

Annual Report and Accounts 2017-2018

Frimley Health NHS Foundation Trust

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

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Statement from the Chairman



Pradip Patel, Chairman

I am delighted to present our Annual Report for Frimley Health NHS Foundation Trust for the year ended 31 March 2018.

The year saw the retirement of our long servicing CEO Sir Andrew Morris after 43 years in the NHS, 29 of them in charge at Frimley Park and Frimley Health. It has been my privilege to work alongside one of the best leaders in the NHS and I would like to put on record on behalf of the Board and myself our thanks for the huge contribution Sir Andrew has made to healthcare services locally and nationally. The great news is that Sir Andrew is continuing to support services locally by leading the Frimley Health and Care Integrated Care System (ICS), which is working with all our partners in the local care system to reshape the health and care we provide to all our residents.

Following Sir Andrew's decision to retire, I am very pleased to say that after a rigorous and extensive recruitment process we have appointed Neil Dardis as our CEO. Neil is also a very experienced NHS leader, most recently as Chief Executive of Buckinghamshire Healthcare NHS Trust, which runs both acute and community services across multiple sites. He shares Sir Andrew's passion for providing the best possible care for our patients and creating a great place for our people to work. I am confident that Neil will build on the great platform that Sir Andrew has passed on.

Neil started with us in March 2018 and has been focused initially on gaining insight and building good relationships with key people inside the Trust and across the wider care system.

2017-18 has been one of the hardest years the Trust has faced, particularly over a challenging winter when we saw more patients with complex care needs. In spite of the huge pressures our colleagues were under, the compassion and commitment shown by all our colleagues ensured that we continued to give safe excellent care, even if it was not always as quick as we would have liked. Their professionalism and focus on always doing what is best for patients never ceases to amaze me and my admiration and respect for them has grown even more as a result.

This is why it was such a great privilege and pleasure for us to host a visit from Prime Minister, Theresa May, when she came to Frimley Park Hospital in January to see for herself what we were doing and to thank the staff for their heroic efforts. We also hosted a visit from a number of other very senior NHS leaders – Jim Mackey, CEO for NHS Improvement; Baroness Dido Harding, Chair for NHSI and Malcolm Grant, Chair for NHS England. We also had visits from a number of our local MPs, including Michael Gove, Jeremy Hunt and Tanmanjeet Singh Dhesi. These provided a great opportunity to show them some of the innovative ways we are caring for our patients in ways that mean we can provide the care

they need without admitting them. We were also able to show them first-hand the pressures that the NHS is under and how they can support us.

As this report shows, we have continued to grow the Trust's reputation as one of the best and most progressive foundation trusts in the country. It has been another successful year when we have delivered good performances across most of the domains that matter to our patients, details of which are in the Chief Executive's Report and Quality Report.

I am delighted that we have also been able to continue with our exciting programme of investment in our facilities and it was a pleasure to formally open the £10m refurbishment of our Maternity and Women's department at Wexham Park in January. We were very pleased to welcome back guests of honour Anton du Beke, of Strictly Come Dancing fame, and his wife Hannah who gave birth to their twins at Wexham Park Hospital last year. Our £49m investment to build a new Emergency Assessment Centre at Wexham reached a key milestone in January when we celebrated the 'topping out' ceremony with contractors Kier and Slough Mayor Cllr Ishrat Shah by laying a symbolic brick to mark the completion of the highest point of the building. The contractors are now finishing their work and are scheduled to hand over to the Trust in early 2019.

Another highlight of the year was securing planning permission to build a new hospital at Heatherwood, Ascot, with work due to start later this year. We showcased our plans at a series of public events and gained tremendous community support. This helped persuade councillors at the Royal Borough of Windsor and Maidenhead to take the bold decision to approve the plans against the recommendation of their planning officers. The passion shown by residents and councillors in their support of our plans was inspiring.

Another area where we benefitted from fantastic community support has been in fundraising. The numbers of people turning out to support our Run Frimley and Run Wexham events for example demonstrate the strength of public goodwill for our hospitals.

Frimley Health has a long and proud history with the military. Frimley Park Hospital has had a Ministry of Defence unit since 1996 and our community covers the Aldershot Garrison, still considered to be the Home of the British Army, and the renowned Royal Military Academy at Sandhurst. By signing up to the Armed Forces Covenant in 2017 we were able to enshrine our commitment to being a forces friendly organisation, supporting military personnel and their families in their treatment, and veterans and reservists in their work.

All the things we have done and achieved during the year are a huge credit to the Board and the Council of Governors (CoG) who have provided great leadership to help the Trust navigate the very challenging issues we faced. They have worked tirelessly to help and support the Trust so that we truly create a great place for our colleagues to work in and a great place for all the care needs for the community we serve. I would like to thank them sincerely for all that they have done and contributed.

There were a number of changes to the Board during the year. We were very sorry to say goodbye to Martin Sykes, our long standing Director of Finance, after his decision to retire in June 2017. I would like to thank him on behalf of the Board for all that he has done for the Trust. I was delighted to welcome to the Board our new Finance Director Nigel Foster and Duncan Burton, Director of Nursing and Patient Safety, who took over from Nicola Ranger in September 2017. In April 2017 we also

welcomed two non-executive directors – Ray Long and John Weaver. They have all settled really well into their respective roles and are proving to be great additions to the Board.

During the year we also took the opportunity to change the composition of our Council of Governors (CoG) with the approval of the Board and the CoG. We believe the smaller council, which came into effect in November 2017, will be more effective in adding value to the Trust. You can read more about these changes on page 59. I would like to thank those governors who left us this year for the huge contribution they made to the Trust, and to welcome the new governors who joined us in November.

The NHS will mark its 70th birthday in 2018 and we will be joining in the celebrations with a number of events later this year. It will be a great opportunity to reflect on how lucky we are to have the NHS in this country and to take stock of how we build for the future with challenging times ahead in terms of demand and resource. I believe that together we are stronger, so I hope that we will build on the excellent work in 2017-18 to collaborate ever more closely with our health and care partners and ensure that our local NHS continues to be there for all our residents.



Pradip Patel
Chairman
24 May 2018

PERFORMANCE REPORT

Statement from the Chief Executive



Neil Dardis, Chief Executive

I am pleased to present the review of our work for the year ended 31 March 2018.

Throughout the year we have made good progress against our strategic aim of providing outstanding services across all our catchment, and everyone associated with the Trust can be proud of the positive changes we have made. We advanced with our estates and capital project plans to deliver the superb environments and services our community deserves. Almost all our key quality standards were achieved in spite of demand pressures across the NHS and we met challenging efficiency targets to keep within budget. Our transformational work with our partners in health and social care to redesign services across the system continued apace and will remain a strategic focus for the future.

I would like to pay special tribute to our staff. They displayed extraordinary professionalism and commitment to maintain safe and effective services to our patients across the year, but especially in early 2018 when the NHS went through some of the most difficult days in many years.

Even at our busiest our teams delivered on the 18-week referral to treatment standard which ensures most patients get the right treatment within a reasonable timespan. Prime Minister Teresa May's visit to Frimley Park in early January was a morale boost for all our staff. The fact that she chose our Trust to publicly express her thanks to all NHS staff for their unstinting commitment to patient care was a reflection of the Trust's reputation for a workforce that is among the best in the country. For us it was also a chance to showcase some of the work we and our health and social care partners have been doing together to help patients avoid having to come to hospital.

This is the first time in decades that we have not seen significant growth in emergency attendances and patient admissions. Our staff have listened to what patients want and some of the things we and partners have introduced include GP hubs running from 8am to 8pm, physicians in emergency departments (EDs), and ambulatory care units at Frimley Park and Wexham Park that enable us to treat some of our ED patients on an outpatient basis so they do not have to be admitted to a hospital bed. Combined with community initiatives such as integrated care teams, 'Happy, Healthy at Home' in north-east Hampshire, and our 'trusted assessors' programme linking hospital teams with nursing homes, has meant that patients can remain independent and in their own homes more often.

This is great news for patients as it indicates more people are being kept well enough to avoid having to stay in hospital. It gives us confidence that we can find solutions to the biggest challenges we have in NHS and social care, as we look to transform the system to meet modern needs of more people living longer with complex conditions.

We plan to expand these programmes and other initiatives through the whole of the Frimley Health and Care Integrated Care System (ICS) over the next year and beyond. The success of our partnership work in our areas to date has been recognised as one of eight exemplar systems in England that can evolve from Strategic Transformation Partnerships (STPs) to ICSs. The key difference is that from 1 April 2018 we have a shared responsibility to balance budgets across the whole system, rather than as individual organisations. This new way of working will relax some of the financial barriers between organisations and enable us to deliver more initiatives with fewer budgetary constraints.

The ICS has already outlined its key priorities and the initiatives it is undertaking to deliver the necessary changes. Many of the objectives are being delivered by programmes that are already underway, such as ‘Happy, Healthy at Home’ in North East Hampshire and Farnham and ‘New Vision of Care’ in East Berkshire.

Integrated Care System (ICS) priorities

Five-year priorities

- Priority 1:** Making a substantial step change to improve wellbeing, increase prevention, self-care and early detection.
- Priority 2:** Action to improve long term condition outcomes including greater self management & proactive management across all providers for people with single long term conditions
- Priority 3:** Frailty Management: Proactive management of frail patients with multiple complex physical & mental health LTC's, reducing crises and prolonged hospital stays.
- Priority 4:** Redesigning urgent and emergency care, including integrated working and primary care models providing timely care in the most appropriate place
- Priority 5:** Reducing variation and health inequalities across pathways to improve outcomes and maximise value for citizens across the population, supported by evidence.

Short-term initiatives

- Initiative 1:** Ensure people have the skills, confidence and support to take responsibility for their own health and wellbeing.
- Initiative 2:** Develop integrated decision making hubs to provide single points of access to services such as rapid response and reablement.
- Initiative 3:** Lay foundations for a new model of general practice provided at scale to improve resilience and capacity.
- Initiative 4:** Design a support workforce that is fit for purpose across the system
- Initiative 5:** Transform the social care support market including a comprehensive capacity and demand analysis and market management.
- Initiative 6:** Reduce clinical variation to improve outcomes and maximise value for individuals across the population.
- Initiative 7:** Implement a shared care record that is accessible to professionals across the STP footprint.

2017-18 marked the third full year since Wexham Park and Heatherwood hospitals joined the Trust and our work in delivering the benefits of the acquisition progressed well. Our shared values – committed to excellence, working together and facing the future – helped to develop our one-trust patient-centred culture. We continue to share best practice across the Trust and have unified more policies, practices and clinical guidelines.

Thanks to sound financial management over a number of years plus central support relating to the 2014 acquisition, the Trust is in the rare privileged position of delivering a significant capital programme to greatly improve the care environment for patients and our staff.

We were delighted to complete the first of our major capital projects last year when we opened a £10m rebuild of our women's and maternity services at Wexham Park Hospital. The project, which was delivered on time and on budget, included a new extension to the outpatient area for gynaecology and antenatal services, full en-suite facilities in all delivery rooms on the labour ward, and the Juniper Suite midwife-led birth centre.

Visitors to Wexham Park cannot fail to notice the huge emergency assessment centre (EAC) extension which now dominates the front of the site. The £49m development will transform our acute services and pathways at Wexham. The Emergency Department on the ground floor will include 32 separate rooms in majors and a large resuscitation area for the sickest patients – a similar model to the ED at Frimley Park which was completed in 2012. The first floor will include ambulatory care and 24-hour assessment and the second floor will incorporate a short stay medical unit for up to 72 hours. A staff and office area will sit above the second floor.

The building represents the single biggest investment since Wexham Park Hospital was built more than 50 years ago and we are very excited that it is progressing so well. The developers expect to hand over to the Trust by the start of 2019 and the departments will be operational within a few months. It will take our services for local people at Wexham to the next level and deliver some of the best and most innovative care in the NHS.

We hope the EAC will also have a positive effect on recruitment by attracting great new staff. The jobs market for medical and nursing staff remains very competitive. But we expect the EAC will encourage more to join our trust and build on the excellent work that has been undertaken during the year to improve recruitment and retention.

Another major project – our plans for a £95m elective, diagnostic and outpatient centre at our Heatherwood Hospital site in Ascot – reached a key milestone in August 2017 when it was granted planning permission by local councillors. I would like to acknowledge the superb support from the majority of the local community and from councillors of the Royal Borough of Windsor and Maidenhead for the new hospital, which will be in woodland behind the current Heatherwood site. We expect to start work later this year, subject to final business case approval, with completion in 2021. Much of the current Heatherwood site will be sold for redevelopment to help fund our building project.

Heatherwood will also be a new base for many of our support services. One of the more recent buildings at Heatherwood is being redeveloped as an open-plan office space for finance, HR and IT teams. This will bring teams together for the first time in one location that sits between our two biggest hospitals. Work has already started and the teams will be moving on to the renamed Greenwood Offices in the autumn of 2018.

Among the other key service developments during the year were:

- A new renal unit at Frimley Park, which means local people with severe kidney problems no longer have to travel to south-west London for dialysis
- New day-rooms for dementia patients at Wexham Park
- A new hyper-acute stroke unit at Frimley Park and stroke rehabilitation at Wexham Park
- Corridors upgraded at Frimley Park and Wexham Park
- Re-opening of the children's ward at Frimley after a £1.85m extension and refurbishment
- Nursing Times Award for Slough's 'Asthma Bus' supporting children with respiratory conditions

- Installation of 3D mammography machine at Frimley to help breast cancer diagnosis
- Royal Berkshire NHS Foundation Trust joining the Surrey and Berkshire Partnership Pathology services, which includes Frimley Health and other local acute providers. This has delivered further cost savings and service development opportunities.
- Confirmation that the Trust will continue to manage community services in North East Hampshire, mostly working out of Fleet Hospital, following a successful pilot last year.
- Raising the profile and support network for the work of our Freedom to Speak Up guardian, whose role is to foster and develop a culture of openness with a focus on patient safety
- Introduction of the electronic document management system (EDMS) across the Trust to replace paper medical records and significantly increase efficiency in administration
- The Neonatal Unit at Frimley becoming one of the first to gain official 'Baby Charter' accreditation from Bliss, the UK's leading charity for sick and premature new-borns
- Upgrade and rebranding of Trust-owned private patient facility at Wexham; following the investment it is now called Parkside Wexham

We were disappointed not to deliver on our key A&E waiting time standard. We managed to treat, admit or discharge 89% of our patients within four hours compared with a target of 95%. However it is a reflection of the pressures services have been under nationally this year that only a handful of trusts achieved this target and our performance was above average for the NHS. The figure would have been significantly worse without some exceptional work from our staff and the pathway changes outlined earlier.

We did very well to deliver on the 18-weeks patient referral to treatment standard and our performance on cancer waiting times was among the best in the NHS, for which our teams should be very proud.

The financial position of the Trust remains on track, and I am pleased to say we delivered our financial plan with a surplus in 2017-18. As an NHS trust, we have to deliver productivity savings every year that amounted to £30m in 2017-18. We did exceptionally well to deliver on this target, but next year will be even more challenging with a £31m efficiency saving required.

Of course, there are significant challenges in the year ahead but we have much to look forward to and cause for optimism. The completion of our EAC building at Wexham Park will be a boost for our patients, staff and local community and we are excited about finally starting the main building work at Heatherwood. The success of our ICS programme so far has already shown how innovation, collaboration and reconfiguration can deliver both financial and quality improvements. We will all need to take advantage of new opportunities that arise to work better together and keep up the momentum on our improvement programmes.

Since I started at the Trust in mid-March I have embarked upon a 100-day programme meeting with as many Trust staff, stakeholders and partners as possible so that we can review our strategy and objectives to ensure they will help us deliver the best possible services to our residents. I would like to thank and pay tribute to my predecessor Sir Andrew Morris, whose strong leadership helped the Trust to thrive for many years. My colleagues and I will do all we can to build on that success for our patients.

Overview of performance

The following section outlines the Trust's purpose, core strategy and activities for the year ending 31 March 2018, along with associated future issues and risks.

The Trust, its purpose and activities



Wexham Park Hospital



Frimley Park Hospital



Heatherwood Hospital

Frimley Health NHS Foundation Trust delivers services from three main hospital sites: Wexham Park Hospital in Slough, Heatherwood Hospital in Ascot, and Frimley Park Hospital, near Camberley. Additionally, the Trust delivers outpatient and diagnostic services from Bracknell, Aldershot, Farnham, Fleet, Windsor, Maidenhead, and Chalfont St Peter, bringing a range of services closer to these communities. In January 2017 the Trust also took over community services based out of Fleet Hospital.

With close to 9,000 employees across three principal sites, Frimley Health NHS Foundation Trust provides NHS hospital services for 900,000 people in Berkshire, Hampshire, Surrey and South Buckinghamshire. As well as delivering a full range of district general hospital services to its population, the Trust provides specialist acute consultant delivered services across a wider catchment in the following areas:

- Primary percutaneous coronary intervention (pPCI: heart attack treatment)
- Vascular
- Stroke
- Spinal
- Cystic fibrosis
- Plastic surgery

Wexham Park Hospital opened as a general hospital in 1965. Heatherwood Hospital began in 1922 as a tuberculosis and orthopaedic hospital for children before it was managed by the newly formed NHS in 1948. Heatherwood and Wexham Park Hospitals NHS Foundation Trust formed in June 2007.

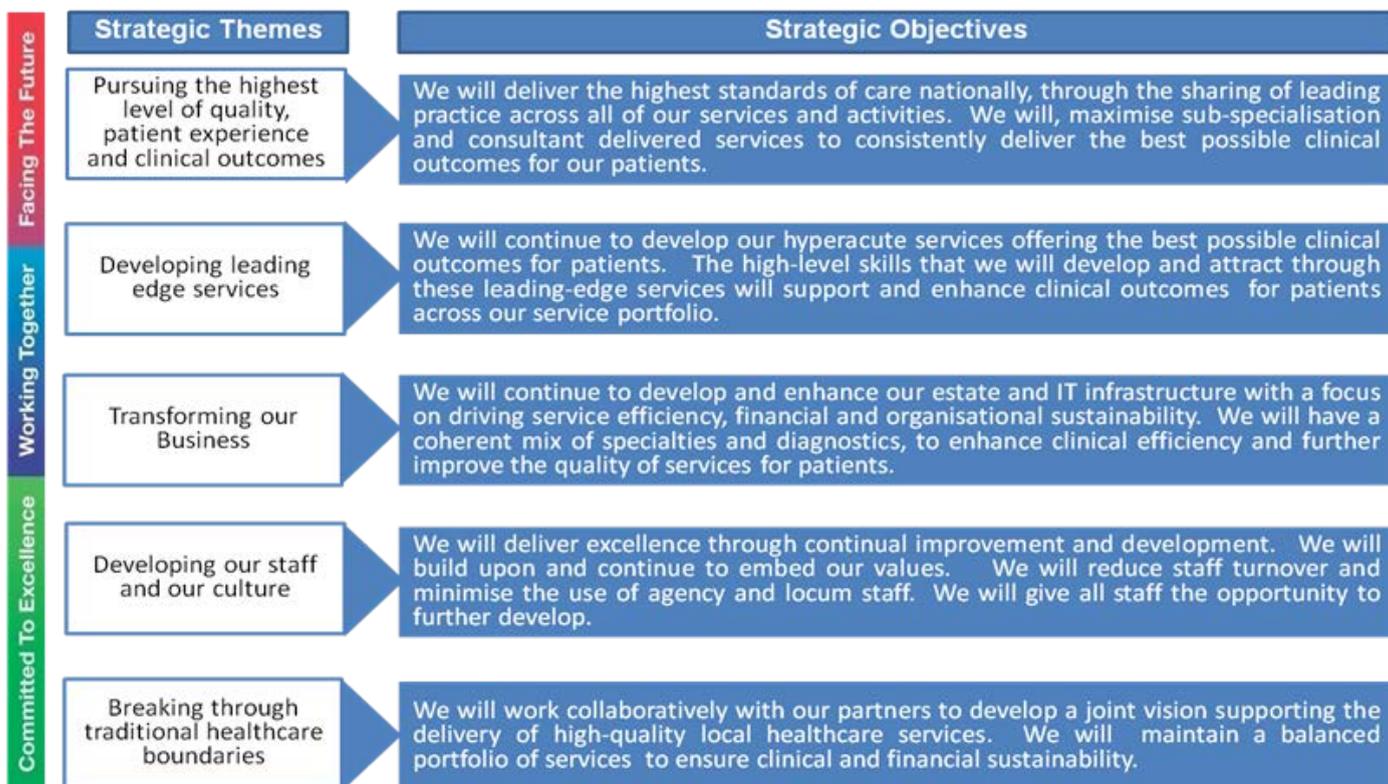
Frimley Park Hospital, built in 1974 to serve a much smaller population than its current catchment, was the first acute trust in the south of England to achieve foundation status in April 2005. Since then, its performance has ranked among the best in the country.

The Trust, formerly known as Frimley Park Hospital NHS Foundation Trust, is a statutory body which acquired Heatherwood and Wexham Park Hospitals NHS Foundation Trust on 1 October 2014, changing its name to Frimley Health NHS Foundation Trust. The transaction was the first ever successful foundation trust to foundation trust acquisition.

Frimley Health NHS Foundation Trust has 10 operational directorates in the following areas:

- Emergency Department
- General Surgery and Urology
- Maternity and Gynaecology
- Medicine
- Orthopaedics and Plastics
- Pathology
- Paediatrics
- Radiology
- Specialist Surgery
- Theatres, Critical Care and Anaesthetics

Frimley Health strategic themes and objectives



Perspective on performance

The Trust is focused on delivering clinical excellence for patients by sharing leading practice across all sites to consistently achieve the highest standards of care nationally, using leading-edge diagnostics and techniques to provide first-rate consultant-led services for patients.

While the Trust already has several specialist acute services, it continues to look to develop high quality new ones. The Trust continues to work in and with its communities to deliver quality care in a local setting and will face the future with a continued drive for efficiency and improved service delivery.

Activity data and review

2017-18 was an unusual year in that there was little or no growth in either elective or emergency activity, in contrast to previous years when we have seen significant annual growth. A number of factors contributed to this. Most significantly, schemes put in place both in the community and within the Trust, have made a positive impact on patients being able to access appropriate alternatives to hospital care within the community to help them manage their conditions.

The Trust saw a total of 878,683 outpatients which was a 2% decrease on the previous year, mirrored by a 2% decrease in GP referrals. There was also a small reduction in elective activity (day cases, inpatient admissions and births). There was a mixed picture in terms of waiting lists. A total of 26,298 patients waiting for an outpatient appointment in March 18, which was 2,000 fewer than March 2017. For inpatients the waiting list has grown by approximately 1,300 such that at March 2018 there were just over 9,000 patients awaiting their procedure.

In 2017-18, 242,292 patients attended our emergency departments with activity split evenly across the Wexham Park and Frimley Park hospitals. Overall, attendances were almost the same as last year. Similarly there was virtually no change in emergency admissions compared to last year with 109,822 patients being admitted.

Outpatient activity

1 April 2017 – 31 March 2018	Frimley Park Hospital	Wexham Park and Heatherwood Hospitals	Frimley Health NHS FT
New attendances	168,880	123,651	292,531
Follow-up attendances	324,457	261,695	586,152
Total	493,337	385,346	878,683

Elective activity

1 April 2017 – 31 March 2018	Frimley Park Hospital	Wexham Park and Heatherwood Hospitals	Frimley Health NHS FT
Day cases	48,379	35,291	83,670
Overnight	8,370	6,082	14,452
Births	5,348	4,328	9,676
Total	62,097	45,701	107,798

Non-elective activity

1 April 2017 – 31 March 2018	Frimley Park Hospital	Wexham Park and Heatherwood Hospitals	Frimley Health NHS FT
Emergency Dept attendances	119,914	122,378	242,292
Non-elective admissions	53,475	56,347	109,822

Patients on waiting lists at 31 March 2018

	Frimley Park Hospital	Wexham Park and Heatherwood Hospitals	Frimley Health NHS FT
Outpatients	12,069	14,229	26,298
Inpatients	5,888	3,165	9,053
Total	17,957	17,394	35,351

Trust future priorities for service development

Wexham Park

Hyper-acute

- **Cardiology**
pPCI (heart attack centre) and complex cardiology on-site
- **Vascular**
Repatriation from Oxford

Acute

- 7-day consultant delivered service
- Stroke rehab and early supported discharge
- New emergency department and assessment areas
- Frail elderly service
- High dependency care
- Improve/extend paediatric high dependency unit

Cancer

- On site radiotherapy (LINAC)
- Tertiary centre treatment pathways

Elective

- Secure additional elective activity
- New ophthalmology service
- Increase private patient income

Integrated care

- New Vision of Care integration initiatives
- Patient information sharing

Heatherwood

Rebuild as a new elective centre with:

- **Six theatres**
- **48 beds**
- **16 day case beds**

To include:

- Orthopaedics
- General Surgery
- Urology
- Gynaecology
- Radiology: X-ray, CT & MRI
- Outpatient department, including children's clinic
- Pre-operative assessment
- Therapies
- Private patients suite
- Administration
- Training and meeting facilities

Frimley Park

Hyper-acute

- Further develop hyper-acute stroke unit
- Repatriate vascular work from Oxford, extend for Ashford and St Peter's population
- On-site dialysis (seven-day service recently begun)

Acute

- 7-day consultant delivered service
- Frail elderly service
- Improved paediatric assessment unit

Cancer

- Increase range of chemotherapy
- New breast care unit

Elective

- Increase private patient income

Integrated care

- Locality hubs
- Patient information sharing
- Develop community services

Diagnostic

- Develop new scanning centre

Enabling work

1. Increase acute medical beds at Frimley Park and Wexham Park
2. Invest in additional car parking at Frimley Park and Wexham Park
3. Backlog maintenance at Wexham Park
4. IT infrastructure at all three sites
5. Transformation of services and pathways

Key issues and risks

The Trust has an ambitious transformation plan to help reduce the underlying deficit position that has arisen as a result of acquiring Wexham Park and Heatherwood in 2014-15. From 2018-19 the Trust's financial targets and transformation plans are more formally aligned to with those of our partners within the Frimley Health and Care ICS and this should make delivering transformation projects that improve the delivery of services over the entire patient journey across different health care boundaries much easier.

Achieving key targets for A&E waiting times is increasingly difficult. This pattern is replicated across the country. The Trust is playing a key role in projects with commissioners to remodel care so that our most vulnerable patients receive high quality hospital care when they need it but are supported to remain independent whenever they are able. This is what our patients have told us they want. We are proud to provide management of some community services based from Fleet Hospital and are working collaboratively to deal with A&E demand through alternative models such as ambulatory care.

While the Trust has detailed plans to reach financial stability over time, it faces a challenge to reduce spending in key area of its cost base. The Trust has an ambitious cost improvement programme for 2018-19 of £31m. This is bigger than previous years and will require intense focus to achieve. While everyone is committed to delivering the plan there are significant risks, and we must ensure we operate at the best levels of efficiency for both clinical and non-clinical services.

For 2018-19 the Trust will receive Provider Sustainability Funds (PSF) of £26.2m to deliver a surplus of £33.3m, if it remains on financial plan and meets expectations on delivery of the four-hour A&E standard.

Going concern

After making enquiries, the directors have a reasonable expectation that Frimley Health NHS FT 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 analysis

The Trust performed well during the year, especially against most of the key national targets, aside from the A&E four-hour standard.

The Trust has also developed a set of further key performance indicators to measure its performance and benchmark against similar trusts. Performance reports using these indicators, along with national measures such as the NHSI performance indicators, are reviewed internally throughout the year and presented for scrutiny to the Board each month. The performance reports are also published on our website as part of the public Board papers.

Key performance indicators

	Target	Q1	Q2	Q3	Q4	Full year
A&E clinical quality – total time in A&E under four hours	95%	91.2%	90.9%	89.9%	83.9%	89.0%
Referral to treatment time: % waiting less than 18 weeks	92%	92.8%	92.4%	92.0%	92.4%	92.2%
Cancer:						
62-day waits						
For first treatment all cancers	85%	91.9%	94.2%	93.6%	91.0%	92.7%
For all cancers screening**	90%	97.8%	97.5%	100%	97.4%	98.2%
Cancer: 31-day wait						
For second or subsequent treatment surgery	94%	98.8%	100%	98.5%	100%	99.3%
For second or subsequent treatment drug treatments	98%	100%	99.3%	100%	100%	99.8%
From diagnosis to first treatment	96%	98.6%	99.9%	99.4%	99.6%	99.4%
Cancer: two-week						
All cancers	93%	96.2%	96.0%	96.5%	96.8%	96.4%
Breast symptoms	93%	95.9%	96.5%	95.2%	96.0%	95.9%

Financial review

Before the start of each financial year the Trust has to submit a detailed financial plan to its regulator NHS Improvement (NHSI). This trust-level financial plan is incorporated into operational budgets for both operating and capital expenditure. The Trust's Board of Directors monitors performance against this financial plan at each of its monthly meetings.

In 2016-17 NHSI introduced an additional element of payment to trusts, the Strategic Transformation Fund (STF). The STF was a 'top-up' of funding that can be earned quarterly by trusts through achieving a financial plan (excluding STF) and for the achievement of key operational targets. Towards the end of the year, an STF 'bonus' for those trusts that achieve all other targets over the year is also available as an additional amount.

For the 2017-18 financial year performance against key aspects of the Trust revenue plan were as follows:

2017-2018	Plan £m	Actual £m	Variance £m
Revenue Surplus	-1.8	-0.5	1.3
STF (base plan)	18.6	16.6	-2.0
STF (bonus)	0.0	10.5	10.5
Total	16.8	26.6	9.8

Delivering the financial plan together with key operational targets enabled the Trust to earn £16.6m of base STF and £10.5m of STF bonus. Taken together, the Trust delivered an overall surplus of £26.6m, £9.8m ahead of its plan of £16.8m surplus.

The Trust is in receipt of 'deficit support funding' that was allocated following the acquisition of Heatherwood and Wexham Park Hospitals and is intended to offset the operating deficit of that legacy organisation. For 2017-18 the Trust received £16.6m of deficit support, as had been planned at the time of the transaction. At the end of the year NHSI reduced the surplus target by £6m in lieu of other planned contributions. This ensured the Trust continued to achieve its financial targets and hence earn the STF bonus. The Trust also incurs integration costs in bringing these organisations together, which are also externally funded via the Department of Health. In 2017-18 integration expenditure totalled £5.2m with an equal amount of income.

The Trust had a significant capital programme both in-year and ongoing. Full year performance against the capital plan and cash plans are summarised in the table below:

2017-18	Plan £m	Actual £m	Variance £m
Capital expenditure	96.9	60.3	-36.6
Cash at 31 March 2018	67.1	113.1	46.0

The Trust planned to spend £96.9m on capital and actually spent £60.3m. This was mainly because of slippage on the Heatherwood Hospital rebuild due to planning delays and estates infrastructure work at both Wexham Park and Frimley Park. Key areas of investment included the Wexham site estate (£11.6m), the Frimley estate (£6.1m) and medical equipment (£4.5m). A number of larger schemes are also in progress, for example the Emergency Assessment Centre build at Wexham (£21.4m in-year expenditure) and completion of Women's Services at Wexham (£5.6m in year).

The Trust cash was ahead of plan at the year end, driven through the higher than planned revenue surplus, a number of working capital movements and timing of receipts of STF from previous years.

For 2018-19 the Trust plans to deliver a baseline surplus of £7.1m, which together with a planned STF of £26.2m provides an overall planned surplus of £33.3m before reductions of £15.9m for impairments.

Operating income and expenditure	2017-18 (£m)	2016-17 (£m)	Increase (%)
Income	670.1	665.2	1
Expenditure	643.5	630.0	2

Together with the usual infrastructure upgrades and equipment replacement programmes, we have continued to invest in top-end technology while maintaining our general infrastructure.

Key future developments (see table on page 17 for plans on each hospital site)

A number of key service developments are planned for the coming year and beyond, including:

- Completion of Wexham Park’s new £49m Emergency Assessment Centre with emergency department and assessment wards co-located.
- Progress developing a new three storey building on the Frimley Park site to provide new MRI imaging, breast clinic and extra bed capacity.
- Begin building work on a complete new hospital at Heatherwood with elective treatment and diagnostic centre to replace ageing facilities.
- Move key support staff (Informatics, HR, Finance and Communications) into refurbished ‘Greenwood offices’ at Heatherwood (converted hospital block). It also includes space for a primary care hub.
- Equip new paediatric high dependency unit at Wexham Park, subject to fundraising appeal.
- Complete a new paediatric assessment area at Frimley Park so teenagers can be assessed on the ward rather than in ED.

Fundraising

Frimley Health’s charity aims to raise money for the extra facilities, equipment and services that NHS funds alone cannot provide. Fundraising is also an excellent way to engage with the local community and build closer relationships between staff and the public.

Towards the end of 2016-17 and the beginning of 2017-18 a new fundraising team was put in place and a new fundraising strategy was written to lay out the priorities for the coming three years. Targets were set for 2017-18 to 2019-20 and fundraising for two major appeals has started. At Frimley Park Hospital the Stroke Appeal was launched in February 2017 for £1.1m and by the year-end we had raised £470,000 (including a £320,000 pledge from Frimley Health NHS Foundation Trust).

At Wexham Park Hospital we continued to raise funds for the Children’s Critical Care Appeal and by the year-end we had raised over £175,000.

A key development for the charity is the launch of a community lottery in 2018-19. A tender process

was completed in March 2018 and two companies have been chosen as partners in this development.

This will introduce a new income stream for the charity and considerably increase general funds to use on the highest priority projects.

The income for 2017-18 was £1.2m, which was boosted through some very generous legacies. They will make a significant impact on the work that we will be able to fund. We would like to thank everyone who has made a legacy and to those considering making a legacy in support of our work at Frimley Health. These gifts have an impact on many thousands of local people when they are facing the challenge of ill health.

In early 2018 a new brand was introduced for the charity which will help to raise its profile with the community. The new visual branding was designed to easily differentiate specific appeals under a single Frimley Health Charity visual identity to help with better public engagement.

Environmental sustainability

Introduction

As an NHS organisation and spender of public funds, we have an obligation to work in a way that has a positive effect on the communities we serve. Sustainability means spending public money well, making smart and efficient use of natural resources and building healthy, resilient communities. By making the most of social, environmental and economic assets we can improve health both in the immediate and longer term even in the context of rising natural resources costs.

In March 2017 Frimley Health NHS Foundation Trust produced its first Board approved Sustainable Development Management Plan (SDMP), 'Low Carbon Care'. This five year 2015-2020 plan has been aligned with Trust values and objectives as well as the Sustainable Development Unit's 'Sustainable Development Strategy for the Health and Social Care System 2014-2020'.

"Low Carbon Care reflects the commitment of Frimley Health to become more sustainable through improvements to our operations and through the support of our staff. There is a clear link between sustainability and the health of the community, with the care of the environment contributing to the long term health and social wellbeing of our patients.

Frimley Health aspires to deliver sustainable healthcare and reduce its environmental impact to impact to help combat the health impacts of climate change. The NHS is facing a significant challenge of continuing to improve the care it provides whilst keeping up with the increasing demand on services"

Janet King, Director of HR and Corporate Services



Vision

By putting sustainability at the heart of our organisation, we will deliver healthcare that meets the needs of our patients both now and in the future.

Leadership

Governance plays a central role to the effectiveness of sustainability initiatives by keeping strategies on track and ensuring accountability is clear. The Board level sustainability lead is Janet King, Director of HR and Corporate Services.

Projects and case studies

Upgrading our lighting to LED has again been the main low carbon transition focus this financial year, with lighting replaced and controls installed in Wexham outpatients, Frimley pharmacy and pathology departments and Aldershot Pharmacy Pre-Pack unit. Including ongoing estates upgrades, over 1,200 new LED lamps and controls have been installed using £170,000 of Salix funding, promising annual savings of £38,000 and 130 tCO₂e (tonnes of carbon dioxide emission), as well as improvements to patient and staff environments.

Several new programmes to improve resource efficiency have been introduced this year. Firstly [Warp it](#), a reuse portal that enables the effective redistribution of used assets to those who have a demand for them, avoiding both waste and procurement financial and environmental costs. Secondly, a pharmacy programme avoiding disposal of inhalers, both through an internal initiative to reduce disposal of opened but unused new inhalers and through the GSK take back scheme [Complete the Cycle](#). At our Heatherwood site we have also delivered waste hierarchy, carbon and cost improvements since the start of the year by diverting 50 tonnes of waste from yellow to orange bags, reducing requirement for high temperature incineration by 85% on the site, reducing associated carbon impact by 50%.

Approval has also been granted and £4.65m of Salix loan funding secured to install a 1.5 megawatt combined heat and power (CHP) plant and associated infrastructure at Wexham Park Hospital. This project, due to complete in December 2018, will de-steam and supply gas generated electricity to the site, including the new ED. Annual savings of £700,000 and 1,620 tCO₂e are anticipated.

Following planning approval for the new Heatherwood development work is also on-going to deliver as carbon efficient and resilient a site as is feasible.

Stakeholder engagement

Following successful implementation at Frimley Park Hospital work is now underway to implement the award winning behaviour change programme Operation TLC at Wexham Park Hospital. With lessons learned from Frimley, the programme will be implemented on two wards initially, measuring results and feeding back to ward staff in order to ensure successful wider roll-out. Through this engagement with our staff and patients we are confident of reducing our environmental impact while improving the patient experience.

Sustainability strategy

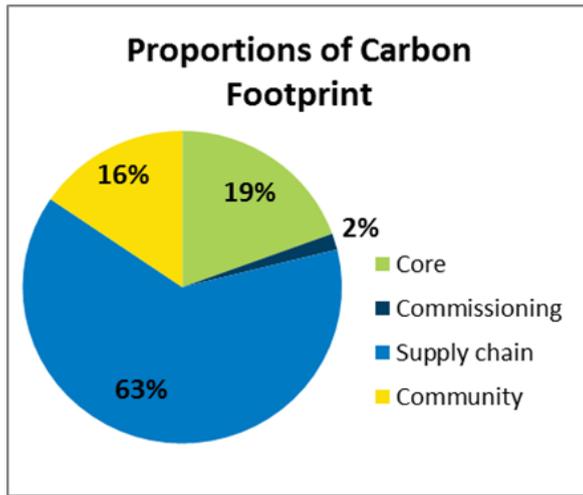
The projects outlined above demonstrate progress in delivery against the action plan outlined in Low Carbon Care. We now face the significant challenge of increasing the generation of carbon reduction initiatives from all areas of the Trust in the face of increasing day to day service and cost pressures. The

Trust aspires to meet government CO₂ targets and where feasible will use the SDU modules to help us implement the strategy to deliver.

Resource impact (direct)

Direct greenhouse gas (GHG) emissions (categorised as Scope 1) are emissions from sources owned or controlled by the organisation. Indirect GHG emissions (Scope 2 and 3) are emissions that are a consequence of the activities of the Trust but that occur at sources owned or controlled by other entities.

2017-18 Carbon emissions



2017-18 Carbon Emissions (tCO ₂ e)			
HM Treasury	Scope		tCO ₂ e
	1	Gas, oil, Trust-owned vehicles and anaesthetic gases	13,104
	2	Imported steam and electricity	6,348
	3	Procurement, travel, waste, water and energy well-to-tank and transmission	105,524
Total Frimley Health emissions (tCO₂e)			124,967

Note 1: Procurement figures are modelled on non-pay spend.

Travel and Transport

Research indicates that long term exposure to traffic based pollution contributes to up to 50,000 excess deaths each year in the UK. The Trust has site specific travel plans that promote sustainable modes of transport for staff, patients and visitors. In the past year the business case was approved to increase our electric pool car fleet from two to ten. This is forecast to reduce business travel emissions by 12.8 tCO₂e per year, reducing our local travel impacts and helping to promote low emission travel more widely in the communities we serve.

Procurement

The procurement of goods and services represents 72% of the NHS, public health and social care carbon footprint. Frimley Health’s emissions have been identified under scope 3 HM Treasury emissions in the above table. The Trust has used the Sustainable Development Unit’s model to calculate its procurement emissions.

Social, community and human rights issues

The Trust actively engages with the local community in many ways. For example, our regular constituency events across our catchment area are well attended and feature presentations from senior clinician about the services we provide and give members of the public the chance to meet and question governors, directors and senior managers directly.

We have run popular public engagement events as part of our planning of major projects at Wexham and Heatherwood to ensure the public are well informed and feel involved in the future of their local hospital services. In addition we run 'Taste of Frimley' and 'Taste of Wexham' careers events for local colleges and we engage strongly with the community through our charity's fundraising activities.

Our membership events are open to all and offer the local community the chance to get involved, and also to find out more about how we work through newsletters, events and public engagement work. Our public membership totals over 16,000. Where appropriate our policies have an equality impact assessment to gauge its effect on service users and staff. We also work in partnership with other parts of the NHS and local organisations on community-wide health issues. All staff are subject to training in relation to adult and child safeguarding at a level appropriate to their role.

A full environmental impact assessment is included in the Sustainability Report on pages 22 to 24.

We remain aware of changes to legislation in relation to human right issues, such as the Modern Slavery Act, and consider our responsibilities connected to legislation in matters such as safeguarding and procurement. We take measures to ensure that suppliers comply with relevant law, guidance and industry good practice to satisfy themselves that slavery or human trafficking does not occur within their supply chains. These expectations are articulated in the NHS terms and conditions for procurement.

Research and development

Participation in clinical research demonstrates Frimley Health NHS Foundation Trust's commitment to the quality of care we offer and to making our contribution to wider health improvement. In recent years we have focused on involving more clinicians and patients in vital research.

Our target for the year was to recruit 1,434 patients to research projects. We exceeded this with 1,934 recruited, the most we have recruited to clinical trials in recent years.

Frimley Health NHS Foundation Trust was involved in conducting 237 clinical research studies in 22 medical specialties during 2017-18 and we have increased research activity across all hospital sites. Notably, the Trust has opened 17 new cancer studies across FHFT in 2017-18.

In February 2018, Frimley Health was the Kent, Surrey & Sussex Local Clinical Research Network partner award winner in the 'involving patients in research' category. This award recognises the introduction of patient research ambassadors at the Trust. The Trust was also highly commended in the best contribution to non-commercial research category, acknowledging the work undertaken to meet patient recruitment targets.

In the coming year, we will continue to increase research activity at the Trust exploring new opportunities to introduce exciting and innovative treatment through clinical research.

Well-led framework

Monitor's Risk Assessment Framework, published in October 2013, included a requirement for foundation trusts to carry out an external review of their governance every three years. The Trust completed its assessment by the end of the 2016-17 financial year and signed off the action plan in May 2017, which was submitted to NHS Improvement.

The next well-led assessment of this nature will be required in 2020, although as part of the next CQC inspection due in 2018 the Board of Directors will be subject to a well-led assessment.

The Trust uses the well-led framework to inform its governance processes, which are outlined in the Annual Governance Statement that starts on page 75.

