvement would more effectively be progressed at divisional level and this has been the approach taken this year. A review of Q2 readmissions by specialty was undertaken in December 2015 and by volume the largest readmissions were in general medicine. Therapies is actively promoting pre-discharge planning and Pharmacy is assisting with medication change management.

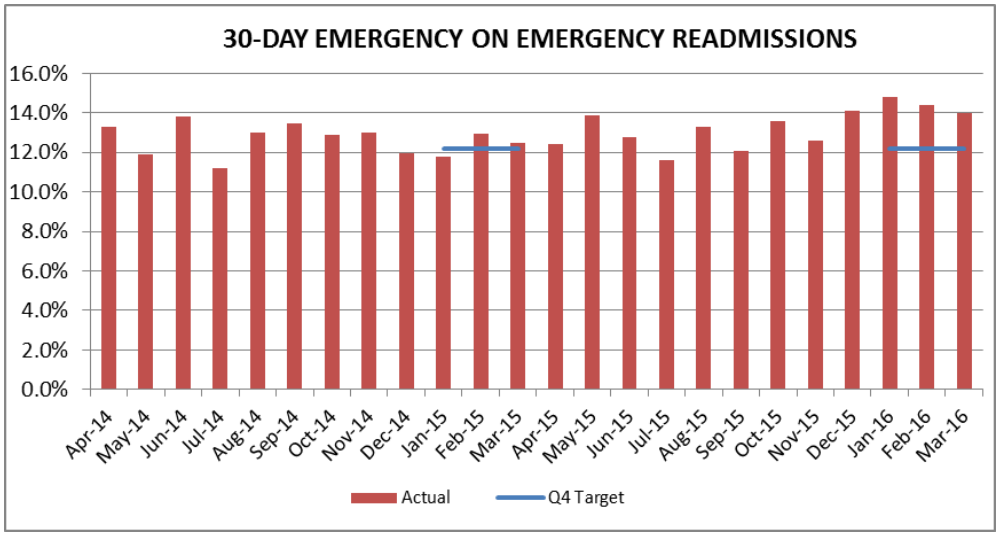
The pilot of contacting patients was reviewed but expansion is not being progressed owing to lack of evidence to support this along with capacity constraints.

[99] The Readmissions Project commenced in April 2013.
[100] The target for 2013/14 was to maintain new hospital-acquired harms below 6%. In 2014/15 this target was changed to remaining below the national average level of harms. In 2014/15 the Trust achieved percentage of new harms of 1.9% which is below the national average of 2.4%.

Clinical representatives from the Trust were active contributors towards the system wide approach adopted by the CCG when setting up clinical pathways for the Bedser locality hub in Woking. Applicable patients with complex or long-term health issues may be referred to the hub and benefit from seeing a range of healthcare professionals all in one place. One of the aims of the hub is to work towards reducing acute Trust readmissions.

The target is an improvement goal for Q4 each year of 12.2%.

Chart 27: 30 day emergency readmission rates April 2014 onwards



Priority 6 – Improve dissemination and learning from national audits, National Institute for Health and Care Excellence (NICE) guidance, and Technology Appraisals	**Achievement against this priority**
Achieved in 2015/16	**2015/16**
NICE Technology Appraisals are to be implemented within the mandatory 3 month deadline (target: 100%).	Achieved
Implementation of relevant NICE Clinical Guidelines – monthly status report on progress including a gap analysis with reasons for non-compliance identified.[101]	Achieved
Monthly status report to be prepared identifying the introduction of new NICE Interventional Procedures[102] to the Trust with clinical audit to provide evidence of safe practice.	Achieved

[101] NICE Clinical Guidelines are not required to have 100% implementation.
[102] NICE Interventional Procedures are not required to be implemented.

Clinical effectiveness national guidance is reviewed regularly and progressed with divisional governance teams and clinical specialists.

Patient experience

Priority 7 – Work to improve the experience of vulnerable groups; those with dementia and their carers, those with a mental health issue and cancer	Achievement against this priority
Partially achieved in 2015/16	**2015/16**
The review of Mental Health Act policies and procedures by Q2 2015/16 will demonstrate good practice within the sector.	Not achieved Current processes under review and policy is being developed. Flow charts for MHA have been updated and training held with further training planned.
Implement a process to ensure all applicable staff have had Mental Health Act training specific to their role by Q4 2015/16.	Not achieved The training programme is pending review so that all staff can have basic MHA awareness. MHA training provided by SABP for senior staff ongoing.
Surrey Public Health's 2015/16 suicide prevention training programme is to be released in 2015/16. The Trust will identify applicable front-line staff to attend and complete training by the end of Q4 2015/16.	Achieved
It is anticipated that innovations to improve the care and treatment of dementia will form a National CQUIN for 2015/16. A further quality account priority measure for dementia will be considered once the CQUIN programme is finalised with our Commissioners.	The measure is as outlined below.
The dementia CQUIN has 3 components, each of which must exceed the 90% threshold to pass the overall programme. a) Case finding (patient identification) b) Diagnostic assessment	The CQUIN was achieved as outlined in the results table below.

c) Referral to general practitioner	
The Trust will improve the engagement with and feedback from carers of people with dementia via: • The carer survey • Establishment of a memory café within the trust by end of Q2 2015/16.	Achieved The Dementia Lead visits local carers groups on a quarterly basis. The memory café runs every week. Carers survey in place but uptake is still quite low.
We will ensure that at least 50% of people with a dementia diagnosis who have significant memory impairment have a targeted document (either This Is Me[103] or REACH[104]) to improve staff awareness of their history and preferences by the end of Q3 2015/16.	Not achieved In line with the national picture it is now considered that This is Me is not applicable to all dementia patients thus this measure has been discontinued.
A review of an aspect of dementia friendliness of the physical environment in clinical areas will be undertaken by the end of Q2 2015/16 and an adaptation or modification of the environment will be impact assessed for potential wider rollout.[105]	Achieved Work starts on dementia friendly bays in Swift and Holly ward in June 2016. This will be reviewed and evaluated and other dementia friendly plans rolled out in other areas.
Implementing a mandatory level 1 update for all staff	Achieved The Trust exceeded its Tier 1 training target of 1140 people and provided training to 1213 staff members.
Developing and delivering level 2 training to staff who frequently work with people who may have dementia	Achieved The Trust is applying for accreditation of its training and the new dementia study day will run over 2 days commencing from Autumn 2016.
Exploring the need for level 3 training for specialist staff and Executive Directors.	Achieved Tier 3 dementia training is currently delivered

[103] The This is Me tool is a booklet which people with dementia can use to inform staff about their needs, interests, likes and dislikes. Refer to the This is Me section of alzheimers.org.uk
[104] REACH is a special response plan for patients with dementia and is often undertaken in the community setting.
[105] The aim of improving the physical environment for patients with dementia is to endeavour to reduce the potential agitation and distress of patients, especially for those patients who experience an extended length of stay in hospital.

	by the University of Surrey and it has been determined that Tier 3 dementia training is not applicable for Executive Directors.

The table below demonstrates the achievement of our improvement priority for dementia case finding, assessment and referral to general practitioners.

Chart 28: Dementia CQUIN indicators and quarterly targets

	Indicator	**Target**	**Q1**	**Q2**	**Q3**	**Q4**
3a	Dementia (case finding)	90%	875	957	1045	1107
			895	978	1103	1161
			97.8%	**97.9%**	**94.7%**	**95.3%**
3b	Dementia (diagnostic assessment)	90%	160	196	253	217
			161	196	253	217
			99.4%	**100%**	**100%**	**100%**
3c	Dementia (referral)	90% for Q4 only	44	45	63	49
			69	47	66	52
			63.8%	**95.7%**	**95.5%**	**94.2%**

Priority 8 – Obtain patient feedback on outpatient experience in conjunction with the Trustwide outpatient service improvement project	**Achievement against this priority**
Achieved in 2015/16	**2015/16**
We will implement a system for communicating waiting time in Outpatients to patients attending clinics by end of Q3 2015/16.	Achieved
The Head of Patient Involvement and Experience will implement a process for obtaining feedback from patients and other service users regarding their experience of the new communication process by end of Q4 2015/16.	Achieved

An electronic system for communicating waiting time in minutes at Outpatients was in place by Q3. A questionnaire on Outpatient experience has been rolled out to patients in Q4 and the results of this are currently being collated to guide improvement.

Priority 9 – Improve inpatient experience including discharge	Achievement against this priority
Partially achieved in 2015/16	**2015/16**
We will prepare a business case for expanding the Orthopaedic Supported Discharge (OSD) methodology to other divisions in order to implement this service more widely. The business case is to be developed by the end of Q2 2015/16.	Not achieved
We will implement a review of ward moves of patients during their inpatient stay including identification of a baseline, reasons for ward moves and an action plan for minimising moves. A trajectory for improvement against the baseline is to be set by Q3 2015/16.	Partially achieved
By Q2 2015/16 we will implement a review of the process for discharge assessment of patients returning to care homes.	Achieved
We will maintain follow-up complaints to fewer than 10% of complaints received, on average, across the year. Where the limit is exceeded we will perform root cause analysis and implement action plans to improve performance.	Achieved Follow-up complaints on rolling monthly average were 6.9%.
The Trust will continue design and implementation of end of life care outreach partnership working with hospices and other community organisations.	Achieved

Orthopaedic Supported Discharge (OSD) is up and running but has not been expanded beyond the original area. The Trust is demand and capacity modelling with a view to identifying a method to weight the current caseload utilisation of therapists and nurse time to

indicate vacant capacity. The ultimate aim is to design a model to predict demand for a potential individual patient to aid discharge planning. It is important to note the ongoing success of the current OSD programme which received a Kent Surrey Sussex Academic Health Science Network 2015 Clinical Leadership Award.

A review of patient moves has taken place following the co-location of the short stay wards. The initial data indicates more work is needed. In March 2016 the limit of 3 or more ward moves affecting fewer than 7.31% of patients was not met, with a result of 9.2%. Next year's focus will be on providing patient information on when to anticipate ward moves as part of routine care pathways.

The Discharge Team has reviewed the process for discharging patients to care homes and identified improvement opportunities and the team has attended care home group events and spoken at local events to share learning.

Extensive work has been undertaken to continue end of life care partnership working. The Trust believes we have a good working relationship with our community including the Clinical Commissioning Group and hospices. This collaborative working supports the designated bed model and patient pathways from hospital to home. The Trust is developing a specialist palliative care and rapid discharge protocol to support dying at home and this is to be presented as part of the rapid discharge policy to the May EOLC[106] Steering Group.

[106] EOLC: End of life care.

3.2 Performance against NHS Improvement[107] Risk Assessment Framework indicators

NHS Improvement uses a limited set of national measures of access and outcome objectives as part of its governance assessment of a foundation trust. Performance against these indicators is a trigger for detecting potential governance issues per the NHS Improvement Risk Assessment Framework. The national indicators and thresholds for acute trusts are shown below.[108]

Referral to treatment time

This indicator measures the percentage of Referral to Treatment (RTT) pathways within 18 weeks for completed admitted, non-admitted and incomplete pathways.[109]

Admitted pathways are waiting times (time waited) for patients whose treatment started during the month and involved admission to hospital (until September 2015 adjustments were made to admitted pathways for clock pauses, where a patient had declined reasonable offers of admission and chose to wait longer).

Non-admitted pathways are waiting times (time waited) for patients whose treatment started during the month and did not involve admission to hospital.

Incomplete pathways are waiting times for patients waiting to start treatment at the end of the month.

On 1 October 2015, the National Health Service Commissioning Board and Clinical Commissioning Groups (Responsibilities and Standing Rules) (Amendment) (No.2) Regulations 2015 came into effect, removing the provision to report pauses or suspensions in RTT waiting time clocks in monthly RTT returns to NHS England and removing the **admitted** and **non-admitted** standards.

[107] NHS Improvement includes the organisation formerly known as Monitor.
[108] Monitor Risk Assessment Framework updated August 2015.
[109] Everyone Counts: Planning for Patients 2014/15 – 2018/19. Technical Definitions for Clinical Commissioning Groups and Area Teams. Also Refer to the Department of Health Frequently Asked Questions on the Referral to Treatment Data Collection, Version 10.