Better Payment Practice Code BPPC

The aim of the BPPC is to pay all non-NHS trade creditors within 30 days of receipt of goods or a valid invoice (whichever is the later) unless other payment terms have been agreed. The Trust reports compliance with this code on page 30 of the Annual Accounts.

Significant events post 1 April 2018

There have been no significant events since 1 April 2018 affecting the Trust's strategy and key objectives.

Overseas operations

The Trust did not have any overseas operations during the financial year.



Neil Dardis
Chief Executive
24 May 2018

ACCOUNTABILITY REPORT

Directors' Report

The directors are responsible for preparing the Annual Report and Accounts and consider 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 Frimley Health NHS Foundation Trust's performance, business model and strategy. The notice period for all non-executive directors listed below is three months and for all executive directors the notice period is six months.

Our Board of Directors

Biographies for individuals who served as directors on the Board at any time during the year ended 31 March 2018 are detailed below. As can be seen from the directors' biographies and from the Trust's compliance with the requirements of the Monitor NHS Foundation Trust Code of Governance (updated in July 2014), the Board of Directors has an appropriate composition and balance of skills and depth of experience to lead the Trust.

Non-executive directors



Pradip Patel B.Pharm (Hons.), MBA, CDiAF, CBAAdmin, FCMI,
MRPharmS

Chairman

Appointed: 1 April 2016

End of tenure: 31 March 2019

Appointed to the Trust as Chairman of the Board and Council of Governors April 2016.

Pradip is an accomplished senior executive with a wealth of experience in complex and regulated organisations. He started his career as a pharmacist in 1977 and has gone on to hold senior roles in marketing, property and planning, sales and operations, HR and strategy. Before he joined Frimley Health, Pradip was a non-executive director at Hillingdon Hospital NHS Foundation Trust in London from 2011, serving as deputy chairman. He was also director of healthcare strategy at Walgreens Boots Alliance from 2012. Between and 1999 and 2010 Pradip held various director roles with Boots on a regional, national and international level.

He is a fellow of the Chartered Management Institute and a member of the Royal Pharmaceutical Society of Great Britain.



Mark Escolme BA Hons

Independent non-executive director; Deputy Chairman (from 1 April 2013)

Appointed: 1 April 2009

End of tenure: 31 March 2019¹

Mark has over 25 years of experience of working in large branded consumer companies in the UK, US, Australia and New Zealand. He has been involved in setting up businesses in emerging markets such as Russia, China, India and Africa, developing high profile brands within household and food categories. He has managed joint ventures and NGO and government partnerships. Working at board level, Mark chaired the SC Johnson East Africa board and currently sits as a non-executive director on the Standard Brands board. Most recently Mark built GÜ into a multinational brand leader in chilled foods. He is also a trustee for UK charity Gumboots Foundation, which raises money for social uplift initiatives in Southern Africa. Over the past 15 years Mark has had significant M&A experience in the UK and many international markets across multiple private, private equity-backed and public manufacturing businesses in executive and non-executive director roles. This includes Dow products (the Mr Muscle brand) in the UK and Bayer Pest Control (Baygon and Autan brands) in Africa.



Rob Pike ACIB

Independent non-executive director

Appointed: 1 April 2011

End of tenure: 31 March 2019²

Rob retired in 2009 after a 40 year career in financial services which culminated in a role as director of operations for Europe and Middle East for the Royal Bank of Scotland Group. He was previously director of operations in the UK where he had responsibility for more than 5,000 employees, running a network of operations centres. He was a senior executive at NatWest at the time of its acquisition by the Royal Bank of Scotland and subsequently led the successful integration of the two networks of operations centres. He was directly responsible for managing the IT and transformation integration activity of those operations and was heavily involved in the post-acquisition HR and systems integration. Having successfully undertaken several senior customer facing roles he was invited to join the board of the Customer Contact Association (CCA) in 2004. He chaired its Industry Council from 2006-2008 and was Chair of the CCA Global Standards Council until 2016.

¹ In November 2017, following a recommendation from the Non-Executive Performance and Remuneration Committee, the Council of Governors approved the extension of Mark Escolme's term in office by a further year to 31 March 2019.

² In October 2017, following a recommendation from the Non-Executive Performance and Remuneration Committee, the Council of Governors approved the extension of Rob Pike's term in office by a further year to 31 March 2019.



Mike O'Donovan

Independent non-executive director

Appointed: 14 October 2014

End of tenure: 31 March 2020³

Mike spent 30 years in the consumer healthcare industry holding managing director positions in the UK and overseas as well as global corporate roles. In 2002 he left industry to become chief executive of the Multiple Sclerosis Society, a position he held until 2006. Since then he has held several non-executive director and trustee positions including co-chair of National Voices, the leading patient service user advocacy group, member of the management board of the European Medicines Agency and chair of Central London Community Healthcare NHS Trust. In October 2012 he was appointed chairman of Heatherwood and Wexham Park Hospitals NHS Foundation Trust and played a key role in its successful acquisition by neighbouring Frimley Park Hospital NHS Foundation Trust to form Frimley Health NHS Foundation Trust. Mike is a member of the board of trustees of the South Hill Park Arts Centre.



Thoreya Swage MA (Oxon), MB BS (Lond)

Independent non-executive director

Appointed: 1 June 2015

End of tenure: 31 March 2021⁴

Thoreya has several years' experience in the NHS both as a clinician in psychiatry and a senior manager in various NHS purchasing organisations covering the acute sector as well as primary care development. Her latest NHS post was executive director of a health authority with a remit to develop primary care services including GP commissioning and GP fundholding. Since 1997 Thoreya has run a successful management consultancy business, developing particular expertise in the field of service reviews and redesign, strategic and leadership development, clinical governance, commissioning and procurement with the NHS and independent sector, and education and training. During 2006-07 she was deputy medical director at the Commercial Directorate at the Department of Health with responsibility to set up the clinical governance processes for the National Independent Sector Treatment Programme. She has had various teaching roles at King's College, London, Queen Mary, University of London and Reading University and has researched and written a number of published articles. Thoreya is an associate at the Oxford Health Experiences Institute and a non-executive director at Barts Health NHS Trust.

³ In October 2017, following a recommendation from the Non-Executive Performance and Remuneration Committee, the Council of Governors approved the extension of Mike's term in office for a second term to 31 March 2020.

⁴ In October 2017, following a recommendation from the Non-Executive Performance and Remuneration Committee, the Council of Governors approved the extension of Thoreya's term in office for a second term to 31 March 2021.



Dawn Kenson BSc Hons, ACII, Dip PFS

Senior independent non-executive director

Appointed: 1 June 2015

End of tenure: 31 March 2021⁵

Dawn spent over 20 years in financial advisory services predominantly with The Woolwich and then, following its takeover, with Barclays Bank.

She was managing director of Woolwich Independent Financial Advisory Services before becoming director of independent financial advice operations for Barclays where she had responsibility for the bank's combined regulated advisory forces.

She left Barclays in 2005 to concentrate on non-executive work in, and supporting, the public sector and currently holds positions with the Northern Ireland Office and Raven Housing Trust.



Ray Long CB, BA, MSc, FAPM, CEng, CITP, FBCS, FCMI, FIET, CDir, FIoD, FRSA

Independent non-executive director

Appointed: April 2017

End of tenure: 31 March 2020

Ray Long left the Civil Service in 2017 after a 40-year career which included roles as Director of Business Tax Change and Corporate Services Change in HMRC, Senior Responsible Owner of DWP's Infrastructure Modernisation Programme, and CEO of Benefits & Pensions Digital Technology Services Limited (DWP's Government-owned private company which provides IT services to the department).

Ray previously served as Major Projects Director in the Cabinet Office, Programme Director for the nationwide NHS 'Choose and Book' service, and CEO of the Northern Ireland Business Development Service. A past-president of the British Computer Society, he has also been an associate lecturer with the Open University since 1993, presenting courses on leadership, strategy, finance, marketing and technological innovation and now enjoys a portfolio career based around short-term consultancy roles, teaching and voluntary work. Ray was appointed as a Companion of the Order of the Bath in the 2018 New Year's Honours List.

⁵ In October 2017, following a recommendation from the Non-Executive Performance and Remuneration Committee, the Council of Governors approved the extension of Dawn's term in office for a second term to 31 March 2021.



John Weaver

Independent non-executive director

Appointed: April 2017

End of tenure: 31 March 2020

John has worked for BT since 1984, becoming director of managed services in 2008, generating £900m income. He spent two years as director of transformation reporting to the managing director of global networks, leading a unit transformation of 3,000 staff. Since 2013 he has been vice president for contract design, with 1,100 skilled engineers.

Since 2008 John has also had other roles including helping set up and being an executive director on the Thames Valley Local Enterprise Partnership, a member of the CBI South East, and a non-executive director for Hastings Academies Trust.

Executive Directors



Sir Andrew Morris OBE, MHSM, Dip HSM, CBE

Chief Executive

Appointed: 1989

Retired: March 2018

Sir Andrew has over 40 years of experience in NHS management and has held a range of senior NHS appointments. He became unit administrator of Hereford Hospitals and a board member of Herefordshire Health Authority in 1984. He was appointed general manager of Frimley Park Hospital in 1989 and became Chief Executive in 1991. He managed the establishment of the Ministry of Defence Hospital Unit in 1996 and successfully led Frimley Park's application to become a foundation trust in 2005. Most recently he led the acquisition of Heatherwood and Wexham Park Hospitals NHS Foundation Trust to create Frimley Health NHS Foundation Trust. In 2017, a panel of judges comprising some of the most senior healthcare leaders in the UK ranked Sir Andrew top of a list of NHS chief executives. The results, published by the Health Service Journal, cited his commitment to mentoring fellow chief executives and others. Sir Andrew is a member of the Institute of Health Service Management and an honorary fellow of the Royal College of Physicians. He was knighted in January 2015 for services to public health.



Neil Dardis

Chief Executive

Appointed: March 2018

Neil has worked in the NHS for over 20 years, with extensive Board and senior management experience. He was formerly chief executive at Buckinghamshire Healthcare NHS Trust since April 2015, having joined as deputy chief executive and chief operating officer in 2013 and prior to this he was director of operations at East and North Hertfordshire NHS Trust.

Neil graduated from Durham University with a degree in history, has a diploma in health service management and has studied at the London Business School and Cambridge University Judge Business School. He has also been a member of the NHS Top Leaders Programme and worked with the Kings Fund on system leadership.

Neil chairs the Oxford Academic Health Science Network's clinical innovation and adoption group, and was formerly the Buckinghamshire SRO for the Buckinghamshire, Oxfordshire and Berkshire West's STP. He also sits as part of the NHS Improvement Chief Executive Advisory Panel.



Martin Sykes BSc, PhD, CPFA

Director of Finance / Deputy Chief Executive

Appointed: 2004

Resigned: July 2017

Martin had been Director of Finance at the Trust since July 2004 and Deputy Chief Executive since April 2007. He joined the NHS in 1995 with the Northern and Yorkshire Health Authority, having previously been employed by the University of Newcastle upon Tyne.

Martin also had responsibility for contracting and information, procurement, and business development functions within the Trust and, as the Senior Information Risk Officer (SIRO), lead on information governance matters on behalf of the Board.

Martin left the Trust in July 2017.



Nigel Foster BA, CPFA

Director of Finance and Information Management and Technology

Appointed: August 2017

Nigel was previously director of finance and performance for three clinical commissioning groups (CCGs) in East Berkshire and has been working for the NHS since 2002, originally with Wokingham PCT and then NHS Berkshire West, where he held a variety of senior finance roles. From March 2012 he led the formation of Central Southern Commissioning Support Unit and became its chief finance officer. He joined the CCGs in East Berkshire in November 2013.

Nigel also has responsibility for contracting and information, procurement, and business development functions within the Trust and, as Senior Information Risk Officer (SIRO), leads on information governance matters on behalf of the Board. He is involved in working with colleagues across the Frimley Health and Care ICS area and leads the 'Connected Care' IT interoperability project in East Berkshire which is enabling the sharing of patient records between primary, secondary and social care. In addition to his Trust role he holds an honorary contract with the East Berkshire CCG to continue as its director of finance.



Helen Coe MBE, MBA, RGN

Director of Operations, Frimley Park Hospital

Appointed: July 2013

Helen has significant NHS expertise gained during 30 years' experience in a number of senior clinical and managerial roles. She has a strong operational background, has held several senior nursing positions across specialties in both surgery and medicine and has been awarded an MBE for her outstanding contribution to nursing and quality. Helen is passionate about ensuring patients receive the highest quality services and that their experience at Frimley Park Hospital is first class. Helen has also worked at the Department of Health as part of the Cabinet Office team assessing public organisations for the Charter Mark Award. Before taking up the position of Director of Operations, Helen was the associate director for urgent care services focusing on delivering the Trust's hyper- acute strategy in cardiology and stroke. She has been responsible for leading innovation and change and led the Trust's successful transformation project reducing patients' length of stay at Frimley Park.



Lisa Glynn

Director of Operations, Heatherwood and Wexham Park

Appointed: October 2014

Lisa joined the NHS in 1994, after a period of time working in the private health sector, and has held a number of senior operational roles in the acute sector since that time, including director of operations at the Royal Berkshire NHS Foundation Trust. Lisa joined Heatherwood and Wexham Park Hospital NHS Foundation Trust in February 2013 as chief operating officer from Royal Berkshire NHS Foundation Trust where she was the director of operations for urgent care. She was appointed to her current role when Frimley Health came into being on 1 October 2014.



Janet King MA Law, FIPD, CPP

Director of HR and Corporate Services / Deputy Chief Executive

Appointed: 1991

Starting her career in the civil service, Janet joined Frimley Park Hospital in 1987 working for West Surrey and North East Hants Health Authority as personnel manager. She became a director of Frimley Park Hospital NHS Trust in 1991. Her portfolio includes human resources management, all non-clinical support services, estate and capital planning, company secretary, media and communications. Janet is project director for a number of large capital projects including Heatherwood Hospital. She is a lay panel member for employment tribunals and is a CQC specialist adviser. Janet was appointed Deputy Chief Executive in October 2017.



Nicola Ranger MA Law and Medical Ethics. RGN, BSc (Hons)

Director of Nursing and Quality

Appointed: January 2013

Resigned: April 2017

Nicola joined the Trust from University College London Hospitals where she was deputy chief nurse. She specialised in intensive care nursing and spent four years working in critical care units in New York and Washington DC. Nicola held a number of senior nursing positions including nurse consultant for critical care and head of nursing for both surgery and medicine. Her key areas of responsibility were professional lead for nursing, midwifery and therapies, maintaining clinical standards, patient safety, governance and patient involvement. Nicola left the Trust at the end of April 2017.



Duncan Burton RN BN (Hons) MSc

Director of Nursing and Quality

Appointed: September 2017

Duncan has been the director of nursing and patient experience and director of infection prevention and control at Kingston Hospital NHS Foundation Trust since February 2013. During his time at Kingston he has led a number of areas of improvement including dementia care, nurse technology, and has significantly reduced turnover and vacancies.

Before joining Kingston, Duncan was deputy chief nurse at University College London Hospitals (UCLH) and was responsible for a number of corporate and clinical services on behalf of the chief nurse. This included responsibility for nursing and midwifery across seven hospital sites.



Dr Timothy Ho MB, BS, PhD, DIC, FRCP

Medical Director

Appointed: December 2013

Tim graduated in medicine from St. George's, University of London, and went on to undertake specialist training in respiratory and intensive care medicine in London. He carried out a period of basic science research in molecular microbiology at Imperial College, culminating in the award of a PhD. He has been a consultant chest physician at Frimley Park Hospital since 2004. During this time, he has developed a number of key services including a regional diagnostic service for lung cancer (EBUS), the medical acute dependency unit and a large obstructive sleep apnoea service. Most recently he has served as the clinical director for medicine and care of the elderly and as the centre director for the Frimley Park adult cystic fibrosis service. He is the professional lead for the doctors and is responsible for the Trust's quality and clinical governance framework.

Changes to the Board of Directors

The executive and non-executive directors comprised:

- Eight non-executive directors (including the Chairman)
- Seven executive directors (including the Chief Executive)

Changes in relation to non-executive directors during 2017-18:

- Mark Escolme was appointed to the Board in April 2009 as a non-executive director. His term of office was further extended by the Council of Governors in 2017 until 31 March 2019.
- Rob Pike was appointed to the Board in April 2011 as a non-executive director. His term of office was further extended by the Council of Governors in 2017 until 31 March 2019.
- Dawn Kenson and Thoreya Swage were appointed to the Board in June 2015 as non-executive directors. Their terms of office were extended by another three year term by the Council of Governors in 2017 and their tenures will end on 31 March 2021.
- Ray Long and John Weaver were appointed to the Board in April 2017 as non-executive directors for an initial term of three years. Their terms of office will end on 31 March 2020.

As at 31 March 2018, the Trust had seven voting executive directors and eight voting non-executive directors. The Trust Board met the requirement of having a majority of non-executive directors in terms of voting directors on the Board.

Board of Directors' register of interests

The register of interests for the executive and non-executive directors that served as members of the Board during the year ended 31 March 2018 is detailed below:

	Name	Declared Interests
Non-executive directors	Pradip Patel	Advisory Board member for GSI UK Healthcare
	Mark Escolme	Mallow & Marsh Limited OPPO Brothers Limited Escolme Limited Bromsgrove School Foundation Standard Brands Pet Food UK Limited
	Dawn Kenson	Northern Ireland Office Raven Housing Trust
	Ray Long	BPDTs Limited, CEO and director BCS, trustee The Worshipful Company of Information Technologists, warden and court member Ray Long Consulting Limited, director QI Consulting, associate consultant Doherty Stobbs, associate consultant The Open University, associate lecturer Dods Training, associate trainer

		Parity, Civil Service Fast-Stream assessor Royal Society of Medicine, adviser Gresham College, adviser
	Mike O'Donovan	MS Society member and volunteer Trustee of the South Hill Arts Centre
	Rob Pike	Rob Pike Associates Limited, director
	Thoreya Swage	Thoreya Swage Limited, director/sole trader Barts Health NHS Trust, non-executive director
	John Weaver	BT plc, VP of Contract Design
Executive Directors	Neil Dardis	None
	Sir Andrew Morris	None
	Janet King	HR services provided to SHCCG CBI representative Employment Tribunals
	Nigel Foster	Director of Finance for Bracknell & Ascot CCG, Slough CCG and Windsor & Maidenhead CCG (secondment 18 days pa plus line management of CCG Associate Director of Finance)
	Duncan Burton	Honorary Senior Lecturer at Kingston University
	Helen Coe	None
	Lisa Glynn	None
	Tim Ho	Independent Inspection Chair for CQC (since August 2015) UK Advisory Board of Uptodate - part of Wolters Kluwer Health publishers (since June 2016) Responsible officer for Thames Hospice
	<i>Martin Sykes</i>	<i>None</i>
	<i>Nicola Ranger</i>	<i>None</i>

Register of governors' interests

A register of governors' interests is maintained by the Trust. A copy of the latest version submitted to the Council of Governors is available on the Trust's website* via <https://www.fhft.nhs.uk/about-us/council-of-governors/> or may be inspected during normal office hours at the Chief Executive's office.

Other disclosures by directors

So far as each of the directors is aware, there is no relevant audit information of which the NHS Foundation Trust's auditor is unaware. Each director has taken all the steps they ought to in their role in order to make themselves aware of any relevant audit information and to establish that Frimley Health NHS FT's auditor is aware of that information.

The directors are satisfied that under the requirement of Section 43(2A) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012) the income from the provision of goods and services for the purpose of the health service in England by Frimley Health NHS FT is greater than its income from the provision of goods and services for any other purposes. This other income is shown in note 2.1 of the Annual Accounts. Most is used to cover associated costs and any surplus is reinvested in the provision of NHS health services.

Frimley Health NHS Foundation Trust has complied with the cost allocation and charging guidance issued by HM Treasury.

None of the Board of Directors has made any political donation during the course of the year.

Board members' attendance record for Board of Director meetings and board-level committees for the year ended 31 March 2018

	Name	Position	Private	Public	Audit	Noms	PRC	Total
Non-executive directors	Pradip Patel	Chairman	12/12	11/11	n/a	3/3	4/4	30/30
	Mark Escolme	Non-executive director	11/12	11/11	n/a	n/a	n/a	22/23
	Dawn Kenson	Non-executive director	10/12	9/11	5/5	3/3	4/4	31/35
	Ray Long	Non-executive director	12/12	11/11	5/5	3/3	3/4	34/35
	Mike O'Donovan	Non-executive director	10/12	10/11	5/5	n/a	n/a	25/28
	Rob Pike	Non-executive director	11/12	10/11	n/a	n/a	n/a	21/23
	Thoreya Swage	Non-executive director	11/12	9/11	n/a	2/3	3/4	25/30
	John Weaver	Non-executive director	10/12	10/11	n/a	n/a	n/a	20/23
Executive Directors	Neil Dardis	Chief Executive	n/a	n/a	n/a	n/a	n/a	n/a
	Sir Andrew Morris	Chief Executive	10/12	9/11	4/5	n/a	4/4	27/35
	Janet King	Director of HR & Corporate Services	11/12	10/11	n/a	2/3	2/4	25/30
	Nigel Foster	Director of Finance and IM&T	6/7	6/7	2/3	n/a	n/a	14/17
	Duncan Burton	Director of Nursing and Quality	6/6	6/6	n/a	n/a	n/a	12/12
	Helen Coe	Director of Operations (FPH)	12/12	10/11	4/5	n/a	n/a	26/28
	Lisa Glynn	Director of Operations (HWPH)	9/12	9/11	4/5	n/a	n/a	22/28
	Tim Ho	Medical Director	11/12	10/11	n/a	n/a	n/a	21/23
	<i>Martin Sykes</i>	<i>Director of Finance and Strategy</i>	<i>5/5</i>	<i>4/4</i>	<i>1/1</i>	<i>n/a</i>	<i>n/a</i>	<i>9/9</i>
<i>Nicola Ranger</i>	<i>Director of Nursing and Quality</i>	<i>1/1</i>	<i>1/1</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>2/2</i>	
Total			158/ 175	146/ 156	30/34	13/18	20/ 24	366 /400

Enhanced quality governance reporting

Arrangements for governing service quality are outlined in the Annual Governance Statement (starting on page 75) and the Quality Report, which is presented as part of this Annual Report.

The priorities for improving quality during 2018-19, and how the improvements will be delivered are set out in the table below:

Quality improvement priorities:

Quality priority	Actions to be taken
Priority 1: Identification and management of the deteriorating patient	<ul style="list-style-type: none">• Monitor compliance with NEWS• Monitor training effectiveness• Design and influence training programme with learning from
Priority 2: Good discharge planning involving patients and their families / carers	<ul style="list-style-type: none">• Establish baseline for Safer Discharge Bundle• Monitor and improve compliance with specific elements of the bundle• Monitor uptake of all wards that have been given access to the upgraded version of ADT• Increase training and education in discharge planning, including master classes for NIC (focusing on EDD, effective ward round, pre-op improvements, patient awareness)
Priority 3: Mental health within the non-specialist ward setting	<ul style="list-style-type: none">• Continue working with colleagues from across STP footprint, focusing on the four areas of mental health• Monitor the number of incidents relating to challenging behaviour in patients with either MH concerns or who are experiencing periods of confusion• Ensure all relevant staff in high-risk areas receive appropriate training

NHSI regulatory ratings

The Trust is regulated by NHS Improvement (NHSI), to whom it submits its annual plan. On the basis of the information contained in the annual plan and in-year submissions, NHSI will assess and assign a risk rating for the Trust in accordance with the 'single oversight framework', which provides a single overall metric for the Trust.

A&E performance in the final quarter resulted in a segment 2 rating. This means that NHSI does not require further intervention nor has it mandated support for the trust although it will supply targeted support for improvement to this metric.

There is no acute trust which currently meets segment 1 criteria and an improvement to the trust's A&E performance, all other things being equal, would result in a return to a segment 1 classification.

Frimley Health NHS Foundation Trust regulatory rating 2017-18

	Q1	Q2	Q3	Q4
Single Oversight Framework	2	2	2	2

The Trust's regulatory ratings throughout the previous year (2016-17) were as follows:

	Q1	Q2	Q3	Q4
Use of Resources rating(2)	1	1	-	-
Governance risk rating (3)	Green	Green	-	-
Single Oversight Framework	-	-	1	2

1. Annual plan review and in-year reporting and monitoring
NHSI uses the information provided in the annual plan primarily to assess the risk that an NHS foundation trust may breach its licence in relation to finance and governance and assigns risk ratings. Every quarter, NHS foundation trust boards are required to submit details of performance in the most recent quarter and year-to-date against their annual plan, and self-certify that all healthcare targets and indicators have been met. Each trust is assigned an overall financial and governance risk rating for the quarter based on the declarations they make to Monitor.
2. Financial risk rating (FRR) / Continuity of Service (COS) rating
Risk ratings are assigned using a scorecard which compares key financial metrics consistently across all foundation trusts. The risk rating reflects the likelihood of a financial breach of an NHS foundation trust's provider licence. The highest rating under the COS rating is four.
3. Governance risk rating
NHSI rates governance risk using a graduated system of green, amber-green, amber-red and red, where green indicates low risk and red indicates high risk.

There were no formal interventions by the regulator during the year 2017-18.

There were no material inconsistencies between the Trust's assessment of key risks and either subsequent NHSI ratings or Care Quality Commissions assessments.

The Trust Annual Governance Statement on page 75 details how the Trust has reviewed and assessed the effectiveness of the Trust's systems of internal control.



Neil Dardis
Chief Executive
24 May 2018

Remuneration Report

Annual statement on remuneration

The Performance and Remuneration Committee (PRC) comprises four non-executive directors of the Trust. It is a subcommittee of the Board and operates under terms of reference set by the Board. Part of the PRC remit is to determine appropriate remuneration in accordance with the terms of reference as follows:

- In accordance with Clause D.2.2 of the NHSI NHS Foundation Trust Code of Governance, the Performance and Remuneration Committee has delegated responsibility from the Board of Directors for setting remuneration for all executive directors including pension rights. The Performance and Remuneration Committee should also recommend and monitor the level and structure of remuneration for senior management. The definition of senior management should normally include the first layer of management below Board level (tier 2 staff).
- Seek external advice from time to time (at least every other year) on the remuneration packages of the Chief Executive and other executive directors.
- Review the overall pay and performance framework for the Trust with particular regard to the executive directors' proposals for the remuneration of the Trust's tier 2 staff (those reporting directly to executive directors).

For the financial year 2017-18, the PRC noted the 1% uplift awarded to all NHS staff on Agenda for Change contracts. Under its delegated responsibility, the PRC decided to award all executive directors 1% uplift on salary to take effect on 1 April 2017 unless otherwise included within a salary revision and also agreed 1% salary uplift to the 22 senior members of staff (tier 2) who are on local trust rather than Agenda for Change terms and conditions.

External advice was sought from Peter Smith, of global management consultancy Korn Ferry Hay Group, when executive director salaries were reviewed and adjusted in April 2017. He was appointed by the PRC on the recommendation of the Director of HR as he had been involved in the organisational redesign in 2014. He was paid £4,800 on a specification-based contract. The review used benchmark data for comparable foundation trusts and took account of the level of performance and any additional responsibilities taken on by each of the executive directors since the last review. As a result, revisions were made to the salaries of the two operations directors and additional allowance was awarded to the Director of HR and Corporate Services who assumed the role of Deputy CEO. The Medical Director's position was also made permanent during the year.

Recruitment consultants GatenbySanderson were appointed through open competition to support the recruitment of two executive director posts. These were Director of Nursing and Director of Finance posts for which GatenbySanderson were paid £12,840 and £12,815 respectively on specification-based contracts.

The new Chief Executive appointment was supported by specialist recruitment agency IRG Advisors, trading as Odgers Berndtson, who were appointed through open competition and paid £36,227 on a specification-based contract.

There are three executive directors, including the Chief Executive, who received salaries in excess of the £150,000 threshold. These changes to executive director and Tier 2 staff salaries were supported by all non-executive directors of the trust.

The PRC has kept the Executive Directors Remuneration Policy under review and approved changes to this policy at its meetings on 12 April and 15 September 2017. The PRC has noted the more recent guidance on very senior managers' pay issued by NHS Improvement in February 2017 and has accommodated the impact of the proposed changes in executive director remuneration for posts recruited to in 2017.

A handwritten signature in blue ink that reads "Dawn Kenson".

Dawn Kenson
Senior Independent Director
24 May 2018

Senior managers' remuneration policy

Salary entitlements of senior managers 2017-18 (information subject to audit)

		Salary and fees (bands of £5000) £000	Taxable benefits nearest £100	Annual performance related bonus (bands of £5000) £000	Long-term performance related bonus (bands of £5000) £000	⁶ Pension related benefits (bands of £2500) £000	⁷ Total remuneration (bands of £5000) £000	Expenses £
Executive Directors								
Neil Dardis⁸	Chief Executive	5 – 10	0	0	0	0	5-10	0
Sir Andrew Morris	Chief Executive	210 - 215	0	0	0	0	210-215	2,625.45
Janet King	Director of HR & Corporate Services	160 - 165	0	0	0	85-87.5	245-250	1,784.55
Nigel Foster⁹	Director of Finance & IM&T	90 – 95	0	0	0	95-97.5	185-190	1,279.05
Duncan Burton¹⁰	Director of Nursing & Quality	75 – 80	0	0	0	57.5-60	130-135	322.14
Helen Coe	Director of Operations FPH	130 - 135	0	0	0	90-92.5	225-230	1,258.10
Lisa Glynn	Director of Operations HWP	130 - 135	0	0	0	0	130-135	1,053.50
Tim Ho	Medical Director	235-240 ¹¹	0	0	0	87.5-90	320-325	816.04
Martin Sykes¹²	<i>Director of Finance & Strategy</i>	<i>45 - 50</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>72.5-75</i>	<i>120-125</i>	<i>110.25</i>
Nicola Ranger¹³	<i>Director of Nursing & Quality</i>	<i>10 - 15</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>200-202.5</i>	<i>210-215</i>	<i>362.50</i>
Non-Executive Directors								
Pradip Patel	Chairman	60-65	0	0	0	0	60-65	0
Mark Escolme	Non-Executive Director	15-20	0	0	0	0	15-20	0
Dawn Kenson	Non-Executive Director	15-20	0	0	0	0	15-20	0
Ray Long	Non-Executive Director	0-5	0	0	0	0	0-5	0
Mike O'Donovan	Non-Executive Director	15-20	0	0	0	0	15-20	526.61
Rob Pike	Non-Executive Director	15-20	0	0	0	0	15-20	0
Thoreya Swage	Non-Executive Director	15-20	0	0	0	0	15-20	549.54
John Weaver	Non-Executive Director	15-20	0	0	0	0	15-20	0

In line with the public sector pay award, executive directors and senior manager were awarded a 1% increase in salary in 2017-18. Other than for the two Directors of Operations and the Director of HR and Corporate Services, there was no substantive review or increase for the remaining executive directors and senior managers. It was also determined that there would be no bonus scheme in operation for senior managers during 2017-18 (see above).

⁶ This represents 20 times the year on year increase in pension plus the cash lump sum payable to the director should they have become entitled to it at 31 March 2018. The calculation complies with the regulator's reporting requirement and is not cash remuneration.

⁷ Total remuneration in this column includes non-salary benefits relating to pension entitlements, as stated at 1 above

⁸ Due to Neil joining the Trust 19 March 2018, pension benefits for this employment were not significant

⁹ Nigel Foster joined in August 2017

¹⁰ Duncan Burton joined in September 2017

¹¹ The figure represents total remuneration from the Trust. £159.5k of this relates to the Medical Director's clinical role.

¹² Martin Sykes resigned in July 2017

¹³ Nicola Ranger resigned in April 2017

Salary entitlements of senior managers 2016-17

The following table was first published in the Frimley Health NHS Foundation Trust's Annual Report and Accounts 2016-17 and is used here for comparative purposes.

		Salary and fees (bands of £5000) £000	Taxable benefits nearest £100	Annual performance related bonus (bands of £5000) £000	¹⁴ Long-term performance related bonus (bands of £5000) £000	¹⁵ Pension related benefits (bands of £2500) £000	Total remuneration (bands of £5000) £000	Expenses £
Executive Directors								
Sir Andrew Morris	Chief Executive	225-230	0	0	0	0 ¹⁶	225-230	2407.00
Martin Sykes	Director of Finance and Strategy	145-150	0	0	0	25-27.5	175-180	1026.00
Janet King	Director of HR & Corporate Services	150-155	0	0	0	20-22.5	170-175	2165.92
Helen Coe	Director of Operations FPH	125-130	0	0	0	27.5-30	150-155	903.51
Lisa Glynn	Director of Operations HWPB	125-130	0	0	0	0 ¹⁷	125-130	622.34
Nicola Ranger	Director of Nursing & Quality	140-145	0	0	0	30-32.5	170-175	2186.55
Tim Ho	Medical Director	225-230 ¹⁸	0	0	0	40-42.5	265-270	727.42
Non-Executive Directors								
Pradip Patel	Chairman	60-65	0	0	0	0	60-65	171.40
Andrew Prince	Non-Executive Director	15-20	0	0	0	0	15-20	0
Mark Escolme	Non-Executive Director	15-20	0	0	0	0	15-20	1073.30
Thoreya Swage	Non-Executive Director	15-20	0	0	0	0	15-20	634.25
Dawn Kenson	Non-Executive Director	15-20	0	0	0	0	15-20	0
Rob Pike	Non-Executive Director	15-20	0	0	0	0	15-20	0
Mike O'Donovan	Non-Executive Director	15-20	0	0	0	0	15-20	473.93

¹⁴ This represents 20 times the year on year increase in pension plus the cash lump sum payable to the director should they have become entitled to it at 31 March 2017. The calculation complies with the regulator's reporting requirement and is not cash remuneration

¹⁵ Total remuneration in this column includes non-salary benefits relating to pension entitlements, as stated at 1 above

¹⁶ Sir Andrew Morris opted out of the pension scheme with effect from 1 April 2012.

¹⁷ Lisa Glynn opted out of the pension scheme with effect from 1 April 2015.

¹⁸ The figure represents total remuneration from the Trust. £75,750 of this relates to the Medical Director's clinical role.

Pension benefits of senior managers 2017-18 (information subject to audit)

Name	Title	Real increase in pension and related lump sum at age 60 (bands of £2,500) £000	Total accrued pension and related lump sum at age 60 at 31 March 2017 (bands of £5,000) £000	Cash equivalent transfer value at 31 March 2017 £000	Cash equivalent transfer value at 31 March 2016 £000	Real increase in cash equivalent transfer value £000
Neil Dardis ¹⁹	Chief Executive					
Sir Andrew Morris ²⁰	Chief Executive	-	-	-	-	-
Janet King	Director of HR & Corporate Services	17.5 – 20	245 – 250	1,365	1,188	166
Nigel Foster	Director of Finance & IM&T	12.5 – 15	90 – 95	488	386	99
Duncan Burton	Director of Nursing & Quality	0 – 2.5	120 – 125	467	399	64
Helen Coe	Director of Operations, FPH	12.5 – 15	220 – 225	1,134	986	138
Lisa Glynn ²¹	Director of Operations, HWPH	-	-	-	-	-
Tim Ho	Medical Director	10 – 12.5	225 – 230	1,077	970	98
Martin Sykes ²²	<i>Director of Finance and Strategy</i>	<i>7.5 – 10</i>	<i>180 – 185</i>	<i>931</i>	<i>840</i>	<i>83</i>
Nicola Ranger ²³	<i>Director of Nursing & Quality</i>	<i>25 – 27.5</i>	<i>175 – 180</i>	<i>897</i>	<i>697</i>	<i>193</i>

Notes to table above:

Non-executive directors are not listed because they do not receive pensionable remuneration.

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme, or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which the disclosure applies. The CETV figures, and the other pension details, include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries

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 and uses common market valuation factors for the start and end of the period.

There were no service contract obligations affecting senior manager contracts. The Trust does not have a specific policy regarding payment for loss of office for senior managers. There have been no payments for loss of office within the period of this report. Should circumstances require, the Trust will arrange payment on an individual basis with a view to best practice and other relevant policies.

¹⁹ Due to Neil joining the Trust 19 March 2018, pension benefits for this employment were not significant

²⁰ Sir Andrew Morris opted out of the pension scheme with effect from 1 April 2012.

²¹ Lisa Glynn opted out of the pension scheme with effect from 1 April 2015.

²² Martin Sykes resigned July 2017

²³ Nicola Ranger left April 2017

Annual report on remuneration

The narrative elements of the Remuneration Report are not subject to audit. The salary and pension information contained on pages 43 and 45 has been audited along with details on the median salary as a ratio of the highest paid director's remuneration on page 48. The Remuneration Report includes details of the remuneration paid to the Chairman and directors of the Trust (the 'senior managers'²⁴ who influence the decisions of the Trust as a whole).

There are two committees within the Trust's governance arrangements with responsibility for remuneration of the Board of Directors:

- Non-Executive Remuneration Committee, or NERC (a committee of the Council of Governors)
- Performance and Remuneration Committee, or PRC (a committee of the Board of Directors)

It has been the policy of the finance department to ensure that all off-payroll engagements are identified. A sample check has been conducted by contacting the employee directly via email or phone to ensure that tax arrangements are sufficient for any engagement.

Performance and Remuneration Committee (PRC)

Acts on behalf of the Board of Directors to:

- Make decisions upon the performance and remuneration and terms of service for the chief executive and other executive directors. This includes all aspects of salary, termination, and other major contractual terms.
- Recommend and monitor the level and structure of remuneration for senior management.
- Operate in accordance with the principles outlined in 'The NHS Foundation Trust Code of Governance' produced by Monitor.

The Chief Executive attends meetings of the PRC by invitation, but will not attend during any discussions on matters where there may be a conflict of interest. Other directors may attend by invitation on a similar basis. The company secretary will assist in preparing agendas, papers and minutes for the PRC. Full attendance for individual members of the PRC during the year appears in the Board members attendance table, page 38.

Expenses

Information on the expenses claimed by directors and non-executive directors is included in the table Salary entitlements of senior managers 2017-18 on page 43. In the year ended 31 March 2018, six governors claimed a total of £1,058.10 in expenses.

Executive directors' remuneration 2017-18

Full details of the salaries and pension entitlements of the executive and non-executive directors of the Trust are detailed in the remuneration report which has been audited. Details of the Trust's staff costs are set out in note 4 of the notes to the accounts.

²⁴ "those persons in senior positions having authority or responsibility for directing or controlling the major activities of the NHS foundation trust"

Non-Executive Remuneration Committee (NERC)

The NERC is a committee of governors. Its purpose is to:

- Satisfy itself that proper procedures are in place for the appraisal of non-executive directors (including the chairman) in accordance with NHSI's NHS Foundation Trust Code of Governance and current best practice.
- Participate in the recruitment of non-executive directors (including the Chairman) with the Board of Directors' Nominations Committee.
- Recommend to the Council of Governors:
 - a) The appointment of the chairman and non-executive directors.
 - b) The terms of appointment and appropriate remuneration of the chairman and non-executive directors.

In addition, the NERC leads and reports on an annual assessment of the Board by all members of the Council of Governors (CoG). This is carried out by questionnaire, the results of which are reviewed by the CoG and the Board and an annual meeting with the non-executive directors at which it examines how individually and collectively the non-executive directors conduct their business and fulfil their role. Robert Bown, elected as a Trust governor on 1 April 2014 for the Surrey Heath & Runnymede constituency, was elected as Lead Governor with effect from 1 November 2015. This position will end on 31 October 2018.

The NERC comprised:

- Ten public governors
- One staff governor

The Chairman, Senior Independent Director, Chief Executive, Director of HR and Corporate Services and other advisors may be invited to attend all or part of the NERC meeting. In the year ended 31 March 2018, the NERC met three times.

Governor name	Constituency	Total
Robert Bown (elected as Lead Governor 1 Nov 2015)	Public: Surrey Heath & Runnymede	3/3
Peter Fraser-Dunnet	Public: Surrey Heath & Runnymede	1/1
Mary Probert	Public: Surrey Heath & Runnymede	3/3
Richard Lloyd	Public: Bracknell Forest & Wokingham	0/1
Michele White	Public: Rushmoor	2/3
Ian Wilder	Public: Rushmoor	1/1
Graham Leaver	Public: Slough	3/3
Paul Henry	Public: Chiltern, South Bucks & Wycombe	2/3
John Lindsay	Public: Bracknell Forest & Wokingham	3/3
Rod Broad	Public: Windsor & Maidenhead	3/3
Udesh Naidoo	Staff: Frimley Park	1/1
Total		22/25

Non-executive directors' remuneration 2017-18

In 2014 Hay Group was commissioned to examine the roles of the Chairman and the non-executive directors at Frimley Health, involving a study of benchmarking information for the sector and from the wider market, factoring in the experience of non-executive roles and remuneration in the public and private sectors. The review acknowledged the multi-site operations and increased time commitments. An increase to the fees payable to the Chairman and non-executive directors was approved by the Council of Governors in May 2014, effective from February 2015. The same rates were held for 2015-16 and 2016-17. For 2017-18 a 1% increase was agreed and applied to all non-executive directors.

Median salary / highest paid director (information subject to audit)*

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

The banded remuneration of the highest paid director in the Trust in the financial year 2017-18 was £232.5k (2016-17, £227.5k). This was 9.5 times (2016-17, 9.7) the median remuneration of the workforce, which was £24.5k (2016-17, £23.4k).

In 2017-18 and in 2016-17, no employees received remuneration in excess of the highest paid director. Remuneration ranged from £14.7k to £232.5k (2016-17 – £13.1k to £227.5k).

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

*Notes for above:

- The median pay calculation is based on the salary paid to staff in post on 31 March 2018.
- The reported salary used to estimate the median pay is the gross cost to the Trust, less employer's pension and employer's Social Security costs.
- The reported annual salary for each whole time equivalent has been calculated using the appropriate spine point on the contractual pay scale or actual annual salary as at 31 March 2018 where no pay scale is used.
- Payments made in March 2018 to staff who were part-time were pro-rated to a whole-time equivalent salary.
- The highest paid director is excluded from the median pay calculation.
- The highest paid director's remuneration is based on their total remuneration which includes all salaries and allowances (including fees), bonus payments and other remuneration.
- The salary of the highest paid director has been taken as the midpoint of their £5,000 total remuneration banding.
- The Trust performs all of its services in-house, with the exception of laundry, on the Frimley Park Hospital site. This may contribute to a higher ratio than in other organisations where significant support services are outsourced and therefore the median salary may be higher.



Neil Dardis
Chief Executive
24 May 2018

Staff report

Recruiting and retaining good staff remains a strategic focus and will be central to continually improving quality of care and reducing agency costs.

We have continued to focus on recruiting and keeping staff to bring down the Trust's costly reliance on locum and agency staff. While recruitment remains a key challenge and risk, we did make inroads during the year, with recruitment initiative resulting in a net gain of 41 nurses between August 2017 and February 2018, for example. The Trust continued to actively recruit overseas. By April 2018 we had 112 candidates from the Philippines waiting to start over the coming year and 93 nurses successfully recruited from India. Wexham Park Hospital, where we have the bigger staffing gaps, will benefit most from these recruitment successes.

Statistics of substantive staff

Key performance indicator	Total number (March 2018)	Percentage	Total number (March 2017)	Percentage
Total number of employees	9,361		9,213	
Male	2,032	21.71%	1,994	21.64%
Female	7,329	78.29%	7,219	78.36%
Directors	9		8	
Male	5	62.5%	4	50%
Female	3	37.5%	4	50%
Other senior managers	33		36	
Male	15	45%	12	33%
Female	18	55%	24	67%

Key performance indicator	Total number (March 2018)	Percentage	Total number (March 2017)	Percentage
Staff in post – full time equivalent	8,189.2		8,011.8	
Staff in post – headcount	9,361		9,213	
Sickness absence rate		3.17%		2.98%
Vacancy rate		11.82%		8.82%
Turnover rate		14.96%		15.02%
Appraisal rate		62%		75%

Average number of employees by group (whole time equivalent)	Total	Permanent
Medical and dental	1,019	1,013
Administration and estates	1,752	1,752
Healthcare assistants and other support staff	1,686	1,679
Nursing, midwifery and health visiting staff	2,369	2,354
Scientific, therapeutic and technical staff	1,176	1,174
Agency and contract staff	284	NA
Bank staff	708	NA
Total average numbers	8,994	8,680

Staff engagement

As a major employer in the area, Frimley Health is committed to the principles of partnership working and staff engagement. The Trust strongly believes that involving its staff in decision making processes draws upon their knowledge and experience from their work environment to generate ideas that will help develop and modernise NHS services.

The Trust has a range of standing and project groups and committees that seek to involve staff in making decisions about future developments. For example, the Trust has a Staff Council which meets regularly. It provides an effective method of regular consultation between managers and staff representatives and is intended to form the basis of a constructive and co-operative approach towards achieving corporate goals. The Staff Council also reviews and approves staff bids for funds from the Improving Working Lives lottery fund. This fund uses the proceeds of a monthly staff lottery to pay for a range of items to improve the working environment, from a new kettle for a staff rest room to funding for a new cycle pathway for staff.

The Trust also has other consultative bodies to discuss specific areas of joint interest with staff representatives such as the local communications networks, the Health, Safety and Environment Committee, Health and Wellbeing Committee and the Equality and Diversity Steering Group. In the last year, a Social Activities Committee has been set up as part of the staff engagement and wellbeing agenda.

Mechanisms in place to monitor and learn from staff feedback include:

- Business planning within directorates, involving managers and staff
- The clinical governance infrastructure, which enables multidisciplinary discussion of clinical issues and service improvement
- Regular face-to-face update briefings from the Chief Executive from which key points are cascaded to teams and departments, with the opportunity for staff to ask questions and raise concerns
- A fortnightly newsletter to which all staff are encouraged to contribute
- An upgraded single trust intranet which includes real time staff news updates
- Staff following the Trust on its official Facebook and Twitter sites and contributing to exchanges as appropriate
- The annual NHS Staff Survey and action planning and the staff Friends and Family Test
- Investors in People reviews
- Annual appraisal for all staff
- A single integrated intranet for all staff. Ourplace includes personalisation and engagement tools.

National Staff Survey

The survey is carried out annually across the NHS on behalf of the Care Quality Commission. Staff in NHS trusts were questioned anonymously from October to December 2017 and the results published in March 2018. The results were broken down into 32 key findings that were benchmarked as either in the best 20% nationally, better than average, average, worse than average or in the worst 20%.

The Trust's response rate was 40.3% (3,470 out of 8,600 staff). It was the second year the Trust used a mixed mode survey where administration was split 32% hard copy and 68% online. Of the overall responses, 20% were received in hard copy and 80% online.

Results for Frimley Health

The 2017 findings represented a further improvement on the last two years. FHFT staff engagement scores and the percentage of staff recommending the Trust as a place to have treatment and to work were in the best 20% of trusts.

The 32 key findings of the Trust's 2017 Staff Survey results compared to other acute hospitals are:

Position	2016	2017
Top 20%	17	17
Better than average	7	9
Average	5	2
Worse than average	2	3
Worst 20%	1	1
Improvements	3	1
Deterioration	0	2

The best and worst comparative key findings from the survey are outlined below

Top 5 ranking items	Frimley Health score	Acute trust average
KF12 Quality of appraisals	3.38	3.11
KF31 Staff security and confidence in reporting unsafe clinical practice	3.77	3.65
KF4 Staff motivation at work	4.01	3.92
KF14 Staff satisfaction with resourcing and support	3.45	3.31
KF17 Percentage of staff feeling unwell due to work-related stress in the last 12 months	33%	36%

Bottom 5 Ranking Items	Frimley Health Score	Acute Trust Average
KF16 Percentage of staff working extra hours	75%	72%
KF31 Percentage of staff experiencing discrimination at work in the last 12 months	14%	12%
KF11 Percentage of staff appraised in the last 12 months	83%	86%
KF27 Percentage of staff/colleagues reporting most recent experience of harassment, bullying or abuse	44%	45%
KF17 Percentage of staff experiencing physical violence from staff in last 12 months	2%	2%

Future priorities and targets

Overall the results were encouraging and showed an improvement on 2016, which itself represented a good set of results.

The action plan will include actions to continue to drive up staff engagement and motivation as well as to target areas in which the Trust has scored below average such as improving completion of appraisals, tackling discrimination at work, reducing extra working hours and encouraging reporting of harassment and bullying.

Staff absence rate

The rate of absence for Frimley Health for 2017-18 rose slightly to 3.17% from the previous year's 2.98%.

Equality and diversity

Frimley Health has this year published annual employment and service information, thereby demonstrating compliance with the Public Sector Equality Duty. Reports regarding equality and diversity can be found on the Trust's website. Frimley Health is progressing with the development of unified equality objectives and governance arrangements.

Disabled staff

Frimley Health signed up to meeting the requirements of the Disability Confident Kitemark in November 2016. Disability Confident is the successor to 'Positive About Disabled People'. The Trust will continue to:

- Actively look to attract and recruit disabled people
- Provide a fully inclusive and accessible recruitment process
- Offer an interview to disabled people who meet the minimum criteria for the job
- Exercise flexibility when assessing people so disabled job applicants have the best opportunity to demonstrate that they can do the job

- Proactively offer and make reasonable adjustments as required
- Encourage our suppliers and partner firms to be 'Disability Confident'
- Ensure employees have appropriate disability equality awareness

In the year to 31 March 2018, Frimley Health received 447 applications for jobs from disabled applicants. Of these, 189 disabled applicants were shortlisted and 34 disabled interviewees were appointed.

To encourage disabled applicants to apply for jobs, Frimley Health will continue to take positive action to target disabled applicants through Job Centre Plus and other bodies who support placements for disabled staff in the workplace.

The Trust is committed to retaining existing employees who become disabled during their employment if at all possible. The occupational health team advises managers on reasonable adjustments to enable people to stay in their roles. Adjustments may include changing working times or patterns, or providing equipment or support. If reasonable adjustments are not possible within the person's role, the Trust reviews whether an alternative role can be found for them.

Medical staff

The number of medical staff since 1 April 2017 throughout the year is shown in the table below:

	Medical staffing: whole time equivalent posts	Medical staffing: headcount
April 2017	973.5	1,097
May 2017	970.9	1,097
Jun 2017	954.8	1,091
Jul 2017	955.3	1,111
Aug 2017	1,013.1	1,108
Sep 2017	1,011.4	1,117
Oct 2017	1,088.6	1,124
Nov 2017	995.7	1,134
Dec 2017	1,029.2	1,133
Jan 2018	1,080.5	1,138
Feb 2018	1,037.4	1,137
Mar 2018	1,048.8	1,134

Occupational Health and Safety

During the year the Occupational Health Department introduced a new cross site electronic office management system. All paper records have been checked and scanned and are now held electronically. This allows more efficient assessment of staff health and monitoring of health records. This will also provide an improved ability to monitor and report on staff health and sickness absence.

In order to reduce the number of staff succumbing to seasonal flu as far as possible, a huge effort went into the annual flu vaccination programme. Administering the vaccine commenced in September 2017 and by March 2018, 6,214 staff had received the vaccine. This is the highest uptake the Trust has ever recorded and equates to over 71% of staff that come into contact with patients taking the vaccine and is an increase in 57.8% on last year's total. This satisfies very stringent government 'quality standards' for flu vaccine uptake and has allowed the department to win a national award for the most improved campaign.

In June 2017 a new Health and Wellbeing Strategy for staff was launched, introducing schemes to encourage staff fitness (for example lunchtime walks) and participation in the 'Get Berkshire Active' and 'Fit Surrey' programmes. The Trust was 'Workplace of the Year runner up in the Get Berkshire Active awards, having won it the previous year. As part of our commitment to create a supportive work environment, a new programme of mental health and psychological training was launched for staff at all levels. A programme offering help and advice on managing personal issues and stress was extended to all main workplaces in the Trust.

Musculoskeletal injuries are one of the most common reasons for staff sickness in the NHS. Last year a process for fast track referral of staff with such injuries on the Frimley site was developed. This proved to be such a success that the department has worked with the physiotherapy manager to extend to this all trust sites and it is now a fundamental strategy for reducing staff sickness.

The manual handling team has worked closely with clinical leads to unify equipment used on all sites. This year specialist equipment was purchased to lift patients from the floor to their bed after a fall and evacuate larger patients in emergencies.

Following the Grenfell Tower disaster the fire safety team undertook a series of investigations to ensure adequate fire safety in all hospital buildings. While the Trust was found to be compliant with regulations, it provided extra impetus to the programme of improvements already underway. For example a number of fire doors were replaced and work started to upgrade the fire alarm at Wexham Park Hospital.

The Trust's local security management specialists (LSMSs) worked alongside the local police counter terrorism unit to improve security. Work this year was undertaken to make the Frimley site as resilient as possible to terrorist attack. Specialist training was also run in association with the police to familiarise all staff on what to do in case of a serious incident. The Frimley site is now rated as having good security provisions; nevertheless further work on this is planned in the forthcoming year on the Trust's other sites.

Volunteering

Volunteering across the Trust is undertaken in a range of wards, units and departments. The number of registered volunteers rose 18% between June 2017 and January 2018, when it stood at 442. Their roles are aimed at improving the patient experience in ways varying from helping at mealtimes, guiding patients around our sites (including with the buggy service at Wexham Park), administration on wards and keeping patients company.

All our volunteers have appropriate induction training and checks. They also support the library service, communications, the hospital bookshops, fundraising, membership engagement and others. Frimley Park and Wexham Park hospitals also benefit from the work of the volunteers who run the hospital radio services, although these are run independently of the Trust. RVS volunteers also run shop for staff and visitors at Frimley and Wexham.

In the past year volunteers have started working as pharmacy runners. This has had a positive effect on waiting times for prescriptions, especially at weekends, allowing us to discharge patients in a timely way. As a small token of the Trust's appreciation for the work they do, afternoon tea was laid on for volunteers during the year.

Expenditure on consultancy and exit packages

Between 1 April 2017 and 31 March 2018 the Trust spent £2m on consultancy costs. For exit packages, see section 4.2 of the Trust's Annual Accounts 2017-18.

Off payroll engagements

The Trust's policy on temporary staffing ensures that there are adequate procedures for all off-payroll engagements and that appropriate checks are followed to provide assurance that tax and National Insurance obligations are met. The policy follows guidance from the Department of Health 'Implementing the Recommendations of the HMT review of tax arrangements'.

For all off-payroll engagements as of 31 March 2018 for more than £245 per day and that last for longer than six months

Number of existing engagements as of 31 March 2018	2017-18 number of engagements
Number that have existed for less than one year at the time of reporting	0
Number that have existed for between one and two years at the time of reporting	0
Number that have existed for between two and three years at the time of reporting	1
Number that have existed for between three and four years at the time of reporting	0
Number that have existed for four or more years at the time of reporting	0

Confirmation: All existing off-payroll engagements, outlined above, have at some point been subject to a risk based assessment as to whether assurance is required that the individual is paying the right amount of tax and, where necessary, that assurance has been sought.

For all off-payroll engagements as of 31 March 2017 for more than £245 per day and that last for longer than six months

Number of existing engagements as of 31 March 2017	2016-17 number of engagements
Number that have existed for less than one year at the time of reporting	4
Number that have existed for between one and two years at the time of reporting	3
Number that have existed for between two and three years at the time of reporting	0
Number that have existed for between three and four years at the time of reporting	0
Number that have existed for four or more years at the time of reporting	5

Off-payroll engagements of Board members and/or senior officials with significant financial responsibility between 1 April 2017 and 31 March 2018

	2017-18 number of engagements
Number of off-payroll engagements of Board Members, and/or senior officials with significant financial responsibility, during the financial year	0
Number of individuals that have been deemed 'Board Members and/or senior officials with significant financial responsibility' during the financial year. This figure includes both off-payroll and on-payroll engagements	10

Code of Governance

Board committees, membership and roles

Frimley Health NHS Foundation Trust has applied the principles of the NHS Foundation Trust Code of Governance on a 'comply or explain' basis. The NHS Foundation Trust Code of Governance, most recently revised in July 2014, is based on the principles of the UK Corporate Governance Code issued in 2012.

Membership of Board Committees

	Audit Committee	Nominations Committee	Performance and Remuneration Committee
Chairperson of committee:	Dawn Kenson	Pradip Patel	Dawn Kenson
Non-executive director members:	Mike O'Donovan Ray Long	Thoreya Swage Dawn Kenson Ray Long	Pradip Patel Thoreya Swage Ray Long
Executive directors in attendance:	Sir Andrew Morris Nigel Foster Helen Coe Lisa Glynn	Sir Andrew Morris* Janet King	Sir Andrew Morris
Total number of executive and non-executive directors (including Chairman)	8 (3 non-executive directors; 4 executive directors in attendance)	6 (4 non-executive directors and CEO; plus 1 executive director in attendance)	5 (4 non-executive directors; 1 executive director in attendance)

*Chief Executive is a full member for all appointments other than CEO

Council of Governors

The Trust has a Council of Governors which comprises elected and appointed governors of the Trust.

The Board of Directors reports to the Council of Governors on the performance of the Trust and its progress against agreed strategic and corporate objectives, and consults on its future direction. Governors report matters of concern raised at their local health event constituency meetings to their counterparts and to the directors. Members of the public are given the opportunity to ask questions addressed to the governors, directors or any other staff members in attendance at the local health events or Council of Governors' meetings.

All Board Members (executive directors and non-executive directors) are invited to attend the Council of Governors' meetings in order to gain an understanding of the views of the Trust's governors and members. Furthermore, others may attend for the purpose of providing assurance or to report on progress of any key matters of interest.

Governors are encouraged to canvass opinions and concerns of the members they represent at a series of well-attended public constituency meetings (promoted as 'health events'), particularly on the Trust's plans, priorities and strategies. They may also canvass opinion at other Trust events, both formal and informal, and via their own initiatives and networks. Members' views are fed back to the

Board at quarterly Board of Directors/Council of Governors workshop events (known as BODCOGs), at other meetings with directors, or directly via the Chief Executive's office if appropriate.

Additionally, the BODCOG workshops serve to develop the relationship between the groups and brief/update the governors on key issues, developments or other matters requiring the attention of the Council of Governors. This informal setting allows governors to discuss and challenge performance and the priorities for the organisation. The workshops include reference to the key risks the Trust faces and an explanation as to how they are being managed.

The Board of Directors receives feedback on the views of governors by:

- Attending the Council of Governors meetings, which meets quarterly
- An executive and non-executive director attending each of the local health event meetings
- The Board of Directors meeting informally with the Council of Governors at private workshops, which encourage more interaction and feedback between executive and non-executive directors and governors
- The Chairman and Chief Executive host private 'drop-in' sessions for governors.

Role of the governors

The Council of Governors' role is to influence the strategic direction of the Trust so that it takes account of the needs and views of the members, the local community and key stakeholders, to hold the Board to account on the performance of the Trust, to help develop a representative, diverse and well-involved membership, and to help make a noticeable improvement to patient experience. It meets at BODCOG workshops and committees to discuss business. The Council of Governors also meets to carry out other statutory and formal duties, including the appointment of the Chairman and non-executive directors of the Trust and the appointment of the external auditor.

In the event of a dispute or disagreement between the Council of Governors and Board of Directors, in the first instance the Chairman would endeavour to resolve this. Should a resolution not be reached, the Chairman may ask the company secretary, Senior Independent Director and/or the deputy chairman to review the matter further. If a final decision is not reached, the matter would be referred back to the Chairman for a final decision.

If a dispute arose regarding the interpretation of the standing orders and the procedure to be followed at meetings of the Council of Governors, the Trust and the parties to the dispute would use all reasonable endeavours to resolve the dispute as quickly as possible.

If a dispute arose which involves the Chairman, the dispute would be referred to the Senior Independent Director, who would use all reasonable efforts to mediate a settlement to the dispute.

In addition to their duty to hold the non-executive directors, individually and collectively, to account for the performance of the Board of Directors, the Council of Governors is responsible for:

- appointing or removing the Chairman and the other non-executive directors
- approving an appointment (by the non-executive directors) of the Chief Executive
- deciding on the remuneration and allowances, and the other terms and conditions of office, of the Chairman and the other non-executive directors

- appointing or removing the Trust’s auditor
- appointing or removing any auditor appointed to review and publish a report on any other aspect of the Trust’s affairs
- approving significant transactions
- approving any changes to the Trust’s Constitution.

To allow the governors to exercise their statutory duties, the Board of Directors is responsible, among other things, for ensuring the Council of Governors:

- receives the Annual Report and Accounts
- is consulted on the content of the Quality Accounts
- is presented with other management reports detailing Trust performance in all areas: clinical, operational and financial
- is able to provide its views to the Board of Directors when the Board of Directors is preparing the document containing information about the Trust’s forward planning
- is able to engage with each governor's specific member constituents or, in the case of an appointed governor, to do so with members of the representing organisation.

During 2017-18 the Council of Governors appointed two non-executive directors and approved the appointment of a new Chief Executive.

For a schedule of types of decisions reserved for each of the boards and those that are delegated to the executive management of the Board of Directors, refer to the Frimley Health NHS FT Constitution on the Trust website www.fhft.nhs.uk (under ‘About us’ – ‘Publications’).

Membership of the Council of Governors

In 2017-18 the membership of the Council of Governors comprised 37 governors until 1 November 2017 when the numbers of governors reduced to 22.

- There were 37 members of the Council of Governors from 1 November 2016
- The Board and Council of Governors agreed a reduction in the numbers of governors in April and May 2017
- Eight non-executive directors (including the Chairman) and seven executive directors (including the Chief Executive) also attended the Council of Governors meetings by invitation.

Lead Governor

The publicly-elected governors select one public governor from their group to be the Lead Governor of the Council of Governors. The Lead Governor coordinates any communication that might, in extreme circumstances, be necessary between Monitor (the independent regulator) and the other governors and acts as a main point of contact for the Chairman and the Senior Independent Director. From October 2015 Robert Bown, public governor for Surrey Heath & Runnymede, has been the Lead Governor.

Composition of the Council of Governors

As required under the NHS Act 2006, the majority of the Trust's governors are publicly elected. Public governors nominate themselves for election within their local constituencies which are based on local authority ward boundaries. As at 31 March 2018, there were 15 elected public governors.

Staff governors are elected by way of self-nomination and constituency voting. As at 31 March 2018, there were three staff governors in post.

Stakeholder governors are appointed by partnership or stakeholder organisations. As at 31 March 2018, there were three stakeholder governors in post.

The number of governor positions within the various constituencies for Frimley Health NHS Foundation Trust as at 31 March 2018 is detailed below.

Governor positions

Constituency	Number of governors
Bracknell Forest & Wokingham	2
Chiltern, South Buckinghamshire & Wycombe	1
Hart & East Hampshire	2
Outer Catchment Area (Rest of England)	1
Rushmoor	2
Slough	2
Surrey Heath & Runnymede	2
Guildford, Waverley & Woking	1
Windsor, Ascot & Maidenhead	2
Staff: Frimley Park	1
Staff: Wexham Park	1
Staff: Heatherwood & Community Hospital	1
Hampshire County Council	1
Surrey County Council	1
Berkshire Councils (agreed rotating appointment by Slough, Windsor & Maidenhead, Bracknell Forest and Wokingham Borough Councils)	1
Ministry of Defence	1
Total	22

Governor Elections

Throughout September and October 2017, Frimley Health NHS Foundation Trust held elections for public governors in two public constituencies (Chiltern, South Bucks and Wycombe, and the Rest of England) and for the three staff governor constituencies - Frimley Park, Wexham Park and Heatherwood and the community hospitals in accordance with its Constitution.

Nominations for elections opened between 4 August and 5 September 2017. Elections ran from 25 September to 19 October 2017 and results were declared the following day.

Frimley Health's elected public governors as at 31 March 2018

Constituency	Governor	Date first elected ²⁵	End of tenure	Term of office
Bracknell Forest and Wokingham	Jan Burnett	1 Jan 15	31 Oct 19	2nd
Bracknell Forest and Wokingham	John Lindsay	1 Apr 14	31 Oct 19	2nd
Chiltern, South Buckinghamshire & Wycombe	Paul Henry	1 Jan 15	31 Oct 20	2nd
Guildford, Waverley & Woking	Michael Maher	1 Apr 13	31 Oct 18	2nd
Hart & East Hampshire	Denis Gotel	29 Oct 15	31 Oct 18	1st
Hart & East Hampshire	Jill Walker	29 Oct 15	31 Oct 18	1st
Outer Catchment Area (Rest of England)	Paul Sahota	1 Nov 17	31 Oct 20	1st
Rushmoor	Kevin Watts	29 Oct 15	31 Oct 18	1st
Rushmoor	Michele White	1 Apr 14	31 Oct 18	2nd
Slough	Graham Leaver	1 Jan 15	31 Oct 19	2nd
Slough	Robert Miles	1 Nov 16	31 Oct 19	1st
Surrey Heath & Runnymede	Mary Probert	1 Apr 14	31 Oct 18	2nd
Surrey Heath & Runnymede	Robert Bown	1 Apr 11	31 Oct 18	3rd
Windsor and Maidenhead	Robin Maiden	1 Nov 16	31 Oct 19	1st
Windsor and Maidenhead	Rod Broad	1 Jan 15	31 Oct 19	2nd
<i>Bracknell Forest and Wokingham</i>	<i>Richard Lloyd</i>	<i>1 Jan 15</i>	<i>31 Oct 17</i>	<i>NA</i>
<i>Bracknell Forest and Wokingham</i>	<i>Victoria Browne</i>	<i>1 Jan 15</i>	<i>31 Oct 17</i>	<i>NA</i>
<i>Guildford, Waverley & Woking</i>	<i>Sylvia Thompson</i>	<i>29 Oct 15</i>	<i>31 Oct 17</i>	<i>NA</i>
<i>Hart & East Hampshire</i>	<i>Bill Shambrook</i>	<i>29 Oct 15</i>	<i>31 Oct 17</i>	<i>NA</i>
<i>Outer Catchment Area (Rest of England)</i>	<i>Chris Waller</i>	<i>1 Jan 15</i>	<i>31 Oct 17</i>	<i>NA</i>
<i>Rushmoor</i>	<i>Ian Wilder</i>	<i>29 Oct 15</i>	<i>31 Oct 17</i>	<i>NA</i>
<i>Slough</i>	<i>Margaret Woodley</i>	<i>1 Jan 15</i>	<i>31 Oct 17</i>	<i>NA</i>
<i>Slough</i>	<i>Sharon O'Reilly</i>	<i>1 Jan 15</i>	<i>31 Oct 17</i>	<i>NA</i>
<i>Slough</i>	<i>Tamoor Ali</i>	<i>1 Jan 15</i>	<i>31 Oct 17</i>	<i>NA</i>
<i>Surrey Heath & Runnymede</i>	<i>Peter Fraser-Dunnet</i>	<i>29 Oct 15</i>	<i>31 Oct 17</i>	<i>NA</i>

Following the merger of Frimley Park Hospital with Wexham Park and Heatherwood Hospitals forming Frimley Health NHS Foundation Trust in October 2014 the terms of office have been calculated from 1 November 2014.

In total there are 15 public governors including one governor from the Rest of England category (Outer Catchment Area). These 15 governors are elected across nine constituencies.

²⁵ Where a governor has been re-elected, this column will show the date of the original appointment.

Frimley Health's elected staff governors as at 31 March 2018

Constituency	Governor	Date elected	End of tenure	Term of office
Frimley Park Hospital	Shauna McMahon	1 Nov 17	31 Oct 20	1st
Wexham Park Hospital	Bob Soin	1 Jan 15	31 Oct 20	2nd
Heatherwood & the Community Hospitals	Fran Campbell	1 Nov 17	31 Oct 20	1st
<i>Frimley Park</i>	<i>Udesh Naidoo</i>	<i>1 Apr 14</i>	<i>31 Oct 17</i>	<i>NA</i>
<i>Heatherwood & Wexham Park Hospitals</i>	<i>Alex Saunders</i>	<i>1 Jan 15</i>	<i>31 Oct 17</i>	<i>NA</i>

Stakeholder governors appointed as at 31 March 2018

Constituency	Governor	Date appointed	End of tenure	Term of office
Ministry of Defence	Colonel Tracey Yates	Jul 17	-	1st
Hampshire County Council	Roz Chadd	May 17	-	1st
Surrey County Council	VACANCY			
Berkshire Councils (comprising Slough Borough, Bracknell Forest, Wokingham and Windsor & Maidenhead Councils)	Natasa Pantelic	Jan 2018	-	1st
<i>Jointly appointed by Bracknell Forest and Wokingham Borough Councils</i>	<i>Sarah Peacey</i>	<i>27 May 15</i>	<i>31 Oct 17</i>	<i>-</i>
<i>Jointly appointed by Slough Borough Council and Windsor & Maidenhead Borough Council</i>	<i>David Hilton</i>	<i>18 May 16</i>	<i>May 17</i>	<i>-</i>
<i>Surrey County Council</i>	<i>Paul Deach</i>	<i>Jul 17</i>	<i>Jan 18</i>	<i>-</i>
<i>Surrey County Council</i>	<i>Chris Pitt</i>	<i>1 Apr 05</i>	<i>30 Apr 17</i>	<i>-</i>
<i>Hampshire County Council</i>	<i>John Wall</i>	<i>10 Dec 09</i>	<i>30 Apr 17</i>	<i>-</i>
<i>Slough Borough Council</i>	<i>Sabia Hussain</i>	<i>May 17</i>	<i>1 Nov 17</i>	<i>-</i>
<i>Berkshire Councils (comprising Slough Borough, Bracknell Forest, Wokingham and Windsor & Maidenhead Councils)</i>	<i>Sabia Hussain</i>	<i>1 Nov 17</i>	<i>Dec 17</i>	<i>-</i>
<i>Ministry of Defence</i>	<i>Stuart Millar</i>	<i>18 Aug 15</i>	<i>Jul 17</i>	<i>-</i>

In accordance with the Frimley Health Constitution, the appointed governors from Hampshire County Council, Surrey County Council, the Berkshire Councils and the Ministry of Defence will continue until their term in office ceases.

Attendance at Council of Governors meetings

Individual attendance at the Council of Governors' meetings, which are held in public, are detailed in the table below. Of the five meetings held in 2017-18, one was an extraordinary meeting convened to approve the appointment of a new Chief Executive.

Governors' attendance at the Council of Governors meetings in the year ended 31 March 2018

Constituency	Governor	Total
Public: Bracknell Forest & Wokingham	Jan Burnett	4/5
Public: Bracknell Forest & Wokingham*	Richard Lloyd	1/3
Public: Bracknell Forest & Wokingham*	Victoria Browne	3/3
Public: Chiltern, South Buckinghamshire & Wycombe*	Vacancy	
Public: Bracknell Forest & Wokingham	John Lindsay	5/5
Public: Chiltern, South Buckinghamshire & Wycombe	Paul Henry	4/5
Public: Guildford, Waverley & Woking	Michael Maher	3/5
Public: Guildford, Waverley & Woking*	Sylvia Thompson	3/3
Public: Hart & East Hampshire	Denis Gotel	4/5
Public: Hart & East Hampshire	Jill Walker	4/5
Public: Hart & East Hampshire*	Bill Shambrook	2/3
Public: Outer Catchment Area (Rest of England) (term ended on 31 Oct 2017)	Chris Waller	2/3
Public: Outer Catchment Area (Rest of England) (commenced 1 Nov 2017)	Paul Sahota	2/2
Public: Rushmoor	Kevin Watts	3/5
Public: Rushmoor*	Ian Wilder	1/3
Public: Rushmoor	Michelle White	2/5
Public: Slough*	Margaret Woodley	3/3
Public: Slough	Rob Miles	3/5
Public: Slough*	Sharon O'Reilly	1/3
Public: Slough*	Tamoor Ali	2/3
Public: Slough	Graham Leaver	5/5
Public: Surrey Heath & Runnymede*	Peter Fraser-Dunnet	1/3
Public: Surrey Heath & Runnymede	Mary Probert	4/5
Public: Surrey Heath & Runnymede (Lead Governor from Oct 2015)	Robert Bown	5/5
Public: Windsor & Maidenhead	Rod Broad	5/5
Public: Windsor & Maidenhead*(resigned June 2017)	Karen Saunders	0/1
Public: Windsor & Maidenhead*	Vacancy	
Public: Windsor & Maidenhead	Robin Maiden	3/5
Stakeholder: Surrey County Council (appointment ended May 2017)	Chris Pitt	0/1
Stakeholder: Surrey County Council (appointed from May 2017)	Roz Chad	1/4
Stakeholder: Ministry of Defence (appointment ended July 2017)	Stuart Millar	1/1
Stakeholder: Ministry of Defence (appointed from August 2017)	Col. Tracey Yates	2/4
Stakeholder: Hampshire County Council (appointment ended May 2017)	John Wall	0/1
Stakeholder: Hampshire County Council (appointed from May 2017)	Paul Deach	1/4
Stakeholder: Buckinghamshire County Council*(appointment	Trevor Egleton	0/1

ended May 2017)		
Stakeholder: Jointly appointed by Slough Borough Council and Windsor & Maidenhead Borough Council* (appointment ended May 2017)	David Hilton	0/1
Stakeholder: Jointly appointed by Slough Borough Council and Windsor & Maidenhead Borough Council* (appointed from May 2017)	Sabia Hussain	2/2
Stakeholder: Berkshire Councils*	Sabia Hussain	0/1
Stakeholder: Jointly appointed by Bracknell Forest Council and Wokingham Borough Council*	Sarah Peacey	3/3
Staff: Frimley Park: Medicine, Elderly Care, Pharmacy and Accident & Emergency *	Udesh Naidoo	1/3
Staff: Frimley Park: Adult Safeguarding*	Vacancy	
Staff: Heatherwood and Wexham Park: Surgical*	Bob Soin	0/3
Staff: Heatherwood and Wexham Park: Resuscitation*	Alex Saunders	1/3
Staff: Frimley Park **	Shauna McMahon	2/2
Staff: Wexham Park **	Bob Soin	2/2
Staff: Heatherwood & Community Hospitals**	Fran Campbell	1/2

* Seat lapsed on 31 October 2017

** Newly created seats from 1 November 2017

Attendance by executive and non-executive directors at the Council of Governors meetings for the year

Name	Position	Total
Pradip Patel	Chairman; Chair of Council of Governors	5/5
Mark Escolme	Independent non-executive director; Deputy Chairman	2/5
Dawn Kenson	Independent non-executive director; Senior Independent Director	5/5
Ray Long	Independent non-executive director	2/5
Mike O'Donovan	Independent non-executive director	3/5
Rob Pike	Independent non-executive director	1/5
Thoreya Swage	Independent non-executive director	2/5
John Weaver	Independent non-executive director	5/5
Neil Dardis	Chief Executive	0/0
Sir Andrew Morris	Chief Executive	2/5
Martin Sykes	Director of Finance and Strategy	0/1
Nigel Foster	Director of Finance and IM&T	3/4
Janet King	Director of HR and Corporate Services	3/5
Duncan Burton	Director of Nursing and Quality	2/4
Helen Coe	Director of Operations, Frimley Park Hospital	4/5
Lisa Glynn	Director of Operations, Heatherwood and Wexham Park Hospitals	3/5
Dr Timothy Ho	Medical Director	4/5
Nicola Ranger	Director of Nursing and Quality	1/1

NB Board members attend by invitation and are not required to attend

Training

New and prospective governors receive induction training from the Chairman and company secretary. Additional training opportunities arise from NHS Providers and other network providers such as GovernWell, and we encourage our governors to make full use of them.

The Council of Governors regularly received updates from the Board of Directors on the strategy and performance of the organisation.

Non-Executive Remuneration Committee

The role of this committee is described in the Remuneration Report.

Nominations Committee: appointment and re-election

Role of the Nominations Committee

The Nominations Committee is responsible for identifying and nominating members of the Board for approval by the Council of Governors, and advising upon and overseeing their contractual arrangements, working closely with the Trust's Performance and Remuneration Committee. This is broken down further and involves:

- liaison with the Trust's Performance and Remuneration Committee to identify skills gaps on the Board of Directors.
- recommending job descriptions and person specifications for vacancies on the Board of Directors.
- recommending arrangements for the recruitment and selection of executive directors.¹⁰
- liaison with the Non-Executive Performance and Remuneration Committee concerning the Chairman and non-executive director appointments and terms of office.¹¹
- agreeing any appointment panels¹² for director vacancies.

The executive and non-executive directors are responsible for assessing the size, structure and skill requirements of the Board of Directors and for considering any changes or new appointments as necessary. If a need is identified, the Nominations Committee¹³ will produce a job description and person specification, decide if external recruitment consultants are required to assist in the process and if so instruct the selected agency, shortlist and interview the candidates. If the vacancy is for a non-executive director, the Nominations Committee is extraordinarily enlarged to include some of the governors serving on the Non-Executive Performance and Remuneration Committee in the process. At the conclusion of the selection process, the Non-Executive Performance and Remuneration Committee then recommends the selected candidate to the Council of Governors for appointment.

Non-executive directors are appointed for a three-year term in office. A non-executive director can be re-elected for a second three-year term in office on an uncontested basis, subject to the recommendation of the Chairman on behalf of the Nominations Committee and the Board, followed by the approval of the Council of Governors. A non-executive director's term in office can be extended beyond the second term on an annual case-by-case basis by the Council of Governors, subject to a formal recommendation from the Chairman, satisfactory performance and consideration of the needs of the Board, without having to go through an open process. The removal of the Chairman or a non-

executive director requires the approval of three-quarters of the members of the Council of Governors.

The Chairman, other non-executive directors and the Chief Executive are responsible for the appointment of executive directors. The Chairman and the other non-executive directors are responsible for the appointment and removal of the Chief Executive, whose appointment requires the approval of the Council of Governors.

Main activities of the Nominations Committee during the year ended 31 March 2018

During 2017-18 this committee was involved in the process of appointing a new Trust Chief Executive, Director of Finance and Director of Nursing.

The new Chief Executive, Neil Dardis, was formally appointed by the Trust on 29 November 2017 and commenced on 19 March 2018. Outside of his primary role at the Trust he does not have any other significant commitments. Nigel Foster commenced as Director of Finance on 8 August 2017. He also holds an honorary contract with the East Berkshire CCG to continue as its director of finance. Duncan Burton started as Director of Nursing on 18 September 2017.

Performance evaluation of the Board, its committees and directors, including the Chairman

These functions are carried out by the Performance and Remuneration Committee (PRC) and the Non-Executive Remuneration Committee (NERC). The roles of these committees are fully detailed in the Remuneration Report earlier in this Annual Report.

Audit Committee

Role of the Audit Committee

The Audit Committee is responsible to the Board of Directors for reviewing the adequacy of the governance, risk management and internal control processes within the Trust. In carrying out this work, the Audit Committee primarily utilises the work of internal and external audit. The Audit Committee also obtains assurance from other external agencies about the Trust's procedures, such as from the Care Quality Commission (CQC). More specifically, the Audit Committee:

- reviews and discusses the Annual Report and Accounts with the external auditor before the Board of Directors approves and signs off the financial statements.
- ensures there is an effective internal audit function established by management that meets the mandatory NHS internal audit standards produced by the Department of Health, and reviews the work and findings of the internal auditor.
- agrees the schedule of internal audit reviews, receives the relevant reports and follows up on issues raised.
- receives and monitors policies and procedures associated with countering fraud and corruption. An independent local counter-fraud service was provided by RSM who produce a regular counter-fraud progress report.

- reviews arrangements by which staff may raise confidential concerns about possible improprieties in matters of financial reporting and control, clinical quality, patient safety and other matters.
- provides an annual overview of the Trust's systems for ensuring compliance with CQC standards.

Membership

In order to maintain independent channels of communication, the members of the Audit Committee meet in private at least once a year with the internal and external auditors (both individually and collectively). This provides the internal and external auditors with an opportunity to raise any issues which may arise without the presence of management.

External auditor – KPMG

The Council of Governors together with the Audit Committee agree the criteria for appointing, re-appointing and removing external auditors.

KPMG was appointed by the Council of Governors to be the Trust's external auditors for a five-year period commencing 1 April 2016.

Internal auditor

During the year ended 31 March 2018, the Trust's internal audit function was carried out by TIAA Ltd, an independent business assurance provider delivering services to the public and private sectors.

Auditor independence and non-audit services

As a minimum, the Audit Committee reviews and monitors the external auditor's independence and objectivity. The Audit Committee has a policy by which non-audit services and fees provided by the external auditor are approved. However, in the financial year 2017-18 the Trust did not engage KPMG to provide any additional services over and above the undertaking of external audit of financial statements and assurance work on the Quality Report.

KPMG is also the external auditor of Frimley Park Hospital Charitable Funds of which the Trust Board of Directors is the corporate trustee. The fees in respect of this engagement in 2017-18 were £4,924 (excluding VAT).

The Chair of the Audit Committee confirms the independence of the external auditors to the Council of Governors at its meeting where the Annual Report and Accounts are presented and also reports any exceptional issues to the governors during the course of the year.

Main activities of the Audit Committee during the year ended 31 March 2018

The Audit Committee met on five occasions during the year ended 31 March 2018. At its meeting in May 2017, the Audit Committee received the annual audit report from the Trust's external auditors KPMG and recommended the Annual Report and Accounts 2016-17 and Quality Report to the Board of Directors for final approval. Later in the year, the Audit Committee reviewed and recommended the Charitable Funds Annual Report and Accounts 2016-17 for approval to the Board of Directors.

During the course of the year the Audit Committee received a number of audit reports from the internal auditors, TIAA. These ranged from financial control audits (financial ledger, accounts payable, accounts receivable, and payroll) to audits on aspects directly relating to patient care (NICE implementation and medicines management). Some other audits included training and performance management, estates compliance, income and non-pay expenditure for private patients, HR performance reporting, ICT management and the Board Assurance Framework and Risk Management processes.

Following the year end, the Audit Committee considered the draft Annual Report and Accounts 2016-2017 and received the ISA 260 Report from KPMG.

During the year the Audit Committee considered the following risks identified by external audit:

- Valuation of land and buildings and accounting for lifecycle costs
- Revenue recognition-completeness, existence and accuracy of NHS income and valuation of NHS receivables and accrued income
- Fraud risk from management override of controls

During 2017-18, in addition to the executive and non-executive directors, the Trust's internal and external auditors attended Audit Committee meetings. Additionally, other relevant managers and senior managers from the Trust attended meetings to provide a deeper level of insight in certain key issues and development within their respective areas of expertise.

Policies on fraud and corruption

The Trust has a suite of policies available to all staff on the intranet. During the year the Trust commissioned RSM to provide regular fraud awareness training and staff communication tools and support investigation and policy reviews.

Our members

During the year the Trust continued to develop its community engagement strategy to promote good relationships, communication, and collaboration with the wider community. It focused on engaging people through foundation trust membership, fundraising, and volunteering.

Membership comprises individuals who satisfy at least one of the following:

- Any resident of England over the age of 16, living either in one of our constituencies within our core catchment or from the 'Rest of England' constituency
- Staff: any member of staff who has a permanent contract of employment, or has worked at the Trust for 12 months or worked on a series of short-term contracts amounting to more than 12 months.

Members are represented on the Council of Governors by representatives from the public, patients and carers, staff and other stakeholder groups. Public and staff governors are elected from the Trust's membership, which means that the members will have the opportunity to significantly influence the organisation's future strategy. Moreover, in this way the Trust is directly accountable to its local community. The Trust is constantly exploring with the governors the potential for wider stakeholder engagement, through the Community Engagement Group.

Major targets and actions to develop membership

The Trust's aim was to continue to recruit a membership representative of the communities we care for and to find better ways of engaging with them. Recruitment events are targeted at specific geographical areas, or under-represented groups within our communities.

The Trust set a target of 25,000 members for the year. The aim was to increase representation in all ethnicities, and this was achieved, as was an increase in membership within all constituencies.

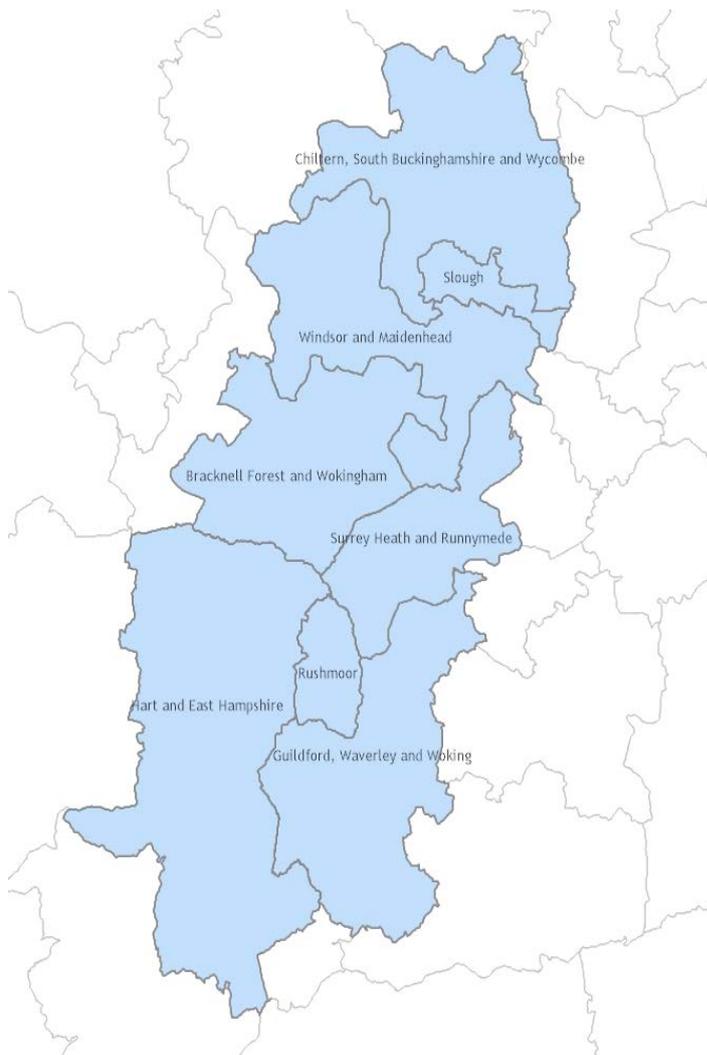
At year end the Trust had 16,846 public and 10,790 staff members, making a total of 27,636 members.