Chart 29: Referral to treatment (RTT) wait times

Referral to treatment wait times	2014/15	Apr-15	May	June	Q1	July	Aug	Sept	Q2	Oct	Nov	Dec	Q3	Jan	Feb	Mar	Q4	2015/16	Target
Admitted pathway - RTT wait time	87.5%	88.6%	92.6%	92.2%	91.1%	91.3%	89.2%	88.8%	89.8%									90.5%	>90%
Admitted pathway (unadjusted)	83.8%	83.2%	88.6%	87.6%	86.4%	86.4%	83.8%	81.4%	83.9%									80.5%	
Non-admitted pathway	95.4%	95.0%	96.3%	95.9%	95.8%	95.1%	95.2%	95.2%	95.2%									95.5%	>95%
Incomplete pathway	**95.5%**	96.1%	96.7%	96.3%	96.4%	96.0%	96.0%	96.4%	96.1%	96.1%	96.1%	95.2%	95.8%	94.9%	95.1%	93.9%	94.6%	**95.7%**	>92%

The Trust has achieved the remaining Incomplete Pathways Referral to Treatment standard throughout the year with an average 95.7% against the target of 92%. This level of good performance placed the Trust in the upper quartile when benchmarked with other NHS acute providers.

Cancer waits for initial appointment

Under the NHS Constitution[110] there should be a maximum wait of 2 weeks for a first outpatient appointment for patients referred urgently by their General Practitoner with suspected cancer.

For patients referred urgently with breast symptoms where cancer was not initially suspected the wait for a first outpatient appointment should be a maximum of 2 weeks.

The Trust has seen an increase in urgent cancer referrals in a number of key specialties and has been working with its commissioners to address these increases in demand to deliver compliant performance. The Trust has also been working with North West Surrey CCG to reduce the incidences of declined or re-arranged appointments which can lead to patients being seen outside the two-week timeframe.

Chart 30: Cancer waits for initial appointment

Cancer wait for initial appointment	2014/15	Apr-15	May	June	Q1	July	Aug	Sept	Q2	Oct	Nov	Dec	Q3	Jan	Feb	Mar	Q4	2015/16	Target
2 week wait to first seen - urgent referrals	**92.9%**	90.3%	94.9%	96.1%	93.9%	94.4%	93.1%	93.7%	93.7%	97.3%	93.5%	95.4%	95.4%	91.9%	96.1%	95.4%	94.6%	**94.4%**	>93%
2 week wait to first seen - breast patients	**94.2%**	95.7%	95.3%	93.3%	94.7%	99.2%	95.3%	93.5%	96.0%	95.8%	96.9%	98.3%	97.0%	98.0%	98.2%	95.7%	97.2%	**96.3%**	>93%

[110] Everyone Counts: Planning for Patients 2014/15 – 2018/19. NHS England.

Cancer waits for initial treatment

Under the NHS Constitution there should be a maximum two month (62 day) wait from urgent General Practitioner referral to first definitive treatment for cancer. For all cancers the wait from referral from an NHS screening service to first definitive treatment should be a maximum of two months (62 days). The wait from diagnosis to first definitive treatment for all cancers should be a maximum of one month (31 days).

During a number of months the Trust had difficulty meeting the 62 day standard for urgent GP referrals due to delays caused by the Trust's business continuity activities following emergency care pressures, an inability to fill gaps in essential clinician resources and a number of difficult cross-over pathways between the Trust and tertiary partners; these areas are being addressed through a recovery action plan.

Chart 31: Cancer waits for initial treatment

Cancer wait for initial treament	2014/15	Apr-15	May	June	Q1	July	Aug	Sept	Q2	Oct	Nov	Dec	Q3	Jan	Feb	Mar	Q4	2015/16	Target
62 day wait for first treatment - GP referral	**79.0%**	85.0%	89.8%	88.8%	87.7%	78.2%	80.6%	86.8%	81.9%	88.5%	88.6%	81.0%	85.6%	81.3%	84.2%	85.1%	83.4%	**84.6%**	>85%
62 day wait for first treatment - Cancer screening	**96.1%**	100.0%	100.0%	75.0%	88.9%	85.7%	100.0%	100.0%	96.3%	100.0%	100.0%	83.3%	96.8%	100.0%	100.0%	100.0%	100.0%	**96.4%**	>90%
Cancer wait from diagnosis to first treament																			
31 day wait - diagnosis to first treatment	**98.8%**	98.1%	97.6%	96.5%	97.4%	100.0%	97.9%	99.1%	99.0%	99.0%	97.5%	92.3%	96.3%	98.8%	98.8%	95.0%	97.5%	**97.6%**	>96%

Cancer waits for second / subsequent treatment

Under the NHS Constitution the wait for second or subsequent surgical treatment for cancer should be a maximum of 31 days.

The wait for second or subsequent chemotherapy for cancer should be a maximum of 31 days.

The wait for second or subsequent treatment for radiotherapy should be a maximum of 31 days.

Chart 32: Cancer waits for subsequent treatment

Cancer waits for second / subsequent treatment	2014/15	Apr-15	May	June	Q1	July	Aug	Sept	Q2	Oct	Nov	Dec	Q3	Jan	Feb	Mar	Q4	2015/16	Target
31 day wait - surgery	**95.1%**	100.0%	100.0%	93.3%	97.5%	100.0%	94.1%	100.0%	97.4%	100.0%	85.7%	100.0%	96.4%	100.0%	100.0%	50.0%	91.3%	**96.2%**	>94%
31 day wait - chemotherapy	**100.0%**	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	**100.0%**	>98%
31 day wait - radiotherapy		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	>94%

Cancer wait times are a continued area of focus for the Trust. Work is being undertaken with primary care on patient engagement and referral management to improve compliance. The Trust experienced occasional difficulty meeting the 31 day subsequent surgical treatment due to delays caused by the Trust's business continuity activities following emergency care pressures and a gap in essential clinician resources. A new clinical lead for the Cancer Board and a new cancer manager are now in place.

Accident and emergency waits

A patient should be admitted, transferred or discharged within 4 hours of arrival at an Accident and Emergency department under the NHS Constitution.

Chart 33: Accident and emergency waits

Accident and Emergency waits	2014/15	Apr-15	May	June	Q1	July	Aug	Sept	Q2	Oct	Nov	Dec	Q3	Jan	Feb	Mar	Q4	2015/16	Target
4 hour wait - arrival to admission, transfer or discharge	**90.3%**	92.6%	94.3%	93.1%	93.3%	93.2%	91.7%	91.7%	92.2%	91.4%	93.0%	86.9%	90.4%	88.0%	85.6%	82.7%	85.3%	**90.2%**	>95%

The Trust saw a late developing winter season with its attendant challenges not really manifesting themselves until late February. March saw the highest number attendances to the Emergency Department (ED) ever recorded which also featured the busiest day ever recorded at 356 attends on 21st March 2016 which is 66 patients attending above our 290 per day average. Challenges regarding inpatient flow continue to predominate and exacerbate ED pressures with exit block from the ED to inpatient wards an ongoing challenge. A refreshed recovery programme looks to address this in partnership with our external urgent care partners and North West Surrey Clinical Commissioning Group in line with NHS Improvement's performance expectations. Key actions of the recovery programme include further expansion and reconfiguration of the Emergency Department and improved consultant rotas to deliver 5 and 7 day continuous cover. The intention is to further develop ambulatory care and direct general practitioner referral pathways along with the developing the recently opened Urgent Care Centre (UCC). Additionally a programme of clinical and cultural change aimed at putting emergency care at the heart of the Trust's "business as usual" operating patterns is a further key element.

Clostridium difficile infection

This data is reported in Chart 18, p.158.

Access to healthcare for people with a learning disability

The Trust is required to certify compliance with healthcare access requirements for people with a learning disability. The Department of Health in 2008 issued the publication 'Healthcare for All' which contains 6 areas as outlined below that form the basis of compliance.

Chart 34: Learning disability access criteria

Learning disability access criteria	2014/15	2015/16
a. Mechanism to identify and flag patients; care pathways reasonably adjusted to meet patients' health needs	🟢	🟡
b. Patient information provided about treatment options, complaints procedures and appointments	🟢	🟢
c. Protocols to support family carers who support learning disability patients	🟢	🟢
d. Protocols for training staff on providing healthcare to learning disability patients	🟢	🔴
e. Protocols to encourage representation of people with learning disabilities and their carers	🟢	🟡
f. Protocols to audit practices for patients with learning disabilities and to demonstrate findings in routine public reports	🟢	🟡
Certification quarterly	Yes	No

The Trust is unable to declare full compliance with 4 of the learning disability access criteria measures. The system for flagging learning disability patients is in place however not all applicable patients are consistently being flagged which is currently being reviewed. Learning disability training is not being provided and plans are to include this in both mandatory training. Routine engagement with learning disability service users requires improvement and audit and peer reviews will be progressed.

3.3 Glossary

- **Baby Friendly Initiative (BFI) audit** – this is a worldwide initiative from UNICEF (United Nations Children's Emergency Fund) to help health professionals to support breastfeeding, relationship building and achieving Baby Friendly accreditation. Refer to www.unicef.org.uk.
- **Charcot neuropathy** is a syndrome in which patients with nerve damage experience loss of sensation and deformities in the foot or ankle including fractures or dislocations with minimal or no trauma. The peripheral nerve damage can result from conditions including diabetes, alcohol use, and a range of other causes.
- **Clostridium difficile infection** is a type of serious bacterial infection which can affect the digestive system and it occurs mainly in vulnerable patient groups who have taken antibiotics. Since 2007 the NHS has made considerable reductions in the numbers of C. difficile cases but sector data is now indicating that the level of infection may be approaching an irreducible minimum level such that irrespective of care quality some infections will still occur.[111]
- **COPD** is Chronic Obstructive Pulmonary Disease (COPD) which includes chronic bronchitis and emphysema.
- **CTG** is cardiotocography which is recording fetal heartbeat and maternal contractions during pregnancy.
- **CQUIN** The Commissioning for Quality and Innovation (CQUIN) programme is a commissioning payment framework which links income to the achievement of quality improvement goals.
- **Decision Support Tool (DST)** is an NHS assessment tool used in assessing eligibility for NHS continuing healthcare. For further information refer to http://www.nhs.uk/chq/Pages/eligibility-assessment-for-nhs-continuing-healthcare.aspx
- **Duty of Candour** is a legal requirement to be open and honest with patients when moderate harm, physical harm or death results from an incident. Some forms of mental harm are also covered by the disclosure requirements.
- **GAP / GROW Programme** The GAP / GROW Programme is a national initiative to reduce stillbirth in maternity care. The Growth Assessment Protocol (GAP) is from the Perinatal Institute and GROW is Gestation Related Optimal Weight monitoring via an individualised fetal growth chart and risk assessment.
- **Mazars Report** is an independent review of deaths of people with a Learning Disability or Mental Health problem arising from findings at Southern Health NHS Foundation Trust. The report was issued in December 2015.

[111] Clostridium difficile infection objectives for NHS organisations in 2014/15 and guidance on sanction implementation. NHS England February 2014.

- **Medication reconciliations** are undertaken on newly admitted inpatients to confirm which medications the patient was taking immediately before they were admitted to hospital.
- **NAP5** is the 5th National Audit Project of the Association of Anaesthetists of Great Britain and Ireland on accidental awareness during general anaesthesia. NAP6 is the 6th National Audit Project of the Royal College of Anaesthetists. An allergen survey will be carried out in Spring 2016.
- **NICOR** is the National Institute for Cardiovascular Outcomes Research.
- **NICE** is the National Institute for Health and Care Excellence www.nice.org.uk
- **NSTEMI** is a non-ST segment elevation myocardial infarction which is a less severe type of heart attack compared to STEMI (ST-segment elevation myocardial infarction) in which full thickness damage of the heart muscle develops.
- **PPCI** is primary percutaneous coronary intervention.
- **RADAR** is a model that provides an overview of patient flow in the hospital. The acronym stands for Results, Approaches, Deploy, Assess and Refine.
- "**Sepsis Six Bundle**" includes the following 6 measures: oxygen administration, intravenous fluids administration, blood culture sample, antibiotic administration, blood tests, and urine output monitoring.
- **Venous thromboembolism** (VTE) is when a blood clot forms in a vein.

Part 4 - Statements on the engagement process for the development of the quality accounts

Ashford and St Peter's Hospitals NHS Foundation Trust Council of Governors

Governors, and particularly those who are members of the Patient Experience Group of the Council of Governors, have appreciated the opportunities given to attend and fully participate in the quarterly Quality Accounts Workshops. These Governors see this as an important part of their role and the attendance is high. There are several advantages in this process:

- to receive first-hand accounts and explanations on the data from the frontline clinical teams who manage the various quality indicators at the 'grassroots' level, as well as those presenting the data
- to be freely able to ask questions and make comments and to speak to them on a one to one basis during breaks and at the end of workshops
- to be part of the decision making leading to the development process for the quality accounts
- to have recognised the expertise which some Governors have in health issues and their contribution valued.

While the Patient Panel is regularly represented and the Clinical Commissioning Group occasionally, the absence of other stakeholders in the past year has been particularly disappointing. Their input reflecting how they see the Trust's quality performance is seen by Governors to be important.

The continuity experienced by all the Workshops being led by the Associate Director of Quality is appreciated.