Constituency meetings (local health events)

Local constituency meetings offer members an opportunity to meet with their local governors, to hear updates on the work of the Trust and to ask any questions they may have. This sits alongside a presentation by a clinical member of staff on a particular condition or treatment. These meetings are held across all constituencies during the year and have proven extremely popular with up to 200 members attending each event.

The meetings are publicised through our regular membership magazine which is distributed direct to members and accessible to others across our sites, through our website and through local media.

Membership catchment map for Frimley Health NHS Foundation Trust as at 31 March 2018



**Members can contact
governors or directors via:**
Foundation Trust Office
Frimley Health
Freepost G1/2587
Portsmouth Road Frimley
Surrey
GU16 5BR
Tel: 01276 526801
Email:
foundation.trust@fhft.
nhs.uk

Membership per local authority public constituency at 31 March 2018 (not including staff)

Constituency	¹ Population per constituency aged over 16*	*Number of members 31 March 2018	% who are members 31 March 2018
Bracknell Forest and Wokingham	179,509	1,329	0.74%
Chiltern, South Buckinghamshire and Wycombe	128,228	506	0.39%
Guildford, Waverley and Woking	169,771	1,464	0.86%
Hart and East Hampshire	123,829	2,230	1.80%
Rushmoor	94,710	2,978	3.14%
Slough	145,195	1,767	1.22%
Surrey Heath and Runnymede	104,632	3,055	2.92%
Windsor and Maidenhead	148,225	1,098	0.74%
Rest of England	NA	2,419	NA

Membership of staff constituency at 31 March 2018

Constituency	Number of members 31 March 2018
Frimley	6,515
Wexham and Heatherwood	4,275
Total	10,790

Ethnicity

The Trust continues the need to increase BME (black minority ethnic) membership from local communities whose ethnic mix has changed as a result of recent settlements. The analysis of the catchment area for ethnicity provided by the membership database provider (MES) uses the 2011 census data with 2015 projections. The total number of BME Trust public members (inside catchment) has increased to 2,503 March 2018, from 2,015 in March 2017.

1,021 members chose not to state their ethnicity. The figures below have been subject to data cleaning.

Ethnicity	% composition of catchment population	Public membership (as % in brackets) March 2018	Public membership (as % in brackets) March 2017	Public membership (as % in brackets) March 2016
White	82.0%	13,332 (79.1%)	12,252 (80.6%)	12,551 (80.7%)
Mixed	2.3%	262 (1.6%)	234 (1.5%)	241 (1.5%)
Asian	12.5%	1,650 (9.8%)	1,329 (8.7%)	1,359 (8.7%)
Black	2.5%	441 (2.6%)	346 (2.3%)	354 (2.3%)
Other	0.7%	150 (0.9%)	106 (0.7%)	110 (0.7%)
Not specified		1,021 (6.1%)	939 (6.1%)	947 (6.1%)
Total	100%	16,846	15,206	15,562

Community Engagement Group (CEG)

The Community Engagement Group (CEG) is a working group of the Council of Governors. It meets quarterly to co-ordinate actions on matters relating to Trust membership and stakeholder / community and public involvement and to provide feedback to the Board and to the CoG.

The CEG receives presentations on membership activity, recruitment and retention, and local projects to foster engagement.

Members who wish to contact their governor representative or Trust director directly can do so via Trust membership manager Sarah Waldron on 01276 526801 or email sarah.waldron@fhft.nhs.uk.

Members attending our constituency events (health events) held regularly throughout the year can also speak directly to governors and directors in attendance.

STATEMENT OF ACCOUNTING OFFICER'S RESPONSIBILITY

Statement of the Chief Executive's responsibilities as the accounting officer of Frimley Health NHS Foundation Trust.

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

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

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

- observe the Accounts Direction issued by NHS Improvement, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgments and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the NHS Foundation Trust Annual Reporting Manual (and the Department of Health Group Accounting Manual) have been followed, and disclose and explain any material departures in the financial statements;
- assess the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they have been informed by the relevant national body of the intention to dissolve the Trust without the transfer of its services to another public sector entity²⁶.

The accounting officer is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the NHS foundation trust and to enable them to ensure that the accounts comply with requirements outlined in the above mentioned Act. The accounting officer is also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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. The accounting

²⁶ The standard wording of the last bullet is "use the going concern basis of accounting unless they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so". The only circumstance under which an Accounting Officer would prepare the accounts on a non-going concern basis is if they have been informed by the relevant national body of the intention to dissolve the Trust without the transfer of its services to another public sector entity.

officer is also responsible for ensuring that the use of public funds complies with the relevant legislation, delegated authorities and guidance.

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



Neil Dardis
Chief Executive
24 May 2018

ANNUAL GOVERNANCE STATEMENT 2017-2018

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 to provide services of a high quality. I also acknowledge my responsibilities as set out in the NHS Foundation Trust Accounting Officer Memorandum.

The Trust's Standing Orders and Scheme of Delegated Authority outline the accountability arrangements and scope of responsibility of the Board, executive directors and the organisation's officers. The Board has been fully involved in agreeing the strategic priorities of the Trust, with the most important priorities being those set out in the Trust's Annual Plan and Board objectives, against which the Board submits regular reports to the Council of Governors.

The Board receives regular minutes and reports from each of the nominated committees that report into it. The terms of reference of the committees of the Board have been reviewed to ensure that governance arrangements continue to be fit for purpose.

All executive directors report to me and the performance of the executive team is held to account through team and individual objectives, which reflect the Board objectives referred to above.

The Trust's Corporate Risk Assurance Framework has been in place all year. In line with national guidance it is structured around the high level risks that were deemed to be the most significant risks in delivering the corporate objectives as set out in the Trust Annual Plan. The Corporate Risk Assurance Framework is reviewed on a monthly basis by the corporate governance group, which is an executive group chaired by the Chief Executive, and by the Board.

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 on-going process designed to:

- identify and prioritise the risks to the achievement of the policies, aims and objectives of Frimley Health NHS Foundation Trust.
- 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 was in place at Frimley Health NHS Foundation Trust for the year ended 31 March 2018, and up to the date of approval of the annual report and accounts.

Capacity to handle risk

Directors

The Board of Directors has overall accountability for the Trust's Risk Management Strategy. All executive directors, chiefs of service, and associate directors and heads of service of the Trust have a key role to play in developing a strong risk management approach in all aspects of the Trust's activities, both clinical and non-clinical. Business priorities and decisions made by the Hospital Executive Board and Board of Directors must reflect risk management assessments and consideration of high risk factors.

Non-executive directors

The Audit Committee is chaired by a nominated non-executive director. All non-executive directors have a responsibility to challenge robustly the effective management of risk and to seek reasonable assurance of adequate control.

Director of Finance

The Director of Finance oversees the adoption and operation of the Trust's standing financial instructions including the rules relating to budgetary control, procurement, banking, staff appointments, losses and controls over income and expenditure transactions, and is the lead for counter fraud. The Director of Finance is the chair of the Information Governance Committee and Senior Information Risk Owner (SIRO) at Board level. The Director of Finance attends the Trust's Audit Committee but is not a member, and liaises with internal and external audit, who undertake programmes of audit with a risk based approach.

Director of Nursing and Quality

The Director of Nursing is the executive lead with responsibility for the development, management and implementation of the Trust's Corporate Assurance and Quality Frameworks and is also accountable for ensuring there is a robust system in place for monitoring compliance with standards and the Care Quality Commission (CQC) Registration legal requirements. The Director of Nursing is responsible for managing patients' risk, safety, complaints, patient experience, patient information, safeguarding, and medical negligence claims and, with the input of the Medical Director, setting the quality standards and ambitions. The Director of Nursing is the professional lead for nursing and midwifery.

Medical Director

The Medical Director is responsible for clinical governance, quality improvement, speciality dashboards, and the Trust's morbidity and mortality process. The Medical Director is responsible for the development of clinical quality standards within the Trust and, in conjunction with the Director of Nursing, ensuring effective integrated clinical governance is developed and monitored. The Medical Director is the Caldicott Guardian.

As the Responsible Officer, the Medical Director has delegated responsibility for the Trust as a senior clinician whose role is to evaluate doctors' fitness to practise, based on supporting information

presented, including through the appraisal process; the Responsible Officer will make recommendations to the General Medical Council on the revalidation of doctors (normally at five-yearly intervals).

The Medical Director is also the Director of Infection Prevention and Control (DIPC). Both the Medical and Nursing Directors are responsible for ensuring that cost improvement plans and any service changes are risk assessed and will not impact on the quality of care.

Director of Human Resources and Corporate Services

The Director of Human Resources and Corporate Services has overall responsibility for workforce planning, ensuring the right staff are in the right jobs, and for the management of the Occupational Health and Safety Department.

The Director of Human Resources and Corporate Services ensures that the estate is developed to support Trust strategic direction and that the condition of the estate is maintained and is fit for purpose and that hotel services are effective and efficient.

The Director of Human Resources and Corporate Services is the co-executive lead for the local implementation of the Climate Change Act 2008 and the development and implementation of the Trust's Carbon Reduction Strategy. The Director of Human Resources and Corporate Services develops the Trust's public and staff engagement strategy.

Directors of Operations

The Trust has two Directors of Operations, one based at Frimley Park Hospital (FPH) and one at Wexham Park Hospital (WPH), who is also responsible for Heatherwood Hospital (HH). They are responsible for the day-to-day management of the hospitals. They co-ordinate plans and strategies to ensure that the organisation develops services in an efficient and effective manner in response to national policy and the needs of our local population. The roles involve ensuring that the Trust meets national and local performance objectives.

Both Directors of Operations lead for delivery of the Innovation and Change programmes, which transform services within the Trust and Health Economy; and both have the role of the Accountable Emergency Officer for their respective sites. The Director of Operations for WPH/HH is the trustwide lead for pharmacy and the Director of Operations for FPH is the trustwide lead for therapy services and private patients as well as community services.

Deputy Director of Nursing

The Trust has two Deputy Directors of Nursing, one based at Frimley Park Hospital (FPH) leading on patient safety and quality and one at Wexham Park Hospital (WPH) leading on patient experience.

The role of the Deputy Director of Nursing (FPH) is to promote patient safety and risk management activity, awareness and training throughout the Trust. The post holder is directly accountable to the Director of Nursing, with a key function of providing central support and advice to the Board regarding the establishment of an effective system of internal control and developing the Corporate Assurance Framework.

The Deputy Director of Nursing (FPH) has an overarching responsibility for ensuring there is an effective incident reporting process and effective management of all risk data and information, producing the Trust's risk register and providing reports and trend analysis information to support the prioritisation of risk, as well as ensuring risk registers are maintained within directorates. The post holder ensures that all serious risk incidents are reported to the Board of Directors, the foundation trust regulator, the CQC and the clinical commissioning groups, and are managed in line with the Serious Incident Policy.

The role of the Deputy Director of Nursing (WPH) is to promote excellence in patient experience, ensuring patient/carer concerns are fully investigated and that learning from them and other patient experience sources are triangulated and used to improve patient reported outcomes. The post holder also has responsibility for the Trust's volunteers.

Embedding and managing risk at all levels of the organisation

The Trust's Risk Management Strategy, endorsed by the Board, is reviewed annually and sets out the organisation's approach to risk management and future objectives. Appendix 1 sets out the key risk management functions and internal control responsibilities of the Board and committees that relate to it.

All executive directors, chiefs of service, associate directors and heads of service have a responsibility to lead with a strong risk management approach in all aspects of the Trust's activities. Business priorities and decisions made by the Hospital Executive Board and Board of Directors reflect risk management assessments and consideration of high risk factors.

Managers at all levels of the organisation have a responsibility to manage risks at a local level and to develop an environment where staff are encouraged to identify and report risk issues proactively. Each directorate maintains a risk register and key risks are assessed and reflected in the Corporate Risk Register, which is reviewed monthly for consideration by the Board of Directors.

Managers are expected to ensure that their staff report immediately any near miss incidents, adverse incidents and serious incidents, using the Trust's incident reporting procedure to provide appropriate feedback regarding specific incidents reported, and implementing recommendations following investigations to reduce the likelihood of the incident happening again.

All members of staff have an important role to play in identifying and minimising risks and hazards as part of their everyday work within the Trust. Each individual has a responsibility for their own personal safety and for the safety of their colleagues, patients and all visitors to the Trust. All staff are expected to have an understanding of the incident reporting procedure and knowledge of the corporate categories of incident, which must be reported.

A trust-wide training needs analysis for risk management and patient safety has been undertaken and a range of training programmes have been integrated into the corporate training plan. All staff receive mandatory annual updates in risk management and patient safety and attendance is monitored through the quarterly training statistics.

The Trust's Risk Management Strategy clearly defines the levels of authority for the management of identified levels of risk and describes the Trust's interpretation and definition of 'acceptable risk'.

The risk and control framework

The Risk Management Strategy sets out the framework and systems for implementation of risk and governance in the Trust. The existing governance structure had been in place since September 2013 and has been strengthened with the addition of a Quality Assurance Committee to provide the Board with assurance on performance and quality across the organisation. During 2016-17, a Finance Assurance Committee was added, which provides an objective view of the financial performance and financial strategy of the Trust

The strategy includes the following key elements:

- It describes what is meant by 'risk management'.
- It identifies the roles and responsibilities of all staff within the Trust.
- It clearly describes the roles and responsibilities of the key accountable officers.
- It sets out the process of risk management as follows:
 - i. Annual risk assessments and Trust risk grading matrix
 - ii. Incident reporting procedure and root cause analysis
 - iii. Management of Trust's Risk Assurance Framework
 - iv. Levels of authority for the management of identified risks
 - v. Definition of 'acceptable risk'
 - vi. Corporate Assurance Framework
 - vii. Risk management training and education
 - viii. National standards and external assessments
 - ix. Compliance with legislation

Quality is embedded in the Trust's overall strategy. The Trust's Quality Report includes national and local priorities with measurable quality improvement targets and deadlines. Quality targets are linked to directorates and included in local clinical speciality dashboards and pathway compliance monitoring. The Trust's performance against the quality priorities is included in the trust-wide Quality and Performance report which is reviewed monthly by various committees and ultimately by the Board. The Board continues to receive a monthly performance report, which provides up-to-date information on key quality indicators including patient safety, patient experience and clinical effectiveness.

The Board of Directors undertook a self-assessment against NHS Improvement's Well-Led Framework in March 2017 which has demonstrated overall compliance with the requirements of the lines of enquiry.

The Corporate and Local Risk Assurance Frameworks are reviewed monthly at the Trust Corporate Governance Group, Hospital Executive Board and associate directors/heads of service meetings. The full Corporate Risk Assurance Framework is presented to the Board each month. All risks identified have clear actions to reduce or mitigate them and this information is presented and shared with the Board.

The key financial and non-financial risks faced by Frimley Health in 2018-19 include:

- Failure to achieve financial targets 2018-19: In 2018-19 the Trust plans to deliver a further £31m of savings, consisting of national CIP (cost improvement programme) and in-year cost pressures, which will reduce the underlying deficit to about £9m. There is a significant risk that the Trust will not be able to deliver this level of recurrent cost savings.
- Delivering the financial plan for both Frimley Health and the ICS for 2018-19: For 2018-19 the Trust is part of a shared 'System Control Total' to deliver a combined income and expenditure surplus of £6.7m (before Provider Transformation Funding – PTF). If this is not achieved, there is a risk that £27.4m of system PTF is not received, of which £26.1m relates to FHFT.
- Risk to foundation trust governance rating due to failure to deliver A&E four-hour target as per trajectory reaching 95% in March 2019, potential 12-hour breaches and pressures on bed capacity and patient flow with potential to impact on our ability to deliver routine and critical services, delay in patient treatment, quality of care, and patient safety.
- Recognition of deteriorating patient: risk of poor outcome through failure to recognise a patient with a deteriorating condition. To ensure all clinical staff have the right skills, knowledge and tools to recognise and deliver timely treatment to the deteriorating patient.
- Sepsis: risk of poor outcome through failure to recognise a patient with potential sepsis.
- Management of patients with mental health issues and learning disabilities: potential risk to safe management of both adults and children with mental health needs or learning disabilities, to review with mental health colleagues the increase in number and complexity of these patients.
- Cardiology interventional service: potential risk to patient safety and patient experience due to staffing difficulties in maintaining continuity in pPCI (an emergency treatment for heart attacks) 24 hours a day, seven days a week.
- Bed capacity: risk to patient experience due to potential lack of sufficient bed capacity to meet demand.
- Critical care capacity: risk of poor outcome through failure to provide sufficient flow out of intensive care units and to generate increased level 2 capacity outside of critical care, potentially impacting on flow out of A&E.
- Nursing staffing capacity: risk of insufficient, appropriately trained nursing staff, with potential to impact on patient care and support, breach of safe staffing levels, impact on diagnosis and treatment, and reliance on temporary staffing.
- Medical staff capacity: risk of inadequate appropriately trained staff, particularly in middle and junior grades in ED and middle grade surgeons, and difficulty in recruiting with potential to impact on and cause delays to patient diagnosis & treatment, leading to clinical cancellations, gaps in the on-call rota, lack of immediate urgent speciality support and compromise patient care.
- Staff retention: there are retention risks due to higher turnover at Wexham Park and Heatherwood hospitals among nurses and other groups for various reasons.
- Delays in discharge: potential risk to patients becoming unwell with hospital acquired infections such as urinary tract infection and pneumonia, due to delays in discharge.
- Infection control: lack of engagement and compliance of staff with the Trust hand hygiene policy leading to potential increased in risk of hospital acquired infections and possible outbreaks.
- Specialist commissioning not recognising some of our established services. If this happens, the commissioners will not be able to finance service.

- Participation in mandatory training and appraisals: risk of lack of participation in mandatory training and appraisals which may affect staff performance and adversely impact on patient safety and care. Training and appraisals statistics need to be viewed in the context of Trust-wide performance.
- Wexham Park Hospital Emergency Assessment Centre external cladding: we are accessing expert external advice to ensure that the cladding as currently proposed on the new EAC will meet the test of 'limited combustibility'.
- Heatherwood affordability: the original business case had activity growth of 4% from 2017-18 onwards for three years. Actual growth for 2017-18 was closer to 1%. This reduction in growth negatively impacts one of the key assumptions of the financial and activity modelling. The impact is being worked through but could be in the region of £10-15m adverse, which would have a bigger impact on early years.

The Trust is in the process of being accredited through the CareCert Scheme with NHS Digital. In addition to this the Trust is taking its cyber security position extremely seriously and is investing heavily with the support of Department of Health and NHS Digital in ensuring the Trust has robust and reliable cyber security defence to ensure the safeguarding of Trust and patient information. The Trust has appointed a cyber-security lead who will be responsible for implementing the CareCert Scheme. The Trust is also in the process of moving its infrastructure to a cloud provider; this strategic move is seen as an enabler to provide a more secure and robust environment for hosting Trusts systems.

Involvement of public stakeholders

The Trust serves a dispersed community, which straddles the boundaries of four counties and two local health authorities. It also works with a number of local authorities and clinical commissioning groups. Given these complexities, there is a strong desire to work closely with the local community to provide coherent and effective services.

The Trust provides information and assurance to the public on its performance against its principal risks and objectives in a number of different ways including:

- Frimley Health NHS Foundation Trust has approximately 27,636 members as at the end of March 2018. These are represented by a Council of Governors that comprises public, staff and stakeholder governors.
- The Council of Governors receives regular updates on the status of the Board objectives and uses this, along with the ratings by NHSI and the CQC, to hold the Board to account for its performance. Also, the Council of Governors is invited to input to the Trust's Annual Plan for NHSI.
- In addition to the formal meetings of the Council of Governors, joint workshops are held with the Board when there is an opportunity to discuss and challenge performance and the priorities for the organisation. The workshops include reference to the key risks the Trust faces and an explanation as to how they are being managed.
- Regular constituency meetings are held with members of the public and key stakeholders and attended by members of the Board of Directors. Consultation with the public is undertaken in developing new services and where key changes are proposed to existing services which may impact upon them.

Compliance with CQC

Frimley Park Hospital was awarded an overall 'outstanding' rating in September 2014, the first Trust in the country to achieve this.

Wexham Park Hospital received an inspection in October 2015 following which the hospital received an overall rating of 'good'. Both Critical Care and Emergency Services were rated as 'outstanding' and the hospital was rated as 'outstanding' in the 'Well Led' domain.

Heatherwood Hospital was inspected in February 2014 and received an overall rating of 'good'.

Frimley Health NHS Foundation Trust is fully compliant with the registration requirements of the CQC.

Compliance with 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.

Equality impact assessments are required for all new Trust business cases and all policy development and review, including those related to employment.

Compliance with NHS Pension Scheme regulations

As an employer with staff entitled to membership of the NHS Pension Scheme, the Trust has control measures 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.

Compliance with climate change adaptation reporting to meet the requirements under the Climate Change Act 2008

The Trust has undertaken risk assessments, and carbon reduction delivery plans are in place in accordance with 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 Trust ensures economy, efficiency and effectiveness through a variety of means, including:

- A robust pay and non-pay budgetary control system
- A suite of effective and consistently applied financial controls
- Effective tendering procedures
- Robust establishment controls
- Continuous service and cost improvement and modernisation

The Trust benchmarks efficiency in a variety of ways, including through the national reference costs index and by comparison with key indices such as length of stay and day case percentages. The Board

of Directors performs an integral role in maintaining the system of internal control supported by the Audit Committee, internal and external audit, and other key bodies.

Compliance with information governance and data security

Frimley Health delivers annual information governance training for all staff across the Trust to raise awareness of the importance of protecting patient information.

Information governance training encourages staff to report personal data related incidents. All reported incidents are investigated by the Trust's information governance (IG) team and where applicable, Trust policies and procedures are revised to prevent incidents re-occurring as well as incorporating lessons learnt into the Trust's IG training.

Frimley Health has a network of Information Asset Owners (IAOs) who work to ensure the security and management of the Trust's information. The implementation of the Trust's IG work programme has prepared the Trust for the implementation of the General Data Protection Regulation on 25 May 2018.

The Trust score in the Information Governance Toolkit was 73% at the end of March 2018, which achieved a satisfactory rating. To maintain this level of Information Governance Assurance across the Trust a comprehensive work programme has been developed for 2018-19.

The Trust reported four serious untoward incidents involving personal data in 2017-18. A summary of data-related incidents reported during the year is shown below:

SUMMARY OF SERIOUS INCIDENT REQUIRING INVESTIGATIONS INVOLVING PERSONAL DATA AS REPORTED TO THE INFORMATION COMMISSIONER'S OFFICE IN 2017-18				
Month of incident	Nature of incident	Nature of data involved	Number of data subjects potentially affected	Notification Steps
January 2018	Audit list containing patient information incorrectly emailed from data processor to FHFT	Patient information was sent via insecure means	2,000+	ICO, Department of Health notified
March 2018	Recording of sensitive information disclosed in error	Patient name and detailed clinical information on verbal recording	1	ICO, Department of Health notified
March 2018	Invoicing containing patient information emailed from Data Processor to FHFT	Patient information was sent via insecure means	502	ICO, Department of Health notified
March 2018	List of patient's hospital numbers were sent to CCG insecurely	Patient information was sent via insecure means	1,600	ICO, Department of Health notified
Further action on information risk	The Trust has thoroughly investigated every incident to establish the root cause. In all cases, the information was not lost and where applicable has been securely destroyed. Trust policies and procedures have been reviewed and updated where applicable. All incidents have been added to the Trust's mandatory IG training to ensure staff learn from these incidents and to prevent them from recurring in future.			

Number of Incidents across the Trust in 2017-2018 (1st April 2017 – 31st March 2018)

Code	Description	Frimley Health
A	Corruption or inability to recover electronic data	0
B	Disclosed in error	113
C	Lost in transit	0
D	Lost or stolen hardware	3
E	Lost or stolen paperwork	18
F	Non-secure disposal – hardware	0
G	Non-secure disposal – paperwork	0
H	Uploaded to website in error	1
I	Technical security failing (including hacking)	0
J	Unauthorised access/disclosure	19
K	Other	17
	Total	171

Annual Quality Report

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

The Annual Quality Report 2017-18 has been developed in line with relevant national guidance and is supported internally through the Board Assurance Framework.

As in previous years the report sets out the priorities for the coming year which include patient safety, patient experience and clinical effectiveness indicators. The data owner for each indicator submits the required data to the quality team following an agreed timeframe. The data validity is the responsibility of the data owner and on an 'as required basis' the quality team will undertake a review of the data provided as well as challenge data that appear inconsistent.

The Trust has a Quality Assurance Committee (QAC) which is attended by the Director of Nursing and Medical Director and a lead non-executive director for quality. All data and information within the Quality Report is reviewed through this committee. The Board of Directors has approved a new three year Quality Strategy 2017–20, which is monitored through the QAC and bi-annual reports to the Board of Directors.

The Hospital Executive Board and the Board of Directors review performance against the quality indicators monthly. This is monitored through the Quality Performance Dashboard and the Hospital Executive Board receives progress updates against any improvement projects.

The Quality Report has been reviewed through both internal and external audit processes. Comments have been provided by local stakeholders including commissioners, patient representatives, the Overview and Scrutiny Committee and the Patient Experience and Involvement Group of the Council of Governors.

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 results of my review of the effectiveness of the system of internal control by the Board, the Audit Committee and the Corporate Governance Group and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The Corporate Risk Assurance Framework itself provides me with evidence that the effectiveness of controls that manage the risks to the organisation achieving its principal objectives have been reviewed.

My review is also informed by:

- CQC Inspection August 2014, Frimley Park Hospital rated 'outstanding'
- CQC Inspection October 2015, Wexham Park Hospital rated 'good'
- CQC Inspection February 2014, Heatherwood Hospital rated 'good'
- HSJ Patient Safety Awards 2016 'Best Organisation'
- CEO named top chief executive in English NHS by the Health Service Journal in 2017 and 4th in 2016
- Health Business Award for Patient Safety 2016
- Clinical Pathology Accreditation
- Picker National Patient Survey and patient feedback questionnaires
- Patient Experience Network National Award Team of the Year
- MHRA GCP Inspection
- Deanery & College Inspections
- JAG inspection endoscopy, Frimley Park and Wexham Park hospitals
- JAG accreditation, Heatherwood Hospital
- The work of the Clinical Audit and Effectiveness Committee
- Programme of work undertaken by internal and external audit and Audit Committee
- TIAA internal audit of Frimley Health Board Assurance Framework 2017-18 providing substantial assurance
- Frimley Health NHS Foundation Trust assurance process for monitoring levels of compliance against CQC registration
- Frimley Health Staff Survey 2017
- Programme of work undertaken by internal and external audit and Audit Committee including Internal Audit review of the governance processes in place during 2015-16 for Frimley Health NHS Foundation Trust when 'reasonable assurance' was given
- NHS England National Reporting and Learning System report September 2016 and March 2017
- Responses from NHSI to the quarterly Frimley Health Board declaration process

In assessing and managing risk, the Board and related committees have a substantial role to play in reviewing the effectiveness of the system of internal control, as follows:

Board of Directors

Through the review and approval of the Trust Risk Assurance Framework, and key performance indicators, and approval of the Trust's Governance/Risk Management Strategy and commitment to the action plan for implementing the strategy.

Audit Committee

Through the risk-based programme of internal audit.

Corporate Governance Group

Through the review and management of the Trust's Risk Assurance Framework and the key performance indicators for risk management, and the development of the Trust's Governance/Risk Management Strategy.

Clinical Governance Committee

Through the specialty clinical risk assessments and approval of the Trust-wide clinical risk assessment and directorate presentations under the CQC Standards of Quality and Safety framework. The Clinical Governance Committee, which is attended by executive directors, a non-executive director and a governor, reviews the clinical governance framework of the Trust and provides assurance to the Board through the Medical Director that the policies and practices recommended by the CQC and others are being followed.

Quality Committee

Through the monitoring and review of the quality of services provided by the Trust including the review of internal core and speciality dashboards, morbidity and mortality reviews and external quality improvement targets.

Quality Assurance Committee

Providing assurance that the risks associated with the Trust's provision of excellent care are identified, managed and mitigated appropriately. In doing so, the Quality Assurance Committee may take any that is sees fit to ensure that this can be achieved.

Financial Assurance Committee

Providing an objective view of the financial performance, and financial strategy of the Trust, together with an understanding of the risks and assumptions within the Trust financial plans and projections.

Auditor's assessment of overall control

Reasonable assurance has been given by the Head of Internal Audit that there is a generally sound system of control designed to meet Frimley Health's objectives and that controls have been generally applied consistently throughout 2017-18.

Conclusion

There were no significant control issues of major consequence identified in 2017-18.



Neil Dardis
Chief Executive
24 May 2018

Frimley Health
NHS Foundation Trust

Quality Report
2017-18

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1. ACHIEVEMENTS IN QUALITY

Statement on quality from the Chief Executive

This report provides assurance to our patients, community, commissioners and community care partners regarding the quality of our services and provides a summary of the actions that Frimley Health NHS Foundation Trust (FHFT) has taken during 2017-18 to achieve our ambition to be an 'outstanding' healthcare provider.

2017-18 has been a year of change for FHFT with the retirement of long standing and well respected Chief Executive Sir Andrew Morris and Martin Sykes as Director of Finance. They will no doubt be missed by many of our staff. I joined the Trust in March as the new Chief Executive and my ambition is to build on the excellent work of previous years and lead the trust through exciting and challenging times ahead to ensure we are outstanding for our patients and the communities we serve. Since my arrival I have focussed on meeting a great number of our staff, partners and patients and I have been hugely encouraged by the sense of pride that is evident across our organisation, from both clinical and non-clinical staff. This pride, together with their commitment and hard work, is reflected in the standard of services and patient experience that FHFT provides. It is clear that our staff go above and beyond the call of duty daily and I am committed to supporting them to provide the best possible care as an organisation and a system.

As 2017-18 draws to a close, we reflect on a year in which the NHS has faced many challenges, including increased demand arising from the ever more complex needs of patients, workforce recruitment challenges, and the need to reduce inefficiencies and ensure public money is being used effectively.

We have also reached the end of the first year of our three year Quality Strategy, the aim of which is to ensure that the Trust continues to be one of the safest in the country with the ambition to continue to provide outstanding standards of care and patient satisfaction. The aims and objectives of that strategy are fully aligned with the improvement priorities in this report.

Patient safety has been our highest priority for many years and we are pleased to report that our mortality rates remain in the lowest 10% of NHS organisations, with our Standardised Hospital Mortality Indicator (SHMI) rate being better than expected. This means fewer people die in our hospital than could reasonably be expected.

Our programme to reduce the rates of harm across the organisation has once again shown further improvement in 2017-18. We are proud that our infection rates continue to be among the best in the country with no increase in our cases of Methicillin-Resistant Staphylococcus Aureus bacteraemia (MRSA) blood stream infection and maintenance of the low number of C-difficile occurrences.

Our commitment to patient safety has positioned the Trust as one of the safest in the country. This focus has driven the Trust's Quality Improvement Strategy for 2017-2020 and builds on the successes of previous safety programmes. The strategy sets challenging goals that will help to deliver outstanding levels of care and patient satisfaction. During the first year of the strategy, work has been undertaken to identify opportunities for further improvement in order for us to develop the goals in years two and three.

In terms of what our patients are telling us regarding their experiences of the care they received from FHFT, levels of satisfaction remain high. 96% of inpatients responded that they would definitely recommend the hospital to family and friends. In our local Trust survey, 93% of inpatients rated their care as either very good or excellent. There have also been some significant improvements in the National Inpatient Survey results this year.

We are also very pleased to report that the level of engagement and commitment from our staff has remained consistently high. In the most recent staff Friends & Family Test (FFT), 88% of staff told us they would be happy to recommend us as a place for a friend or relative to receive treatment.

We know from talking to our patients that they want care that is effectively organised and co-ordinated around them as individuals. The Frimley Health and Care System is one of eight exemplar sustainability and transformation partnerships to become integrated care systems (ICS), with funding to roll out a number of initiatives to help care for patients outside of a hospital setting. In 2017, initiatives included creating GP hubs in Surrey Heath and North East Hampshire that are open 8am-8pm five days a week and integrated care teams to manage high risk patients away from hospital. We can see that these initiatives are impacting on the numbers of patient that are attending our Emergency Department (ED) and reducing the number of new GP referrals (13% fewer than 2016). Hospital emergency admissions are down 5% compared to the previous year.

Some of our key achievements in service improvement and innovation include:

- The Frimley Park Renal Unit opened in partnership with St Helier Hospital at the end of 2017 to provide a 7 day renal service for patients. Over 300 acute dialysis sessions have been provided since January 2018 which is double the predicted activity. The length of stay for acute kidney injury (AKI) has fallen by 3 days (2017: 11.4; 2018: 8.1 days) alongside AKI bundle initiatives. Dialysis sessions represent avoidance of acutely unwell local patients having to travel to geographically distant centres. Initial evidence suggests that Intensive Care bed demand associated with renal organ support may have fallen by approximately 25% with this availability, freeing up this already stretched resource.
- We have also taken a number of actions to provide patients with access to expert assessment and treatment without having to be admitted unnecessarily to hospital. For example, enlarging our Ambulatory Care Unit and providing rapid multi-disciplinary assessment and access to support at home for our frail older patients.

We have also seen the impact of our ever closer working relationships and partnerships with community health and social care providers that enabled us to be one of the very few hospitals to continue providing elective procedures over the difficult winter period. Some of the actions the system took are outlined in the Part 2 of this report within the discharge planning and patient flow section.

There are significant challenges ahead in terms of finances, our ambition for quality and in supporting our staff to deliver that care. This will drive further innovation and improvement and the Trust's financial position and long term stability will be dependent on amongst other things:

- Delivering efficiency improvements of between 3 and 5% of turnover year on year
- Financing a significant capital investment programme of over £200m over the next 5 years
- Working with system partners to drive transformation in patient pathway delivery across all patient service delivery boundaries.

We are delighted that work has commenced on our new Emergency Department at Wexham, which once completed will provide our patients in the north of our area with state-of-the-art facilities. We are also pleased to report that planning permission has been granted for a new hospital on our Heatherwood site, so we can continue to provide outstanding facilities and care for planned procedures in Ascot.

I am pleased to confirm that the Board of Directors has reviewed the 2017-18 Quality Report and is satisfied that it is an accurate and fair reflection of our performance. We hope that this Quality Report provides you with a clear picture of how important quality improvement, patient safety, and patient and carer experience are to us at Frimley Health.



Neil Dardis
Chief Executive
24 May 2018

Summary of our quality achievements in 2017-18

2017-18 was another busy and challenging year for the Trust. We saw our emergency department activity increase from 237,509 (2016-17) to 242,292 attendees this year, we admitted 107,798 elective patients and 109,822 emergency admissions, which is 32,759 more admissions than the previous year, and we saw 878,683 in our outpatients departments. We also helped to deliver 9,676 babies.

We are very proud of the achievements and improvements we have made in patient safety and quality over the last year. Here are just some examples:

Patient Experience & Safety

Focus on frailty

In 2017 Frimley Health joined the NHS Acute Frailty Network (AFN), supporting older people with frailty to get home sooner and healthier. The year-long programme will help us to develop our frailty services and improve the hospital journey for patients. We will share best practice with other trusts and receive support to implement changes.

A new short stay unit designed to improve the recovery of frail older patients and get them home sooner is up and running at Frimley Park Hospital. The older persons short stay (OPSS) unit on G6 is part of a new acute frailty pathway being trialled at the hospital. Patients aged 75 and above presenting in ED with a frailty syndrome (falls, reduced mobility, impaired cognition, incontinence and polypharmacy) and who have an expected hospital stay of less than 72 hours should be referred to the unit via a frailty co-ordinator. The frailty liaison multi-disciplinary (MDT) team includes nurses, physiotherapists, occupational therapists and social care specialists working in ED alongside community services to avoid inappropriate admissions and provide advice for all inpatients with frailty in order to expedite discharges and ensure that patients have access to a holistic assessment.

Wexham Park already has a similar unit and our initiatives tie in with frailty work being carried out across the wider Frimley Health and Care system with the aim of easing pressure on our hospitals and reducing delayed transfers of care.

Acute Kidney Injury (AKI) project

Members of our quality and audit teams helped to mark the end of a multi-centre project aimed at improving outcomes for patients with acute kidney injury. Our Trust was one of four that took part in the quality improvement project funded by The Health Foundation which began in May 2015.

AKI is a sudden loss in kidney function. It is common, harmful and often preventable. The project, in conjunction with a local Commissioning for Quality and Innovation (CQUIN) plan, resulted in the introduction of our AKI care bundle and a Trustwide education programme to raise awareness among staff.

Representatives from our quality and audit teams attended an end-of-project event in Derby in June 2017 where the Health Foundation praised Frimley Health for our commitment to tackling AKI, our investment in education and clinical leadership.

Respiratory

Adult Integrated Respiratory Service (AIRS):

This nursing led team looks after acutely unwell respiratory patients at both Wexham and Frimley Park hospital sites. The team provides timely discharge of patients, facilitates support for them at home and strives to avoid readmissions into hospital. The team is led by a Nurse Consultant who has won a National Award for her work in leading this programme. The ICS are reviewing the service with a view to expanding coverage in the Frimley Park/Southern region.

Association for Respiratory Nurse Specialists (ARNS):

Two nurse consultants at Frimley Health have been appointed to committees at the Association for Respiratory Nurse Specialists. Frimley Park's Nurse Consultant for Acute and Respiratory Care sits on the therapies committee as lead for non-invasive ventilation (NIV) and sleep. Wexham's Nurse Consultant for Respiratory Care, who is based at the chest clinic at King Edward VII in Windsor, is the COPD lead on the disease committee.

As part of their roles they will provide expertise on their specialities during consultations with outside organisations and ensure national guidance is effectively promoted and implemented.

Nominated for Best Organisation

In 2016 Frimley Health was crowned 'Best Organisation' in the Patient Safety Awards run by the Health Service Journal and Nursing Times. This year we were proud to be nominated and shortlisted in this category for a second year running.

Staff Engagement

The Trust's values of committed to excellence, working together and facing the future were the driving force behind adopting a positive corporate culture across Frimley Health. These are fully implemented and embedded within Human Resources, communication systems, leadership development and other training programmes and within the Trust's branding. Mechanisms to communicate the Trust's vision and ambitions are also in place.

Staff Friends and Family Test

The latest Staff Friends and Family Test results show that 88% of staff who responded to the fourth quarter survey would recommend the Trust as a place for care or treatment, whilst 72% of staff would recommend the Trust as a place to work. These results have remained the same as the previous year. The survey was open to 9,263 staff across all Frimley Health sites and 1,904 members of staff responded, giving a response rate of 21%. This is a 3% increase when compared with the response rate at the end of the previous year.

National Staff Survey

The National Staff Survey is an important quality indicator for us to determine how our staff rate the organisation as a place to work and as a place for treatment. The 2017 survey was undertaken in the third quarter of 2017-18, with 3,470 members of staff completing the questionnaire (out of an eligible 8,600), giving a response rate of 40.3% (national average 45.5%). Frimley Health was identified as being in the best 20% in 17 key areas. Our top 5 best scores were for the following:

- Quality of appraisals
- Staff confidence and security in reporting unsafe clinical practice
- Staff motivation at work
- Work-related stress
- Staff satisfaction with resourcing and support.

One of our key focuses this year has been to ensure our staff are fully appraised every twelve months. We are delighted to see from this year's NHS Staff Survey results that there has been an improvement in this area and that more of our staff are being appraised annually. The results indicate that around 83% of FHFT staff have been appraised. This is a 6% increase when compared to the previous year's performance (the average is 86% according to the National Staff Survey).

We will continue to focus on staff appraisals over the next year to ensure this improvement is maintained. Other areas we recognise we need to focus on over the next year are around ensuring that any extra working hours are eradicated and that discrimination and bullying is eradicated.

Health and Wellbeing (HWB)

There are three staff health and wellbeing indicators being measured as part of the Commissioning for Quality & Innovation (CQUIN) for 2017-2019. The indicators are as follows:

1. Improvement of health and wellbeing of NHS staff (*measured by 5% improvement over a 2 year period in 2 of 3 NHS Staff Survey items – with 2015 scores as the baseline this year*);
2. Healthy food for NHS staff, visitors and patients (*measured by ban on price promotions on sugary items, ban on such items at checkouts and the percentage of sugary items in stock*);
3. Improving the uptake of flu vaccinations for front-line staff (*measured by uptake of 55% to 70% or more*).

Progress on these CQUIN indicators is as follows:

1. Improvement in health and wellbeing of NHS staff

National Staff Survey Item	2015	2016	2017	Progress
Trust definitely takes positive action on HWB	32%	33%	35%	3% improvement
Staff experiencing work-related stress	32%	31%	33%	1% improvement
Staff experiencing work-related MSK injuries	27%	24%	25%	2% improvement

2. Healthy food for NHS staff, visitors and patients:

- 70% of sugar free drink lines stocked (target achieved)
- 65% of confectionery and sweets stocked do not exceed 250 calories (target achieved)
- 60% of pre-packed sandwiches and savoury meals not exceeding 400 calories (target achieved). Monthly audits are undertaken on all products to ensure the Trust complies with the set standard. The Care Quality Commission (CQC) have undertaken 'secret shopping' visits on our hospital sites throughout the period with no adverse feedback received to date.

3. Improving uptake of flu vaccinations for front-line staff

In 2016, the Trust achieved a low uptake of 38.5% but has achieved a significant improvement in 2017-18 with 71.6% of permanent patient-facing staff having had the vaccination. The success has been due to a combined effort of staff working together across the Trust. The Nursing and Medical Directors have championed and promoted the flu programme, there was an increase in the number of nurse peer vaccinators administering the vaccination in local areas and the Occupational Health team have streamlined processes, reported progress and promoted the clinics better and changed and increased the way flu clinics have been provided.

To support delivery of Health and Wellbeing CQUINs and to support staff engagement and retention plans, a variety of health and wellbeing initiatives commenced in autumn 2016 as part of a soft launch of the Trust's Employee Health and Wellbeing Strategy which was formally launched in July 2017. Soft launch initiatives won the Trust the 'Get Berkshire Active Employer of the Year 2017' and continued activity has resulted in being shortlisted as a finalist for the 2018 award.

Recruitment & vacancy rate

This year our vacancy rate has seen a slight increase to 11.8% from 10.2% the previous year. We have continued to work hard to address the national challenges around recruitment by setting up a number of initiatives to support our recruitment plan.