Outside these Workshops, the Patient Experience Group meetings and the more formal Council of Governors meetings, several Governors have been pleased to be able to contribute towards various aspects of the Trust's work featured in this report like the Dementia Steering Group.

The nine priority areas are ones in which Governors also have a keen interest, welcoming achievements and sharing disappointments. Support, and assistance where appropriate, is offered for the future.

Keith Bradley, Governor and Chair of the Patient Experience Group

9 May 2016

Healthwatch Surrey

As the independent consumer champion for health and social care, we have been asked to comment within this Quality Account. Our organisation exists to give the people of Surrey and voice to improve, shape and get the best out of health and care services. We have chosen to use this opportunity to reflect the views and experiences of people that have interacted with us.

Local people interact with Healthwatch Surrey in excess of 10,000 times each year. These interactions take place on the high street, in other public locations, in places where services are delivered and in the course of providing our own services (information, advice and NHS Complaints Advocacy). We also undertake activities that focus on understanding the views of those that are often seldom heard.

In the 12 months up to 31st March these interactions led to 2,485 experiences being shared with us.

- 108 of these related to services at Ashford and St. Peter's Hospitals NHS Foundation Trust (the Trust)
- The majority of experiences shared with us have been negative (65%), however a number of positive experiences have also been shared with us about this service (12%)
- There is a higher proportion of negative experiences (65%) reported to us about this service than hospital services in Surrey generally (53%)
- And a higher proportion of negative experiences (65%) compared with the general sentiment reported to us about health and care service (51%)
- The strongest theme within the negative experiences reported to us is the 'care of older people' (12 experiences)
- Based on the experiences shared with Healthwatch Surrey for all NHS services it is clear that **making it easier to make an NHS complaint** remains a top priority for people.

This evidence should be considered alongside other data presented by the Trust and within a wider context, which includes:

- Healthwatch Surrey has had a good level of engagement with the Trust in the previous 12 months and has been able to provide important insight into positive and negative experiences of local people
- The Trust has taken action based on the information provided by Healthwatch Surrey
- The Public Health Service Ombudsman – which deals with complaints not resolved by the NHS – has reported that in 2015 they undertook thirteen investigations into complaints that could not be resolved between local people and the Trust
- Regulatory bodies – Monitor and NHS Trust Development Authority – have published the Learning From Mistakes League (March 2016) within which the Trust appeared 209th out of the 230 NHS trusts in England and was identified as having a 'poor reporting culture'
- Healthwatch Surrey has a close working relationship with the Care Quality Commission and regularly shares information to inform their inspection activity

We look forward to continuing to work with the Trust to ensure that the people of Surrey have a voice to improve, shape and get the best from health and social care services.

Matthew Parris
Evidence & Insight Manager

19 May 2016

Surrey Wellbeing and Health Scrutiny Board Response

The Wellbeing and Health Scrutiny Board welcomes the opportunity to comment on Ashford and St. Peter's Hospitals NHS Foundation Trust's Quality Account for 2015/16. The Trust is thanked for its working with the Board over the last year. The Board has heard strong evidence demonstrating the good working relationship with the Council's Adult Social Care teams in ensuring hospital releases are appropriately timed and supported, and it commends both the Trust and Adult Social Care in this regard.

The Board recognises that there is an overall good level of detail in the document. It notes that the Trust's involvement in a number of national and local clinical reviews and reviews is impressive. The Board would suggest that the Trust ought to focus on raising the proportion of Mortality Reviews to bring it above the national average (p.133).

The Board notes that a number of priorities are marked as not or partially achieved (priorities 1, 5 and 7). The Board wishes to highlight in particular the need to review Mental Health Act training, policies and procedures in order to demonstrate improved parity of esteem.

The Board would encourage the Trust to increase the number of people who would recommend the Trust to a friend in 2016/17, and notes the satisfaction issues raised by the Friends and Family Test in the Emergency Department.

In 2015 The Board welcomed a report on North West Surrey Urgent Care System Winter Resilience. This highlighted a number of actions taken to reduce the risk of Ashford and St. Peter's Hospitals having to declare an internal Major Incident as a result of winter pressures. The Board was assured and notes that the Trust was able to demonstrate an ability to manage demand through better partnership working.

The Board also notes the Trust's continued role in the Stroke Services Review and anticipates its continued input into discussions with other acute trusts about how best to improve outcomes for patients across Surrey in this regard.

The Board reviewed the proposed merger of Ashford and St. Peter's Hospitals and the Royal Surrey County Hospital through the course of 2015/16, most recently on 3 May 2016. The Board welcomes a continued dialogue with both Trusts on the business case for the merger in the year ahead.

The Board is supportive of the continuing focus on the priorities in the quality account for 2016/17 and will continue to work with the Trust to understand and monitor its priorities for the benefit of Surrey patients and their families.

Bill Chapman, Chairman - Wellbeing and Health Scrutiny Board.

18 May 2016

NHS North West Surrey Clinical Commissioning Group

Ashford and St Peter's Hospitals NHS Foundation Trust Quality Account 2015/16 Commissioner Statement from NHS North West Surrey Clinical Commissioning Group (NWS CCG)

North West Surrey CCG (NWS CCG) welcomes the opportunity to comment on the Ashford and St Peter's NHS Foundation Trust Quality Account for 2015/16.

Having reviewed the draft Quality Account document for 2015/16, the CCG is satisfied that this gives an overall accurate account and analysis of the quality of services. This is in line with the data supplied by Ashford and St Peter's Hospitals NHS Foundation Trust during the year and reviewed as part of performance under the contract with NHS North West Surrey CCG. From our review, the CCG believes the Quality Account is supported by relevant data, incorporates the mandated elements required and is satisfied it is accurate and provides appropriate evidence of the Trust's quality improvement progress.

Quality improvement priorities for 2015/16

The Trust is commended for their continued good work and emphasis on the quality of patient care. The CCG has been involved in the Trust's workshops to agree the quality priorities and also in the quarterly Quality Account Workshops where performance against priorities identified for 2015/16 and the planning for 2016/17 took place. The CCG is satisfied the priorities identified by the Trust comply with Quality Account requirements in relation to Patient Safety, Clinical Effectiveness and Patient Experience.

The Quality Account provides a summary of progress against the 2015/16 quality priorities. In particular the CCG would like to note the following areas of achievement:

- Achieving reductions in falls and hospital acquired pressure ulcers through the successful implementation of the Trust's Fall and Pressure Prevention Strategies.
- Complaints review undertaken and the impact this is having on the quality of complaints management.
- The on-going work to improve the management of patients with sepsis.
- The work to improve the experience of patients with dementia.

The CCG welcomes the inclusion of the following issues within the Quality Account Priorities identified for 2016/17:

- Implementing a safety culture and in particular the Trust's success in being selected as a pilot site for the AHSN safety culture, leadership and improvement capability project.
- Auditing compliance with duty of candour requirements.
- Aiming to achieve VTE Exemplar Centre status by March 2017.
- Improving patient experience by signing up to delivering Always Events, acting on patient feedback on their experience in A&E and achieving the 95% A&E waiting time target.

The Quality Account provides an overview of the on-going work being undertaken within the Trust in relation to the actions resulting from the Trustwide CQC inspection which took place in December 2014. The CCG was involved with pre and post visit processes and continues to receive updates on the completion and tests of effectiveness around the resulting action plan.

Data Quality

Commissioners are satisfied with the accuracy of the data contained in the Account pending completion of final validation by auditors. We will continue to work with the Trust to ensure that quality data is reported in a timely manner through clear information schedules.

In conclusion NWS CCG would like to thank ASPHFT for sharing the draft Quality Account document and are satisfied it accurately reflects the quality priority work being undertaken by the Trust. As Commissioner we have a positive relationship with the Trust and will continue to work together to ensure continuous improvement in the delivery of safe and effective services for patients.

Clare Stone, Chief Nurse / Associate Director for Quality

NHS North West Surrey Clinical Commissioning Group

10 May 2016

2015/16 Statement of Directors' Responsibilities in respect of the Quality Report

The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations to prepare Quality Accounts for each financial year.

Monitor has issued guidance to NHS foundation trust boards on the form and content of annual Quality Reports (which incorporate the above legal requirements) and on the arrangements that NHS foundation trust boards should put in place to support the data quality for the preparation of the Quality Report.

In preparing the Quality Report, Directors are required to take steps to satisfy themselves that:

- the content of the Quality Report meets the requirements set out in the NHS Foundation Trust Annual Reporting Manual 2015/16 and supporting guidance
- the content of the Quality Report is not inconsistent with internal and external sources of information including[112]:
    - Board minutes and papers for the period April 2015 to 26 May 2016
    - papers relating to quality reported to the Board over the period April 2015 to 26 May 2016
    - feedback from commissioners dated 10 May 2016
    - feedback from governors dated 9 May 2016
    - feedback from local Healthwatch organisations dated 19 May 2016
    - feedback from Surrey Wellbeing and Health Scrutiny Board dated 18 May 2016
    - the Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated 28 April 2016
    - the 2014 national patient survey May 2015
    - the 2015 national staff survey 22 March 2016
    - the Head of Internal Audit's annual opinion over the Trust's control environment dated 23 May 2016
- the Quality Report presents a balanced picture of the NHS foundation trust's performance over the period covered
- the performance information reported in the Quality Report is reliable and accurate
- there are proper internal controls over the collection and reporting of the measures of performance included in the Quality Report, and these controls are subject to review to confirm that they are working effectively in practice

[112] The last Care Quality Commission Intelligent Monitoring Report was dated 1 December 2014. These reports are not currently issued for acute Trusts.

- the data underpinning the measures of performance reported in the Quality Report is robust and reliable, conforms to specified data quality standards and prescribed definitions, is subject to appropriate scrutiny and review and

- the Quality Report has been prepared in accordance with Monitor's annual reporting guidance (which incorporates the Quality Accounts regulations) (published at www.monitor.gov.uk/annualreportingmanual) as well as the standards to support data quality for the preparation of the Quality Report (available at www.monitor.gov.uk/annualreportingmanual).

The Directors confirm to the best of their knowledge and belief they have complied with the above requirements in preparing the Quality Report.

The Directors are confident in the quality of services we provide across our services and that for the majority of our quality and performance targets we meet the standards expected by and acceptable to our regulator and commissioners. Further, the information in this Quality Account is provided from our data management systems and our quality improvement systems and to the best of our knowledge is accurate, and provides a true reflection of our organisation, with the exception of the following indicators which KPMG LLP Statutory Auditor has tested and is unable to issue opinions over for the below reasons. The Directors are unable to confirm these items are accurate owing to the exceptions notified below.

Mandated indicator 1 - Percentage of incomplete pathways within 18 weeks for patients on incomplete pathways at the end of the reporting period ("18 week RTT") contained underlying system design weaknesses including sample testing errors pertaining to pathway start date and procedure classification within the pathway. Whilst significant improvements have been made to this pathway during the year the control environment is continuing to be strengthened.

Mandated indicator 2 – the measure that a patient should be admitted, transferred or discharged within 4 hours of arrival at an Accident and Emergency Department ("Accident and Emergency 4 hour wait") cannot be confirmed as accurate owing to a combination of inconsistent design of the transaction processing system and the associated absence of procedural guidance documentation. These findings currently limit the ability to verify the data, particularly manual adjustments to classifications as breach or non-breach. The governance framework around the A&E 4 hour wait process will be strengthened.

Owing to the above exceptions the Directors are unable to confirm these items are accurate.

The Trust will continue to strive for opportunities to refine our data throughout these high volume and complex operational pathways.

By order of the Board

Aileen McLeish
Chairman
26 May 2016

Suzanne Rankin
Chief Executive
26 May 2016

Independent auditor's report to the Council of Governors of Ashford and St Peter's Hospitals NHS Foundation Trust on the Quality Report

We have been engaged by the Council of Governors of Ashford and St. Peter's Hospitals NHS Foundation Trust to perform an independent assurance engagement in respect of Ashford and St. Peter's Hospitals NHS Foundation Trust's Quality Report for the year ended 31 March 2016 (the 'Quality Report') and certain performance indicators contained therein.

Scope and subject matter
The indicators for the year ended 31 March 2016 subject to limited assurance consist of the following two national priority indicators (the Indicators):

- percentage of incomplete pathways within 18 weeks for patients on incomplete pathways at the end of the reporting period ("18 week RTT"); and
- A&E: maximum waiting time of four hours from arrival to admission / transfer / discharge ("4 hour A&E").

Respective responsibilities of the directors and auditors
The directors are responsible for the content and the preparation of the Quality Report in accordance with the criteria set out in the NHS Foundation Trust Annual Reporting Manual issued by Monitor.

Our responsibility is to form a conclusion, based on limited assurance procedures, on whether anything has come to our attention that causes us to believe that:

- the Quality Report is not prepared in all material respects in line with the criteria set out in the NHS Foundation Trust Annual Reporting Manual and supporting guidance;
- the Quality Report is not consistent in all material respects with the sources specified in the Detailed Guidance for External Assurance on Quality Reports 2015/16 ('the Guidance'); and
- the indicators in the Quality Report identified as having been the subject of limited assurance in the Quality Report are not reasonably stated in all material respects in accordance with the NHS Foundation Trust Annual Reporting Manual and supporting guidance and the six dimensions of data quality set out in the Guidance.

We read the Quality Report and consider whether it addresses the content requirements of the NHS Foundation Trust Annual Reporting Manual and supporting guidance and consider the implications for our report if we become aware of any material omissions.

We read the other information contained in the Quality Report and consider whether it is materially inconsistent with:

- board minutes and papers for the period April 2015 to 26 May 2016;
- papers relating to quality reported to the board over the period April 2015 to 26 May 2016;
- feedback from commissioners dated 10 May 2016;
- feedback from governors dated 9 May 2016;
- feedback from local Healthwatch organisations dated 19 May 2016;
- feedback from Surrey County Council Health Scrutiny Committee dated 18 May 2016;
- the latest CQC Intelligent Monitoring Report dated 1 December 2014;
- the trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated 28 April 2016;

- the 2014 national patient survey dated May 2015;
- the 2015 national staff survey dated 22 March 2016; and
- the 2015/16 Head of Internal Audit's annual opinion over the Trust's control environment dated 23 May 2016.

We consider the implications for our report if we become aware of any apparent misstatements material inconsistencies with those documents (collectively, the 'documents'). Our responsibilities do not extend to any other information.

We are in compliance with the applicable independence and competency requirements of the Institute of Chartered Accountants in England and Wales (ICAEW) Code of Ethics. Our team comprised assurance practitioners and relevant subject matter experts.

This report, including the conclusion, has been prepared solely for the Council of Governors of Ashford and St. Peter's Hospitals NHS Foundation Trust as a body, to assist the Council of Governors in reporting the NHS Foundation Trust's quality agenda, performance and activities. permit the disclosure of this report within the Annual Report for the year ended 31 March 2016, to enable the Council of Governors to demonstrate they have discharged their governance responsibilities by commissioning an independent assurance report in connection with the indicator. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors as a body and Ashford & St. Peter's Hospitals NHS Foundation Trust for our work or this report, except where terms are expressly agreed and with prior consent in writing.

Assurance work performed

We conducted this limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) – 'Assurance Engagements other than Audits or Reviews of Historical Financial Information', issued by the International Auditing and Assurance Standards Board ('ISAE 3000'). Our limited assurance procedures included:

- evaluating the design and implementation of the key processes and controls for managing and reporting the indicator;
- making enquiries of management;
- testing key management controls;
- limited testing, on a selective basis, of the data used to calculate the indicator back to supporting documentation;
- comparing the content requirements of the NHS Foundation Trust Annual Reporting Manual to the categories reported in the Quality Report; and
- reading the documents.

A limited assurance engagement is smaller in scope than a reasonable assurance engagement. The nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement.

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information.
The absence of a significant body of established practice on which to draw allows for the selection of different, but acceptable measurement techniques which can result in materially different measurements and can affect comparability. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the

measurement criteria and the precision of these criteria, may change over time. It is important to read the quality report in the context of the criteria set out in the NHS Foundation Trust Annual Reporting Manual.

The scope of our assurance work has not included governance over quality or the non-mandated indicator, which was determined locally by Ashford and St. Peter's Hospitals NHS Foundation Trust.

Basis for qualified conclusion
As set out in the Statement on Quality from the Chief Executive of the Foundation Trust on pages 111 to 113 of the Trust's Quality Report, the Trust currently has concerns with accuracy of data with regards to the 18 week RTT and 4 hour A&E indicators.

We identified control weaknesses in the design of the system and data weaknesses within the first quarter of 2015/16. In addition, detailed sample testing of this indicator identified discrepancies between clock start and stop times recorded on the Patient Administration System ("PAS") and patient referral letters, and also a case where a patient was incorrectly included on the incomplete pathway.
As a consequence, we are unable to give limited assurance on the 18 week RTT indicator included in the published Quality Report for the year ended 31 March 2016.

In 2015/16 4 hour A&E was tested as a mandated indicator for the first time. Our system and control evaluation identified that PAS is the single source of information for all patient admission / transfer / discharge times. Manual adjustments are made to PAS as part of validation checks of breaches, in which some breaches are adjusted to non breaches. These validation checks are not undertaken in a consistent fashion and there is no written guidance directing how they should be undertaken. In addition, detailed sample testing of these manual validations identified a case where a breach had been incorrectly changed to a non-breach, where the patient record confirmed that the patient should have remained recorded as a breach.

As a consequence, we are unable to give limited assurance on the 4 hour A&E indicator included in the published Quality Report for the year ended 31 March 2016.

Qualified conclusion
Based on the results of our procedures, except for the effects of the matters described in the 'Basis for qualified conclusion' section above, nothing has come to our attention that causes us to believe that, for the year ended 31 March 2016:

- the Quality Report is not prepared in all material respects in line with the criteria set out in the NHS Foundation Trust Annual Reporting Manual; and
- the Quality Report is not consistent in all material respects with the sources specified in the Guidance.

KPMG LLP
Chartered Accountants
15 Canada Square
London
E14 5GL
26 May 2016

5. Annual Accounts

1 April 2015 – 31 March 2016

Foreword to the Accounts

These Accounts for the year ended 31 March 2016 have been prepared in accordance with paragraphs 24 and 25 of Schedule 7 to the National Health Service Act 2006 and are presented to Parliament pursuant to Schedule 7, paragraph 25 (4)(a) of the National Health Service Act 2006.

Suzanne Rankin
Accounting Officer
Ashford and St Peter's Hospitals NHS Foundation Trust
26 May 2016

INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF GOVERNORS OF ASHFORD AND ST PETER'S HOSPITALS NHS FOUNDATION TRUST ONLY

Opinions and conclusions arising from our audit

1. Our opinion on the financial statements is unmodified

We have audited the financial statements of Ashford and St Peter's Hospitals NHS Foundation Trust for the year ended 31 March 2016 set out on pages 199 to 237. In our opinion:

- The financial statements give a true and fair view of the state of the Trust's affairs as at 31 March 2016 and of the Trust's income and expenditure for the year then ended; and

- The financial statements have been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2015/16.

2. Our assessment of risks of material misstatement

In arriving at our audit opinion above on the financial statements the risks of material misstatement that had the greatest effect on our audit were as follows:

The valuation of land and buildings has been removed as an area with a significant risk of material misstatement. In 2014/15 a full revaluation was undertaken, but in 2015/16 there is no such revaluation, in line with the Trust's accounting policy. The next interim desktop valuation is due to take place in 2016/17.

NHS and non-NHS revenue recognition - £267.6 million (2014/15, £262.8 million)

Risk level is →(consistent) year on year

Refer to p. 80 of the Annual Report, pages 203 to 215 (accounting policies contained within the Trust's annual report) and pages 216 to 217 (financial disclosures contained within the Trust's annual report).

The risk: In 2015/16, the Trust reported total income of £267.6m (2014/15, £262.8m) of which £242.5m (2014/15, £238.1m) related to contracts with NHS commissioners. This represents 91% of total income (2014/15: 91%). The remaining £25.1m (2014/15, £24.7m) was generated by contracts with local authorities and other non-NHS counterparties.

The Trust participates in the Agreement of Balances (AoB) exercise which is mandated by the Department of Health (the Department), covering the English NHS only, for the purpose of ensuring that intra-NHS balances are eliminated on the consolidation of the Department's resource account. The AoB exercise identifies mismatches between income and expenditure and receivable and payable balances recognised by the Trust and its counter parties at the balance sheet date.

Mismatches can occur for a number of reasons, but the most significant arise where the Trust and commissioners are yet to validate the level of estimated accruals for completed healthcare spells which have not yet been invoiced, accruals for non-contracted out-of-area treatments are not recognised by commissioners or potential contract penalties for non-performance are yet to be

finalised. Where there is a lack of agreement, mismatches can be classified as formal disputes and referred to NHS England Area Teams for resolution.

Non-NHS income is received for patient care activities from local authorities and other sources, for example private patients, totalling £5.8m in 2015/16, (£5.7m in 2014/15). It is also received for non-patient care activity, for example education, training and research and development. This totalled £19.3m in 2015/16 (£19.0m in 2014/15).

We do not consider NHS and non NHS income to be at high risk of significant misstatement, or to be subject to a significant level of judgement. However, due to its materiality in the context of the financial statements as a whole, NHS and non-NHS income is considered to be one of the areas which had the greatest effect on our overall audit strategy and allocation of resources in planning and completing our audit.

Our response: In this area our audit procedures included:

- Agreeing the income recorded in the Trust's financial statements to the signed material contracts in place with key counter parties, and investigating significant contract variations supported by explanations provided by Trust officers;
- Assessing third party confirmations from commissioners and other NHS bodies as part of the 2015/16 Agreement of Balances (AoB) exercise and obtaining explanations for any significant variances;
- Testing a sample of non-NHS income items to year-end bank statements and third party notifications to support the work we have undertaken on completeness of income balances recorded in the financial statements and confirming that income has been recorded in the correct accounting period; and
- Testing a sample of receipts to confirm that income has been recorded in the correct accounting period.

3. Our application of materiality and an overview of the scope of our audit

The materiality for the financial statements was set at £5.1 million (2014/15: £5.1m), determined with reference to a benchmark of income from operations of which it represents 2% (2014/15: 2%). We consider income from operations to be more stable than a surplus-related benchmark.

We report to the Audit Committee any corrected and uncorrected identified misstatements exceeding £250k (2014/15: £250k), in addition to other identified misstatements that warrant reporting on qualitative grounds.

Our audit of the Trust was undertaken to the materiality level specified above and was performed at the Trust's finance department at Ashford Hospital in Ashford.

4. Our opinion on other matters prescribed by the Code of Audit Practice is unmodified

In our opinion:

- the parts of the Remuneration and Staff Reports to be audited have been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2015/16; and

- the information given in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

5. We have nothing to report in respect of the matters on which we are required to report by exception

Under ISAs (UK&I) we are required to report to you if, based on the knowledge we acquired during our audit, we have identified other information in the Annual Report that contains a material inconsistency with either that knowledge or the financial statements, a material misstatement of fact, or that is otherwise misleading.

In particular, we are required to report to you if:

- we have identified material inconsistencies between the knowledge we acquired during our audit and the directors' statement that they consider that the Annual Report and Accounts 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; or

- the Audit Committee's commentary on p. 80 of the Annual Report does not appropriately address matters communicated by us to the audit committee.

Under the Code of Audit Practice we are required to report to you if in our opinion:

- the Annual Governance Statement does not reflect the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual 2015/16, is misleading or is not consistent with our knowledge of the Trust and other information of which we are aware from our audit of the financial statements.

- the Trust has not made proper arrangement for securing economy, efficiency and effectiveness in its use of resources.

In addition we are required to report to you if:

- any reports to the regulator have been made under Schedule 10(6) of the National Health Service Act 2006.

- any matters have been reported in the public interest under Schedule 10(3) of the National Health Service Act 2006 in the course of, or at the end of the audit.

We have nothing to report in respect of the above responsibilities.

Respective responsibilities of the accounting officer and auditor

As described more fully in the Statement of Accounting Officer's Responsibilities on p. 96 the accounting officer is responsible for the preparation of financial statements which give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the UK Ethical Standards for Auditors.

Scope of an audit of financial statements performed in accordance with ISAs (UK and Ireland)

A description of the scope of an audit of financial statements is provided on our website at www.kpmg.com/uk/auditscopeother2014. This report is made subject to important explanations

regarding our responsibilities, as published on that website, which are incorporated into this report as if set out in full and should be read to provide an understanding of the purpose of this report, the work we have undertaken and the basis of our opinions.

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

The Trust is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

Under Section 62(1) and Schedule 10 paragraph 1(d), of the National Health Service Act 2006 we have a duty to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

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

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the guidance on the specified criterion issued by the Comptroller and Auditor General (C&AG), as to whether the Trust has proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. The C&AG determined this criterion as 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 2016.

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

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Council of Governors of the Trust, as a body, in accordance with Schedule 10 of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Council of Governors of the Trust, as a body, those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors of the Trust, as a body, for our audit work, for this report or for the opinions we have formed.

Certificate of audit completion

We certify that we have completed the audit of the accounts of Ashford and St. Peter's Hospitals NHS Foundation Trust in accordance with the requirements of Schedule 10 of the National Health Service Act 2006 and the Code of Audit Practice issued by the National Audit Office.