Overseas recruitment:

The Trust has continued to recruit nurses from overseas as recruitment within the UK and EU is not producing sufficient numbers to address our vacancy levels. In 2016-17, the Trust undertook two trips to the Philippines to recruit nurses from across all areas. More recently, members of the Trust team travelled to India to recruit and, at the end of February 2018, offers were made to 93 nurses. Their backgrounds vary, but include general and acute medicine, surgery, orthopaedics, theatres and critical care.

Nursing Associates:

In December 2015 Health Education England created the role of the Nursing Associate (NA). NA's work alongside Healthcare support workers and registered nurses to deliver hands-on care to patients. FHFT is part of a pilot training Nursing Associates and have 10 individuals that are mid-way through a two year programme. This will allow them to be employed at band 4 within the clinical areas. This

post will be recognised and regulated by the Nursing & Midwifery Council, with a wide ranging clinical role including drug administration.

Nursing Associate Training is over a two year period and will be delivered as an apprenticeship, funded by the Apprenticeship Levy. We are in the process of recruiting 50 individuals to start training in 2018-19. Through the skill mix reviews currently completed it is predicted that up to 150 registered nursing associates will become part of the FHFT establishment over the next 2-4 years. These posts will be created from vacancies in band 5 registered nurses, and will be used only in those clinical areas where their usage will be of benefit to patients and the care team. These posts can only be converted as we have nursing associates trained and ready to practice.

Medical Recruitment activity:

Over the last six months we have recruited to 69 non-training medical positions. These appointments include 32 consultants (20 at FPH and 12 at WPH). There has been a focus in recent months to appointment to positions currently being filled by high cost locums in specialties such as Gastroenterology and Dermatology in order to reduce agency spend and to have a more substantive medical workforce.

Effectiveness

A&E 4 hour standard

The national target for emergency department waiting times is that 95% of patients are to be admitted, discharged or transferred as appropriate within four hours of their arrival at hospital. The Trust has narrowly missed the 95% target and has ended the financial year with performance at 89.01% which is just above the national average. Frimley Health is ranked 42nd out of 137 trusts in England who provide major (type 1) A&E services.

The main reason for this dip in performance can be attributed to a cohort of sicker patients being admitted with respiratory and flu related conditions which results in an extended length of stay. Therefore, the discharges and emergency admissions remained out of balance for much of the winter period and patients had to wait for longer periods to get into a bed. Additional bed capacity was opened over the Christmas period at Heatherwood and Farnham Hospitals to help maintain the flow of patients through the two Emergency Departments. Thanks to an enormous effort from the ED and bed management teams there have been no 12 hour trolley waits and ambulances have always been able to offload patients.

New Emergency Department at Wexham

Fantastic progress has been made with the building of the new emergency department and assessment centre at Wexham. The £49m development is on schedule to be completed by 2019. The ground floor is planned to house the emergency department itself, with separate paediatric and minor

injuries units as well as 36 individual rooms for major injuries. The first floor will consist of a 34-bed combined assessment and ambulatory care centre for up to 24 hour stay and the second floor will contain short stay accommodation for up to 72 hours.

The building has been designed around modern patient needs to ensure patients with complex conditions are stabilised before they are transferred to other areas of the hospital.

Maternity Department at Wexham

The £10m maternity service upgrade, which includes en-suites in all delivery rooms, a new bereavement suite and separate waiting areas for Maternity and Gynaecology patients, opened at the end of January 2018. The new facilities will bring a higher standard of care to more families in the Slough area and beyond.

Prime Minister visit

It was a great honour to welcome the Prime Minister to Frimley Health in January 2018. Theresa May visited Frimley Park hospital to thank NHS staff for their enormous efforts over the Christmas and New Year period and her visit was a symbol of appreciation from the government for everyone's hard work in keeping patients safe and maintaining high standards of quality care for all.

Spring to Green

A big push to ease the pressure on beds at Frimley and Wexham identified new ways of working that could help our hospitals in the future. Spring to Green events were held at both sites during the week of 4 January 2018, focusing on ward-by-ward bed statuses and the prompt, safe discharge of patients who were medically fit to go home.

Control centres were set up in the C-block Atrium and the Ops Centre in the tower block at Wexham. Ward managers delivered regular status reports and flagged up any issues that were delaying appropriate discharges and there were on-going reviews of medical outliers and admissions for elective surgery.

Each hospital also benefited from ward liaison officers – volunteers from the trust's non-clinical staff who could carry out administrative tasks so that nurses could concentrate on patient care and discharges.

The event, which ran for a week on both sites, coincided with a period of intense pressure at NHS hospitals across the country. We started the week with 50 medical, surgical and orthopaedic outliers, but thanks to the efforts of everyone involved this was reduced to 22 in just four days. .

At the bed meetings, rather than just reporting a number of expected discharges, the wards were asked to bring the names of the patients too. These were sent to pharmacy so they could get a head-start on take-home prescriptions. This helped to facilitate prompt discharges.

The hospital's discharge lounge at Frimley Park also proved crucial. Over the last few years staffing levels and opening hours have increased, the room has been reconfigured and there is better access to patient transport. This year 80 patients passed through the discharge lounge over the week – which is an average of 13 patients per day.

The control centre also had a single point of contact for support services, such as portering or IT, to enable quick responses.

At Wexham Park, some of the hospital's most senior staff visited every ward, discussing each patient's needs with ward managers to learn what they needed to move to the next stage of care or discharge. They were constantly looking at ways to make the system more responsive.

If a patient was waiting for a cardiac review, for example, they would try to arrange for that to be done sooner than it may previously have been.

'Spring to Green' gave us an opportunity to look at how people pass through the hospital, and taking the time out to truly understand that was very helpful. The overall impact was that while some hospitals nationally had to go to the highest state of alert, we did not. It worked very well as a preventative exercise.

Service Expansion

Joint hospital and community nursing skills exchange: Tissue Viability Team

In January 2017, as part of the Trust's objective to integrate hospital and community working, the management of Fleet Community Hospital and 7 integrated Care Teams were transferred to FHFT. The Trust has aligned clinical processes and practice at Fleet Hospital and the FPH Tissue Viability Team are working with the community teams to support pressure ulcer management and prevention.

Our key priorities over the next year are:

- FPH will provide community TVT services. Currently provided by Southern Health
- Include pressure ulcer audit undertaken in the community into the Trust audit programme.

Community Services

Rapid frailty assessment Consultant ED/EDOU at FPH: This provides early recognition and escalation/access to specialist consultant advice.

The Enhanced Recovery & Support at Home (ERS@H) team are providing rapid multi-disciplinary team assessment of patients in ED, EDOU and G6 as part of the Frailty team to support safe and timely turn around or discharge. ERS@H are also supporting ward staff with a particular focus on G6.

Integrated Referral and Information Service (IRIS): Both FPH and WPH have established an IRIS service to improve the flow of information between acute, community and social care. Organisations are now co-located within the acute settings and conference calls are held with community colleagues to proactively share information that will expedite safe and timely patient discharges.

One of our key priorities for the next year is to implement the second phase of IRIS with the aim of:

- Improving processes for sharing information with community teams and social care
- Developing an action plan with all partners to further reduce length of stay and the number of inappropriate readmissions.

General Practice (GP) Transformation

GP transformation is a key initiative being taken forward as part of Frimley Health & Care's Sustainability and Transformation Partnership (STP). The aim is to lay the foundations for a new model of GP provided at scale and to deliver a sustainable model of general practice that is equitable for the STP population.

A gap analysis undertaken for the Frimley Health and Care system highlighted some gaps in care and quality across the system, including patient experience. We are working to design equitable primary care models to ensure that patient satisfaction within primary care is consistently high across the STP.

Transformation in general practice has also been mandated nationally through the General Practice Five Year Forward View (April 2016), which gives a clear direction on required changes to general practice to enable sustainability over the next five years. This is largely influencing our programme.

Our key focus areas to achieve sustainability are:

- Access
- New models of care
- Working at scale
- Workforce
- Infrastructure – IT & Estates.

We will track progress across the STP on delivery against the General Practice Five Year Forward View, learn from the stronger areas, spread good practice and provide support to weaker areas. We will also develop STP-wide initiatives to achieve economies of scale and reduce duplication of effort by the six organisations that make up our STP footprint.

We have developed a plan, which focuses on:

- 8am-8pm GP services
- Improved working across primary, secondary & community care
- General practice working at scale through Federations
- Online systems, including consultations
- System-wide workforce strategy.

In December 2016, the work stream was set up with partners from across the system, working together to deliver the strategy and identify areas that can be taken forward at STP level to reduce variation in the quality of general practice services across the STP. The work stream is meeting regularly and our plan to enable sustainability is evolving in accordance with national as well as local priorities.

Redevelopment of Heatherwood Hospital

Our plans to build a new Heatherwood Hospital in Ascot were approved by the Royal Borough of Windsor and Maidenhead back in August 2017. The £90m scheme will see a new elective care hospital built in woodland behind the current Heatherwood Hospital. Facilities will include six operating theatres, 40 inpatient beds and an eight-bed private patient's suite. There will also be 22 day case spaces and enhanced diagnostic and outpatient services. This is fantastic news for the Trust, our patients and the staff who work hard to provide an excellent service at Heatherwood Hospital.

2. PRIORITIES FOR IMPROVEMENT AND STATEMENTS OF ASSURANCE FROM THE BOARD

Progress against 2016-17 quality priorities

Priority 1: Identification and management of the deteriorating patient

Early identification is important to ensure patients are monitored closely and any significant deterioration in their clinical condition is identified quickly and acted upon. This would include an urgent review by the relevant clinical team, senior nurse and doctor. Additionally, where appropriate, a consultant would initiate further treatment and the patient would be transferred to a high dependency unit or intensive care, if required.

Why we chose to monitor progress against this?

In 2016-17, we made significant progress in identifying and managing deteriorating patients and were able to review our progress across the Trust and identify areas for improvement.

Implementation of the new, cross site monitoring system (NEWS) in 2016-17 enabled alignment for escalation. Therefore, we felt it was essential to continue monitoring progress and compliance with the system.

Clinical concerns regarding the management of deteriorating patients continue to be identified via incident reporting, soft intelligence gathered from the Resuscitation teams and their on-going interaction with the Outreach teams and the Night Nurse Practitioner (FPH only). They are also identified by clinicians during the mortality screening process and incidents that are discussed and then escalated with the Resuscitation Committee cross site chair.

We recognise that this is an area where we need to continue carrying out further education and training to build staff's confidence in responding appropriately.

National Early Warning Score (NEWS)

NEWS is a Track and Trigger system that offers a graded response to patients with abnormal physiological observations who become acutely unwell.

A multi-disciplinary approach to the deteriorating patient provides a framework to act quickly and intervene at the bedside of the patient, facilitating escalation to a higher level of care for the patient's individual medical and nursing needs.

NEWS was launched in May 2016 on the Frimley Park site and in September 2016 on the Heatherwood & Wexham Park sites. This replaced the previous Medical Emergency Team (MET) and Early Detection of Deterioration (EDOD) systems that were in place on both sites.

Good implementation and training support has been provided by the Resuscitation team with an online training package to supplement the education of NEWS.

Audit Compliance

Objective	Monitor compliance with the NEWS system
Action	To carry out a repeat audit of the NEWS system once this had been in place for a year on both sites (May 2016 at FPH and September 2016 at WPH)
By when	December 2016
Outcome	Audit results provided below
Status	Achieved

A baseline audit was completed in November 2016 across Frimley Health looking at the NEWS scores for 100 people. The key messages were shared and reinforced at all forums and training sessions. The audit was then repeated in February 2017 to establish whether improvements had been made in line with the recommendations from the initial audit. 300 patients were audited and the results demonstrated that there had been significant progress made in terms of improvements in all areas of compliance.

A further audit of NEWS was carried out in November 2017 by the Lead Deteriorating Patient and Resuscitation Nurse and her team. In November 2017, 600 patients in total were used in the audit sample this time. The key findings of this audit were as follows:

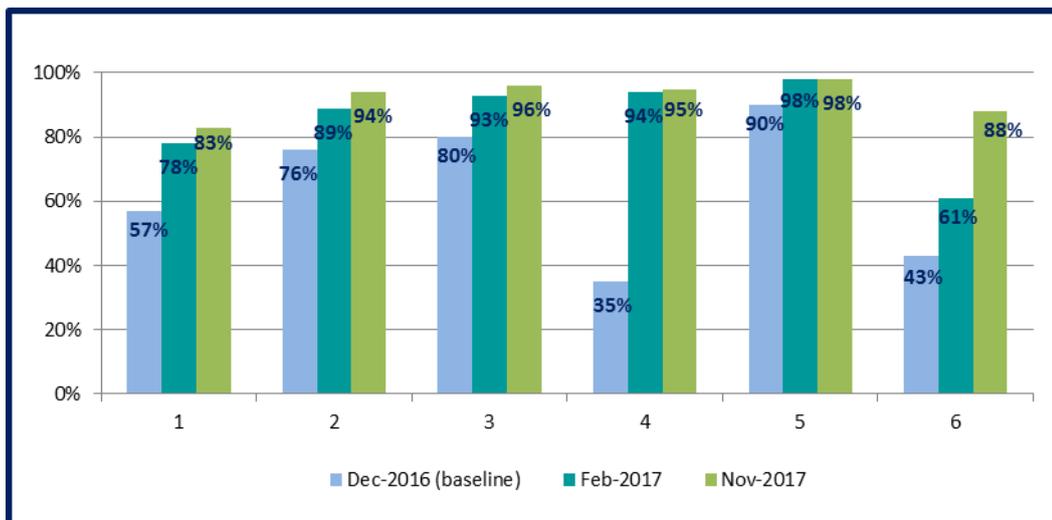
Good practice:

- Accuracy of NEWS score
- Completeness of NEWS score
- Observations in the nursing notes are being signed for
- Documentation on the action chart to support the NEWS score

Areas requiring improvement:

- The frequency of observations was not always appropriate to the patient's level of care and in keeping with the NEWS algorithm.

The following graph shows a comparison of results between the baseline audit and the subsequent repeat audits.



Source: Trust data

KEY			
1	Frequency of observations	2	Accurate NEWS score
3	NEWS score complete	4	Escalation to Outreach/NNP
5	Observations signed for	6	Documentation on the action chart to support the NEWS score

The audit results show that NEWS has been well received and adopted across the Trust with all elements either improving or remaining the same. More importantly, the most significant progress has been demonstrated in those areas identified in the initial audit as having the poorest compliance:

- 26% increase in the frequency of observations being appropriate to the patient’s level of care in keeping with the NEWS algorithm
- 60% increase in appropriate escalation to the NNP/Outreach
- 45% increase in the documentation on the supporting action chart.

This is a testament to the hard work and commitment of the Resuscitation Team who have been the driving force behind implementation of NEWS, but more importantly in supporting staff to recognise and manage patients who become acutely unwell. It is also extremely reassuring to see that education and training is being received well and the learning and feedback from key safety work streams is filtering through to the clinical staff.

Next steps:

- Procure and implement an e-observations solutions
- Continued reinforcement and training of NEWS with particular focus on reinforcing the importance of night time observations and documenting on the action chart
- Continue to improve training statistics on resuscitation training.

Training effectiveness

Objective	Monitor training effectiveness
Action	Measure the number of staff trained against the Training Needs Analysis (TNA)
By when	March 2018
Outcome	Since April 2017, 3,004 members of staff have been trained across the organisation in Level 2 BLS Resuscitation, including the management and recognition of the deteriorating patient (FPH= 1,768; WPH=1,236)
Status	On-going

Additional training regarding the recognition and management of the deteriorating patient is included in the joint Sepsis and Acute Kidney Injury (AKI) session, now included as part of the Annual Patient Safety update and in NEWS training.

Training effectiveness is discussed at the Nursing & Midwifery Quality Board and action plans are introduced for key areas. Bespoke sessions for medical and non-medical staff are being developed to improve compliance in these areas. Ward based training is also being delivered in the clinical areas and departments to improve compliance as staff are sometimes unable to be released from the wards. Using other staff with the relevant skill set to deliver training within their specialist areas is also happening.

The table below shows compliance with each level of Resuscitation training for the Trust as at the end of March 2018.

Adult Resuscitation Level 1	Adult Resuscitation Level 2	Adult Resuscitation Level 3	Adult Resuscitation Level 4
78.1%	73.6%	61.5%	82.4%

Source: Extracted from the Trust's Mandatory & Statutory Training System (MAST)

Actions to improve:

- Identification of high risk areas and training provided in the clinical areas
- Continued improvement in the recording of training on MAST
- Bespoke training sessions with clinical staff at more accessible times of the day.

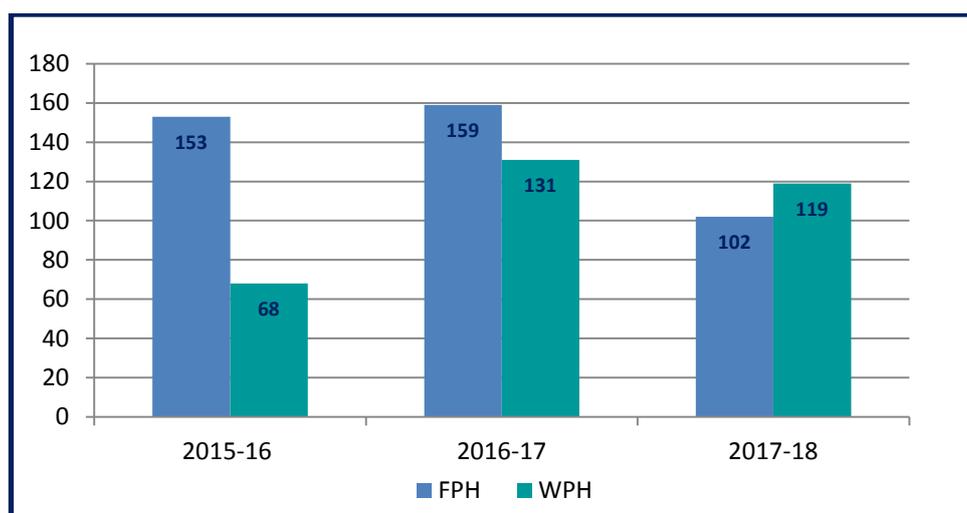
Cardiac arrests

All incidents relating to deteriorating patients/cardiac arrests that are reported via the Trust incident reporting system are investigated with medical and nursing input via the Resuscitation Committee.

All cardiac arrests are investigated by a Resuscitation Practitioner who escalates areas of concern and any trends or themes to the Patient Safety Team and Resuscitation Clinical Advisory Groups which are site-specific. The themes are also shared at the Mortality Review Groups.

Extensive work is carried out by the Resuscitation Team to support the wards and clinical areas to ensure fewer patients have cardiac arrests because they receive prompt review and treatment. This is achieved by holding lunchtime learning sessions on the wards, undertaking daily patrols on the wards and offering clinical guidance to staff.

In July 2015 Wexham Park aligned their data collection methods for cardiac arrests to replicate the process used by Frimley Park. One of our key objectives over the past two years has been to ensure standardised data collection continues across both sites. The number of cardiac arrests per year since 2015 is shown in the following graph.



Source: Trust data

The National Cardiac Arrest report shows that survival to discharge rate for patient who had an in-hospital arrest at FHFT between April-December 2017 was an impressive 28% against the national average of 20%.

Emergency trolleys

All emergency trolleys are standardised across all three hospital sites and the process for checking this equipment is the same. Frimley Park hospital's compliance with emergency trolleys has been above the 90% target since April 2016. Compliance at Wexham Park hospital has also been predominantly above 90%. However, there are five wards /units where compliance just falls short of the target and, therefore, more targeted training will be undertaken to ensure improved practice in these areas.

Sepsis

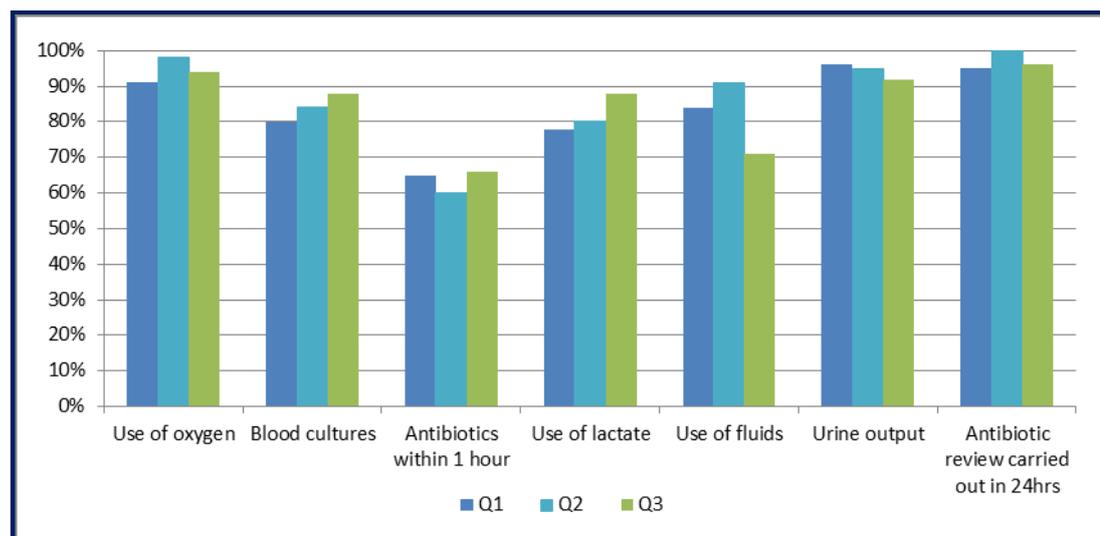
Sepsis is a life-threatening illness caused by the body overreacting to an infection. The body's immune system goes into overdrive, setting off a series of reactions that can lead to widespread inflammation (swelling) and blood clotting in the body.

In our 2016-17 Quality Report, as part of the deteriorating patient work stream and with the rationale of reducing preventable harm, we agreed to continue monitoring compliance against relevant

indicators, but specifically in relation to screening for sepsis, administration of antibiotics within one hour and compliance with the six components of the sepsis care bundle.

In 2016-17 the audit was carried out on more of an ad hoc basis but in 2017-18 we made a commitment to audit the elements of the care bundle every 3 months. This is partly due to the changes to the sepsis care bundle and the guidance.

The graph below shows quarterly compliance for the Trust over the year against the components of the sepsis care bundle.



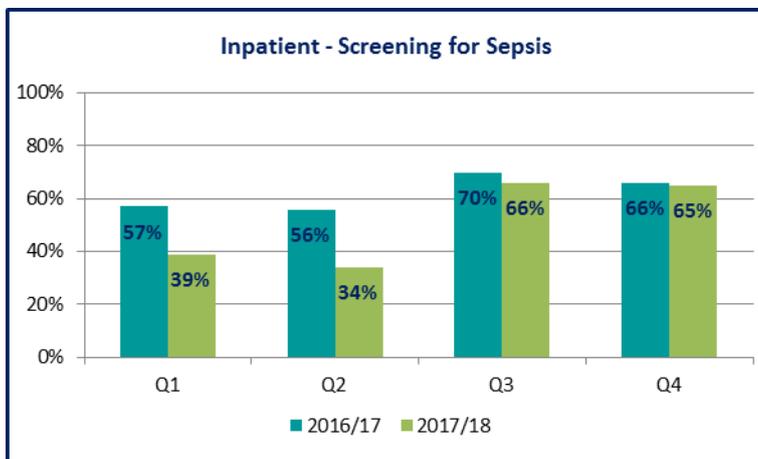
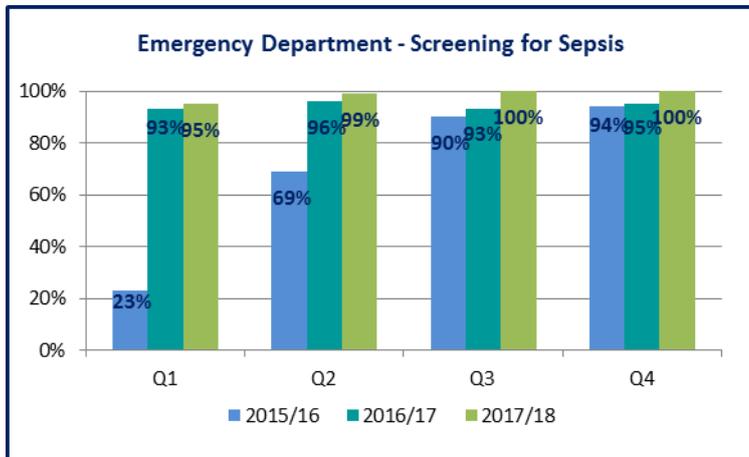
Source: Trust data

Sepsis is also part of the national Commissioning for Quality and Innovation (CQUIN) programme which focused on two elements in 2017-18.

1. The first standard relates to the screening of patients for sepsis within both the emergency admission and inpatient areas. (Monitoring the screening of patients for sepsis in inpatient settings was new for 2016-17)

During 2017-18 we have consistently achieved above the 90% CQUIN target for sepsis screening in the emergency admission areas - 100% (Q4 2017-18). Compliance with screening of inpatients is at 65% currently (Q4 2017-18). This has significantly improved over the year from 39% in the first quarter. However, we recognise there is further work to be done.

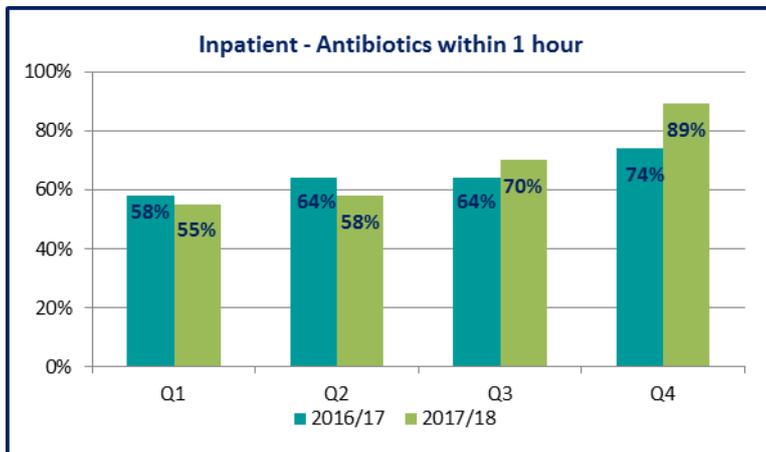
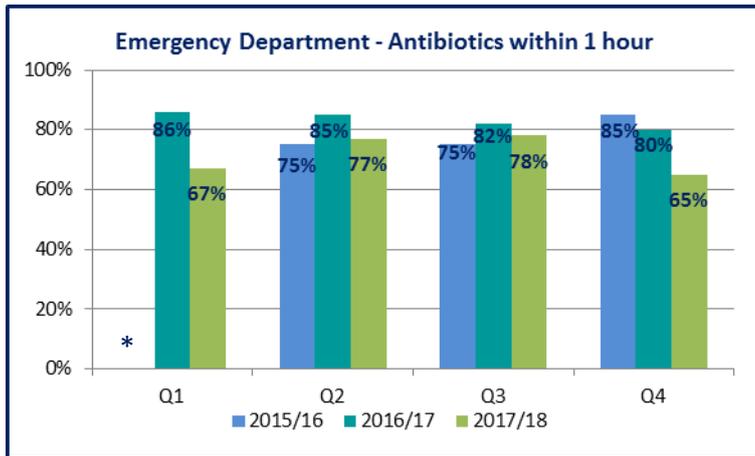
The graphs below show the improvements we have made in the screening of sepsis over the last three years.



Source: Trust data

2. The second standard sets out that patients who are diagnosed with severe sepsis within emergency admission and inpatient areas should receive antibiotics within one hour. (Monitoring the administration of antibiotics within one hour for sepsis in inpatient settings was new for 2016-17)

By the end of 2017-18 we have achieved 65% compliance with this element of the CQUIN in the Emergency Department and 89% in inpatient areas (Q4 2017-18). The following graphs show our performance with giving antibiotics within 1 hour in both settings.



Source: Trust data

*In 2015-16, review of antibiotics within 72 hours was measured

Actions we took to improve practice:

- Excellent representation at the sepsis groups to drive practice
- Continued training programme (included on Patient Safety update training) with targeted training sessions to relevant wards and stands at the “Clinical Skills Blitz” days
- Revised sepsis screening tool and care bundle launched across FHFT in November 2017 following the launch of the new NICE guidance
- Introduction of patient group directive (PGD) for first dose antibiotics for neutropenic sepsis in ED
- Safety thermometer on FPH site will be used to audit from February. This will enable Matrons and Sisters to review performance in real time. Matron audits have been in place for some time on the WPH site and have supported improvement
- All senior clinical staff asked to continue to emphasise the importance of screening, escalation where necessary and time critical antibiotics.

Next steps:

- Introduce a patient information leaflet about sepsis
- Provide additional clinically based practical skills training

- Continue with quarterly auditing.

Acute Kidney Injury

Acute Kidney Injury is a rapid loss of kidney function.

The national CQUIN for AKI was introduced in 2015-16 which focussed on the percentage of patients with AKI treated in an acute hospital whose discharge summary to their GP included each of the following four key items:

1. Stage of AKI (a key aspect of AKI diagnosis)
2. Evidence of medicines review having been undertaken (a key aspect of AKI treatment)
3. Type of blood tests required on discharge; for monitoring (a key aspect of post discharge care)
4. Frequency of blood tests required on discharge for monitoring (a key aspect of post discharge care)

AKI was not a CQUIN in 2017-18 but instead was monitored as part of the Quality Schedule. We chose to continue monitoring the four key elements set out above as per the CQUIN requirements in previous years.

The following table shows our performance against the AKI requirements over the last 3 years.

AKI Results				
	Q1	Q2	Q3	Q4
2015-16	26%	35%	60%	83%
2016-17	78%	81%	76%	76%
2017-18	82%	87%	78%	79%

Source: Trust data submitted as part of the CQUIN for 2015-2017 and then as part of the Quality Schedule for 2017-18

Over the course of 2017-18, the Trust has maintained steady compliance in the completion of the above information on patient discharge summaries, thus ensuring a safer transfer of care for our patients.

There has been a significant amount of work undertaken to ensure the correct information reaches the discharge summaries. This work has led to far more robust systems being implemented to identify, treat and manage AKI and, ultimately, has resulted in a positive impact on patients and their safety and care.

Good practice was identified in the following areas:

- Two band 7 nurses have been appointed for the deteriorating patient workstream and are supporting education in the clinical areas working alongside staff. This includes a focus on AKI
- AKI patient information leaflets have been distributed to all inpatient ward areas to inform patients and relatives/carers about kidney health awareness

- A “Clinical Skills Blitz” took place in April 2017 and AKI discharge was featured. These events are held regularly to raise awareness of clinical issues such as Sepsis, catheter care and pressure ulcer management
- Trainings sessions have been developed and delivered in a number of ways to junior doctors, ward teams, 1-1 sessions and Patient Safety Training days
- Both of the main hospital sites have Consultant Leads who are committed to driving this work stream forward
- Progress has been made to update and improve the e-learning module for staff across the organisation
- AKI bundles are easily accessible on all the wards. Wards are open to new initiatives and the bundles are displayed either in boxes, folders or wall mounted holders
- Wexham Park has developed excellent working relationships with a National Lead for AKI who supports and works alongside the team
- Wexham Park is also well supported by the Renal/Nephrology team from the Royal Berkshire Hospital, Reading with patient clinics and referral/review system Monday – Friday
- Frimley Park has opened a Renal Unit supported by four Renal Consultants on rotation from Epsom and St Helier
- The Trust is also working on a new e-discharge summary solution which will support enhanced communication of on-going care and treatment for patients with AKI to their GP’s.

Next steps:

- Introduce a FHFT AKI steering group
- Redesign the current FHFT AKI screening tool
- Continue with the education of AKI across the organisation for both medical and nursing staff
- Include as part of deteriorating patient day to provide clinically based practical skills training
- Education to incorporate Royal College of Emergency Medicine audit results into their local audit plan to drive improvements in practice
- Implement the new e-discharge summary solution which will support enhanced communication of on-going care and treatment for patients with AKI to their GP’s.

Priority 2: Good discharge planning, involving patients and their families and/or carers (Implementation of the National SAFER Discharge Bundle)

Frimley Health is committed to improving the safety and timeliness of discharges across all three of its hospitals. People’s physical and mental health, wellbeing and independence can decline sharply if too much time is spent in hospital, particularly as we get older. We have therefore worked with our community partners to ensure that patients are discharged home with appropriate on-going health and social support and do not experience unnecessary delays. The implementation of the SAFER bundle has meant that hospital and community staff can discuss with the patient and their families/carers, what actions will be taken to get them safely home as soon as possible.

Why we chose to monitor progress against this?

We received feedback from our patients that we were not getting the communication right when planning for discharge. The national programme SAFER aims to ensure that patients do not experience unnecessary delays in the hospital, being discharged home or to other care providers. The Trust felt that this would be a useful framework to further improve our community partnership working to ensure patients receive the best possible experience during what can be a confusing and perhaps worrying time.

Safer Discharge Bundle

Objective	Establish a baseline for the Safer Discharge Bundle in order to monitor and improve compliance with specific elements of the bundle
Action	Undertake an audit of the bundle and then re-audit
By when	March 2018
Outcome	See update below
Status	Achieved

The following actions were taken to implement the SAFER discharge bundle:

- Morning multi-disciplinary board rounds were introduced to discuss patient progress and agree all teams are working to ensure that patient can go home on the agreed expected date of discharge. Where the patient's progress is not as expected, the team will ensure that all necessary actions have been taken
- Discussions with the patient and their family/carers will take place as soon as possible after admission regarding the plan for getting them back home and transferring their care to a community provider if necessary
- A suite of reports have been developed to enable the ward staff to proactively manage safe and timely discharge
- Promote the use of the Trust's patient flow electronic system (ADT) to ensure accuracy of operational data that facilitates proactive discharge planning.

Discharge information

Objective	Monitor uptake of all wards that have been given access to the upgraded version of ADT
Action	Develop and review a quarterly progress report
By when	March 2018
Outcome	See update below
Status	Achieved

Over the last twelve months we have worked to:

- Embed the use of estimated discharge dates
- Undertake daily systematic review of patients with a length of stay of 7 days or longer to ensure they do not experience unnecessary delays

- Ensure ward staff are updating ADT when patients no longer need to be in a hospital environment and can be safely discharged home or to another community care provider
- Improve communication with patients to ensure morning discharges wherever possible.

Next steps:

The next step will be to work to further improve the flow of information between the wards and community partners. This will enable us to reduce the length of time between when a patient no longer needs to receive their care in a ward environment and their move to their new home where necessary or to return home.

Our latest National In Patient Survey results (2017) showed significant improvement in relation to discharge with patients reporting greater satisfaction with the information given to them regarding who to contact if they were worried about their condition or treatment after leaving hospital. This was one of 8 questions that were in the top 20% of Trusts nationally, up from 1 in 2016. Other question scores relating to discharge also showed improvement (see table below).

Question	FHFT Score	
	2016	2017
Did you feel you were involved in decisions about your discharge from hospital?	66%	73%
Were you given enough notice about when you were going to be discharged?	69%	75%
After leaving hospital, did you get enough support from health or social care professionals to help you recover and manage your condition?	64%	70%
When you left hospital, did you know what would happen next with your care?	67%	73%
Before you left hospital, were you given any written or printed information about what you should or should not do after leaving hospital?	65%	73%

Source: National Inpatient Survey 2016 & 2017, Patient Perspective

Patient Flow

Actions taken to improve discharges and patient flow over the year:

- Working with community partners to reduce social care delays – spot purchased additional capacity with winter money
- Reducing the numbers of medical outliers
 - Use of MDT team at the front door and within the Frailty Unit to turn patients around helped to reduce the number of patients being admitted
 - Increased capacity in Ambulatory Care Unit
 - GP out of hours appointment availability was increased
 - Additional Acute Medical Unit consultant in ED
 - Escalation areas opened helped to maintain flow and reduce the numbers of elective procedures being cancelled at short notice.
- Community colleagues worked together across the system – a ‘no barriers’ approach meant that capacity could be used flexibly

- Using Estimated Discharge Dates (EDDs) within ‘Spring to Green’ meant that community teams could identify patients that could be discharged more easily
- Establishing a ‘control room’ enabled rapid decision making and access to senior support for front line staff
- Additional Discharge to Assess capacity was spot purchased
- Enhanced Recovery at Home doubled their caseload and supported patients across multiple geographical areas. Additional Therapy post proved to be effective in supporting patients to return or remain at home
- Hospital staff volunteering to work on the wards in non clinical roles to support front line clinical staff was very helpful especially at weekends
- Embedding Care Assistant roles that support medical teams
- Social Care developed a Safe at Home programme during the snow, redeploying staff based on their home location rather than their usual place of work.

Training and education

Objective	Increase training and education in discharge planning
Action	Monitor the number of staff attending training programmes
By when	March 2018
Outcome	Total number of staff trained to date (Nurse in Charge masterclasses): FHFT = 684 (WPH = 299; FPH = 385)
Status	Achieved

The Nurse in Charge (NIC) competency was developed to ensure there was a focus on discharge planning. Masterclasses are held for the NIC which include sessions on patient flow/site management and handover.

Involving patients and/or carers in discharge planning

- 85% of patients feel that they and their family/carers were involved in planning for their discharge from hospital (82% in 2016-17)
- Developed list of patients who no longer need to receive their care in a hospital environment that is shared with community teams to facilitate timely and safe patient discharge
- The Integrated Referral & Information Service (IRIS) has been established that co-locates community teams within the hospital with the aim of improving the information flow and communication with community colleagues
- ‘Supporting Safe and Proactive Discharge’ was introduced as a national CQUIN in 2017-18. The aim has been to increase the number of patients who have been discharged to their usual place of residence within 3 to 7 days (applicable to patients aged 65 years and above). In order to achieve compliance with this CQUIN we have been mapping and streamlining existing discharge pathways across acute, community and NHS care home settings and roll out protocols in partnership across local whole systems. We will also deliver and agree with our commissioners a plan, baseline and trajectories to reflect the impact of the local initiatives that are agreed

- The Trustwide policy for the safe and timely discharge of patients was updated and implemented in May 2017. It is designed to ensure patients receive the right care in the right place at the right time, and that Trust staff understand their role and responsibilities when working with external health and social care partners. The policy recognises the importance of commencing the planning process at the earliest opportunity, identifying associated risks, involving the patient and their carers at all stages in the process.

Next steps:

- SAFER will focus on improving the timeliness and accuracy of data entered into Real Time
- Develop IRIS processes to expedite discharge for patients who have met their clinical criteria for discharge and further improve information flows between social care, community teams and the hospital.

Priority 3: Mental health within the non-specialist ward setting

Why we chose to monitor progress against this?

The number of incidents related to patients with mental health issues or who are confused or suffering with delirium has increased. Therefore, we are developing the skills and confidence of our staff by providing training in recognising and de-escalating challenging behaviours and ensuring that our patients have access to rapid specialist mental health assessment and treatment.

The Deputy Director of Nursing has established a multi-specialty and multi-agency Trustwide Acute Mental Health Crisis group to drive improvements. An improvement plan is in place based on the requirements of the Mental Health Concordat and the principles of Parity of Esteem.

The Frimley Health and Care STP places a strong focus on supporting good mental and physical health and will support our work around mental health and our local transforming care plans for people with learning disabilities. The delivery of the STP requires mental health and learning disabilities to be integrated throughout the plan.

System-wide working

Objective	Continue working with colleagues from across the STP footprint, focusing on the four areas of mental health
Action	Develop and deliver improvements in prevention and self-care, support workforce, integrated care and decision making hubs, and GP transformation
By when	March 2018
Outcome	See update below
Status	On-going / in progress

Prevention and self-care:

- We are working with our fellow acute trusts and Surrey and Borders Partnership Trust (SABPT) to develop and deliver management plans to reduce the attendances of patients with mental health needs to ED
- We have already achieved a significant reduction in ED attendance for patients with mental health concerns on both sites by establishing multi-disciplinary team patient management plans (Of the targeted patients who were placed on MDT management plans there has been a 62% reduction in admissions at FPH and a 52% reduction in admissions at WPH)
- Recruited two paediatric Mental Health Liaison nurse specialists for FPH based in ED and on the paediatrics ward. Their role is to coordinate CAMHS care, perform assessments, provide specialist advice and support for non-specialist staff and expedite transfer to level 1 care where appropriate. Staff at WPH have access to specialist advice and support via their onsite psychiatric liaison team. Staff at WPH have access to specialist advice and support via their onsite psychiatric liaison team
- Started linking in with the Very High Intensity Users Service Lead at Guildford & Waverley CCG as another source of sharing plans.

Support workforce:

- We have introduced an awareness DVD to build staff confidence in managing challenging behaviours and will be incorporated into the Patient Safety training programme
- Emotional resilience training offered to staff in ED
- Analysis of incidents relating to challenging behaviours is reviewed at the Acute Mental Health Crisis group monthly and is helping to better inform the areas that need further support
- Developed and implemented a 1:1 Engagement Policy and risk assessment tool to identify and provide appropriate targeted support for patients.

Integrated care and decision making hubs:

- Psychiatry M&M meetings continue, chaired by the Lead ED Consultant for Mental Health
- Communication on the STP mental health work with fellow system partners is in progress.

GP transformation:

Communication on the STP mental health work with fellow system partners is in progress.

Monitoring incidents

Objective	Monitor the number of incidents relating to challenging behaviour in patients with either mental health concerns or who are experiencing periods of confusion
Action	Monitor the number of incidents, identify and act on key themes and issues
By when	March 2018
Outcome:	Monthly reports are produced and reviewed at the Acute & Mental Health Crisis group. Data includes incidents relating to challenging behaviour, themes are identified and training/education is then tailored accordingly
Status	Achieved

Our aim has been to stimulate an increase in reporting of incidents relating to challenging behaviour and absconding patients by encouraging staff to report every incident.

The table below shows the numbers of incidents for the year relating to absconding patients and patients with challenging behaviour.

	Absconding patients		Challenging behaviour	
	2016-17 baseline (FHFT)	2017-18 YTD (Jan 2018)	2016-17 baseline (FHFT)	2017-18 YTD (Jan 2018)
FHFT	138	109	443	489

Source: Data extracted from the Trust's incident reporting system

Training effectiveness

Objective	Ensure all relevant staff in high-risk areas receive appropriate training
Action	Measure the number of staff trained Training to include: <ul style="list-style-type: none"> • Working in conjunction with Broadmoor • Development of training DVD
By when	March 2018
Outcome	<ul style="list-style-type: none"> • Soft escalation training completed at Broadmoor: 36 staff members • Maybo level 3 training completed by all security personnel • MH within acute setting training completed by ward leads • Rapid tranquilisation: 20 (Consultants) • Management of Disturbed behaviour (FPH): 40 staff (Matrons and senior nurses) • DVD filmed and ready to roll out
Status	On-going / in progress

- Specific training has been delivered around soft-escalation in conjunction with Broadmoor team. 36 members of staff trained so far in 2017-18
- Specialist training has also been delivered on appropriate enhanced restraint for all security staff

- Funding (£17k) to provide specialist 'Maybo' training for the Security Teams across all 3 sites focusing on specialist techniques in de-escalation and restraint specifically include Paediatrics. Maybo level 3 training has been completed by all security personnel in 2017-18. Some nursing staff will also be attending this training to support developing a supportive MDT approach
- For clinical staff, we have provided training on the physical and behavioural management of patients with challenging behaviour
- Filmed managing challenging behaviours video with introduction from the Director of Nursing to raise awareness of de-escalation techniques and MDT roles and responsibilities
- Roll out of awareness programme being developed. Aim to deliver awareness sessions to key ward staff, security and doctors by the end of February 2018
- Risk assessment tool in place to ensure the appropriate identification of need and use of 1:1 engagement care
- Developed '7 questions' framework that describes the information that should be given to the security team whenever they are required to provide assistance to clinical staff.