Neil Hewitson
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square, London, E14 5GL
26 May 2016

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2016

	Note	2015/16	2014/15
		£'000	£'000
INCOME			
Income from patient care activities	3	248,311	243,801
Other operating income	4	19,338	19,013
Operating expenses	6	(262,762)	(258,252)
OPERATING SURPLUS		4,887	4,562
FINANCE COSTS:			
Finance income	12	31	30
Finance expense	13	(399)	(363)
Public dividend capital dividends payable		(5,154)	(5,187)
RETAINED DEFICIT FOR THE YEAR		(635)	(958)
Other Comprehensive Income:			
Impairment losses on property plant and equipment		-	(16,152)
Revaluations		-	16,214
TOTAL COMPREHENSIVE EXPENSE FOR THE YEAR		(635)	(896)

The notes on pages 203 to 237 form part of these accounts.

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2016

	Note	31/03/16	31/03/15
		£'000	£'000
NON-CURRENT ASSETS			
Property, plant and equipment	14	166,325	164,329
Intangible assets	15	1,800	1,484
Trade and other receivables	19	856	747
TOTAL NON-CURRENT ASSETS		168,981	166,560
CURRENT ASSETS			
Inventories	18	4,317	4,516
Trade and other receivables	19	14,794	15,534
Cash and cash equivalents	20	8,673	10,465
TOTAL CURRENT ASSETS		27,784	30,515
TOTAL ASSETS:		196,765	197,075
CURRENT LIABILITIES			
Trade and other payables	21	(28,059)	(26,647)
Other liabilities	21	(229)	(2,113)
Borrowings	22	(1,325)	(1,411)
Provisions	24	(730)	(463)
TOTAL CURRENT LIABILITIES		(30,343)	(30,634)
TOTAL ASSETS LESS CURRENT LIABILITIES		166,422	166,441
NON-CURRENT LIABILITIES			
Borrowings	22	(6,592)	(5,925)
Provisions	24	(219)	(300)
TOTAL ASSETS EMPLOYED		159,611	160,216
FINANCED BY TAXPAYERS' EQUITY:			
Public dividend capital		88,289	88,259
Income and expenditure reserve		4,525	5,160
Revaluation reserve		66,797	66,797
TOTAL TAXPAYERS' EQUITY		159,611	160,216

The financial statements on pages 199 to 237 were approved by the Board on 26 May 2016 and signed on its behalf by:

Suzanne Rankin, Accounting Officer
Ashford and St Peter's Hospitals NHS Foundation Trust, 26 May 2016

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY FOR THE YEAR ENDED 31 MARCH 2016

	Public Dividend Capital (PDC)	Retained Earnings	Revaluation Reserve	Total
	£'000	£'000	£'000	£'000
BALANCE AT 1 APRIL 2015	88,259	5,160	66,797	160,216
CHANGES IN TAXPAYERS EQUITY FOR THE YEAR ENDED 31 MARCH 2016				
Retained surplus/(deficit) for the year	-	(635)	-	(635)
Public Dividend Capital received	30	-	-	30
BALANCE AT 31 MARCH 2016	88,289	4,525	66,797	159,611

	Public Dividend Capital (PDC)	**Retained Earnings**	**Revaluation Reserve**	**Total**
	£'000	£'000	£'000	£'000
BALANCE AT 1 APRIL 2014	87,578	6,118	66,735	160,431
CHANGES IN TAXPAYERS EQUITY FOR THE YEAR ENDED 31 MARCH 2015				
Retained surplus/(deficit) for the year	-	(958)	-	(958)
Impairments	-	-	(16,152)	(16,152)
Net gain in revaluation of property, plant and equipment	-	-	16,214	16,214
Public Dividend Capital received	681	-	-	681
BALANCE AT 31 MARCH 2015	88,259	5,160	66,797	160,216

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2016

	Note	2015/16	2014/15
		£'000	£'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating surplus		4,887	4,562
Depreciation and amortisation		6,447	6,112
Impairments		-	3,469
Reversals of impairments		-	(2,030)
(Increase)/decrease in inventories		199	(217)
(Increase)/decrease in trade and other receivables		675	782
Increase/(decrease) in trade and other payables		614	279
Increase/(decrease) in other current liabilities		(1,884)	1,773
Increase/(decrease) in provisions	24	186	13
Other movements in operating cash flows		(175)	(166)
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES		10,949	14,577
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		31	30
(Payments) for property, plant and equipment		(5,683)	(9,188)
NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES		(5,652)	(9,158)
NET CASH INFLOW/(OUTFLOW) BEFORE FINANCING		5,297	5,419
CASH FLOWS FROM FINANCING ACTIVITIES			
Public Dividend Capital received		30	681
Capital element of finance lease rental payments		(1,471)	(1,159)
Interest element of finance lease		(399)	(363)
Dividends paid		(5,249)	(5,178)
NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES		(7,089)	(6,019)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		(1,792)	(600)
CASH (AND) CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		10,465	11,065
CASH (AND) CASH EQUIVALENTS AT 31 MARCH	20	8,673	10,465

NOTES TO THE ACCOUNTS 31 MARCH 2016

1. Accounting policies

Monitor has directed that the financial statements of NHS Foundation Trusts shall meet the accounting requirements of the NHS Foundation Trust Annual Reporting Manual (ARM) which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the 2015/16 NHS Foundation Trust Annual Reporting Manual issued by Monitor under the NHS Act 2006. The accounting policies contained in that manual follow International Financial Reporting Standards (IFRS) and HM Treasury's Financial Reporting Manual (FReM) to the extent that they are meaningful and appropriate to NHS Foundation Trusts. The accounting policies have been applied consistently in dealing with items considered material in relation to the accounts.

1.1 Accounting convention

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

1.2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Trust's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates and the estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying accounting policies

There were no areas of critical judgements, apart from those involving estimations (see below) that management has made in the process of applying the Trust's accounting policies and that have a significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

The Trust has included in its financial statements land and buildings of £149,748,000 (2014/15 £148,954,000). The Trust underwent a full valuation of its land and buildings as at 1 April 2014 with the work being undertaken by the Trust's Valuer who used their extensive knowledge of the physical estate and market factors in applying their professional judgement. The Trust considers that the value of land and buildings reported in the financial statements as at 31 March 2016 does not differ materially from the market value of those land and buildings at this date. The value does not take into account potential future changes in market value which cannot be predicted with any certainty.

There are no other key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year

1.3 Income

Income in respect of services provided is recognised when, and to the extent that, performance occurs, and is measured at the fair value of the consideration receivable. The main source of revenue for the Trust is from commissioners for healthcare services. Income relating to patient care spells that are part-completed at the year-end are apportioned across the financial years on the basis of length of stay at the end of the reporting period compared to expected total length of stay. Where income is received for a specific activity that is to be delivered in the following year, that income is deferred.

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 e.g. by an insurer. The Trust recognises the income when it receives notification from the Department of Work and Pension's Compensation Recovery Unit that the individual has lodged a compensation claim. The income is measured at the agreed tariff for the treatments provided to the injured individual, less a provision for unsuccessful compensation claims and doubtful debts.

1.4 Expenditure on employee benefits

Short-term employee benefits

Salaries, wages and employment-related payments are recognised in the period in which the service is received from employees. The cost of leave 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

Past and present employees are covered by the provisions of the NHS Pensions Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is 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, the scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

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 operating expenses at the time the Trust commits itself to the retirement, regardless of the method of payment

The National Employment Savings Scheme(NEST) is a defined contribution pension scheme that was created as part of the government's workplace pensions reforms under the Pensions Act 2008. Contributions to this scheme started in 2013/14 for applicable employees who are not members of the NHS Pensions Scheme.

1.5 Expenditure on other goods and services

Expenditure on other 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.

1.6 Property, plant and equipment

Recognition

Property, plant and equipment is capitalised if:

- 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 will be supplied to, the Trust;
- it is expected to be used for more than one financial year;
- the cost of the item can be measured reliably; and
  - ◊ 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 a cost of more than £250, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or
  - ◊ Items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost.

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

Valuation

All property, plant and equipment are measured initially at cost, representing the cost directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management. All assets other than land and buildings are measured subsequently at valuation.

Land and buildings used for the Trust's services, or for administrative purposes, are stated in the Statement of Financial Position at their revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses. Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period. Fair values are determined as follows:

- Land and non-specialised buildings – market value for existing use
- Specialised buildings – depreciated replacement cost

Until 31 March 2008, the depreciated replacement cost of specialised buildings has been estimated for an exact replacement of the asset in its present location. HM Treasury has adopted a standard approach to depreciated replacement cost valuations based on modern equivalent assets and, where it would meet the location requirements of the service being provided, an alternative site can be valued.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees but not borrowing costs, which are

recognised as expenses immediately, as allowed by IAS 23 for assets held at fair value. Assets are revalued and depreciation commences when they are brought into use.

Until 31 March 2008, fixtures and equipment were carried at replacement cost, as assessed by indexation and depreciation of historic cost. From 1 April 2008 indexation has ceased. The carrying value of existing assets at that date will be written off over their remaining useful lives and new fixtures and equipment are carried at depreciated historic cost as this is not considered to be materially different from fair value.

An increase arising on revaluation is taken to the Revaluation Reserve except when it reverses an impairment for the same asset previously recognised in expenditure, in which case it is credited to expenditure to the extent of the decrease previously charged there. A revaluation decrease that does not result from a loss of economic value or service potential is recognised as an impairment charged to the Revaluation Reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure. Impairment losses that arise from a clear consumption of economic benefit should be taken to expenditure. Gains and losses recognised in the Revaluation Reserve are reported as other comprehensive income in the Statement of Comprehensive Income.

The Trust charges depreciation on revalued assets based on their revalued amount and not their cost. IAS 16 is not prescriptive on the accounting policy to be adopted by reporting entities in respect of this adjustment, and as the Trust does not have complete records of the historical cost of its assets, it now transfers such balances only on ultimate disposal.

Subsequent expenditure

Where subsequent expenditure enhances an asset beyond its original specification, the directly attributable cost is capitalised. Where subsequent expenditure restores the asset to its original specification, the expenditure is capitalised and any existing carrying value of the item replaced is written-out and charged to operating expenses.

1.7 Intangible assets

Recognition

Intangible assets are non-monetary assets without physical substance, which are capable of sale separately from the rest of the Trust's business or which arise from contractual or other legal rights.

They are recognised only when it is probable that future economic benefits will flow to, or service potential be provided to, the Trust; where the cost of the asset can be measured reliably, and where the cost is at least £5,000.

Intangible assets acquired separately are initially recognised at fair value. Software that is integral to the operating of hardware, for example an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software that is not integral to the operation of hardware, for example application software, is capitalised as an intangible asset. Expenditure on research is not capitalised: it is recognised as an operating expense in the period in which it is incurred. Internally-generated assets are recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that 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; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Measurement

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the criteria above are initially met. Where no internally-generated intangible asset can be recognised, the expenditure is recognised in the period in which it is incurred.

Following initial recognition, intangible assets are carried at valuation by reference to an active market, or, where no active market exists, at amortised replacement cost (modern equivalent assets basis), indexed for relevant price increases, as a proxy for fair value. Internally-developed software is held at historic cost to reflect the opposing effects of increases in development costs and technological advances.

1.8 Depreciation, amortisation and impairments

Freehold land, properties under construction, and assets held for sale are not depreciated.

Otherwise, depreciation and amortisation are charged to write off the costs or valuation of property, plant and equipment and intangible non-current assets, less any residual value, over their estimated useful lives, in a manner that reflects the consumption of economic benefits or service potential of the assets. The estimated useful life of an asset is the period over which the Trust expects to obtain economic benefits or service potential from the asset. This is specific to the Trust and may be shorter than the physical life of the asset itself. Estimated useful lives and residual values are reviewed each year end, with the effect of any changes recognised on a prospective basis. Assets held under finance leases are depreciated over their estimated useful lives.

At each reporting period end, the Trust checks whether there is any indication that any of its tangible or intangible non-current assets have suffered an impairment loss. If there is indication of an impairment loss, the recoverable amount of the asset is estimated to determine whether there has been a loss and, if so, its amount. Intangible assets not yet available for use are tested for impairment annually.

A revaluation decrease that does not result from a loss of economic value or service potential is recognised as an impairment charged to the Revaluation Reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure. Impairment losses that arise from a clear consumption of economic benefit should be taken to expenditure. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of the recoverable amount but capped at the amount that would have been determined had there been no initial impairment loss. The reversal of the impairment loss is credited to expenditure to the extent of the decrease previously charged there and thereafter to the Revaluation Reserve.

1.9 Donated and grant funded assets

Donated and grant funded property, plant and equipment assets are capitalised at their fair value on receipt. The donation/grant is credited to income at the same time, unless the donor has imposed a condition that the future economic benefits embodied in the grant are to be consumed in a manner specified by the donor, in which case, the donation/grant is deferred within liabilities and is carried forward to future financial years to the extent that the condition has not yet been met.

The donated and grant funded assets are subsequently accounted for in the same manner as other items of property, plant and equipment.

1.10 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met when the sale is highly probable, the asset is available for immediate sale in its present condition and management is committed to the sale, which is expected to qualify for recognition as a completed sale within one year from the date of classification. Non-current assets held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell. Fair value is open market value including alternative uses.

The profit or loss arising on disposal of an asset is the difference between the sale proceeds and the carrying amount and is recognised in the Statement of Comprehensive Income. On disposal, the balance for the asset on the Revaluation Reserve is transferred to Retained Earnings. For donated and government-granted assets, a transfer is made to or from the relevant reserve to the profit/loss on disposal account so that no profit or loss is recognised in income or expenses. The remaining surplus or deficit in the Donated Asset is then transferred to Retained Earnings.

Property, plant and equipment that is to be scrapped or demolished does not qualify for recognition as held for sale. Instead, it is retained as an operational asset and its economic life is adjusted. The asset is de-recognised when it is scrapped or demolished.

1.11 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 lessee

Property, plant and equipment held under finance leases are initially recognised, at the inception of the lease, at fair value or, if lower, at the present value of the minimum lease payments, with a matching liability for the lease obligation to the lessor. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate on interest on the remaining balance of the liability. Finance charges are recognised in calculating the Trust's surplus/deficit.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially as a liability and subsequently as a reduction of rentals on a straight-line basis over the lease term.

Contingent rentals are recognised as an expense in the period in which they are incurred.

Where a lease is for land and buildings, the land and building components are separated and individually assessed as to whether they are operating or finance leases.

1.12 Inventories

Inventories are valued at the lower of cost and net realisable value using the weighted average cost formula.

This is considered to be a reasonable approximation to fair value due to the high turnover of stocks.

1.13 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.

1.14 Provisions

Provisions are recognised when the Trust has a present legal or constructive obligation as a result of a past event, it is probable that the Trust will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using the short-; medium-; and/or long-term real discount rates published by HM Treasury for the financial year, except for early retirement provisions and injury benefit provisions which both use the HM Treasury's pension discount rate of 1.37% (2014/15: 1.30%) in real terms. These rates are as follows:

- Short-term; real rate minus 1.55% (2014/15: real rate minus 1.50%)
- Medium-term; real rate minus 1.00% (2014/15: real rate minus 1.05%)
- Long-term; real rate minus 0.80% (2014/15: real rate: plus 2.20%)

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursements will be received and the amount of the receivable can be measured reliably.

Present obligations arising under onerous contracts are recognised and measured as a provision. An onerous contract is considered to exist where the Trust has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

A restructuring provision is recognised when the Trust has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising

from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with ongoing activities of the entity.

1.15 Clinical negligence costs

The NHS Litigation Authority (NHSLA) operates a risk pooling scheme under which the Trust pays an annual contribution to the NHSLA which in return settles all clinical negligence claims. The contribution is charged to expenditure. Although the NHSLA is administratively responsible for all clinical negligence cases the legal liability remains with the Trust. The total value of clinical negligence provisions carried by the NHSLA on behalf of the Trust is disclosed at note 24.

1.16 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 the NHS Litigation Authority 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 as and when they become due.

1.17 Contingencies

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Trust, or a present obligation that is not recognised because it is not probable that a payment will be required to settle the obligation or the amount of the obligation cannot be measured sufficiently reliably. A contingent liability is disclosed unless the possibility of a payment is remote.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Trust. A contingent asset is disclosed where an inflow of economic benefits is probable.

Where the time value of money is material, contingencies are disclosed at their present value.

1.18 Financial instruments and financial liabilities

Recognition

Financial assets and financial liabilities which arise from contracts for 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, are recognised when, and to the extent which, performance occurs i.e. when receipt or delivery of the goods or services is made.

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

All other financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the instrument.

De-recognition

All financial assets are de-recognised when the rights to receive cash flows from the assets have expired or the Trust has transferred substantially all of the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

Classification and measurement

Financial assets are categorised as 'fair value through income and expenditure', 'loans and receivables' or 'available-for-sale financial assets'.

Financial liabilities are classified as 'fair value through income and expenditure' or as 'other financial liabilities'.

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

Financial assets and financial liabilities at 'fair value through income and expenditure' are financial assets or financial liabilities held for trading. A financial asset or financial liability is classified in this category if acquired principally for the purpose of selling in the short-term. Derivatives are also categorised as held for trading unless they are designated as hedges. Derivatives which are embedded in other contracts but which are not 'closely-related' to those contracts are separated-out from those contracts and measured in this category.

Assets and liabilities in this category are classified as current assets and current liabilities.

These financial assets and financial liabilities are recognised initially at fair value, with transaction costs expensed in the income and expenditure account. Subsequent movements in the fair value are recognised as gains or losses in the Statement of Comprehensive Income.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments with are not quoted in an active market. They are included in current assets.

The Trust's loans and receivables comprise: cash and cash equivalents, NHS receivables, accrued income and 'other receivables'.

Loans and receivables are recognised initially at fair value, net of transactions costs, and are measured subsequently at amortised cost, using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash receipts through the expected life of the financial asset or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

Interest on loans and receivables is calculated using the effective interest method and credited to the Statement of Comprehensive Income.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets which are either designated in this category or not classified in any of the other categories. They are included in long-term assets unless the Trust intends to dispose of them within 12 months of the Statement of Financial Position date.

Available-for-sale financial assets are recognised initially at fair value, including transaction costs, and measured subsequently at fair value, with gains or losses recognised in reserves and reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'. When items classified as 'available-for-sale' are sold or impaired, the accumulated fair value adjustments recognised are transferred from reserves and recognised in 'Finance Costs' in the Statement of Comprehensive Income.

Other financial liabilities

All other financial liabilities are recognised initially at fair value, net of transaction costs incurred, and measured subsequently at amortised cost using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash payments through the expected life of the financial liability or, when appropriate, a shorter period, to the net carrying amount of the financial liability.

They are included in current liabilities except for amounts payable more than 12 months after the Statement of Financial Position date, which are classified as long-term liabilities.

Interest on financial liabilities carried at amortised cost is calculated using the effective interest method and charged to Finance Costs. Interest on financial liabilities taken out to finance property, plant and equipment or intangible assets is not capitalised as part of the cost of those assets.

Determination of fair value

For financial assets and financial liabilities carried at fair value, the carrying amounts are determined from quoted market prices where possible, otherwise by valuation techniques.

Impairment of financial assets

At the Statement of Financial Position date, the Trust assesses whether any financial assets, other than those held at 'fair value through income and expenditure' are impaired. Financial assets are impaired and impairment losses are recognised if, and only if, there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in the Statement of Comprehensive Income and the carrying amount of the asset is reduced directly.

1.19 Value Added Tax

Most of the activities of the Trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.20 Foreign currencies

The functional and presentational currencies of the Trust are sterling.

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

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

- monetary items (other than financial instruments measured at 'fair value through income and expenditure') are translated at the spot exchange rate on 31 March;
- non-monetary assets and liabilities measured at historical cost are translated using the spot exchange rate at the date of the transaction; and
- non-monetary assets and liabilities measured at fair value are translated using the spot exchange rate at the date the fair value was determined.

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

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

1.21 Corporation Tax

The Trust has reviewed its operating activities and determined that as other trading activities are ancillary to the Trust's core activities then the Trust has no liability for corporation tax.

1.22 Third party assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the Trust has no beneficial interest in them. Details of third party assets are given in Note 29 to the accounts.

1.23 Public Dividend Capital (PDC) and PDC dividend

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 Trust. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

An annual charge, reflecting the cost of capital utilised by the Trust, is payable to the Department of Health as Public Dividend Capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the Trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for (i) donated assets, (ii) average daily cash balances held with the Government Banking Services (GBS) and National Loan 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 (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the 'pre-audit' version of the annual accounts.

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

1.24 Losses and Special Payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled.

Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had the Trusts not been bearing its own risks (with insurance premiums then being included as normal revenue expenditure).

However the losses and special payments note is compiled directly from the losses and compensations register which reports on an accrual basis with the exception of provisions for future losses.

1.25 Subsidiaries

Subsidiary entities are those over which the Trust is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The income, expenses, assets, liabilities, equity and reserves of subsidiaries are consolidated in full into the appropriate financial statement lines. The capital and reserves attributable to minority interests are included as a separate item in the Statement of Financial Position.

The amounts consolidated are drawn from the published financial statements of the subsidiaries for the year except where a subsidiary's financial year end is before 1 January or after 1 July in which case the actual amounts for each month of the Trust's financial year are obtained from the subsidiary and consolidated.

Where subsidiaries' accounting policies are not aligned with those of the Trust (including where they report under UK Financial Reporting Standard (FRS) 102) then amounts are adjusted during consolidation where the differences are material. Inter-entity balances, transactions and gains/losses are eliminated in full on consolidation.

Subsidiaries which are classified as held for sale are measured at the lower of their carrying amount and 'fair value less costs to sell'.

The Trust is the corporate trustee of the linked NHS Charity, The Ashford and St. Peter's Hospitals 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 FRS 102. However the transactions are immaterial in the context of the group and transactions have not been consolidated. Details of the transactions with the charity are disclosed as related party transactions in note 28.

1.26 Joint ventures

Joint ventures are arrangements in which the Trust has joint control with one or more other parties, and where it has the rights to the net assets of the arrangement.

Joint ventures are accounted for using the equity method.

1.27 Joint operations

Joint operations are arrangements in which the Trust has joint control with one or more other parties and has the rights to the assets, and obligations for the liabilities, relating to the arrangement.

The Trust runs Surrey Pathology Services with Frimley Health NHS Foundation Trust and Royal Surrey County Hospital NHS Foundation Trust. This meets the definition of a joint operation under IFRS 11. Under the contractual arrangement pathology services at the three Trusts are provided jointly.

The Trust accounts for its share of the assets, liabilities, income and expenditure arising from the activities of Surrey Pathology Services, identified in accordance with the Pathology service agreement. Accordingly Frimley Health NHS Foundation Trust and Royal Surrey County Hospital NHS Foundation Trust also account for their share of the assets, liabilities, income and expenditure in their financial statements.

1.28 Research and Development

Research and development expenditure is charged against income in the year in which it is incurred, except insofar as development expenditure relates to a clearly defined project and the benefits of it can reasonably be regarded as assured. Expenditure so deferred is limited to the value of future benefits expected and is amortised through the Operating Cost Statement on a systematic basis over the period expected to benefit from the project. It should be revalued on the basis of current cost. The amortisation is calculated on the same basis as depreciation, on a quarterly basis.

1.29 Accounting standards issued but not yet adopted

The HM Treasury FReM does not require the following Standards and Interpretations to be applied in 2015/16 The application of the Standards as revised would not have a material impact on the accounts for 2015/16 were they applied in that year:

- IFRS 11 (amendment) – acquisition of an interest in a joint operation – expected to be effective from 2016/17 but not yet EU adopted;
- IAS 16 (amendment) and IAS 38 (amendment) – depreciation and amortisation - expected to be effective from 2016/17 but not yet EU adopted;
- IAS 16 (amendment) and IAS 41 (amendment) – bearer plants - expected to be effective from 2016/17 but not yet EU adopted;
- IAS 27 (amendment) – equity method in separate financial statements - expected to be effective from 2016/17 but not yet EU adopted;
- IFRS 10 (amendment) and IAS 28 (amendment) – sale or contribution of assets - expected to be effective from 2016/17 but not yet EU adopted;
- IFRS 10 (amendment) and IAS 28 (amendment) – investment entities applying the consolidation exception - expected to be effective from 2016/17 but not yet EU adopted;
- IAS 1 (amendment) – disclosure initiative - expected to be effective from 2016/17 but not yet EU adopted;
- IFRS 15 Revenue from Contracts with Customers - expected to be effective from 2017/18 but not yet EU adopted;
- Annual Improvements to IFRS: 2012-15 cycle – expected to be effective from 2017/18 but not yet EU adopted ;and
- IFRS 9 Financial Instruments – expected to be effective from 2018/19 but not yet EU adopted.