Next steps:

- Roll out managing challenging behaviours video for all staff
- Develop and roll out simulation training for staff to practice management techniques and encourage promote understanding of MDT roles
- Standardise rapid tranquilisation policy cross-site
- Cross site peer review focussed on mental capacity, Deprivation of Liberty (DOLs), safeguarding and care of patients with learning disabilities.

Quality priorities for improvement in 2018-19

The Trust's quality improvement strategy 2017-20 outlines the number of projects which we will be focussing on in the coming years. We would however, like to highlight the following pieces of work as key priorities for 2018-19. For all our priorities, we will ensure that measurable outcomes are reported in the Quality Account for 2018-19.

The quality priorities for the coming year have been guided by our performance over the previous year and the areas of performance that did not meet the quality of standard to which we aspire. Finally, we have been mindful of quality priorities at national level as evidenced in recent government publications. Through this process, we have identified the following priorities:

Priority 1: Reducing preventable deaths by learning from mortality reviews

Why we chose this as a priority for the coming year?

One of our main aims, through the quality improvement strategy, is to maintain our low mortality rates, establish the incidences of potentially preventable deaths and implement improvements in care as a result of the mortality reviews.

At Frimley Health we carry out mortality reviews of patient deaths that happen while patients are in our care. We implement a consistent process to ensure any opportunity to learn from these events is identified. This underpins our commitment to becoming one of the safest acute Trusts in the UK. The learning from these reviews helps to identify areas where more focus and attention is needed in order to further reduce harm and premature death. The Mortality Review Group oversee shared learning to ensure that the organisation as a whole can learn from these reviews.

The Mortality Surveillance Group also oversee all work relating to mortality and morbidity reduction, ensuring participation in national reviews of learning disability deaths, and solidifying our commitment to the right place of care and end of life quality standards for those patients who are expected to die.

How will we monitor and report progress?

- We will continue to measure and report on the number of preventable deaths
- We will focus more on reporting the quality of care in our trust using the National Mortality Case Record Review Programme (NMCRRP) Structured Judgement Review (SJR) Tool.
- We will continue to share the outcomes of the in-depth 'preventable' death reviews across the organisation
- We will focus on the following key areas that have been identified via the mortality reviews:
 - Recognition and management of patients requiring alcohol withdrawal intervention
 - Recognition and management of patients with learning disabilities
 - Management of the frail elderly, particularly around medication reviews, pain presenting as confusion and the risk of unrecognised fractures.

The above themes will be monitored through the serious incident and mortality review process where we will be able to identify any failings in care

- Monitoring the progress of agreed improvement plans will continue to be undertaken
- We will continue to monitor mortality indicators to ensure that they remain aligned or better than the national expected range

Priority 2: Pressure ulcer prevention – to reduce the total number of pressure ulcers by a minimum of 10% during 2018-19

Why we chose this as a priority for the coming year?

It is estimated that just under half a million people in the UK will develop at least one pressure ulcer in any given year.

Pressure ulcers (also known as pressure sores or bedsores) are injuries to the skin and underlying tissue, primarily caused by prolonged pressure on the skin. They can happen to anyone, but usually affect people confined to bed or who sit in a chair or wheelchair for long periods of time.

We have seen a steady increase in hospital acquired pressure ulcers over the last year. Developing a pressure ulcer can be devastating for a patient and their families and can lead to further complications.

How will we monitor and report progress?

- By improving the early recognition and reporting of pressure ulcers
- By proactively reporting grade 1 and 2 pressure ulcers
- By improving the process of local review of pressure ulcers at ward level led by the ward sisters
- By monitoring incidences of grade 2, 3 and 4 using a new incident reporting and patient safety system
- By increasing education and awareness through ward road shows and patient safety training

Priority 3: Improving written and verbal communication for patients and engagement

Patient, family and carer experience is at the heart of everything we do at Frimley Health. The work we do aims to ensure we deliver what matters most to our patients, their families and carers. Teams within our hospitals are continually working to develop improvements based around patient feedback to help improve patients' experience and built pathways that reflect the clinical needs and improve our patient's experience

Why we chose this as a priority for the coming year?

Following initial review of the National Inpatient Survey results it is evident that we need to undertake a targeted approach in specific areas in order to improve the experience of our patients. A review of our internal inpatient survey questions has also suggested targeted areas for improvement. For example, the patients reported issues related to mixed sex accommodation in the Trust.

We will aim to respond to 85% of all our complaints on time. As a Trust we averaged at responding to 45% of all complaints. In 2018-19 the complaint team focused on ensuring that the quality of responses improved. Every Complaint is considered and focus given on resolution with openness, transparency and with the patient and their relatives central to the process taking into consideration their needs and requests. Whether that resolution takes place in a meeting between service users and staff members, by telephone directly with the treating clinicians or by providing a written response to any concern raised, our aim is always to focus on our on-going commitment towards service improvement and treating each patient and their relatives as we would treat our own friends and family.

Our complaint principles are:

- Getting it Right
- Acting Fairly and proportionately
- Putting things right
- Being customer focused
- Being open and accountable
- Seeking continuous improvements.

The Trust will continue to expand our dementia friendly environments/services and development of our frailty units on both of the acute sites.

Each year the number of people living with dementia is growing and the number is expected to double during the next 30 years. It is estimated that over 40% of people aged over 65 in general hospitals have a dementia diagnosis or a cognitive impairment. Being in an unfamiliar environment such as a hospital can be frightening and distressing and can reduce the person's level of independence.

Research has shown that ten days of bed rest in hospital (acute or community) leads to the equivalent of 10 years of aging in muscles of people over 80 (Kortbein et al 2004 Journal of Gerontology.) It is this reason that Frimley Health is part of the national campaign to get patients up, dressed in their own clothes and moving to aim recovery. The Trust will continue with the principles beyond the National campaign.

The implementation of a cross site Patient Experience Group and Complaints Forum will ensure a clear strategy is in place to demonstrate effective patient centred care across all of our hospitals. These cross site forums will continue to monitor processes to improve the service user experience based on feedback to and from patients, carers and relatives.

How will we monitor and report progress?

- We will focus on the following areas highlighted by patients in the national inpatient survey as requiring improvement:
 - mixed sex accommodation

- noise at night from other patients
- nurses inappropriately talking in front of patients
- help with personal hygiene
- worries and fears

Monitoring will occur with the local patient surveys and FFT. Improvements will be reflected in the number of responses in the top quartile of the national inpatient survey in 2018

- We will improve accommodation in a number of our clinical areas in the next six months and we will ensure that our new builds are compliant with the mixed sex accommodation standards
- We will improve our responsiveness to complaints and demonstrate our learning from complaints in the Trust
- We will increase the number of dementia friendly clinical areas and increase the provision of more activities for our patients. We recognise that deconditioning in hospital of older patients can cause harm and we are committing as a Trust to the #endPjparalysis principles of getting patients dressed when appropriate and enabling them to mobilise
- We will increase the patient voice in the Trust by the development of the Frimley Health User Groups related to our new builds and our existing services.

Statements of assurance from the Board

Review of services

During 2017-18, Frimley Health NHS Foundation Trust provided and/or sub-contracted services for 8 categories of healthcare provision¹.

Frimley Health NHS Foundation Trust has reviewed all the data available to it on the quality of care in all 8 healthcare provision categories.

The income generated by the relevant health services reviewed in 2017-18 represents 100% of the total income generated from the provision of relevant health services by Frimley Health NHS Foundation Trust for April 2017 – March 2018.

Participation in clinical audits

During 2017-18, 39 national clinical audits and five national confidential enquiries covered relevant health services that Frimley Health NHS Foundation Trust provides.

During that period Frimley Health NHS Foundation Trust participated in 100% of the national clinical audits and 100% of the national confidential enquiries which it was eligible to participate in and were open for data collection.

The table on the following pages show:

- The national clinical audits and national confidential enquiries that Frimley Health Foundation Trust was eligible to participate in during 2017-18
- The national clinical audits and national confidential enquiries that Frimley Health Foundation Trust participated in during 2017-18
- The national clinical audits and national confidential enquiries that Frimley Health NHS Foundation Trust participated in, and for which data collection was completed during 2017-18, are listed in the table, 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.

¹ It is surprisingly difficult to accurately define the services we provide into individual services as there are many cross overs and a holistic view of service provision is what we are aiming for.

National Clinical Audit/ Enquiry	Eligible	Participated	% of cases submitted
Acute			
Case Mix Programme (CMP) Intensive Care National Audit & Research Centre (ICNARC)	✓	✓	100%
National Emergency Laparotomy Audit (NELA)	✓	✓	FPH 89.4% WPH 100%
National Joint Registry (NJR)	✓	✓	FPH 98% WPH 97%
Major Trauma (Trauma Audit & Research Network (TARN)	✓	✓	FPH 86.8% WPH 83.1%
National Comparative Audit of Blood Transfusion programme	✓	✓	100%
Serious Hazards of Transfusion (SHOT): UK National haemovigilance scheme	✓	✓	100%
RCEM Fractured Neck of Femur	✓	✓	100%
RCEM Pain in Children	✓	✓	100%
RCEM Procedural Sedation	✓	✓	100%
Cancer			
Bowel Cancer (NBOCAP)	✓	✓	FPH 63% WPH 118%*
Lung Cancer (NLCA)	✓	✓	FPH 59% WPH 100%
Prostate Cancer	✓	✓	WPH 100%
Oesophago-gastric Cancer (NAOGC)	WPH only	WPH only	WPH 98%
National Audit of Breast Cancer in Older Patients (NABCOP)	✓	✓	Trust does not directly submit data. NABCOP uses existing sources of patient data collected by national organisations e.g. NCRAS
Heart			
Acute coronary syndrome or acute myocardial infarction (MINAP) public report analysis	✓	✓	100%
Cardiac Rhythm Management (CRM)	✓	✓	100%
Coronary Angioplasty PCI	✓	✓	100%
National Cardiac Arrest Audit (NCAA)	✓	✓	100%
National Heart Failure Audit	✓	✓	100%
Long Term Conditions			
Diabetes National Inpatient Audit	✓	✓	FPH 100% WPH 90.1%
Diabetes (Paediatric) (NPDA)	✓	✓	Data submission for 2017-18 due to end in June 2018
Inflammatory bowel disease (IBD) programme	✓	WPH only	FPH Database has now been procured and data submission will begin in

National Clinical Audit/ Enquiry	Eligible	Participated	% of cases submitted
			2018-19 WPH 100%
National Chronic Obstructive Pulmonary Disease (COPD) Audit Programme	✓	✓	100%
UK Parkinson's Audit	✓	✓	100%
Medical and Surgical Clinical Outcome Review Programme (NCEPOD)			
Acute Heart Failure	✓	✓	This study is still open and the figures have not been finalised
Cancer in Children, Teens and Young Adults	✓	✓	This study is still open and the figures have not been finalised
Pulmonary Embolism	✓	✓	This study is still open and the figures have not been finalised
Perioperative Diabetes	✓	✓	This study is still open and the figures have not been finalised
Child Health Clinical Outcome Review Programme (NCEPOD)			
Young People's Mental Health	✓	✓	This study is still open and the figures have not been finalised
Older people			
Falls and Fragility Fractures Audit Programme (FFFAP): Inpatient Falls	✓	✓	100%
Falls and Fragility Fractures Audit Programme (FFFAP): National Hip Fracture Database	✓	✓	100%
Sentinel Stroke National Audit Programme (SSNAP)	✓	✓	FPH 156%* WPH 84.5%
Other			
Elective Surgery (National PROMs Programme)	✓	✓	Apr-Sep 2017** Groin hernia 88 Varicose vein 11 Hip replacement 1 Primary HR 1 Revision HR 0 Knee replacement 9 Primary KR 4 Revision HR 0
National Ophthalmology Audit	FPH only	FPH only	FPH 88.1%
National Vascular Registry	FPH only	FPH only	FPH estimated 100% (deadline May 2018)
Endocrine and Thyroid National Audit	WPH only	WPH only	FPH n/a patients treated at Royal Surrey Hospital WPH 100%

National Clinical Audit/ Enquiry	Eligible	Participated	% of cases submitted
Learning Disability Mortality Review Programme	✓	✓	100%
National Audit of Dementia	✓	✓	100%
BAUS Nephrectomy Audit	FPH only	FPH only	FPH 100%
BAUS Percutaneous Nephrolithotomy	✓	✓	100%
BAUS Stress Urinary Incontinence Audit	✓	✓	100%
Women's and Children			
Maternal, Newborn and Infant Clinical Outcome Review Programme (MBRRACE-UK)	✓	✓	100%
Neonatal Intensive and Special Care (NNAP)	✓	✓	100%
National Maternity and Perinatal Audit (NMPA)	✓	✓	100%

*The actual number of cases submitted is higher than the expected number of cases.

**Data extracted from NHS Digital HSCIC February 2018 provisional report.

National clinical audit

The reports of 35 national clinical audits were reviewed by the provider in 2017-18 and Frimley Health NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided:

National Clinical Audit	Actions Undertaken/Planned
National Heart failure audit (NICOR)	<ul style="list-style-type: none"> • Employed a second heart failure nurse specialist • Started a heart failure MDT • Opened the diuretic lounge for every day outpatient treatment and admission prevention • 2 specialist nurse clinics each week and 1 consultant clinic each week at FPH • A new referral pathway for HF diagnosis so patients are seen within 2 weeks of referral • Plan to improve data entry to reduce time taken to enter data.
Sentinel Stroke National Audit Programme (SSNAP)*	<ul style="list-style-type: none"> • Improved discharge planning process • Improved continence care plans • Improved data collection • Increased Occupational Therapy and Physiotherapy service to 6 day working with an aim to move to 7 day working • Increasing the number of trained nurses to carry out swallowing assessment.

National Clinical Audit	Actions Undertaken/Planned
Falls and Fragility Fractures Audit Programme (FFFAP) – National Hip Fracture Database	<ul style="list-style-type: none"> • Regular multidisciplinary team meetings twice a week • Breach time on the trauma board and review of all the breaches of the Best Practice Criteria • Implementation of a warfarin reversal protocol • The creation of new guidelines for the Pre-Op management of patients admitted on DOAC to create a fast track system for patients admitted with a neck of femur fracture from the A&E Department • A new proforma for the collection of surgical technical data has been implemented to improve the figures of patients receiving the correct surgical procedure according to NICE guidelines.
Case Mix Programme (CMP) Intensive Care National Audit & Research Centre (ICNARC)	<ul style="list-style-type: none"> • Whole systems discharge work stream in place to support hospital flow and discharge earlier from ICU • New Medical Acute Dependency Unit at Wexham Park.
Neonatal Intensive and Special Care (NNAP) – 2017	<ul style="list-style-type: none"> • Frimley Park achieved excellent compliance with ensuring all babies with a gestational age at birth <32+0 weeks or <1501g at birth born at Frimley Park Hospital undergo first Retinopathy of Prematurity (ROP) screening in accordance with the current national guideline recommendations.

Local clinical audit

The reports of 230 local clinical audits were reviewed by the provider in 2017-18 and Frimley Health NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided:

Local Clinical Audit	Actions taken/ planned
Documentation of postnatal follow up on discharge for GDM, Type 1 and Type 2 DM, PET and OC	<ul style="list-style-type: none"> • Teaching of new doctors at induction has already taken place • Teaching at midwifery update day pending • Poster with all the relevant information for follow up already displayed in the clinical areas.
Gastroenterology: Upper Gastro-intestinal bleeding in Adults (Wexham Park Hospital)	<ul style="list-style-type: none"> • Sensitised clinical teams on use of risk assessment tool • Plan to adopt an institutional based user-friendly risk assessment tool • Reviewed local based guidelines on PPIs use before endoscopy • Plan for a 24/7 endoscopy team to ensure 100% of endoscopies are done within 24 hours on hemodynamically stable patients.
ED Trauma Team: Activation and Attendance (Wexham Park Hospital)	<ul style="list-style-type: none"> • Compulsory sign in of all staff attending trauma call even if they are being stood down– team leader to allocate scribe to carry this out • ED consultant/middle grade/nurse to complete pre-hospital information prior to patient arrival and to brief attending specialties & activate others as necessary • Criteria for trauma call activation to be readily available next to ‘red phone’

Local Clinical Audit	Actions taken/ planned
	<ul style="list-style-type: none"> Trauma booklet must be used for every trauma call, even if stating on the front sheet that trauma call was inappropriate on initial patient assessment (specialties attendance still to be documented).
An audit of prescription and monitoring of Gentamicin on the Postnatal Ward (Wexham Park Hospital)	<ul style="list-style-type: none"> Created and displayed posters on the maternity wards to encourage good antibiotic prescription and administration on the units Transitional care unit has been formed on the postnatal ward in order to keep babies on antibiotics focused in the same area Plan to re-audit the data from March to April to see if any improvement in administration has occurred.
Fracture Clinic Services (Frimley Park)	<ul style="list-style-type: none"> Guidelines from the British Orthopaedic Association state every patient with an acute traumatic orthopaedic injury should be seen in a fracture clinic within 72 hours of presenting with the injury To achieve this standard, a virtual fracture clinic is being set up in early 2018. This will enable a multidisciplinary team to conduct a time review of each case and prevent patients with fractures having to make trips to hospital that may result in a referral back to their GP.
Dietetic On-Call Service at Weekends (Frimley Park Hospital)	<ul style="list-style-type: none"> Service changed to deliver an out of hours service from 08:30 to 12:30 at weekends and bank holidays – reduction in hours has reduced costs whilst service still being available at peak times.

Participation in clinical research

The number of patients receiving relevant health services provided or sub-contracted by Frimley Health NHS Foundation Trust in 2017-18 that were recruited during that period to participate in research approved by a research ethics committee was 1934.

Participation in clinical research demonstrates Frimley Health NHS Foundation Trust's commitment to the quality of care we offer and to making our contribution to wider health improvement.

Frimley Health NHS Foundation Trust was involved in conducting 237 clinical research studies in 22 medical specialties (Anaesthetics; Cancer; Cardiology; Colorectal; Dermatology; Diabetes; Emergency Care; Haematology; ENT; Gastroenterology; Intensive Care; Neurology; Nursing; Obstetrics & Gynaecology; Oncology; Ophthalmology; Orthopaedics; Paediatrics; Respiratory; Stroke; Urology & Vascular) during 2017-18.

Commissioning for Quality and Innovation (CQUIN) payment framework

A proportion of Frimley Health NHS Foundation Trust income in 2017-18 was conditional upon achieving quality improvement and innovation goals agreed between Frimley Health NHS Foundation Trust and any person or body it entered into a contract, agreement or arrangement with for the provision of relevant health services, through the Commissioning for Quality and Innovation payment framework.

Further details of the agreed goals for 2017-18 and for the following 12 month period are available electronically at: <https://www.fhft.nhs.uk/about-us/publications>

During 2017-18, Frimley Health NHS Foundation Trust recovered income of £10,430,074² as a result of achieving the quality improvement and innovation goals through the Commissioning for Quality and Innovation (CQUIN) payment framework.

The associated CQUIN payments received in 2016-17 was £9,482,000.

Statement from the Care Quality Commission (CQC)

Frimley Health NHS Foundation Trust is required to register with the Care Quality Commission and its current registration status is unconditional.

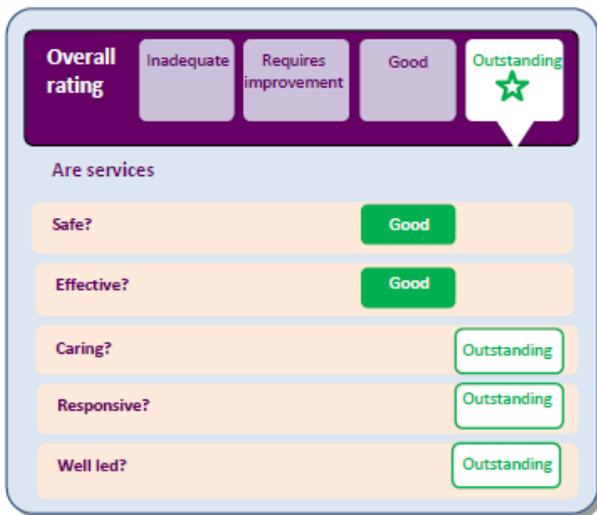
The Care Quality Commission has not taken enforcement action against Frimley Health NHS Foundation Trust during 2017-18.

Frimley Health NHS Foundation Trust has not participated in any special reviews or investigations by the Care Quality Commission during the reporting period.

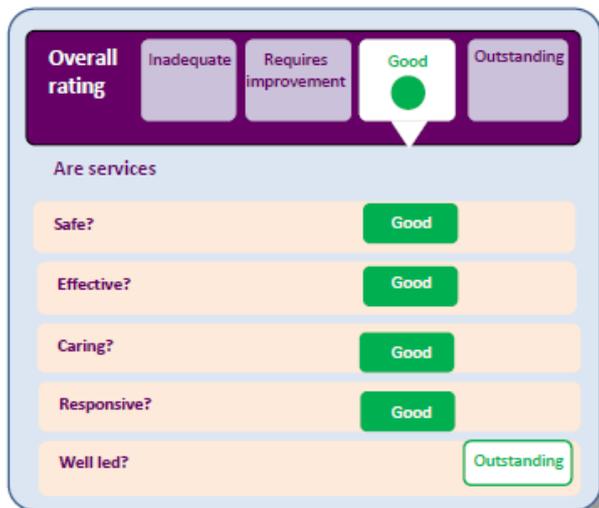
Following the CQC Inspection at Wexham Park Hospital in October 2015 when a number of recommendations were made, an action plan was developed to address these. All the actions identified have been completed and have been subject to a CQC Process & Registration audit by TIAA Internal Audit for which the Trust received 'substantial assurance'.

² CQUIN data for Q4 is only due to be signed off at the end of May 2018. However, for forecasting, we are using 88%. We are likely to exceed 88%, but as we have year-end deals with our biggest providers, the CQUIN income is capped. Actual income for M12 - first cut at 88% is £10,430,074. Marginal Rate excluded (if any impact), other challenges not added into our finance system i.e. procedures of limited clinical value etc.

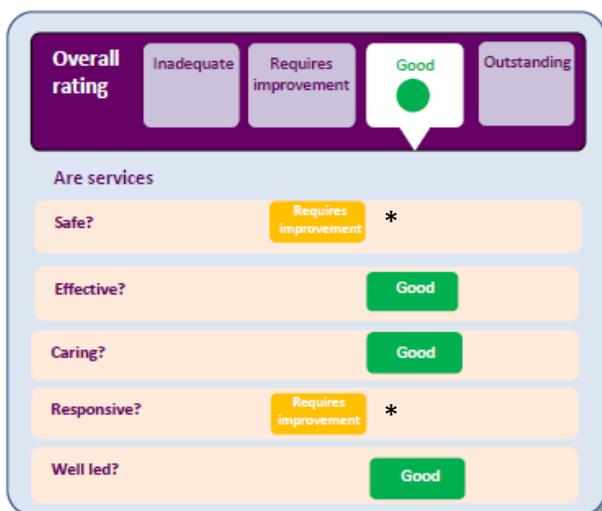
Frimley Park Hospital (August 2014):



Wexham Park Hospital (October 2015):



Heatherwood Hospital (February 2014):



*An action plan was developed following the inspection which specifically addressed incident reporting and improvements to the booking system.

Data quality

Clinicians and managers require ready access to accurate and comprehensive data to support the delivery of high quality care. Improving the quality and reliability of information is therefore a fundamental component of quality improvement. At Frimley Health NHS Foundation Trust we monitor the accuracy of data in a number of ways including a monthly data quality review group, coding improvement and medical records improvement groups.

NHS number and General Medical Practice Code Validity

Frimley Health NHS Foundation Trust submitted records during 2017-18 to the Secondary Uses Service (SUS) for inclusion in the Hospital Episode Statistics which are included in the latest published data. Frimley Health NHS Foundation Trust continues to submit data to SUS based upon the respective sites.

The percentage of records in the published data which included the patient's valid NHS number was:

- 99.5% for admitted patient care;
- 99.9% for outpatient care; and
- 98.1% for accident and emergency care.

The percentage of records in the published data which included the patient's valid General Medical Practice Code was:

- 100% for admitted patient care;
- 99.9% for outpatient care; and
- 99.9% for accident and emergency care.

Frimley Health NHS Foundation Trust will be taking the following actions to improve data quality: Continue to identify areas of activity that have not yet been captured on electronic systems or where activity is incomplete, to ensure accurate recording of patient activity and to retrieve appropriate income.

- Continue to meet on a monthly basis at operational and strategic levels to raise and address new areas of concern with regards to data quality
- Continue with recruitment and training plans for the clinical coding team to ensure coding is appropriately detailed, accurate and complete
- Work with the training team of the electronic data capture systems to ensure that users know how to record telephone non-face-to-face patient appointments
- Work with the operational teams to improve the recording of responsible consultant on Trust systems
- Work to raise awareness amongst operational staff, both clinical and non clinical, that data recorded on trust systems must be accurate, complete and timely
- Continue to develop the Data Quality Champions Group so that data quality issues are raised and corrected
- Continue with the development of 'Qlikview' dashboards which provide increased transparency of data capture and data quality issues

- Improve NHS number capture and start a project to merge duplicate patient records in preparation for the merging of patient administration systems.

Information Governance Toolkit attainment levels

The Information Governance Toolkit (IGT) provides an overall measure of the quality of data systems, standards and processes. The score a Trust achieves is therefore indicative of how well it has followed guidance and good practice.

The Frimley Health NHS Foundation Trust Information Governance Assessment Report overall score for 2017-18 was 73% and was graded as **'satisfactory'**.

Clinical coding error rate

Frimley Health NHS Foundation Trust **was not** subject to the Payment by Results clinical coding audit during the reporting period by the Audit Commission³.

Learning from deaths

During 2017-18 3,498 of Frimley Health NHS Foundation Trust patients died. This comprised the following number of deaths which occurred in each quarter of that reporting period:

- 853 in the first quarter;
- 744 in the second quarter;
- 848 in the third quarter;
- 1,053 in the fourth quarter.

By the end of March 2018, 3,498 case records had been screened and 578 investigations⁴ (formal reviews by owning directorate) had been carried out in relation to 3,498 of the deaths included above.

In 578 cases a death was subjected to both a case record review and an investigation. The number of deaths in each quarter for which a case record review and investigation was carried out was:

- 204 in the first quarter;
- 142 in the second quarter;
- 142 in the third quarter;
- 90 in the fourth quarter *[Fourth quarter data is subject to change due to the 12 week review period permitted to complete the reviews]*

22 deaths representing 0.9% of the total inpatient deaths during the reporting period were judged to be more likely than not to have been due to problems in the care provided to the patient.

³ **NHS Improvement comment from the detailed requirements:** References to the Audit Commission are now out of date because it has closed. From 2014 responsibility for coding and costing assurance transferred to Monitor and then NHS Improvement. From 2016-17 this programme has applied a new methodology and there is no longer a standalone 'costing audit' with error rates as envisaged by this line in the regulations. It is therefore likely that providers will be stating that they were not subject to "the Payment by Results clinical coding audit" referred to above during 2017-18.

⁴ The term 'investigation' is mandated in this section by NHSI. However, the Trust would refer to these as deeper mortality reviews.

These cases were either identified at screening, specialty deeper mortality review or reported as a Serious Incident. All of these cases were reviewed under the Serious Incident Review Framework and the judgement of being more likely due to a problem in care was made by senior clinicians not involved in the care of that patient

In relation to each quarter, this consisted of:

- 8 representing 0.9% for the first quarter;
- 8 representing 1.1% for the second quarter;
- 6 representing 0.7% for the third quarter;
- *Fourth quarter data is not yet available due to the 12 week review period permitted to complete the reviews.*

These numbers have been estimated using the National Mortality Case Record Review Programme (NMCRRP) Structured Judgement Review (SJR) Tool.

What have we learnt?

A number of common themes emerged from mortality reviews during 2017-18:

- Prevention of falls
- Recognition and management of Alcohol Withdrawal
- Recognition of, and response to, the Deteriorating Patient
- Decision making around end of life and DNACPR decisions
- Others
 - NG tube placement
 - Drug administration in patients who are nil by mouth
 - Pain presenting as confusion in the frail elderly
 - Risk of unrecognised fractures in the frail elderly
 - Early recognition of necrotising fasciitis.

What have we changed?

- The learning and key messages from the mortality review group is circulated to all staff to increase awareness of the findings from mortality reviews
- Implementation of a Trustwide falls prevention initiative with a falls lead nurse on both sites
- Education programme rolled out regarding the management of alcohol withdrawal – guidelines are available on the intranet
- The deteriorating patient workstream continues, the emergency response team to NEWS calls is well established and there is regular training for nurses and doctors. There are lead nurses and doctors on both sites who educate staff.
- Parkinson's nurses in place on both sites to help with alternate routes of drug administration in these complex patients.

What are our current initiatives?

- Currently delivering consultant training in the use of the Structured Judgement Review (SJR) method developed by the Royal College of Physicians
- Use of web based platform to analyse findings from mortality reviews
- Full time Mortality Review Lead nurse in post
- We contribute to the Academic Health Science Network (AHSN) Mortality Review Group
- An STP Mortality Review Group is being established
- Considering the Medical Examiner Role within the Trust.

The actions and changes in practice we have described above have reinforced the patient safety and serious incident review processes and have confirmed the themes that had already been identified as part of the serious incident review process. Therefore, the mortality review process has given the Trust assurance and visibility of the way in which we are caring for our patients.

There were no case record reviews and no investigations completed after April 2017 which related to deaths which took place before the start of the reporting period.

Nil deaths representing 0% of the patient deaths before the reporting period, are judged to be more likely than not to have been due to problems in the care provided to the patient. This is because we already had a mortality review process in place on a rolling programme. This number has been estimated using the National Mortality Case Record Review Programme (NMCRRP) Structured Judgement Review Tool.

Nil deaths representing 0% of the patient deaths during 2016-17 are judged to be more likely than not to have been due to problems in the care provided to the patient.

Reporting against core indicators 2017-18

Since 2012-13, NHS foundation trusts have been required to report performance against a core set of indicators using data made available by NHS Digital. The following table shows our performance for the last three reporting periods and, where the data is made available by NHS Digital, a comparison with the national average and the highest and lowest performing trusts is given. However, it is not always possible to provide the national average and best and worst performers for some indicators due to the way the data is provided.

It is important to note that, whilst these indicators must be included in the Quality Report, the most recent national data available for the reporting period is not always for the most recent financial year. Where this is the case, the time period used is noted underneath the indicator description.

The data has been combined for Frimley Health NHS Foundation Trust where possible. However, for some of the indicators, data for Frimley Park Hospital and Heatherwood and Wexham Park Hospitals are shown separately due to the timeframes for reporting which were pre-acquisition. Full-year data is presented for Frimley Health NHS Foundation Trust.

Domain	Indicator	2017-18	National Average	Best Performer	Worst Performer	Trust Statement	2016-17	2015-16
<p>Preventing People from dying prematurely</p> <p>Enhancing quality of life for people with long-term conditions</p>	Summary Hospital-level Mortality Indicator (SHMI) value and banding	SHMI value= 0.888 SHMI banding 3 Value is 'lower than expected' (Jul 2016 – Jun 2017)	1.00 As expected	0.7261	1.2277	<p>Frimley Health NHS Foundation Trust considers that this data is as described for the following reasons. FHFT has robust processes in place for clinical coding and review of mortality data. Therefore, we are confident that the data is accurate.</p> <p>Frimley Health NHS Foundation Trust has taken the following actions to improve this rate, and so the quality of its services, by:</p> <ul style="list-style-type: none"> Developing a Trust-wide morbidity and mortality (M&M) process to oversee, monitor, review and report on the findings of the Specialty M&M reviews. Trust M&M review group chaired by a consultant patient safety lead on behalf of the Medical Director. The clinical issues identified through the M&M review process inform a number of safety work-streams and progress against these are monitored through the Trust Quality Committee, chaired by the Medical Director. The Medical Director subsequently provides assurance to the Board. Ensuring well-established M&M groups in each main hospital site with identified chairpersons. Using learning and sharing best practice as a key driver for improving quality across our three main sites. Two consultant leads for M&M coordinate the work and improvements across the Trust for the Medical Director. This work includes review of the M&M and Copeland's Risk Adjusted Barometer (CRAB) data and reports in to the Quality Committee with assurance via the Medical Director. As part of the national initiative to prevent avoidable deaths, we have a review process to investigate deaths within the Trust. 	0.938 As expected	0.938 As expected
	% Percentage of deaths with either palliative care specialty or diagnosis coding	48.6% (Jul 2016 – Jun 2017)	31.2%	58.6%	11.2%	<p>Frimley Health NHS Foundation Trust considers that this data is as described for the following reason. The Trust has a very well established Palliative Care Team, who provides care to patients in all areas of the hospital.</p> <p>Frimley Health NHS Foundation Trust has taken the following actions to improve this percentage, and so the quality of its services, by continuing to focus on palliative care as a key quality priority for our patients.</p>	48.6%	41.6%

Domain	Indicator	2017-18	National Average	Best Performer	Worst Performer	Trust Statement	2016-17	2015-16
Helping people recover from episodes of ill health or following injury	Patient reported outcome measure (PROM) for groin hernia surgery	0.083 (Apr 2016 – Mar 2017) Final	0.086	0.135	0.006	Frimley Health NHS Foundation Trust considers that this data is as described for the following reason. PROM outcomes measure a patient's health gain after surgery. The information is gathered from the patient who completes a questionnaire before and after surgery. From the data available, the case mix adjusted average health gain shows that the Trust is not an outlier when compared nationally.	0.091	FPH: 0.058 HWP: 0.050
	Patient reported outcome measure for varicose vein surgery	0.068 (Apr 2016 – Mar 2017) Final	0.092	0.155	0.010		*	*
	Patient reported outcome measure for hip replacement surgery	0.439 (Apr 2016 – Mar 2017) Provisional	0.437	0.533	0.329	Frimley Health NHS Foundation Trust has taken the following actions to improve this rate, and so the quality of its services, by continuing to audit and monitor PROMs outcomes in order to identify and rectify any issues.	0.437	FPH: 0.458 HWP: 0.424
	Patient reported outcome measure for knee replacement surgery	0.317 (Apr 2016 – Mar 2017) Provisional	0.323	0.398	0.237		0.297	FPH: 0.312 HWP: 0.288
	30 day readmission rate for patients aged 0-15**	4.82% (Apr 2016 - Jan 2017)	N/A	N/A	N/A	Frimley Health NHS Foundation Trust considers that this data is as described for the following reason. The data has been extracted from the Hospital Evaluation Data (HED) system. Readmission data is reviewed by specialties monthly and ultimately becomes the source of HED data.	8.62%	8.28%
	30 day readmission rate for patients aged 16 or over**	6.97% (Apr 2016 –Jan 2017)	N/A	N/A	N/A		Frimley Health NHS Foundation Trust has taken the following actions to improve this rate, and so the quality of its services, by: <ul style="list-style-type: none"> Continuing to routinely monitor readmission performance data Continuing to provide telephone advice lines initiated for patients following discharge with rapid reassessment by a clinician if necessary Ensuring that contact details for the appropriate specialty discharge helpline is included on all patient discharge summaries Continuing to provide 'hot clinics' with the Surgical Assessment Consultant to see patients who may need to be seen with a post-operative issue for patients referred by GPs, which reduces admissions 	9.32%

*PROMS: Denotes a low number of records, the exact count having been suppressed by NHS Digital on the advice of NHS England.

**Readmissions: Data from internal database .CQC definition.

Domain	Indicator	2017-18	National Average	Best Performer	Worst Performer	Trust Statement	2016-17	2015-16
Ensuring people have a positive experience of care	Responsiveness to the personal needs of patients	68% (Apr2016-Mar 2017)**	68.1%	85.2%	60.0%	<p>Frimley Health NHS Foundation Trust considers that this data is as described for the following reason. The data is produced by the Care Quality Commission using results from the National Inpatient Survey.</p> <p>Frimley Health NHS Foundation Trust has taken the following actions to improve this rate, and so the quality of its services, by developing and monitoring local action plans based on patient and carer feedback.</p>	72.1%	73.1%
	% of staff who would recommend the Trust to their family or friends <i>Q21d "If a friend or relative needed treatment, I would be happy with the standard of care provided by this organisation"</i>	79% (2017 Staff Survey)	71%	****	****	<p>Frimley Health NHS Foundation Trust considers that this data is as described for the following reason. The data is extracted from the NHS Staff Survey which is produced by an external organisation with adherence to strict national criteria and protocols.</p> <p>Frimley Health NHS Foundation Trust has taken the following actions to improve this rate, and so the quality of its services, by:</p> <ul style="list-style-type: none"> • Embedding the values through systems such as recruitment, induction, appraisal and staff recognition awards - the Care Quality Commission's report February 2016 about Wexham Park Hospital noted that the culture had improved markedly and was much more open at all levels with an incident reporting culture that provided opportunities for continual learning. Staff were aware of a clear vision and set of values and behaviours and said that action was taken to tackle staff who did not demonstrate the values expected. • Focusing on the role of the leader and ensuring the guiding principles of the Code of Conduct (EMPOWER) are embedded across the Trust. Implementing and delivering the three cohorts of our revised Leading People Programme and leadership induction for new leaders. • Continuing to deliver customer care training. • Delivering and monitoring the quality and clinical governance agenda leading to improved patient services. 	77%	75%

**National Inpatient Survey results are published annually by the Care Quality Commission in the April of the following year.

**Hospital stay: 01/07/2016 to 31/07/2016; Survey collected 01/08/2016 to 31/01/2017

***Average, maximum and minimum values are derived from acute trusts, combined acute and community trusts and acute specialist trusts.

****Please note that, following consultation with the Staff Survey Advisory Group, the detailed spread sheets will be made available a few weeks after the publication of the 2017 Staff Survey results. We expect these to be ready towards the end of March 2018 and they will be published here when they are available. <http://www.nhsstaffsurveys.com/Page/1064/Latest-Results/2017-Results/>

Domain	Indicator	2017-18	National Average	Best Performer	Worst Performer	Trust Statement	2016-17	2015-16
Treating and caring for people in a safe environment and protecting them from avoidable harm	% of admitted patients who were assessed for venous thromboembolism	98% <i>(Apr 2016- March 2017)</i>	96%	100%	63% (Q4)	<p>Frimley Health NHS Foundation Trust considers that this data is as described for the following reasons. The VTE score is based on the Department of Health definition and agreed by the local commissioners for CQUIN purposes. The source data for this indicator is routinely audited prior to submission. It is monitored by the Trust Board monthly via the Performance & Quality report.</p> <p>Frimley Health NHS Foundation Trust has taken the following actions to improve this rate, and so the quality of its services, by continuing to monitor performance for this indicator via the Trust VTE Committee and through training and education. Our performance with VTE risk assessment continues to be excellent.</p>	98%	98%
	Rate per 100,000 bed days of cases of C.difficile infection reported Financial year counts and rates of C. difficile infection (patients aged 2 years and over) by acute trust – Trust apportioned cases only	7.3 <i>(Apr 2016 – Mar 2017)</i>	13.2	1.2	82.7	<p>Frimley Health NHS Foundation Trust considers that this data is as described for the following reasons. The source data is routinely validated and audited prior to submission. All cases of clostridium difficile are reported and investigated by the Infection Control Team and undergo formal root cause analysis investigation. The findings are then reported to the Board of Directors. Reporting is in line with the requirements of the Health Protection Agency (HPA) and Monitor.</p> <p>Frimley Health NHS Foundation Trust has taken the following actions to improve this rate, and so the quality of its services, by:</p> <ul style="list-style-type: none"> • Making infection control one of our highest priorities and ensuring all staff are fully compliant with mandatory training with antiseptic non-touch technique. • Ensuring formal root cause analysis meetings (chaired by the Medical Director, Director of Nursing and Quality or the Director of Infection Prevention and Control) take place for every 'post 72 hour' C.diff case. • Ensuring learning is fed back to care groups and assurance of progress on actions is an agenda item at monthly Hospital Infection Control Committee meetings and monitored by the Trust Board. 	9.2	9.1

Domain	Indicator	2017-18	National Average	Best Performer	Worst Performer	Trust Statement	2016-17	2015-16
Treating and caring for people in a safe environment and protecting them from avoidable harm	Rate of patient safety incidents per 1,000 bed days reported within the Trust (Prior to 2014-15 rate was based on 100 admissions)	34.0 Number of incidents = 7989 (Oct 2016 – Mar 2017)	41.1	23.1	69.0	Frimley Health NHS Foundation Trust considers that this data is as described for the following reasons. All data is validated prior to submission to the National Reporting & Learning System. The NRLS enables all patient safety incident reports, including near miss and no harm events, to be submitted to a national database on a voluntary basis designed to promote learning. It is mandatory for NHS trusts in England to report all serious patient safety incidents to the CQC as part of the CQC registration process. To avoid duplication of reporting, all incidents resulting in harm should be reported to the NRLS who then report them to the CQC.	27.2 Number of incidents = 6,210 (Oct 2015 – Mar 2016)	26.60 Number of incidents= 5,850 (Oct 2014 – Mar 2015)
	Rate of patient safety incidents that resulted in severe harm or death per 1,000 bed days (Prior to 2014-15 rate was based on 100 admissions)	0.13 (Oct 2016 - Mar 2017) Number of incidents = 30 (Oct 2016 - Mar 2017)	0.16	0.01	0.53	Frimley Health NHS Foundation Trust has taken the following actions to improve this rate, and so the quality of its services, by: <ul style="list-style-type: none"> Continuing to reinforce the incident reporting process across Frimley Health. Reviewing and aligning reporting categories across Frimley Health. Embedded the Frimley Health incident reporting policy and processes for investigation, learning and implementation of changes in practice. Continuing to identify work streams from the incident reporting profile to improve practice. 	0.11 Number of incidents = 26 (Oct 2015 - Mar 2016)	0.18 Number of incidents= 40 (Oct 2014 – Mar 2015)

3. QUALITY OVERVIEW – A REVIEW OF PERFORMANCE IN 2017-18

Patient Safety

Patient safety has always been the number one priority for the Trust, with a key focus on sustaining improvement over time. In previous years the Trust has focused on improving practice in a number of patient safety areas and has completed a significant number of projects with the aim of reducing preventable harm.