2. Operating Segments

The Trust Board receives financial information for the Trust as a whole, making decisions based on this. The Trust Executive Committee meets twice monthly and consists of the Trust Executive Directors and Divisional Directors for the Trust's four Clinical Divisions. Segmental analysis is provided below for the total of these Clinical Divisions and Other, which includes the Corporate areas. The key data for these operating segments is: -

	2015/16			2014/15		
	Clinical Divisions £'000	Other £'000	Total £'000	Clinical Divisions £'000	Other £'000	Total £'000
Income	257,621	10,028	267,649	248,974	13,840	262,814
Expenditure	(215,098)	(53,186)	(268,284)	(208,136)	(55,636)	(263,772)
Contribution	42,523	(43,158)	(635)	40,838	(41,796)	(958)

3. Income from patient care activities

3.1 Income from activities

		2015/16	2014/15
		£'000	£'000
Analysis by activity			
Elective income		50,025	52,541
Non-elective income		57,517	56,596
Outpatient income		54,540	48,003
A & E income		13,143	11,759
Other NHS clinical income		67,237	69,188
Private Patient income		2,882	2,951
Other non-protected clinical income		2,967	2,763
		248,311	243,801
Activity by source			
Clinical Commissioning Groups and NHS England		242,462	238,087
Department of Health		18	-
Local Authorities		1,891	1,955
Non- NHS	- Private patients	2,699	2,831
	- Overseas patients (non-reciprocal)	183	120
	- Injury cost recovery	686	627
	- Other	372	181
		248,311	243,801

Income from Commissioner Requested Services in 2015/16 was £236,742,000 (2014/15 - £231,747,000).

Injury cost recovery income is subject to a provision for impairment of receivables of 21.99% (2014/15 - 18.9%) to reflect expected rates of collection.

3.2 Income from overseas patients

	2015/16	2014/15
	£'000	£'000
Income recognised this year	183	120
Cash payments received in year	59	91
Amounts added to the provision for impairment of receivables	118	53
Amounts written off in year	32	24

4. Other operating income

	2015/16	2014/15
	£'000	£'000
Research and development	1,161	970
Education and training	8,466	8,345
Charitable and other contributions to expenditure	175	166
Non-patient care services to other bodies	1,733	1,697
Reversal of impairments to property, plant and equipment	-	2,030
Other income:		
Car parking	2,160	1,994
Estates recharges	527	461
Pharmacy sales	836	856
Nursery	991	994
Other	3,289	1,500
	19,338	19,013

5. Revenue

Revenue is almost totally from the supply of services. Revenue from the sale of goods is immaterial.

6. Operating expenses

	2015/16	2014/15
	£'000	£'000
Services from NHS Foundation Trusts	1,269	1,042
Services from NHS Trusts	154	164
Services from Clinical Commissioning Groups and NHS England	50	10
Services from other NHS bodies	269	231
Purchase of healthcare from non NHS bodies	6,389	9,523
Employee benefits – Executive Directors	1,021	1,032
Employee benefits – Non-Executive Directors	134	135
Employee benefits - staff	168,136	160,994
Drugs costs	23,305	20,131
Supplies and services – clinical (excluding drugs)	32,512	31,961
Supplies and services – general	3,635	3,589
Establishment	2,559	2,330
Transport	643	633
Premises	9,111	8,451
Increase/(decrease) in provision for impairment of receivables	91	496
Depreciation and amortisation	6,447	6,112
Impairment of property, plant and equipment	-	3,469
Auditors remuneration	83	83
Internal audit	53	57
NHS clinical negligence scheme	4,356	4,490
Legal fees	152	159
Consultancy costs	855	2,004
Training, courses and conferences	579	593
Insurance	259	247
Losses, ex gratia and special payments	70	23
Other	630	293
	262,762	258,252

This note includes irrecoverable VAT

Auditors' remuneration

	2015/16	2014/15
	£'000	£'000
Audit services – statutory audit	53	53
Audit services – audit related regulatory reporting	16	16
	69	69

This note excludes irrecoverable VAT

Audit Liability Cap

An engagement letter dated 9th May 2016 was signed with KPMG. Currently the liability of KPMG, its members, partners and staff (whether in contract, negligence or otherwise) in respect of services provided in connection with or arising out of the audit is unlimited. The Trust must notify any claim within four years.

7. Operating leases

As lessee:

	2015/16	2014/15
	£'000	£'000
Payments recognised as an expense:		
Minimum lease payments	395	461
Total	395	461

	31/03/16	31/03/15
	£'000	£'000
Total future minimum lease payments:		
Not later than one year	419	350
Between one and five years	835	681
Later than five years	119	-
Total	1,373	1,031

8. Employee costs and numbers

8.1 Employee costs

	2015/16			2014/15		
	Total	Permanently Employed	Other	Total	Permanently Employed	Other
	£'000	£'000	£'000	£'000	£'000	£'000
Salaries and wages	128,153	118,678	9,475	124,068	114,210	9,858
Social security costs	10,361	9,690	671	10,006	9,310	696
Employer contributions to NHS Pension scheme	14,973	14,003	970	14,368	13,369	999
Employer contributions to National Employment Savings Scheme (NEST)	2	2	-	2	2	-
Termination benefits	-	-	-	-	-	-
Agency/contract staff	15,668	-	15,668	13,582	-	13,582
	169,157	142,373	26,784	162,026	136,891	25,135

In addition £339,000 (2014/15 - £431,000) was capitalised as part of capital projects.

8.2 Staff Exit Packages

During the year ended 31 March 2016 the Trust paid four exit packages (2014/15 - none) with a value of £104,000 (2014/15 - £nil). Of this £68,000 is disclosed within other operating expenditure and £36,000 in losses, ex gratia and special payments.

8.3 Average number of people employed

	2015/16			2014/15		
	Total	Permanently Employed	Other	Total	Permanently Employed	Other
	No.	No.	No.	No.	No.	No.
Medical and dental	500	500	-	480	480	-
Administration and estates	929	929	-	885	885	-
Healthcare assistants and other support staff	495	495	-	498	498	-
Nursing, midwifery and health visiting staff	922	922	-	942	942	-
Scientific, therapeutic and technical staff	339	339	-	327	327	-
Healthcare science staff	67	67		65	65	-
Other	7	7	-	7	7	-
Bank and agency staff	433	-	433	424	-	424
	3,692	3,259	433	3,628	3,204	424

Of which 6 (2014/15 - 8) are employed on capital projects.

8.4 Directors' remuneration

	2015/16					2014/15
	Remuneration	Employer's Pension Contributions	Employer's NI	Benefits in Kind	Total	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Executive Directors	845	71	105	38	1,059	1,064
Non-Executive Directors	125	-	9	-	134	135

Further details can be found in the Remuneration Report which forms part of the Annual Report.

8.5 Staff sickness absence

	2015	2014
Total days lost	21,505	21,427
Total staff years worked	3,272	3,163
Average working days lost (annualised)	6.6	6.8

The note above is based on data for the calendar year 2015 in line with national guidance.

9. Pension costs

9.1 NHS Pension Scheme

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 the scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and are accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2016, is based on valuation data as 31 March 2015, updated to 31 March 2016 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 scheme actuary report, which forms part of the annual NHS Pension Scheme (England and Wales) Pension 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 scheme (taking into account its recent demographic experience), and to recommend contribution rates payable by employees and employers.

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2012.

The Scheme Regulations allow for the level of contribution rates to be changed by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and appropriate employee and employer representatives as deemed appropriate.

9.2 National Employment Savings Scheme (NEST)

Employees who are not members of the NHS Pensions Scheme may join the National Employment Savings Scheme which is a defined contribution scheme: the cost to the Trust of

participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

10. Retirements due to ill-health

During the year ended 31 March 2016 there were three early retirements (2014/15 - none) from the Trust agreed on the grounds of ill-health with a value of £86,000 (2014/15 - £nil).

11. Better Payment Practice Code

11.1 Better Payment Practice Code - measure of compliance

	2015/16		2014/15	
	Number	£'000	Number	£'000
Total Non-NHS trade invoices paid in the year	74,544	101,341	69,285	99,756
Total Non-NHS trade invoices paid within target	62,958	80,264	59,883	79,957
Percentage of Non-NHS trade invoices paid within target	84.46%	79.20%	86.43%	80.15%
Total NHS trade invoices paid in the year	1,596	12,101	1,900	16,238
Total NHS trade invoices paid within target	660	6,938	758	9,541
Percentage of NHS trade invoices paid within target	41.35%	57.34%	39.89%	58.76%

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

12. Finance income

	2015/16	2014/15
	£'000	£'000
Interest revenue		
Bank accounts	31	30

13. Finance expense

	2015/16	2014/15
	£'000	£'000
Interest costs		
Interest on obligations under finance leases	399	363

14. Property, plant and equipment

2015/16	Land	Buildings excluding dwellings	Assets under construction and payments on account	Plant & machinery	Transport & equipment	Information technology	Furniture & fittings	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation at 1 April 2015	29,080	142,731	1,633	32,890	70	10,940	4,685	222,029
Additions purchased	-	1,523	3,761	492	46	554	73	6,449
Additions leased	-	-	2,052	-	-	-	-	2,052
Additions donated	-	-	-	168	-	-	7	175
Reclassifications	-	(18,126)	(5,003)	1,791	-	948	(306)	(20,696)
Disposals other than by sale	-	-	-	(1,508)	-	-	-	(1,508)
At 31 March 2016	29,080	126,128	2,443	33,833	116	12,442	4,459	208,501
Depreciation at 1 April 2015	-	22,857	-	23,163	27	8,118	3,535	57,700
Reclassifications	-	(19,812)	-	-	-	46	(46)	(19,812)
Disposals other than by sale	-	-	-	(1,508)	-	-	-	(1,508)
Charged during the year	-	2,415	-	2,029	6	1,113	233	5,796
Depreciation at 31 March 2016	-	5,460	-	23,684	33	9,277	3,722	42,176
Net book value at 31 March 2016	29,080	120,668	2,443	10,149	83	3,165	737	166,325
Net book value								
Purchased	29,080	114,755	2,443	4,603	83	3,165	729	154,858
Finance leased	-	5,162	-	4,921	-	-	-	10,083
Donated	-	751	-	625	-	-	8	1,384
Total at 31 March 2016	29,080	120,668	2,443	10,149	83	3,165	737	166,325

2014/15	Land	Buildings excluding dwellings	Assets under construction and payments on account	Plant & machinery	Transport & equipment	Information technology	Furniture & fittings	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation at 1 April 2014	32,700	130,413	5,464	30,742	46	9,429	4,139	212,933
Additions purchased	-	1,638	4,422	1,120	24	713	457	8,374
Additions leased	-	-	2,376	-	-	-	-	2,376
Additions donated	-	44	-	122	-	-	-	166
Reclassifications	-	6,954	(9,939)	1,435	-	830	89	(631)
Disposals other than by sale	-	-	-	(529)	-	(32)	-	(561)
Revaluation/indexation gains	-	16,214	-	-	-	-	-	16,214
Impairments	(3,620)	(12,532)	(690)	-	-	-	-	(16,842)
At 31 March 2015	29,080	142,731	1,633	32,890	70	10,940	4,685	222,029
Depreciation at 1 April 2014	-	19,812	-	21,656	23	7,166	3,223	51,880
Reclassifications	-	-	-	-	-	-	-	-
Disposals other than by sale	-	-	-	(529)	-	(32)	-	(561)
Impairments	-	2;779	-	-	-	-	-	2,779
Reversal of impairments credited to operating income	-	(2,030)	-	-	-	-	-	(2,030)
Charged during the year	-	2,296	-	2,036	4	984	312	5,632
Depreciation at 31 March 2015	-	22,857	-	23,163	27	8,118	3,535	57,700
Net book value at 31 March 2015	29,080	119,874	1,633	9,727	43	2,822	1,150	164,329
Net book value								
Purchased	29,080	114,152	1,633	5,383	43	2,822	1,145	154,258
Finance leased	-	4,944	-	3,698	-	-	-	8,642
Donated	-	778	-	646	-	-	5	1,429
Total at 31 March 2015	29,080	119,874	1,633	9,727	43	2,822	1,150	164,329

The Trust had its land and buildings revalued during the 2014/15 financial year by DTZ. This resulted in impairments and revaluations for 2014/15 as set out in the table above. The effects on income and expenditure and revaluation reserve are shown in note 16.