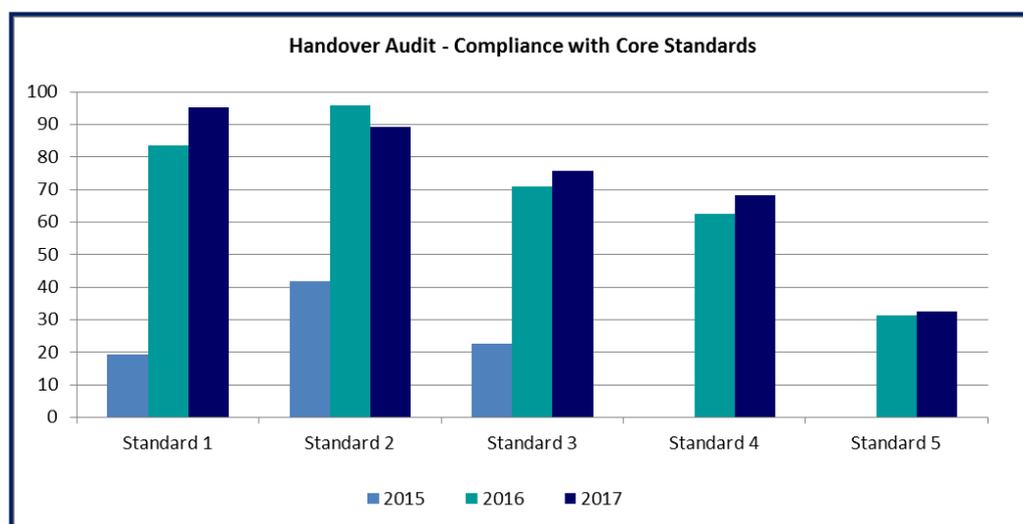
In line with the Trust’s Quality Strategy ambition for 2017-18, we continued to strive to reduce preventable deaths, improve the recognition, escalation and treatment of deteriorating patients, and improve medication safety, through better prescribing and administration.

Sign up to Safety

Clinical handover

In 2015 the Sign up to Safety Handover project commenced. Our goal in this piece of work, which is supported by the NHS Litigation Authority, was to improve the quality of nursing handover between shifts.

The 2017 annual audit in quarter 3 showed a sustained improvement in handover standards compared to the 2015 results before Safety SBAR (Situation, Background, Assessment & Recommendation) was implemented across the Trust. The safety briefing at the beginning of each shift helps highlight high risk patients such as those at risk of acute deterioration or requiring additional support due to complex needs (including mental health). It also encourages a team approach to working and improves overall communication. There is now 95.3% compliance with safety briefings by nurses at shift change.



	Standard
1	All shift handovers must start with a safety briefing
2	Staff must introduce themselves to patients during handover
3	Patients must have the plan for the day discussed with them during handover
4	The predicted date of discharge must be confirmed with the patient at handover
5	The team will have a daily debrief at the end of every shift

Areas of good practice:

- High level of local ownership. Audit was completed by 74.1% of in-patient areas
- Safety briefings occurred in 95.2% of observed areas
- Almost 9 out of 10 staff introduced themselves to patients at handover
- Three quarters of patients had the plan for the day discussed with them at handover
- Two thirds of patients had their discharge date confirmed at handover.

Changes to handover continue to be more about changing the Trust's culture and behaviours rather than a change in paperwork. As such the involvement of the ward leaders is essential to ensure the new standards are maintained.

The internal transfer guidance was ratified during Quarter 3 of 2017-18 and includes ward posters/flowcharts to help staff make clinical judgements regarding the most appropriate staff to escort and handover patients when moving between clinical settings.

Next steps:

- The few wards which have not implemented Safety SBAR handovers for shift change should move to this model
- Ensure "hello my name is.." is fully embedded in all departments
- Ward culture to be monitored and reviewed to allow daily debriefs to commence
- Focus on start and finish times
- Devolve the responsibility for maintain the Safety SBAR handover standards from the Sign up to Safety Team to Ward Managers and Matrons
- Develop a good practice guide to handover.

Management of the perineum during labour

Frimley Park has shown a year on year reduction in the percentage of third and fourth degree tears/vaginal birth. Wexham Park, however, at the end of Quarter 3 showed a slight increase but was still below the 2015-16 position. The reduction on the Wexham Park site may take longer to become evident because:

- The perineal management project was extended to WPH one year after it commenced on the FPH site
- The patient demographic is particularly high risk for third and fourth degree tears.

The project has been welcomed by all educational establishments.

Succession planning and sustainability is currently being agreed between the maternity patient safety team and midwifery practice development teams cross site. A dedicated postnatal endo-anal clinic is now established at Wexham Park and an ultrasound machine for the clinic has been funded through the Trust charity.

A supply of simulation aids for on-going training and a further supply of specialised episiotomy scissors have been purchased from existing Sign up to Safety funds to support sustainability.

Next steps:

- Undertake a repeat audit at Wexham Park at the end of 2017-18
- Continue to work with all universities providing students to both sites.

Patient consent

In 2017 six procedure specific consent forms in Obstetrics and Gynaecology were rolled out;

- Elective Caesarean Section
- Inpatient Hysteroscopy
- Outpatient Hysteroscopy
- Laparoscopy
- Surgical Management of Miscarriage
- Laparoscopic management of Ectopic Pregnancy

These forms have been well received by clinicians, who report that patients like the clear and legible format of the forms. Clinicians find it beneficial to have the risks printed on the forms, enhancing the discussion with their patients regarding the proposed procedure.

Following on from this successful implementation, various consent forms for Orthopaedic, Gynaecology and Endoscopy procedures are going through a final ratification process, prior to printing and implementation of these forms is imminent.

Education:

A number of specialties have received updates on the consent process and current issues within consent, including Obstetrics & Gynaecology, Orthopaedics and Theatres. Sessions were delivered by the Trust solicitors or Consent Committee Chair. At the recent Patient Safety conference, Deputy Chief of Service for Obstetrics & Gynaecology gave a presentation to the 60+ attendees from specialties across the Trust.

Next steps:

The recent implementation of EDMS has highlighted the requirement for an efficient and user friendly electronic system to complement and assist the consent process. Options are currently being investigated, with the aim of implementing an electronic store of consent forms and associated patient information, within the next 12 months, for all specialties.

National Kitchen Table events

Following the launch of this event by the National Sign Up To Safety Team in 2017, we hosted our second National Kitchen Table week from the 19-25 March 2018. This included 12 kitchen tables across our hospital sites during the week, as well as an additional event hosted by the Wexham Emergency Department over the weekend. After the success of our first event, we felt strongly that the kitchen table is something that gives benefit and value to our staff by providing a safe space to hold conversations about safety and listen with kindness.

What we heard at the kitchen tables:

- *You wanted to feel more appreciated and to acknowledge hard work, not just good results.* We recommend taking the time to say thank you more, focusing on what went well, finding the positives and using the Trust's Thank You Cards.
- *You wanted more team building activities and you thought the kitchen tables were a great idea to help bonding and strengthen relationships.* We now have kitchen table kits available to borrow for anyone that wants to host one for their area.
- *You have concerns about making mistakes or being involved in an incident, how you will be treated or supported.* Openness and honesty are paramount when trying to learn from incidents and events, by showing kindness and having an awareness of the 'Just Culture' we can ensure staff and patients get the best outcomes. A new leaflet is currently being developed to help explain the serious incident process for staff.

Patient Safety Alerts

Through the analysis of reports of safety incidents, and safety information from other sources, NHS England develops advice for the NHS that can help to ensure the safety of patients, visitors and staff. As advice becomes available, NHS England issues alerts on potential and identified risks to safety.

At Frimley Health, these alerts are coordinated and managed by the governance team who work in conjunction with clinicians and managers in the appropriate areas to confirm compliance or to develop an action plan with which to monitor compliance against.

Frimley Health's process for responding to and monitoring patient safety alerts was audited by our internal auditors and awarded 'substantial assurance'.

Frimley Health is fully compliant with all alerts for which compliance deadlines have passed. The following table shows those alerts issued by NHS England during 2017-18 and progress against them.

Reference	Alert title	Issue date	Response	Deadline
PSA – 2017-001	Resources to support safer care for full-term babies	23/2/2017	Alert disseminated and assurance of compliance received	23/8/2017
PSA – 2017-002	Resources to support the safety of girls and women who are being treated with valporate	6/4/2017	Alert disseminated and assurance of compliance received	6/10/2017
PSA – 2017-003	Risk of death and severe harm from ingestion of superabsorbent polymer gel granules	5/7/2017	Alert disseminated and assurance of compliance received	16/8/2017
PSA – 2017-004	Resources to support safe transition from the Luer connector to NRFit™ for intrathecal and epidural procedures, and delivery of regional blocks	11/8/2017	Alert disseminated. Full compliance has been delayed due to the lack of products available for NRFit switch over.	11/12/2017
PSA – 2017-005	Risk of severe harm and death from infusing total parenteral nutrition too rapidly in babies	27/9/2017	Alert disseminated and assurance of compliance received	8/11/2017
PSA – 2017-006	Confirming removal or flushing of lines and cannulae after procedures	9/11/2017	Alert disseminated. Lead nominated in Anaesthetics & Theatres. Actions on-going but expected to be completed by deadline date.	9/8/2018
PSA – 2018-001	Risk of death and severe harm from failure to obtain and continue flow from oxygen cylinders	9/1/2018	Alert disseminated and assurance of compliance received	20/2/2018

Serious Incidents

Responding appropriately to a Serious Incident (SI) when it occurs is vital and allows the Trust to ensure that important safety issues are identified and to, therefore continually improve the safety of the services that the Trust provides to its patients. All SIs are investigated by a panel of clinicians with the required skills, knowledge and expertise and are chaired by a senior member of Trust staff.

Our main focus has been to embed the learning from serious incidents throughout the organisation.

Over the last year we have taken the following steps to achieve this:

- Monthly report on serious incident findings to quality committee & Monthly briefing at Nursing Midwifery Board, patient safety committee, matrons and ward sister's meetings
- Use of "safety snippets" for key messages to all staff following a serious incident
- Top 5 key messages distributed monthly following patient safety committee
- Junior doctor representation appointed to support the patient safety agenda

- Chief of Services presenting their Serious incidents to the Board of Directors
- 6 weekly follow up meetings to monitor action plans following an serious incident
- Collaborative working with the Practice Development Team to ensure learning and changes in practice are embedded in practice.

A leaflet for staff was produced which describes the SI process and offers support to staff involved in serious incidents. We are currently in the process of developing a similar leaflet for patients and their families where a serious incident has occurred during their care/treatment.

Never Events

Never Events are serious, largely preventable patient safety incidents that should not occur if the available preventative measures have been implemented.

Each type of Never Event has the potential to cause serious harm to patients or even result in death. These incidents include wrong site surgery, retained instrument post-surgery and wrong route administration of medication/ chemotherapy.

Nationally, between April 2017 and March 2018 there were 423 (provisional data from NHS England website) Never Events. During that same period, Frimley Health had 12 Never Events.

The patient safety team have put together a presentation on the key learning from these events which have been shared with all directorates. All the patients involved have been briefed on what happened and have received copies of the incident reports that have been shared with the Board.

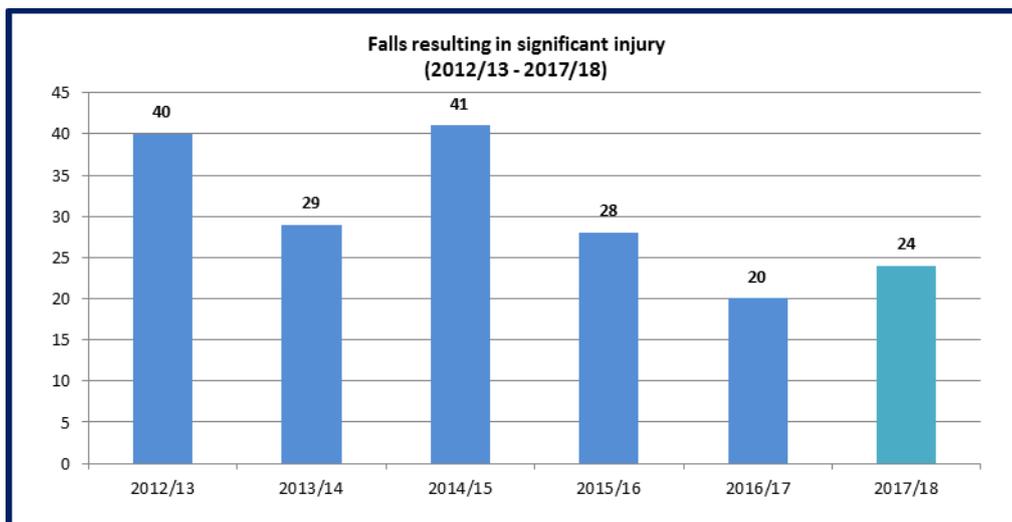
A thorough executive led investigation is undertaken for each never event and robust action plans are put in place and regularly monitored. Some of the key actions taken as a result of these incidents are as follows:

- Implementation of the revised Never Events Guidance from 1 February 2018
- Implementation of Human Factors training for key clinical staff across Frimley Health
 - We are currently sourcing training externally to enable key staff to gain education and training
 - Human factors training is provided as part of the preceptorship programme for newly qualified nursing staff
- An additional spinal level check has been implemented which now includes three checks during spinal surgery. Firstly prior to incision when the skin is marked, secondly once the initial dissection to the vertebra has been completed, and lastly at the end of the procedure
- Procedure related checklists are currently being developed and used in the clinical areas to ensure the appropriate checks are carried out for interventional procedures undertaken outside of Theatres. For example, for interventional radiology procedures.

Inpatient falls resulting in significant harm

A fall is an unintentional loss of balance causing one to make unexpected contact with the ground or floor. Falls can result in significant harm such as severe head injury or broken bones.

Our aim this year was to maintain a low percentage of falls resulting in significant harm against the total number of inpatients treated in our hospitals (our overall activity). We reported 24 falls resulting in significant injury, which set against overall activity, gives a rate of 0.07. There has been a significant overall reduction of 40% in the total number of falls with harm since 2012-13 (baseline). This is a fantastic achievement which proves how highly committed our staff are to keeping our patients safe.



Source: Trust data

Each fall resulting in significant harm was subject to a root cause analysis review and some of the key themes identified were as follows:

- Failure to correctly identify patients under 65 who by nature of their illness or social/psychological issues are at high risk of falls
- Incorrect assessment and use of bed rails
- Failure to follow correct post fall procedure.

Actions taken to improve:

- Introduction of falls champion study days
- Trial of new assistive technologies for patients at high risk of falling
- Encouraging the use of the post falls pathway across the Trust
- Highlighting and escalating individual ward areas falls to Heads of Nursing
- Themes and trends being highlighted through patient safety meetings and key messages
- Purchased new moving and handling equipment on the Wexham Park site (e.g. hoverjack).

Next steps:

- Provide further education around the safe use of bed rails
- Promote and support the ‘#endPJparalysis’ campaign – getting inpatients dressed and moving around more
- Continue to provide and promote Falls champion study days.

Falls resulting in significant harm definitions are governed by standard national definitions.

Venous thromboembolism

Venous Thromboembolism (VTE) is a condition in which a blood clot (thrombus) forms in a vein/blood vessel which can lead to pain and swelling. If the blood clot becomes dislodged it can travel in the bloodstream (embolism) and can potentially block vital arteries which can be fatal. When the embolism blocks a vital artery to the lung it is called a Pulmonary Embolism (PE).

VTE has been a top clinical priority for the NHS since the 2011/12 operating framework was published.

The aim for 2017-18 was to continue to assess at least 95% of patients for their VTE risk in every month of the year. We are proud to say we achieved above 95% every month. This means that patients at risk of developing a VTE are identified and, where appropriate, prophylaxis measures are put in place as a preventative measure.

Over the year, we undertook two VTE audits and we also undertook in-depth reviews for every hospital-acquired PE and deep vein thrombosis (DVT).

The Trust reported 146 PE cases (138 were unpreventable; 8 could have been prevented). Each was subject to an in-depth review which showed that the majority of VTE cases were found to be unpreventable.

Actions undertaken to improve practice further during 2017-18 were:

- Continue to ensure that practice is aligned with the Trust VTE policy
- Feedback of audits to all specialities and discussed at VTE committee and the Quality Committees
- All preventable PE cases are reviewed at a root cause analysis meeting led by the Medical Director.

There were two serious incidents relating to PE deaths in 2017-18 at FHFT. Some of the learning and key changes in practice as a result of these cases are outlined below:

- Revised drug chart in which a sticker is now placed to highlight the patient’s VTE status
- To ensure the VTE bi-annual audit monitors practice, including VTE prophylaxis post operatively
- Revised WHO checklist to ensure patient VTE status is included at all stages of checking

- Day surgery staff to ensure that patients who are noted to be high risk due to the presence of a previous VTE are highlighted to the consultant prior to theatre and this is documented by the day surgery nursing staff in the patient’s clinical record
- To ensure staff on the Medical Assessment Unit adhere to the patient transfer process before transferring patients to medical wards
- The importance of post-take review of patients to be outlined to medical staff particularly when the patient is admitted on a Friday.

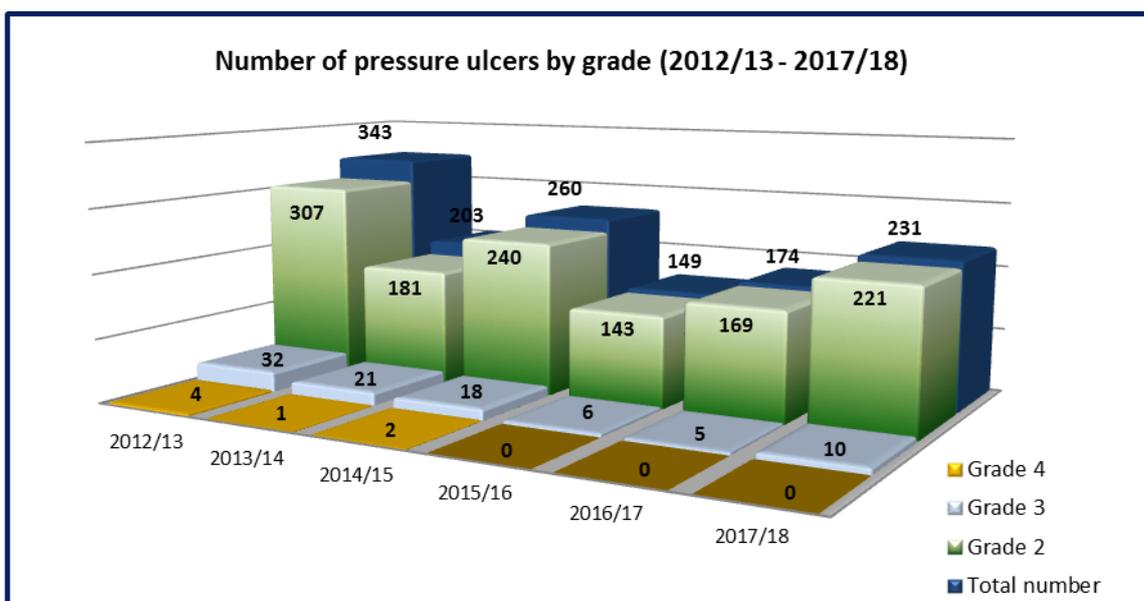
The VTE risk assessment is governed by standard national definitions.

Pressure ulcers

A pressure ulcer (also known as a pressure sore or bed sore) is an ulcerated area of skin caused by irritation and continuous pressure on part of the body. Pressure ulcers are categorised in four grades which are linked to severity. Patches of discoloured skin are categorised as a Grade 1 and the most severe grade is 4. They are more likely to occur in people who are under or overweight or have a poor nutritional status and/or poor vascular functions.

One of the key patient safety work streams focuses on preventing hospital-acquired pressure ulcers. Extensive work was carried out during 2017-18 to ensure that pressure ulcer prevention remained a top patient safety priority for the Trust.

The graph below shows our performance since 2012-13. The data clearly demonstrates that there has been an overall reduction of 33% in the total number of hospital acquired grade 2, 3 and 4 pressure ulcers over the last four years and there have been no hospital acquired grade 4 pressure ulcers since 2014.



Source: Trust data

Some of the actions we took to improve practice and reduce the prevalence of pressure ulcers were:

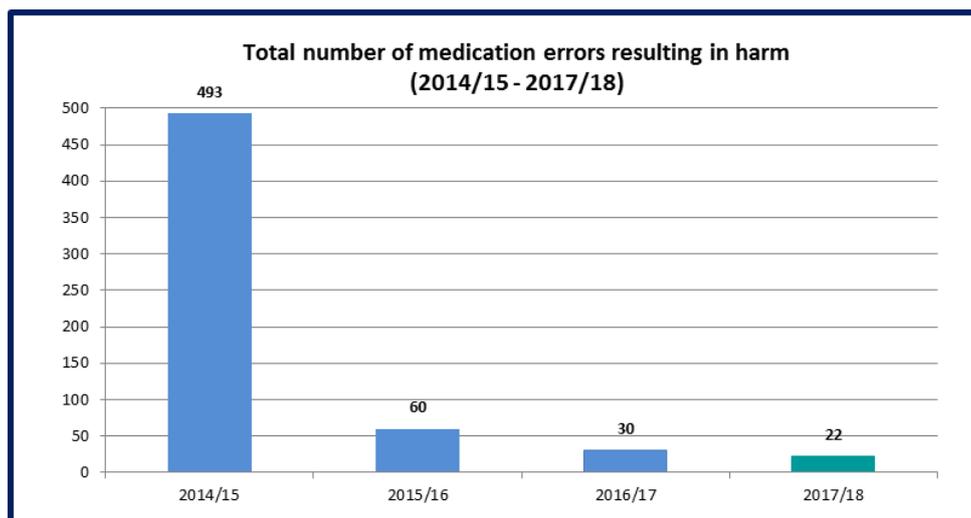
- Root cause analysis of all Grade 2 pressure ulcers by clinical matrons and ward managers
- All Grade 3 pressure ulcers were subject to a multi-disciplinary in-depth review with a summary report of the investigation and actions taken submitted to the Board
- ‘Roadshows’ on each site for ‘Stop the Pressure’ day
- Patient information leaflet on pressure ulcer prevention launched Trustwide
- Launch of clinical competencies in negative pressure therapy and leg ulcer management
- Training and awareness included in the annual patient safety training updates and in the monthly “Clinical Skills Blitz” days
- The Tissue Viability Team (TVT) has been integrated into the Trust’s wider patient safety team. The key priority has been to review the current training and education programmes being provided across the Trust. Training has already been implemented as part of basic skills training.



Medications safety

Medication errors at Frimley Health rarely cause harm to patients because our systems are designed to prevent this from happening. However, medication errors that have potential to cause harm do sometimes occur.

Over the last four years, the Trust has seen a considerable reduction in the total number of medication errors resulting in harm to patients. In 2017-18 we reported 22 drug errors resulting in harm. This is a 27% reduction when compared to the 30 cases reported in 2016-17 and a 63% reduction when compared to the 60 cases reported the previous year (2015-16). This is a significant achievement which demonstrates our dedication to reducing harm to and improving the safety of our patients.



Source: Trust data

Another key achievement over the last year has been the 27% increase in reporting of drug related incidents on the Heatherwood and Wexham sites. This means that staff are more aware of how and what to report and understand the importance of identifying themes via incident reporting.

Some of the key changes in practice implemented in 2017-18 to prevent medication errors occurring were as follows:

- Introduction of e-prescribing and administration to pilot areas
- On-going Trustwide work in relation to the use of pump checklists when infusing medications
- Introduction of timers for patients receiving Parkinson's medications to ensure timely administration
- Bunges used for oral medication bottles to prevent loss of medication during preparation.

Next steps:

- Review of POD lockers
- Work on strengthening communication between the clinical teams and the nursing staff to ensure clear handover of new prescriptions.

Duty of candour

Frimley Health has always adopted a policy of openness and transparency. We proactively inform our patients and their families of any mistakes or omissions in their care which may have resulted in significant harm. We are also committed to consulting with patients and their families and providing feedback regarding the outcomes of any investigations we have undertaken, including key findings, actions taken and changes in practice we have implemented to prevent any reoccurrences in the future.

The duty of candour is important legislation that requires us to be open with patients when things go wrong (in cases where the harm is moderate or greater). It is also our duty to share the findings of any

investigations with patients and their families. This builds on our current policy of being open and transparent.

Our duty of candour policy outlines the steps that staff should take and the principles are now embedded across the organisation. The Patient Safety Team offer resources and advice at training sessions.

We have worked very hard to ensure that our staff are aware of their obligations under the duty of candour and have put systems in place to support and enable them in these circumstances. The Trust carries out regular monitoring to ensure we are compliant with the requirements and the number of duty of candour cases is included in the Trust Quality and Performance Report which is discussed at the Quality Committee on a monthly basis.

Overall compliance is good and our next steps will be to provide root cause analysis update training to senior nurses, safety lead clinicians and chiefs of service by the Trust solicitors (Capsticks) which will also include a duty of candour update

Clinical Effectiveness

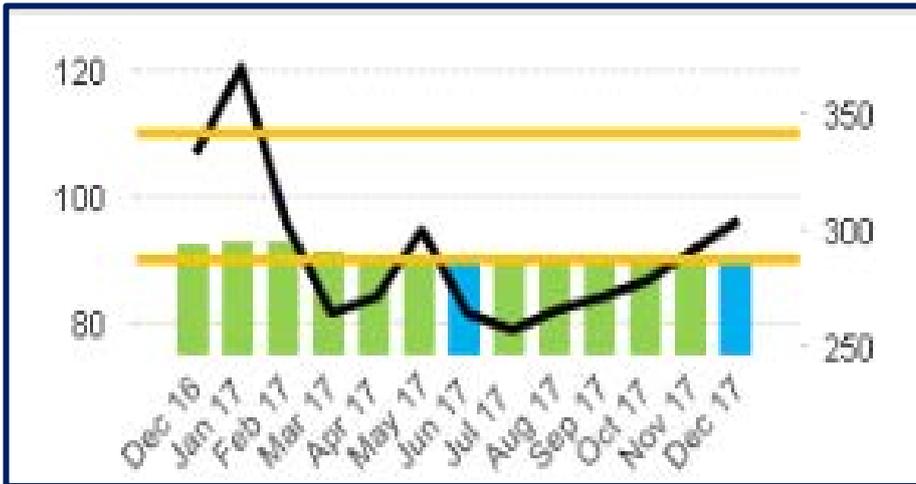
The Trust builds on the established culture of monitoring clinical outcomes and learning from best practice examples to improve the quality of health outcomes for our patients. Our information system, Hospital Episode Database (HED), allows us to compare our specialty clinical outcomes nationally to identify areas where there is room for improvement.

The specialty-specific quality dashboards continue to provide an overview of performance within each specialty according to how safe, effective, caring, responsive and well led they are; these enable clinical specialties to monitor their performance closely and anticipate issues during a period of significant transformation, implementation of new information technologies, and stretching financial targets.

Summary hospital-level mortality indicator (SHMI)

The SHMI reports on mortality at trust level across the NHS in England. The SHMI is the ratio between the actual number of patients who die following hospitalisation at the trust and the number that would be expected to die on the basis of average England figures, given the characteristics of the patients treated there.

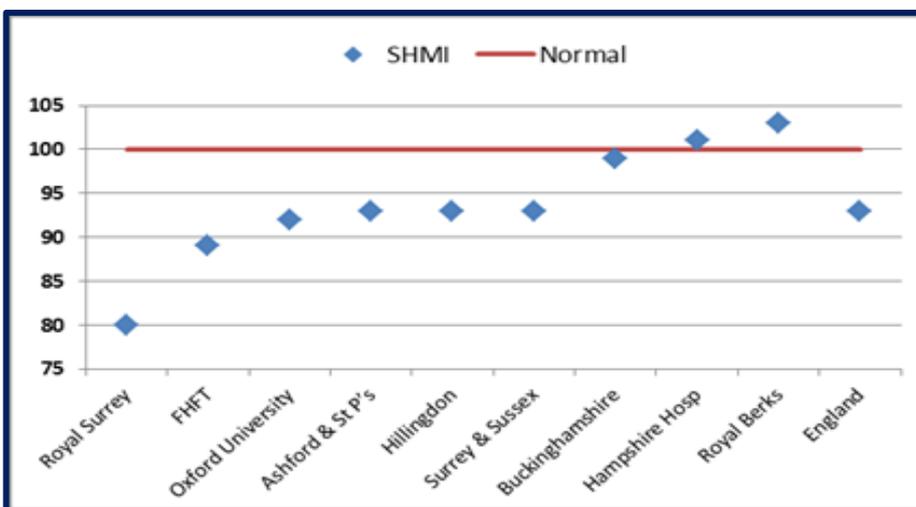
The Trustwide SHMI rate remains at an overall lower rate than (90.4 - 12 months rolling number December 2016 to December 2017).



Source: Hospital Evaluation Data system (HED)

Although elective SHMI has remained high over the last twelve months, the numbers are small and still within the expected range. We have also started to see the raised SHMI for elective admissions at Wexham Park come down. There is continued monitoring of all data and a case note review of deaths of patients admitted electively through the M&M and SI process. The data accuracy is being improved so that true elective admissions only are included.

The graph below shows that Frimley Health has one of the best (lowest) mortality rates amongst its peers (neighbouring Trusts of similar size).



Source: Hospital Evaluation Data system (HED)

Mortality data is governed by standard national definitions.

Transient Ischaemic Attack (TIA) & Stroke

A Transient Ischaemic Attack or 'mini-stroke' is caused by a temporary disruption in the blood supply to part of the brain. The disruption in blood supply results in a lack of oxygen to the brain. This can cause symptoms similar to those of a stroke, such as speech and visual disturbance and numbness or weakness in the arms and legs. However, unlike a stroke, the effects only last for a few minutes and are usually fully resolved within 24 hours.

Stroke & TIA have been a key focus and priority for the Trust since 2009. Since then, there have been significant improvements to our Stroke & TIA services.

Frimley Park Hospital Stroke Service

The FPH Stroke Unit has been part of a networked stroke service with the Royal Surrey County Hospital (RSCH) since 9 January 2017. This was a result of the Surrey Stroke Review and reconfiguration of stroke services. It is our intention to keep this interim model in place permanently and to commission 16 acute stroke beds from Royal Surrey County Hospital (RSCH). Contractual and financial arrangements are currently being negotiated with an anticipated start date of 1 April 2018.

In our drive for excellence we have continued to focus on achieving the national targets for Stroke and TIA. We have specifically focused on achieving the national and local stretch targets for the following indicators:

- $\geq 80\%$ of patients directly admitted to the stroke unit within four hours (2017-18 April – March 72% YTD)
- $\geq 50\%$ of patients scanned within one hour of arrival (2017-18 April – March 63% YTD)
- $\geq 90\%$ of patients receive an assessment of their swallowing ability within four hours of arrival (2017-18 April – March 80% YTD).

As part of our commitment to continued improvement, we are continuing to participate in the Sentinel Stroke National Audit Programme (SSNAP) whose data is governed by standard national definitions. The table overleaf demonstrates our overall Sentinel Stroke National Audit Programme (SSNAP) performance over the last four reporting periods. It is evident that the additional stroke activity from RSCH has had a significant impact on our case ascertainment. Overall, we are seeing a 30-35% increase in activity.

SSNAP Scoring Summary:	Team type	<i>Routinely admitting team</i>	<i>Routinely admitting team</i>	<i>Routinely admitting team</i>	<i>Routinely admitting team</i>
	SCN	South East SCN	South East SCN	South East SCN	South East SCN
	Trust	FHFT	FHFT	FHFT	FHFT
	Team	Frimley Park Hospital	Frimley Park Hospital	Frimley Park Hospital	Frimley Park Hospital
	Reporting period	Aug-Nov 2016	Dec 2016-Mar 2017	Apr-Jul 2017	Aug-Nov 2017
	SSNAP level	A	A	A	B
	SSNAP score	84	82.6	81.7	78.8
	Case ascertainment band	A	A	A	A
	Audit compliance band	A	B	B	B
	Combined Total Key Indicator level	A	A	A	A
	Combined Total Key Indicator score	84	87	86	83
Number of records completed:	Team-centred post 72h all teams cohort	130	175	208	234

A draft SSNAP improvement plan has been developed and was finalised by the Stroke Clinical Governance meeting with all key stakeholders, where it will continue to be monitored. Our key objective is to strive towards achieving A level ratings across all 10 of the SSNAP domains.

The following table shows the Trust's performance in achieving the national targets for Stroke and TIA. This data only includes Frimley Park Hospital as Heatherwood & Wexham Park Hospitals do not provide a Hyper Acute Stroke pathway.

Indicator	2013-14	Apr-Sep 2014	Oct 2014– Mar 2015	2015-16	2016-17	2017-18*
90% of patients spend 90% of their inpatient episode on the stroke unit **	89%	94%	85%	86%	92%	95%
48% of [all] patients receive brain imaging within one hour of arrival	54%	49%	63%	56%	64%	63%
55% of eligible patients receiving thrombolysis <60 minutes of arrival (door to needle)	66%	46%	73%	74%	67%	74%
95% of patients receiving brain imaging within 12 hours of arrival (New 2013-14)	96%	98%	96%	95%	98%	97%

Indicator	2013-14	Apr-Sep 2014	Oct 2014– Mar 2015	2015-16	2016-17	2017-18*
85% of patients receiving a swallow screen within four hours of admission to stroke team	98%	83%	86%	76%	84%	80%
90% of direct admission to acute stroke unit within four hours of arrival	83%	74%	76%	65%	70%	72%
40% of patients discharged under the Early Supported Discharge (ESD) team	36%	30%	45%	39%	39%	40%
70% high risk TIA patients treated within <24 hours of first contact	78%	63%	78%	70%	77%	49%

Source: Sentinel Stroke National Audit Programme (SSNAP)

* 2017/2018 data is the most up to date as at 19 March 2018; however, this will need to be refreshed for the next quality report as the deadline for stroke submissions for the full financial year is June 2018, with reports due July 2018

** 90% of stay on the stroke unit is accurate as of November-17; this measure is in arrears

Thresholds have been updated to reflect the targets for achieving a SSNAP level A rating (TIA is local analysis, RCP not funded to analyse TIA data)

A draft SSNAP improvement plan has been developed and will be finalised at the March 2018 Stroke Clinical Governance meeting with all key stakeholders, where it will continue to be monitored. Our key objective is to strive towards achieving A level ratings across all 10 of the SSNAP domains.

To improve our services we have undertaken the following actions over the last year:

- Six day working for therapies (Physiotherapy, Occupational Therapy, Speech & Language Therapy)
- Recruitment of a Stroke Nurse Consultant and Stroke Pathway Coordinator
- Additional Stroke Consultant
- Additional funding and recruitment for our Early Supported Discharge (ESD) service
- In-house Consultant Thrombolysis 24/7 rota
- Additional TIA and stroke clinic rooms
- Introduction of Stroke Clinical Governance Committee with attendance from the stroke MDT, RSCH, Virgin Care and other partners
- Stroke Appeal launched to create a new therapy/MDT area including new technologies and equipment
- Remodelling of D-Bay to create a 2-bedded assessment/thrombolysis area. The opening of the bay will be delayed until nursing vacancies are recruited into.

Priorities for the next reporting period:

- Finalise contractual and financial arrangement with RSCH
- The Milford Stroke Early Supported Discharge (ESD) team are currently intensively treating stroke patients in their own home. At present this is currently managed by St Peter's hospital. However, there is the potential to secure the transfer of this team to Frimley Park due to the high percentage of patients initially passing through the Frimley Park Stroke Unit
- Recruit additional clinical neuropsychology support for the FPH site
- Streamline our TIA referral process and work towards seeing all TIA referrals within 24 hours. This is in line with new national guidance
- Six month post stroke reviews as of week commencing 2 April 2018
- On-going MDT meeting improvement project
- Revised stroke clerking documentation
- Further Stroke Consultant recruitment
- Review nursing establishment and recruit into vacancies
- Continue to support the Stroke Appeal

Cardiology

Acute Myocardial Infarction

Acute Myocardial Infarction (AMI) is commonly known as a heart attack and it happens when a part of the heart muscle suddenly loses its blood supply usually due to a blood clot.

An electrocardiogram (ECG) records the electrical activity of the heart. The heart produces tiny electrical impulses which spread through the heart muscle to make the heart contract. These impulses can be detected by the ECG machine. An ECG is performed to help find the cause of symptoms such as palpitations or chest pain.

Percutaneous coronary intervention (PCI) is a non-surgical procedure used to treat narrowing of the coronary artery, using a balloon catheter to dilate (widen) the artery from within.

As cardiac intervention services form part of the Trust's hyper-acute strategy, we have continued to focus on improving performance. The focus has been on achieving the following standards, which we continue to measure ourselves against:

- 85% of eligible patients receive treatment, call to balloon within 150 minutes
- 85% of eligible patients receive treatment, door to balloon within 60 minutes
- 85% of eligible patients have an ECG performed within 15 minutes of arrival
- 30% of eligible patients receive a PCI as a day case
- 40% of eligible patients receive a pacemaker as a day case.

The data in the table overleaf has been extracted from the Myocardial Ischaemia National Audit Project (MINAP) which is governed by standard national definitions. Data prior to April 2014 only

relates to Frimley Park Hospital as the information was not collected in this way for Heatherwood and Wexham Park Hospital in previous years.

Indicator	FPH 2013-14	*FHFT 2014-15	FHFT 2015-16	FHFT 2016-17	FHFT 2017-18
85% of eligible patients receive treatment; call to balloon within 150 minutes	91%	FPH: 90% HWP: 86%	93%	92%	82%
85% of eligible patients receive treatment; door to balloon within 60 minutes	87%	FPH: 89% HWP: 66%	91%	92%	95%
85% of eligible patients have an ECG performed within 15 minutes of arrival	97%	FPH: 96% HWP: **	95%	98%	96%
30% of eligible patients receive a PCI as a day case	50%	FPH: 61% HWP: 27%	47%	50%	44%
40% of eligible patients receive a pacemaker as a day case	48%	FPH: 65% HWP: 53%	38%	34%	33%

Source: MINAP & Trust Performance data

* Full year data is presented for HWP

** Data not collected in this format. Data aligned for 2015-16

7 Day Services

One of our key objectives over the last year has been to begin fully implementing the 7 Day Core Standards across all sites. In order to help us understand whether we are achieving this or not we have participated in bi-annual 7 day service audits. The results are as follows:

- The September 2017 audit results for documented evidence of patients being made aware of diagnosis and management within 48 hours (90% target), improved from 87% in April 2017 to 94%
- Consultant review within 14 hours (target 90%) results worsened from 95% in April 2017 to 87% largely because it was not clearly documented what time the patient was seen by a Consultant or the review took place after the 14 hours target
- The Stroke Team are now being supported by a six day Occupational Therapy/Physiotherapy service which is working well and the Palliative Care Team have implemented 7 day working on both sites.

Next steps:

- The target for documentary evidence of patients being made aware of diagnosis and management within 48 hours will be increased to 95%.

Dementia & delirium

Dementia is a syndrome (a group of related symptoms) that is associated with an on-going decline of the brain and its abilities.

One in three people over 65 will go on to develop some form of dementia. There are around 850,000 people living with dementia in the UK, and the disease costs the economy £23 billion a year. By 2040, the number of people affected is expected to double - and the costs are likely to treble (Department of Health 2015).

The Trust has undertaken significant work over the years to improve the services for people with a diagnosis of dementia. During 2017-18, our commitment to delivering a high quality dementia service for patients and their families and/or carers continued to be a focus area for us.

Raising dementia awareness is important to the Trust. Currently FHFT has is at 90.02 % staff that has received Dementia Awareness training. Having a well-informed workforce helps shape a better dementia care culture.

The indicators in the table below were monitored as part of Frimley Health's CQUIN scheme during 2017-18. This data is not governed by standard national definitions.

Indicator	FPH 2013-14	FPH Apr-Sep 2014	*FHFT Oct 2014- Mar 2015	FHFT 2015-16	FHFT 2016-17	FHFT 2017-18
90% of all admitted patients (75+) screened for Dementia (within 72 hours)	100%	99%	FPH: 99% HWP: 92%	95%	96%	100%
90% of all admitted patients (75+) who scored positively on the dementia screening tool that then received a dementia diagnostic assessment (within 72 hours)	100%	100%	FPH: 100% HWP: 92%	97%	96%	100%
90% of all admitted patients (75+) who received a dementia diagnostic assessment with a 'positive' or 'inconclusive' outcome that were then referred for further diagnostic advice/follow up (within 72 hours)	100%	100%	FPH: 100% HWP: 100%	100%	100%	100%

Source: Trust data

*Part year data is presented for HWP

To improve our services we have undertaken the following actions over the last year:

- The Trust has employed an Associate Practitioner in Dementia and their key role has been to support the delivery of the Dementia CQUIN programme, implement the dementia strategy, support patients and ensure carers are signposted to relevant dementia support. We have achieved 100% on all of our Dementia CQUIN targets with the help of the Associate Practitioner in Dementia
- ‘This is Me’ is a simple and practical tool that people living with dementia can use to tell staff about their needs, preferences, likes, dislikes and interests. It enables health and social care professionals to see the person as an individual and deliver person centred care that is tailored specifically to the person's needs. It can, therefore, help to reduce distress for the person with dementia and their carer. It can also help to prevent issues with communication, or more serious conditions such as malnutrition and dehydration
- Frimley Health has adopted the ‘Forget-Me-Not’ initiative to help staff recognise when someone is experiencing memory problems or confusion. Patients with known or suspected dementia will have a ‘Forget-Me-Not’ visual alert symbol beside their name on the whiteboard and above their bed (with the consent of the patient or carer). This highlights to staff that these patients are likely to require special care planned around the patient’s unique needs
- The National Audit of Dementia collects data to assess care delivery for people with dementia admitted to hospital. We submitted data for the third round in October 2017; including staff questionnaires and a survey of carer experience. Based on the results, we developed an action plan to strengthen existing dementia initiatives and to improve areas of care (see table below).