The remaining economic lives of property, plant and equipment are:

	Minimum life (years)	Maximum life (years)
Land	-	100
Buildings excluding dwellings	-	90
Assets under Construction & Payments on Account	-	-
Plant & Machinery	-	15
Transport Equipment	-	10
Information Technology	-	10
Furniture & Fittings	-	10

15. Intangible fixed assets

2015/16	Software Licences	Total
	£'000	£'000
Gross cost at 1 April 2015	4,155	4,155
Reclassifications	884	884
Additions purchased	83	83
Gross cost at 31 March 2016	5,122	5,122
Amortisation at 1 April 2015	2,671	2,671
Charged during the year	651	651
Amortisation at 31 March 2016	3,322	3,322
Net book value		
- Purchased	1,795	1,795
- Donated	5	5
Total at 31 March 2016	1,800	1,800

2014/15	Software Licences	Total
	£'000	£'000
Gross cost at 1 April 2014	3,298	3,298
Reclassifications	631	631
Additions purchased	226	226
Gross cost at 31 March 2015	4,155	4,155
Amortisation at 1 April 2014	2,191	2,191
Charged during the year	480	480
Amortisation at 31 March 2015	2,671	2,671
Net book value		
- Purchased	1,479	1,479
- Donated	5	5
Total at 31 March 2015	1,484	1,484

The Revaluation Reserve balance for intangible assets is £nil (2014/15 - £nil).

The remaining economic lives of intangible assets are:

	Minimum life (years)	Maximum life (years)
Software	-	5
Licences & trademarks	-	5

16. Impairments

Impairments of property, plant and equipment during the year are summarised below:

	2015/16		2014/15	
	Income and Expenditure	Revaluation Reserve	Income and Expenditure	Revaluation Reserve
	£'000	£'000	£'000	£'000
Revaluation of Estate				
- Impairment of Land	-	-	-	(3,620)
- Revaluation of Buildings	-	-	-	16,214
- Impairment of Buildings	-	-	(2,394)	(11,936)
- Reversal of prior year Impairments	-	-	2,030	-
Revaluation of New Builds	-	-	(385)	(596)
Abandonment of Assets Under Construction	-	-	(690)	-
Total (net)	-	-	(1,439)	62

17. Capital commitments

Contracted capital commitments were as follows:

	31/03/16	31/03/15
	£'000	£'000
Property, plant and equipment	4,482	6,832
Intangibles	718	2,028
Total	5,200	8,860

As set out in Note 23, in 2013/14 the Trust entered into a Managed Equipment Service contract for Imaging equipment and £4,281,000 (2014/15 - £6,333,000) is included in the above total in respect of this contract.

18. Inventories

	31/03/16	31/03/15
	£'000	£'000
Drugs	768	931
Consumables	3,529	3,557
Energy	20	28
Total	4,317	4,516

19. Trade and other receivables

19.1 Trade and other receivables

	Current		Non-current	
	31/03/16	**31/03/15**	**31/03/16**	**31/03/15**
	£'000	£'000	£'000	£'000
NHS receivables – revenue	3,381	6,107	-	-
NHS receivables - capital	-	24	-	-
Receivables due from NHS charities – Revenue	117	170	-	-
Provision for the impairment of receivables	(1,406)	(1,404)	-	-
Prepayments	1,621	1,398	-	-
Accrued income	5,411	4,412	-	-
VAT	794	615	-	-
PDC dividend receivable	68	-		
Other receivables	4,808	4,212	856	747
Total	14,794	15,534	856	747

19.2 Receivables past their due date but not impaired

	31/03/16	31/03/15
	£'000	£'000
By up to three months	3,113	2,278
By three to six months	571	11
By more than six months	808	-
Total	4,492	2,289

19.3 Provision for impairment of receivables

	31/03/16	31/03/15
	£'000	£'000
Balance at 1 April	1,404	936
Amount utilised	(89)	(28)
Unused amounts reversed	(150)	-
(Increase)/decrease in receivables impaired	241	496
Balance at 31 March	1,406	1,404

20. Cash and cash equivalents

	31/03/16	31/03/15
	£'000	£'000
Cash with Government Banking Service	8,617	10,394
Commercial banks and cash in hand	56	71
Balance at 31 March	8,673	10,465

21. Trade and other payables

	Current		Non-current	
	31/03/16	**31/03/15**	**31/03/16**	**31/03/15**
	£'000	£'000	£'000	£'000
NHS payables – revenue	2,720	2,038	-	-
NHS payables - capital	15	4	-	-
Non-NHS trade payables - revenue	7,125	5,861	-	-
Non-NHS trade payables - capital	2,854	2,041	-	-
Other payables	6,206	6,439	-	-
Accruals	9,139	10,237	-	-
PDC dividend payable	-	27	-	-
Trade and other payables	28,059	26,647	-	-
Deferred income	229	2,113	-	-
Other liabilities	229	2,113	-	-

The deferred income balance at 31 March 2015 included a 2015/16 contract payment paid to the Trust earlier than expected.

22. Borrowings

	Current		Non-current	
	31/03/16	**31/03/15**	**31/03/16**	**31/03/15**
	£'000	£'000	£'000	£'000
Finance lease liabilities	1,325	1,411	6,592	5,925

23. Finance lease obligations

Amounts payable under finance leases:	**Minimum lease payments**	
	31/03/16	**31/03/15**
	£'000	£'000
Within one year	1,697	1,809
Between one and five years	5,579	5,140
Later than five years	3,258	2,723
Less future finance charges	(2,617)	(2,336)
	———	———
Net lease liabilities	7,917	7,336

In 2013/14 the Trust entered into a ten year Managed Equipment Scheme for Imaging equipment and also entered into a ten year agreement for a Cardiac Catheterisation service. The property, plant and equipment under both of these schemes have been treated as finance lease arrangements.

24. Provisions for liabilities and charges

	Pensions relating to other staff	Legal claims	Other	Total
	£'000	£'000	£'000	£'000
At 1 April 2015	292	47	424	763
Arising during the year	-	14	411	425
Used during the year	(51)	(23)	(55)	(129)
Reversed unused	-	(10)	(100)	(110)
At 31 March 2016	241	28	680	949

Expected timing of cashflows:

In the remainder of the spending				
Period to 31 March 2017	127	28	575	730
Between1 April 2017 and 31 March 2021	111	-	85	196
Later than five years	3	-	20	23

As at 31 March 2016				
Current	127	28	575	730
Non-Current	114	-	105	219

As at 31 March 2015				
Current	118	47	298	463
Non-Current	174	-	126	300

Clinical negligence provisions

Included in the provisions of the NHS Litigation Authority at 31 March 2016 is £106,054,000 (2014/15 - £62,254,000) in respect of clinical negligence liabilities of the Trust.

Legal claim provisions

The majority of these provisions relate to claims under the Liabilities to Third Parties Scheme and Property Expenses Scheme, and are calculated based on information provided by the NHS Litigation Authority. The amounts involved and the timing of the payments represents their best estimate of the outcome of each claim against the Trust.

In addition to these provisions, contingent liabilities in respect of the claims are given in note 25.

Other provisions

Other provisions at 31 March 2016 include: -

- two (2014/15: two) injury benefit cases of £126,000 (2014/15: £147,000) as notified to the Trust by the NHS Business Services Authority - Pensions Division;
- £103,000 (2014/15: £nil) in respect of clinical excellence awards;
- £218,000 (2014/15: £nil) in respect of a junior doctors diary carding banding dispute;
- £23,000 (2014/15: £23,000) in respect of a consultant grievance;
- £nil (2014/15: £134,000) in respect of a junior doctors appeal against banding; and
- £210,000 (2014/15: £120,000) in respect of a consultants pay appeal.

25. Contingent assets/(liabilities)

Other

Other Contingent Liabilities for non-clinical negligence incidents total £10,000 (2014/15 - £12,000).

26. Financial instruments

26.1 Financial assets

	31/03/16		31/03/15	
	Loans & Receivables	**Total**	**Loans & Receivables**	**Total**
	£'000	£'000	£'000	£'000
Trade Receivables	11,085	11,085	12,808	12,808
Cash at bank and in hand	8,673	8,673	10,465	10,465
Total at 31 March 2016	19,758	19,758	23,273	23,273

26.2 Financial liabilities

	31/03/16		31/03/15	
	Other	**Total**	**Other**	**Total**
	£'000	£'000	£'000	£'000
Trade Payables	28,058	28,058	26,647	26,647
Other borrowings	7,917	7,917	7,336	7,336
Other financial liabilities	229	229	2,113	2,113
Total at 31 March 2016	36,204	36,204	36,096	36,096

26.3 Financial risk management

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

The Trust's treasury management operations are carried out by the finance department, within parameters defined formally within the Trust's Standing Financial Instructions and policies agreed by the Board of Directors. Trust treasury activity is subject to review by the Trust's internal auditors.

Currency Risk

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

Interest Rate Risk

The Trust can borrow from Government for capital expenditure, subject to affordability. The borrowings are for 1-25 years, in line with the life of the associated assets, and interest is charged at the National Loans Fund rate, fixed for the life of the loan. Interest charged on finance leased assets are at fixed rates of interest. The Trust therefore has low exposure to interest rate fluctuations.

Credit Risk

Because of the majority of the Trust's income comes from contracts with other public sector bodies, the Trust has low exposure to credit risk. The maximum exposures as at 31 March 2016 are in receivables from customers, as disclosed in the Trade and other receivables note. The Trust recognises that the public sector funding environment, with the continued pressure of demand and its consequences for allocations for Clinical Commissioning Groups, leads to an increase in credit risk for the Trust.

Liquidity risk

The Trust's operating costs are incurred under contract with Clinical Commissioning Groups which are financed from resources voted annually by Parliament. The Trust funds it capital expenditure from internally generated funds and finance leases/borrowings. The Trust is not, therefore, exposed to significant liquidity risks.

27. Events after the reporting period

There were no events after the reporting period requiring disclosure.

28. Related party transactions

During the year none of the Department of Health Ministers, Trust Board members or members of the key management staff, or parties related to any of them, has undertaken any material transactions with Ashford and St Peter's Hospitals NHS Foundation Trust.

The Department of Health is regarded as a related party. During the period Ashford and St Peter's Hospitals NHS Foundation Trust has had a significant number of material transactions with the Department, and with other entities for which the Department is regarded as the parent Department.

These entities are listed below:

	Income £'000	Expenditure £'000	Receivables £'000	Payables £'000
NHS England	39,140	210	1,772	55
Health Education England	8,388	2	273	-
NHS North West Surrey CCG	173,079	46	2,210	3
NHS Hounslow CCG	12,322	-	355	-
NHS Surrey Downs CCG	5,269	-	227	-
NHS Windsor, Ascot and Maidenhead CCG	4,525	-	139	-
NHS Richmond CCG	1,723	-	57	-
NHS Bracknell and Ascot CCG	1,366	-	-	167
NHS Guildford and Waverley CCG	1,447	-	18	-
NHS Surrey Heath CCG	674	-	11	-
NHS North East Hampshire and Farnham CCG	566	-	-	5
Frimley Health NHS Foundation Trust	308	415	87	1,034
Royal Surrey County NHS Foundation Trust	1,395	3,006	720	1,130
Surrey and Borders Partnership NHS Foundation Trust	547	489	195	138
NHS Blood and Transplant	4	1,260	-	8
NHS Litigation Authority	-	4,520	-	-
NHS Pensions Scheme	-	14,973	-	2,119
NHS Supply Chain	-	4,178	-	671
NHS Business Services Authority	-	1,498	-	515

NHS Supply Chain is operated by DHL Supply Chain Limited on behalf of the NHS Business Services Authority. Entries in the table above against NHS Business Services Authority (NHS BSA) relate to FP10's. NHS BSA recovers costs it has incurred in reimbursing third parties for prescription charges.

In addition, the Trust has had a number of material transactions with other Government Departments and other central and local Government bodies. Most of these transactions have

been with H M Revenue and Customs, Surrey County Council, Runnymede Borough Council and Spelthorne Borough Council.

The Trust has also received revenue and capital payments from the Ashford and St. Peter's Hospitals Charitable Fund. The Board members of the Trust are also Trustees of this charity. The audited annual report and accounts of the Charity are available to the public on request.

29. Third Party Assets

The Trust held £9,000 cash at bank and in hand at 31 March 2016 (2014/15 - £9,000) which relates to monies held by the Trust on behalf of patients. This has been excluded from the cash and cash equivalents figure reported in the accounts.

30. Losses and special payments

Losses and special payments are transactions 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. Payments are made in accordance with the HM Treasury publication "Managing Public Money".

There were 311 cases (2014/15 – 154) of losses and special payments totalling £268,000 paid in 2015/16 (2014/15 - £95,000). There were no cases where the net payment exceeded £100,000. Total costs included in this note are on an accruals basis excluding provisions for future losses.

	31/03/16		31/03/15	
	No. of Cases	**Total**	**No. of Cases**	**Total**
		£'000		£'000
Losses of cash	17	53	-	-
Bad debts and claims abandoned	235	88	96	28
Ex gratia payments	56	56	58	67
Special severance payments	3	71	-	-
Total at 31 March 2016	311	268	154	95

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Ashford and St Peter's Hospitals NHS Foundation Trust

May 2016

This report was produced by the Communications Team, Ashford and St Peter's Hospitals NHS Foundation Trust, Guildford Road, Chertsey, Surrey KT16 0PZ

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