Governance	<ul style="list-style-type: none"> • Ensure all wards with adult patients have a dementia champion • Ensure that night time bed moves for dementia patients are avoided, where possible • Ensure that the key areas have representatives on the Dementia Steering group • Ensure that staff are trained in the Mental Capacity Act.
Nutrition	<ul style="list-style-type: none"> • Provisions of finger foods and access to snacks 24 hours a day • Promote carers to support at meal times as complimentary to, and not instead of, care delivered by staff • Support the implementation of protected mealtimes and the red tray / yellow tray initiative.
Discharge Planning	<ul style="list-style-type: none"> • On discharge planning a cognition is assessed, summarised and recorded on the discharge letter • Ensure that a named nurse is identified to coordinate complex discharges • Discharge planning should be initiated within 24 hours of admission.
Assessment	<ul style="list-style-type: none"> • Ensure that the mobility, pressure ulcer, continence, nutrition and functional assessments are carried out , recorded and regularly reviewed by staff • Wards should audit the implementation of ‘THIS IS ME’ form and should be fed back to ward staff

	<ul style="list-style-type: none"> • A full delirium assessment should be carried out whenever indicators of delirium are identified by ward staff.
Staff Communication	<ul style="list-style-type: none"> • Reinforce the importance of accurate handover and walk-around handover so staff are well informed about the patient • Facilitate open communication where staff can talk about ways to care for or support dementia patients with complex needs • Provide regular feedback from outcomes of the complaints regarding dementia care.
Carer Communication	<ul style="list-style-type: none"> • Encourage carers to get involved with patient care and plan the patient's care needs • Empower staff to approach carers and maintain open communication concerning patient care • Carers are represented within the hospital/ Trust Dementia working group • Encourage carers to provide anonymous feedback through Carers Survey to help improve the quality of care.

Delirium screening

Delirium is an acute medical emergency affecting about one in eight acute hospital inpatients. It is linked with poor outcomes, is more prevalent in elderly people and it is estimated that half of all patients receiving intensive care or surgery for a hip fracture will be affected.

FHFT acknowledge the significance of identification, treatment and management of delirium in an acute setting. This has led to assembling a Care of Delirium Management Group. This initiative is in its early stages and is piloted on the Frimley Site only. The aim is to raise awareness, deliver training in managing delirium and collaborating with Social Services, CCG, and ICT to formulate for a safe discharge plan.

Frimley Park Hospital has employed a Delirium/Dementia Nurse post for 1 year secondment to help deliver the objectives of the Care of Delirium Management Group. Delirium awareness has been added to the Patient Safety Annual training Dementia session and to the one to one patient supervision study day.

Patient Experience

The fundamental purpose of any hospital is treating the clinical condition of patients. However, excellent care is much more than that. The experience of our patients is of equal importance to their health outcomes and is central to our mission to provide high quality care which is the main rationale for the work we do. The Trust has been utilising a combination of qualitative (subjective/opinion) and quantitative (objective/factual) patient feedback/intelligence over a number of years.

Examples are patient surveys, feedback from social media (Twitter, Facebook, NHS Choices and the Trust direct email to the Chief Executive), complaints and compliments, as well as national surveys and patients and carer experience events. We use hand held devices in both inpatients and outpatient areas to enable “real time” feedback.

The Trust continues to work collaboratively with patients and the public including seven local Healthwatch organisations and CCG Lay members to improve patient experience through listening to our patients, learning from feedback and working in coproduction. Frimley Health conducts two Trustwide surveys into the patient experience. These are a local Patient Experience Tracker (PET) and the nationally mandated Friends and Family test (FFT).

Patient Experience Tracker

The PET survey was introduced in January 2014 and is conducted among the inpatient cohort at the patient bedside. The survey asks questions about different aspects of the patient experience and covers areas such as respect and dignity, various aspects of communication, the care received and preparation for discharge among others.

The survey asks both quantitative and qualitative questions. Most of the quantitative questions – and response options – are copied directly from the National Patient Survey for inpatients in order to ensure that validated questions are being asked. Most of the quantitative questions are followed by a qualitative question in an effort to understand **why** the patient gave the response they did.

Results are circulated to the wards on a weekly basis and reported to the hospital Board. The survey is refreshed annually to ensure the questions remain relevant, and the feedback is useful and appropriate to the Trust’s overall strategy.

Over the course of 2017-18, over 14,197 patients were surveyed for the PET Survey. We have, therefore, continued to monitor our performance against the indicators below. These were monitored as part of Frimley Health Foundation Trust’s PET survey and are not governed by standard national definitions.

Patient Survey Question	2015-16	2016-17	2017-18
Overall, did you feel you were treated with respect and dignity whilst in hospital?	96%	96%	97%
Do you have confidence and trust in the doctors treating you?	92%	92%	93%
If you needed it, did you get enough help from staff with eating and drinking?	88%	90%	91%
Do you feel that you and your family/carers have been involved in planning for your discharge from hospital?	70%	81%	85%
Were you ever bothered by noise at night from other patients? (percentage of patients saying no) *	69%	66%	69%
Within the first couple of days of admission did a member of staff ask you about your home situation?	New	83%	88%
Did nurses talk in front of you as if you weren't there? (percentage of patients saying no)	New	New	93%
Beforehand, did a member of staff explain the risks and benefits of the operation or procedure in a way you could understand?	New	New	92%

Source: Trust local survey data

* Not included in the 2016-17 Quality Report under this section. However, this has been a key quality priority for the Trust during 2017-18 based on feedback from patients

Below are some examples of the ways in which wards across the Trust have made use of the qualitative feedback over the past year:

- The introduction of discharge envelopes on the Wexham site
- Ear plugs and eye masks
- Sound monitors
- Patient information on medications
- Introduction of business cards with contact numbers.

Next steps:

- The new real time patient survey system will go live in May 2018 following training for key members of staff. This will allow staff to view their patient experience data in real time and update actions accordingly
- Identify site specific work streams to look at the 2017 inpatient national survey results
- On-going work in Cardiology at Wexham Park focusing on worries and fears
- Quarterly triangulation of ward level patient experience, complaints and FFT results.

National Friends and Family Test (FFT)

This is a nationally mandated measure for patient experience as part of healthcare providers' contracts. The question is: "If a member of your family or a friend needed similar treatment how likely are you to recommend this ward/department/service?" There are six response options:

- Extremely likely;
- Likely;
- Neither likely nor unlikely;
- Unlikely;
- Very unlikely; and
- Don't know.

The Trust has fully embraced and embedded the FFT which is reflected in its exceptional performance compared with the national average. Since April 2013, the FFT question has been asked in all NHS inpatient and emergency departments across England and the Trust also includes maternity services. In line with the NHS England directive, the FFT was extended in 2014 to include outpatient, community and day case areas in addition to inpatient areas. In 2017-18 the percentage of patients that would recommend individual services and departments was measured both internally and nationally and data is governed by national standards.

Over the course of 2017-18, responses were collected from 106,632 patients broken down by the following cohorts:

- 22,751 inpatients
- 23,155 outpatients
- 31,802 emergency department attendees
- 6,516 maternity service users
- 1,394 patients accessing trust services in the community.

The table below shows the overall score for the full year by service/department. Overall, 97% of patients would recommend the Trust to friends and family if they needed similar treatment.

Patient Group	FHFT 2015-16	FHFT 2016-17	FHFT 2017-18
A&E department	90%	91%	94%
Inpatient	97%	96%	97%
Outpatients	95%	96%	97%
Community services	98%	97%	98%
Maternity services	95%	96%	97%
All services/departments*	95%	95%	97%

Source: Trust data reported to National Unify system

Complaints

In 2017-18 we received a total of 953 formal complaints to the Trust which is similar to 2016-17. Despite the increase in activity this remains in line with the organisations target of complaints per 100 patients of 0.07%.

The Trust has continued to demonstrate a focus on providing the complainant with a quality and proportionate response in line with the good practice guidelines from the Ombudsman. This is demonstrated in the low numbers of reopened complaints and referrals onto the Ombudsman where complainants remain dissatisfied with the response received from the Trust.

The Patient Advice and Liaison Service (PALS) teams on both sites have received a significant increase in the number of contacts; this provides an invaluable frontline service for families/carers to support staff with early resolution to any concerns.

Site specific complaints forums have been instigated to allow key themes to be discussed and for actions to be identified. The outcomes of these will be shared with the Patient Experience Forum. Complaints and PALS contacts are monitored by the Patient Experience Forum to discuss trends and areas for improvement with directorate input.

The key priorities for the coming year will be:

- Targeted customer care training for clinical staff
- Training for clinicians on how to respond to complaints.

Patients and their families' stories are recorded to share learning through different forums in the Trust. These are also shared on a quarterly basis, with consent, with our commissioners.

Volunteers

In quarter 4 we published the volunteer numbers from the audit conducted during January 2018. These figures showed an increase of 17.3% volunteers when compared with the figures from the previous audit from June 2017.

Hospital Site	Jan 2017	Jun 2017	Jan 2018
Frimley	161	256	292
Wexham	41	110	140
Heatherwood	7	10	10
Totals	209	376	442

Recruitment took place for the first phase of the 'Nobody Should Die Alone' project. This sees volunteers being recruited to a Companion role to sit with patients who may be nearing the end of life. This is being coordinated by the Chair of the End of Life Steering Group and Chaplaincy at Wexham

Park Hospital. Eight volunteers have completed their training, with a further group being recruited from staff and other existing volunteers. This will be launched on 16 May 2018, during 'Dying Matters Week'.

Celebrations of the 70th Birthday of the NHS are well underway. This involves the recruitment of a larger number of younger volunteers. Work is taking place to ensure the recruitment of 16 -24 year olds is increased. There will also be a 70 Birthday garden at Wexham, designed and completed by volunteers, as well as a number of canvasses celebrating the 70 Birthday at Wexham Park and Frimley park. These canvasses are being designed and painted by students from Wexham School and Farnborough Technical College

Further achievements made during the year:

- The Trust has introduced a new volunteers polo shirt
- A number of volunteers were selected and have been nominated for the BBC One Show NHS Patients Awards under the category of Unsung Hero
- The development of a volunteers dashboard is in progress
- Hairdressers have been recruited for both Frimley Park Hospital and Farnham Hospital (Bourne and Hale Wards), with a potential hairdresser being interviewed at Wexham Park Hospital. This will improve the patient experience for many patients in all of our hospitals.

Carer/relative experience for patients with a diagnosis of dementia

It is recognised that people with dementia do not respond well to changes in environment and their routine. The Trust recognises that carers and relatives play a vital role in the care of patients with dementia and is committed to improving how we work with and support carers of our patients. Therefore, we introduced a questionnaire to be completed by the carer/relative of patients with dementia in order to understand how we can better support carers.

The following are some of the actions we have undertaken over the last year to improve our services for carers:

- "John's Campaign" is a national initiative to support carers with visiting times and being able to stay longer with their loved ones whilst they are in hospital. Frimley Health signed up to be part of the campaign two years ago and re-launched it at Wexham Park last year
- Multiple Dementia friendly lounges in acute ward areas to support Dementia patients and their carers/relatives at Wexham
- A local carers' group was led by the Trust locally in Hampshire
- In January 2018 the 'Alzheimer's Café' held a session for carers and patients with dementia.

In light of this, we are proud to say that the results of our local Trust survey show that:

- 100% of carers/friends/family of patients would recommend our services to friends and family

- 100% of carers/friends/family of patients scored the care received by their relative/friend between 8 and 10 (higher = better).

National Patient Survey Results

Please note that the results of the 2017 National Inpatient Survey are not yet available. They will be published in June/July 2018 by the CQC.

Performance against key national priorities 2017-18

NHS Improvement (NHSI) is the health sector regulator which monitors performance against set national objectives as part of their assessment of governance for NHS providers. As part of this Quality Report, we are required to report on the following national indicators:

Indicator	NHSI Threshold	FHFT 2017-18
Maximum time of 18 weeks from point of referral to treatment (RTT) in aggregate – patients on an incomplete pathway (1) [Ⓐ]	>=92%	92.2%
A&E: maximum waiting time of four hours from arrival to admission/transfer/discharge (2) [Ⓐ]	>=95%	89.0%
All cancers: 62-day wait for first treatment from: <ul style="list-style-type: none"> • Urgent GP referral for suspected cancer • NHS Cancer Screening Service referral 	>=85% >=90%	93.2%* 98.4%*
Clostridium Difficile (C. diff) – Total cases (Number due to lapses in care)	- (31)	45 (10)
Maximum 6-week wait for diagnostic procedures	<=1.0%	0.4%

[Ⓐ] = Audited by KPMG

* Please note: Cancer data is reported a month in arrears so March 2018 figures are not finalised yet, so Quarter-4 performance is as at 23/04/2018 and taken from weekly cancer report

- (1) **18 weeks RTT:** The reported indicator performance has been calculated based on all patients who were known to have an open RTT period as at each month end during the year. The accuracy of this information is dependent upon the accuracy of information recorded by a number of staff throughout the organisation at many different points in the pathway, including the entering of referrals at the start of the pathway, clinicians entering accurate RTT statuses throughout the pathway, clinical coding and the correct date of entry on waiting lists. The data is, to the best of our knowledge, complete.
- (2) **A&E 4 hour standard:** The reported indicator performance has been calculated based on all patients recorded as having attended A&E. Completeness of this information is therefore dependent on the complete and accurate entry of data at source by the clinician who carries out initial assessment or by A&E reception. Patients who have not been correctly registered in A&E will therefore not be included in the indicator calculation. Therefore, the data is, to the best of our knowledge, complete.

4. Annex 1: Statements from Clinical Commissioning Groups (CCGs), Healthwatch organisations and Overview & Scrutiny Committee

Frimley Health Patient Experience and Involvement Group

The Patient Experience and Involvement Group (PEIG) of the Council of Governors welcomes the opportunity to comment of this year's Annual Quality Report

The improvements seen in many of last year's priority areas are applauded especially the Trust's low infection and mortality rates. It is good to see that the Trust's continued aim to be one of the safest in the country is reflected in the refreshed Quality Improvement Strategy and its key priorities for 2018-19. Particularly welcome, are the new priorities of pressure ulcer prevention and improving patient experience.

In a tough year for the NHS the Trust has not been immune to the challenges and it is disappointing that the 4-hour A&E target has just been missed. The expansion of services to include Community Services and the new Integrated System-wide focus on Frailty will hopefully support timely, safe discharges and improve patient flow in the future.

Although the Trust continues to achieve very high standards overall some slight drop in standards, such as sepsis screening in inpatients, need to be addressed.

The PEIG have had the opportunity to receive, discuss and deep dive the Quality Indicators at our meetings throughout the year. The improvements demonstrated from last year's priorities are commendable and the PEIG feels assured that the Quality Report accurately reflects the Trust's quality programme.

Mary Probert
Chair, PEIG
15 May 2018

Commissioner Response on behalf of East Berkshire CCG, North East Hampshire & Farnham CCG, Surrey Heath CCG and Buckinghamshire CCGs

Note: The statement below is based on Draft v7 dated 27.4.2018; we cannot comment on sections still to be completed or data to be added.

Statement

The Clinical Commissioning Groups (East Berkshire CCG, North East Hampshire & Farnham CCG, Surrey Heath CCG and Buckinghamshire CCGs) are providing this response to the Frimley Health NHS Foundation Trust Quality Account for 2017-18.

Quality Account 2017-18

The Quality Account provides information and a review of the performance of the Trust against quality improvement priorities set for the year 2017-18 and gives an overview of the quality of care provided by the Trust during this period. The priorities for quality improvement are also set out for the next 12 months. The document clearly identifies the Trust's successes to date, and also areas for further improvement. The CCGs are pleased with the Trust's openness and transparency, and will continue to work with the Trust to achieve further successes and improvements in the areas identified within the Quality Account. This will be carried out through the strong collaborative working relationship the CCGs continue to have with the Trust, supported by an established quality governance framework which will further evolve in the context of the new Integrated Care System (ICS).

Reviewing the quality account, the CCGs confirm that as far as it can be ascertained it complies with the national requirements for such a report and the following are of specific note:

- The report provides information across the three domains of quality – patient safety, clinical effectiveness and patient experience
- The mandated elements are incorporated into the report
- There is evidence within the report that the Trust has used both internal and external assurance mechanisms
- The CCGs are satisfied with the accuracy of the quality account, as far as they can be, based on the information available to them in the draft reviewed prior to publication.

We are pleased that the Trust has remained committed to its three-year Quality Strategy, which began at the start of 2017-18, and has used its work to date to identify further goals for the coming years. Over the past year, clinical performance has remained generally strong, while the Trust has had to contend with pressures and demands which have impacted on some key performance indicators, notably the 4 hour A&E target, which has been under strain nationally. We have undertaken both formal assurance visits and informal visits to the Trust's services and have continued to see a positive approach and friendly atmosphere created for patients and visitors, along with a commitment to clinical effectiveness. When quality issues, challenges and risks have emerged, the Trust's internal

identification mechanisms, mitigations, improvement work and transparency with commissioners has been strong. The environment in which the Trust operates, in terms of demand and capacity, is challenging but we are confident that the Trust is committed to the mitigation of ongoing quality risks in collaboration with commissioners, partner organisations, patients and the public.

In terms of patient safety, the Trust has been successful in driving up levels of incident reporting, which we see as a sign of a positive safety culture. Perhaps partly as a reflection of increased staff engagement with reporting, but also as a result of the application of more stringent clinical quality standards and some significant challenges, we have seen a notable increase in Serious Incident reports, including 'Never Events'. The Trust continues to carry out high quality investigations with openness towards patients and families, and transparency towards commissioners and stakeholders. Major organisational workstreams have continued to evolve to address key safety issues arising from Serious Incident investigations, such as the identification and management of deteriorating patients, and serious harm from patient falls. We acknowledge that these are continuing efforts which need reinforcement with turnover of workforce and shifting demands. At the time of writing, a report by the Trust's auditors on the implementation of learning from Never Events is being finalised, and an annual analysis of Serious Incident and Never Events cases is scheduled for discussion with commissioners. While these issues continue to be worked on, we continue to see positive performance overall on key mortality and morbidity indicators, and a thorough mortality review process.

In terms of patient experience, we have seen the Trust continue to enhance transparency towards patients and their families and carers whilst actively seeking feedback through a variety of different channels. We are pleased to note that the Trust has maintained generally high levels of patient satisfaction, as evidence through both its internal surveys and the national Friends and Family Test. We are confident that the Trust uses any lower-than-expected scores on its internal surveys as an opportunity to work on these issues to achieve the best possible experience for its patients.

We mentioned in previous statements that the Trust puts a high priority on enhancing organisational culture and staff well-being, and it is good to see that this has continued throughout 2017-18; this is reflected in the work that has gone into the Health and Wellbeing CQUINs, and successes have been evidenced by positive results in the National Staff Survey and in staff Friend and Family Test results.

The Trust continues to operate a strong clinical audit function which underpins its improvement programme, and we acknowledge the engagement and efforts that have gone into participation in national audits alongside a broad local clinical audit programme. The Trust uses these audits to learn more about the clinical effectiveness of its services and to drive improvement work.

The CCGs acknowledge the Trust's overall strong performance against the Core Indicators based on national data collated by NHS Digital, and has confidence in the Trust's approach in addressing areas for improvement.

The CCGs acknowledge the Trust's achievement of the key national priorities 2017-18, overseen by NHS Improvement, with the exception of the A&E 4-hour target, which is discussed further below.

The CCGs also acknowledge the work undertaken by the Trust in relation to its 'Sign up to Safety' pledges; the report shows evidence of good achievements in relation to Clinical Handover, and the Management of Perineum during Labour.

The Trust has shown good overall performance in its CQUIN incentivised work programmes in 2017-18 (at the time of writing we are only able to comment on achievements up to the end of Quarter 3). The commissioners continue to work with the Trust on the revised CQUIN framework for 2018-19.

Notable Achievements 2017-18

In addition to the key priorities for 2018-19 which are discussed further below, and notwithstanding some of the other positive achievements mentioned in this statement, the CCGs acknowledge and commend notable achievements in the following areas:

- Integrated Care System (ICS) leadership: The Trust has continued to play a strong leadership role as an integrated system emerges within the Frimley Health geographical footprint
- Development of facilities: A substantial renovation and expansion of the Maternity Unit at Wexham Park has been successfully completed, and work on the construction of the new Emergency Department at Wexham Park is progressing well. The planned redevelopment of the Heatherwood Hospital site to provide a range of 'cold' services and Primary Care is also on track
- The launch of an Integrated Frailty Service at Frimley Park Hospital. This is part of the work the Trust has been doing since joining the NHS Acute Frailty Network, and includes provision of a new older persons short stay unit at the Frimley Park site
- The further development of the Trust's Mortality Review process to meet the new NHS England requirements on reviewing and reporting on avoidable deaths
- Involvement and engagement with system-wide Mortality Review Groups including the Learning Disabilities Mortality Review Programme (LeDeR)
- Continued provision of elective procedures over the challenging winter period
- Flu Prevention: The Trust has achieved a major increase in the number of staff receiving flu vaccinations over the winter months.

Challenges in 2018-19 and Beyond

All Trusts have their challenges and risks, and as mentioned above, we believe that FHFT is good at identifying and exploring these areas and addressing them with remedial or mitigating actions. The CCGs note the following areas which are particular challenges and will required the focus of the Trust and commissioners in 2018-19:

- **A&E 4-Hour Target:** The Trust has faced the same challenges seen nationally on this indicator, experiencing heavy demands. We hope that continued work on Urgent Care pathways within the ICS will help to improve performance in this area.
- **Seven Day Services:** The Trust benchmarks well nationally on these indicators, but we acknowledge that work is being done to improve performance on consultant review within 14 hours. We understand that achievement on this indicator is reliant on accurate documentation of the time a patient has been reviewed, and improvements here are being targeted.
- **Cardiology:** The Trust identified and addressed quality issues in this specialty at the Wexham Park site in 2017-18 and continues to work on a comprehensive integration and reform of governance for Cardiology across its sites. We have every confidence in these reforms.
- **Stroke:** We acknowledge that the Hyper Acute Stroke Unit at Frimley Park, working within the new networked stroke system, is experiencing some challenges to performance on key indicators (notably the indicator for admission to a stroke unit within 4 hours). We understand that an increased workload from the Surrey end of the patch may be contributing to this challenge and we continue to work with the Trust to explore avenues for improvement.
- **Safe and Effective Discharge from Hospital:** This is covered in the priorities section below.
- **Early Identification and Clinical Management of Deteriorating Patients:** This is covered in the priorities section below.
- **Interoperability and IT Systems:** Electronic communications (test results, discharge letters) and the visibility of electronic clinical records across acute and community settings is a complex and vital aspect of delivering effective, seamless healthcare. The Trust, along with its ICS partners, continues to work towards greater interoperability, and has already made significant progress in areas such as the development of electronic discharge summaries for implementation in 2018-19.
- **Learning Disabilities:** Ensuring that people with learning disabilities receive the same high quality healthcare as every patient across community and acute settings is a subject of national focus. Frimley Health has been very active in working to improve its internal processes to support these patients, and is also working with commissioners and partners in the Learning Disabilities Mortality Review Programme (LeDeR) which will fuel further change. As a system, we still have more to do to ensure that these patients receive the best care with all reasonable adjustments made to ensure that their needs are met. The agreement by commissioners for a new Learning Disabilities liaison nurse post at Wexham Park is an example of an enhancement which the Trust has pushed for and which we, as commissioners, are delighted to be able to facilitate.
- **Maternity:** Enhancement and improvement of the provision of maternity services across the system is the focus of an ICS Maternity Steering Group, supported by a Quality and Safety Sub-Group. Work will continue into 2018-19 with a focus on the ICS Better Births Action Plan.
- **Pathology Services:** Commissioners will continue to work with the Trust to iron out operational issues following the integration of pathology services across the Berkshire, Oxfordshire, Surrey and North East Hampshire regions.

- **Staffing:** The filling of nursing vacancies and retention of existing nursing staff at the Wexham Park site continues to be a big challenge. The Trust has developed a recruitment strategy, which it is refining further, with a focus on international recruitment. It is hoped that this will have a positive effect in 2018-19; while this will mitigate the issue, it is part of a national challenge which is unlikely to disappear in the foreseeable future. The Trust has escalation procedures in place to address any transient shortfalls in safe staffing levels.

Priorities for the Past Year 2017-18

The Trust has given a clear account of achievements and areas for further work in relation to the three quality priorities that were set for 2017-18. The CCGs have the following comments:

1. **Identification and management of the deteriorating patient.** We acknowledge the huge amount of work the Trust has put into this priority, and the continuing work needed to achieve consistent best practice. One of the key areas for improvement, and which is part of the two-year CQUIN programme 2017-2019, is Sepsis screening and timely administration of treatment. Through audit, incident reporting and mortality reviews, the Trust has identified and targeted further improvement work required to consistently meet the high standards it has set following the introduction of the National Early Warning Score (NEWS) and enhanced outreach protocols across its sites. An organisational programme, led by a senior nurse and recently augmented by two further specialist nurses, continues to support staff in this vital aspect of their work. This will be enhanced with the introduction of 'NEWS2' in 2018-19, and the procurement of an 'e-observation' system.
2. **Good discharge planning, involving patients and their families and / or carers (Implementation of the National Safer Discharge Bundle).** We acknowledge the work the Trust has carried out in promoting the SAFER discharge bundle and the initiation of IRIS at Wexham Park, following its introduction first at Frimley Park. We also acknowledge the Trust's good performance on the question relating to involvement with discharge in the National Inpatient Survey. As a system, we know that this is an area requiring continued and integrated work in order to see improvements, and we are pleased that the Trust is effectively identifying and working on its aspects under its direct control.
3. **Mental health within the non-specialist ward setting.** We acknowledge the Trust's good work on the mental health CQUIN programme to date, forging stronger links with our local mental health service providers; the early results show a positive impact on patients who frequently attend A&E with mental health issues. This work will continue into year two of the CQUIN programme, 2018-19. We also acknowledge the significant progress in staff training and awareness to support the effective care and treatment of those with mental health diagnoses. Alongside this, the Trust has improved its performance on Safeguarding training, including Mental Capacity Act training, and has carried out auditing of staff awareness and compliance with Best Interest decision-making procedures.

Priorities for 2018-19

The CCGs fully support the Trust's chosen priorities for 2018-19:

Priority 1: Reducing preventable deaths by learning from mortality reviews. We are delighted that the Trust has chosen this as a priority for 2018-19, having already made excellent progress in the enhancement of its mortality review processes in the past year. This priority fits with the system-wide approach which includes LeDeR and an ICS Mortality Review Group.

Priority 2: Pressure ulcer prevention. The Trust has performed well over the past few years in reducing the overall number of pressure ulcers that develop or worsen in hospital. It is good to see that this will be a continued priority, as the impact of pressure damage to patients can be life-changing in the worst cases.

Priority 3: Improving written and verbal communication for patients and engagement. This priority will involve organisational work to further integrate Patient Experience and Complaints functions across the sites. As well as targeted initiatives, this priority aims to increase the quality and timeliness of complaint responses and to enhance the ways in which learning from patient experience is translated into action. It is good to see that this will be a headline organisational priority.

Summary

We are pleased, once again, to be able to give positive comments on the Trust's Quality Account, and we fully support the Trust's chosen priorities for the coming year. At the same time, we acknowledge the significant challenges and risks faced by the Trust and the system as a whole. As new ways of collaborative working emerge in the context of an Integrated Care System we have every confidence that Frimley Health will continue to be a leading and dedicated partner in providing the best possible care and treatment to the local population.

Healthwatch Bracknell Forest & Healthwatch Windsor, Ascot & Maidenhead (WAM)

Healthwatch Bracknell Forest and Healthwatch WAM note with interest the quality account for 2017-18 and would make the following points.

Whilst generally good we would like to see better engagement with patients overall as apart from a couple of surveys mentioned in the report there does appear to be local of any other engagement included. We are also particularly keen to reinstate the bi-monthly meetings we had with the patient experience lead which have not happened since they left the Trust last year despite many requests with the new lead for these to happen to look at general operational feedback.

We note the ranking of 166th for A&E 4 hr standard and trust there is an action plan to deal with epidemics/pandemics moving forward. We also have intelligence that GP triage at point of entry is not working to a satisfactory level currently and hope this will be addressed in the future.

We note the discharge questionnaire feedback figures have improved from the previous year and would expect these to continue to improve in the coming years. Discharge is our number 3 feedback from the public and so it is important for the Trust to receive all feedback and learn from it. We are pleased to see priority 3 included around mental health within a non specialist ward environment as too often this is missed due to physical issues posed by patients.

We are surprised and would like to see stroke detection as a priority given the fall in detection between 2016-17 and 2017-18.

We are looking forward to continue to work in a proactive way with the Trust to deliver good patient outcomes moving forward.

Mark Sanders
Project Lead HWBF and HWWAM
May 2018

Healthwatch Surrey

As the independent consumer champion for health and social care, Healthwatch Surrey is committed to ensuring the people of Surrey have a voice to improve, shape and get the best from their health and social care services by empowering individuals and communities.

This year we have decided that we will not to get involved in commenting on the Quality Accounts. With limited resources we do not believe this is the best way to use our time to make a difference for the people of Surrey. We have chosen to concentrate this year on ensuring we feed back what we've heard on NHS and social care services to commissioners on a regular basis; and that we have the processes and relationships in place to escalate any cases of particular concern to the providers involved and seek outcomes.



Kate Scribbins
Chief Executive
Healthwatch Surrey May 2018

Annex 2: Statement of Directors' responsibilities for the quality report

The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations to prepare Quality Accounts for each financial year.

NHS Improvement has issued guidance to NHS foundation trust boards on the form and content of annual quality reports (which incorporate the above legal requirements) and on the arrangements that NHS foundation trust boards should put in place to support the data quality for the preparation of the quality report.

In preparing the Quality Report, directors are required to take steps to satisfy themselves that:

- the content of the Quality Report meets the requirements set out in the NHS foundation trust annual reporting manual 2017-18 and supporting guidance
- the content of the Quality Report is not inconsistent with internal and external sources of information including:
 - Board minutes and papers for the period April 2017 to May 2018;
 - papers relating to quality reported to the Board over the period April 2017 to May 2018;
 - feedback from commissioners dated 11 May 2018;
 - feedback from governors dated 15 May 2018;
 - feedback from local Healthwatch organisations dated 18 May 2018;
 - feedback from Overview and Scrutiny Committee – the OSC were given the opportunity to comment on the Trusts Quality Report this year but failed to respond;
 - the trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated 21 May 2018;
 - the latest national patient survey December 2017;
 - the latest national staff survey dated January 2018;
 - the Head of Internal Audit's annual opinion of the trust's control environment dated May 2018;
 - CQC inspection report dated 2 February 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
- 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 NHS Improvement’s annual reporting manual and supporting guidance (which incorporates the Quality Accounts regulations) as well as the standards to support data quality for the preparation of the Quality Report.

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

By order of the Board.



Chairman
24 May 2018



Chief Executive
24 May 2018

Annex 3: External audit limited assurance report

Independent auditor's report to the Council of Governors of Frimley Health NHS Foundation Trust on the Quality Report

We have been engaged by the Council of Governors of Frimley Health NHS Foundation Trust to perform an independent assurance engagement in respect of Frimley Health NHS Foundation Trust's Quality Report for the year ended 31 March 2018 (the 'Quality Report') and certain performance indicators contained therein.

Scope and subject matter

The indicators for the year ended 31 March 2018 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; and
- A&E: maximum waiting time of four hours from arrival to admission, transfer or discharge.

We refer to these national priority indicators collectively as the 'indicators'.

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 NHS Improvement.

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 requirements for quality reports for foundation trusts 2017/18* ('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 the six dimensions of data quality set out in the *Detailed Requirements for external assurance for quality reports for foundation trusts 2017/18*.

We read the Quality Report and consider whether it addresses the content requirements of the NHS Foundation Trust Annual Reporting Manual 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 2017 to May 2018;
- papers relating to quality reported to the board over the period April 2017 to May 2018;
- feedback from commissioners, dated 11 May 2018;
- feedback from governors, dated 15 May 2018;
- the trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009;
- feedback from local Healthwatch organisations, dated 18 May 2018;
- the latest national patient survey;

- the latest national staff survey, dated January 2018;
- Care Quality Commission Inspections: Frimley Park Hospital (August 2014), Wexham Park Hospital (October 2015) and Heatherwood Hospital (February 2014); and
- the 2017/18 Head of Internal Audit's annual opinion over the trust's control environment, dated May 2018;

We consider the implications for our report if we become aware of any apparent misstatements or 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 Frimley Health NHS Foundation Trust as a body, to assist the Council of Governors in reporting the NHS Foundation Trust's quality agenda, performance and activities. We permit the disclosure of this report within the Annual Report for the year ended 31 March 2018, 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 Frimley Health NHS Foundation Trust for our work or this report, except where terms are expressly agreed and with our 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.

Limitations

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* and supporting guidance.

The scope of our assurance work has not included governance over quality or the non-mandated indicator, which was determined locally by Frimley Health NHS Foundation Trust.

Conclusion

Based on the results of our procedures, nothing has come to our attention that causes us to believe that, for the year ended 31 March 2018:

- 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 Guidance; and

the indicator in the Quality Report subject to limited assurance has not been reasonably stated in all material respects in accordance with the NHS Foundation Trust Annual Reporting Manual and the six dimensions of data quality set out in the Guidance.

KPMG LLP
Chartered Accountants
15 Canada Square, London, E14 5GL

25 May 2018

Annex 4: External data quality definitions

The following information includes the definitions of the quality indicators which were subject to the external assurance process:

18 Weeks RTT

Indicator descriptor: Percentage of incomplete pathways within 18 weeks for patients on incomplete pathways.

Source of indicator definition and detailed guidance: The indicator is defined within the technical definitions that accompany Everyone counts: planning for patients 2014-15 – 2018-19 and can be found at: www.england.nhs.uk/wp-content/uploads/2014/01/ec-tech-def-1415-1819.pdf

Detailed rules and guidance for measuring referral to treatment (RTT) standards can be found at: <http://www.england.nhs.uk/statistics/statistical-work-areas/rtt-waiting-times/rtt-guidance/>

Detailed descriptor: E.B.3: The percentage of incomplete pathways within 18 weeks for patients on incomplete pathways at the end of the period.

Numerator: The number of patients on an incomplete pathway at the end of the reporting period who have been waiting no more than 18 weeks.

Denominator: The total number of patients on an incomplete pathway at the end of the reporting period.

Accountability: Performance is to be sustained at or above the published operational standard. Details of current operational standards are available at: <https://www.england.nhs.uk/wp-content/uploads/2013/12/5yr-strat-plann-guid-wa.pdf> (see Annex B: NHS Constitution Measures)

Indicator format: Reported as a percentage.

A&E 4 hour target

Indicator descriptor: Percentage of patients with a total time in A&E of four hours or less from arrival to admission, transfer or discharge.

Source of indicator definition and detailed guidance: The indicator is defined within the technical definitions that accompany Everyone counts: planning for patients 2014/15 – 2018-19 and can be found at: www.england.nhs.uk/wp-content/uploads/2014/01/ec-tech-def-1415-1819.pdf

Detailed rules and guidance for measuring A&E attendances and emergency admissions can be found at: <https://www.england.nhs.uk/statistics/wp-content/uploads/sites/2/2013/03/AE-Attendances-Emergency-Definitions-v2.0-Final.pdf>

Additional information: This indicator is as required to be reported by the Risk Assessment Framework: A&E four-hour wait: waiting time is assessed on a provider basis, aggregated across all sites: no activity from off-site partner organisations should be included. The four-hour waiting time indicator applies to minor injury units/walk-in centres.

Paragraph 6.8 of the NHS England guidance referred to above gives further guidance on inclusion of a type 3 unit in reported performance:

We are an acute trust. Can we record attendances at a nearby type 3 unit in our return? Such attendances can be recorded by the trust in the following circumstances.

- a) The trust is clinically responsible for the service. This will typically mean that the service is operated and managed by the trust, with the majority of staff being employees of the trust. A trust should not assume responsibility for reporting activity for an operation if the trust's involvement is limited to clinical governance.
- b) The service is run by an IS provider on the same site as a type 1 unit run by the trust. This would need to be agreed by the parties involved, and only one organisation should report the activity.

Where an NHS foundation trust has applied criterion (b) and is including type 3 activity run by another provider on the trust site as part of its reported performance, this will therefore be part of the population of data subject to assurance work.

In rare circumstances there may be challenges in arranging for the auditor to have access to the third party data in these cases. In this scenario the NHS foundation trust may present an additional indicator in the quality report which only relates to its own activity and have this reported indicator be subject to the limited assurance opinion.

Numerator: The total number of patients who have a total time in A&E of four hours or less from arrival to admission, transfer or discharge. Calculated as:

(Total number of unplanned A&E attendances) – (Total number of patients who have a total time in A&E over 4 hours from arrival to admission, transfer or discharge).

Denominator: The total number of unplanned A&E attendances.

Accountability: Performance is to be sustained at or above the published operational standard. Details of current operational standards are available at: www.england.nhs.uk/wp-content/uploads/2013/12/5yr-strat-plann-guid-wa.pdf (see Annex B: NHS Constitution Measures)

Indicator format: Reported as a percentage.

Accounts 2017 - 18



Independent auditor's report

to the Council of Governors of Frimley Health NHS Foundation Trust

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

1. Our opinion is unmodified

We have audited the financial statements of Frimley Health NHS Foundation Trust ("the Trust") for the year ended 31 March 2018 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Cash Flows, the Statement in Taxpayers' Equity and the related notes, including the accounting policies in note 1.

In our opinion:

- the financial statements give a true and fair view of the state of the Trust's affairs as at 31 March 2018 and of its income and expenditure for the year then ended; and
- the Trust's financial statements have been properly prepared in accordance with the Accounts Direction issued under paragraphs 24 and 25 of Schedule 7 of the National Health Service Act 2006, the NHS Foundation Trust Annual Reporting Manual 2017/18 and the Department of Health Group Accounting Manual 2017/18.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Trust in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Overview

Materiality: £10m (2016/17: £10m)
 financial statements as a whole 1.5% (2016/17: 1.6%) of total operating income

Risks of material misstatement vs 2016/17

Recurring risks		
Valuation of land and buildings	◀▶	
Recognition of NHS income and valuation of NHS receivables and accrued income	◀▶	

Key

◀▶ Risk level unchanged from prior year

2. Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. We summarise below, the key audit matters (unchanged from 2016/17), in decreasing order of audit significance, in arriving at our audit opinion above together with our key audit procedures to address those matters and our findings from those procedures in order that the Trust's governors as a body may better understand the process by which we arrived at our audit opinion. These matters were addressed, and our findings are based on procedures undertaken, in the context of, and solely for the purpose of, our audit of the financial statements as a whole, and in forming our opinion thereon, and consequently are incidental to that opinion, and we do not provide a separate opinion on these matters.

	The risk	Our response
<p>Property, Plant and Equipment: Land and Buildings</p> <p>(£358 million; 2016/17: £318 million)</p> <p><i>Refer to page 10 (Audit Committee Report), page 16 (accounting policy) and page 32 (financial disclosures)</i></p>	<p>Subjective valuation</p> <p>Land and buildings are required to be held at fair value. As hospital buildings are specialised assets and there is not an active market for them they are usually valued on the basis of the cost to replace them with an equivalent asset.</p> <p>When considering the cost to build a replacement asset the Trust may consider whether the asset would be built to the same specification or in the same location. Assumptions about changes to the asset must be realistic.</p> <p>Small changes in the assumptions and estimates used to value the Trust's land and buildings would have a significant effect on the Trust's fixed asset balance</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> — Assessing the valuer's credentials: we assessed the scope, qualifications and experience of the Trust's valuer to verify that they were appropriately experienced and qualified to undertake the valuation; — Valuation methodology choice: We inspected the instructions sent to the valuers to confirm that they were compliant with the requirements of the Group Accounting Manual to generate an appropriate valuation; — Tests of details: We agreed the accuracy of the estate data provided to the valuer to complete the desktop valuation by reconciling it to accounting records and re-performing measurements of a sample of assets; — Tests of details: We confirmed that accounting for valuation changes had been completed correctly in line with the requirements of the Group Accounting Manual; and — Tests of details: For a sample of assets added during the year we verified that an appropriate valuation basis had been adopted when they became operational and that the Trust would receive future benefits. <p>Our findings</p> <ul style="list-style-type: none"> — We found the resulting valuation of land and buildings to be balanced.

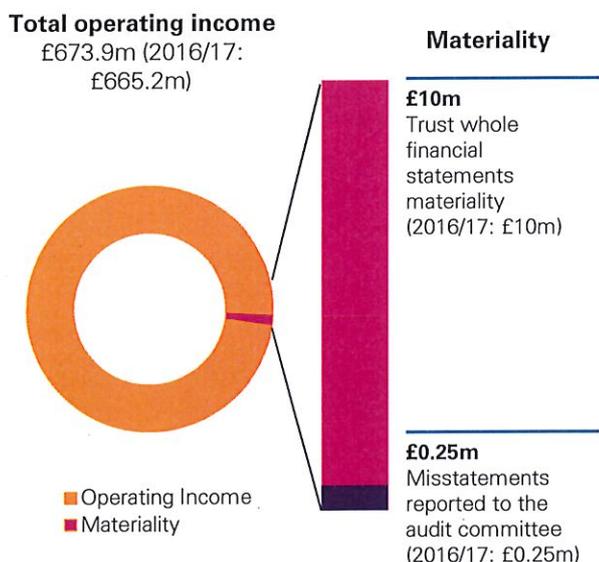
The risk	Our response
<p>NHS Income and Receivables</p> <p>Income (£609.8 million; 2016/17: £595.1 million)</p> <p>Receivables: (£34 million; 2016/17: £35 million)</p> <p><i>Refer to page 11 (Audit Committee Report), page 13 (accounting policy) and page 26 (financial disclosures).</i></p>	<p>2017/18 Income and subjective estimate on receivables</p> <p>Of the Trust's reported total income, £564 million (2016/17, £544m) came from commissioners (Clinical Commissioning Groups (CCG) and NHS England). Five CCGs and NHS England make up 82% of the Trust's income. The majority of this income is contracted on an annual basis, however actual achievement is based on completing the planned level of activity and achieving key performance indicators (KPIs). If the Trust does not meet its contracted KPIs then commissioners are able to impose fines, reducing the level of income achievement. This results in estimates being reported at year end.</p> <p>In 2017/18, the Trust received transformation funding from NHS Improvement. This is received subject to achieving defined financial and operational targets on a quarterly basis. The Trust was allocated a potential total of £27m (2016/17 £24m) of transformation funding. Additional funding is available if targets are achieved.</p> <p>The Trust also continues to receive funding (2017/18: £19m, 2016/17: £27m) in respect of it's acquisition of Heatherwood and Wexham Park Hospitals NHS Foundation Trust in 2014, including transaction funding from the Department of Health for improving the operational and financial difficulties encountered by the legacy Trust prior to absorption.</p>
	<p>Our procedures included:</p> <p>Tests of details: We undertook the following tests of details:</p> <ul style="list-style-type: none"> — For the five largest commissioners of the Trust's activity we agreed signed contracts were in place covering the financial year; — We agreed that invoices had been issued in line with the contracts signed with the five largest commissioners; — We inspected the outcome of the agreement of balances exercise with CCGs and other NHS bodies. Where there were mismatches over £300,000 we critically assessed the Trust's assessment of the level of income they were entitled to and the receipts that could be collected; — We obtained external confirmation that the income recorded relating to Sustainability and Transformation Funding agreed to the amount that the Trust had been notified by NHS Improvement that it was entitled to at the end of the financial year. — We analysed the movement in key other NHS income balances and obtained explanations for significant variances; — We assessed the approach to impairing receivables to ensure appropriate judgement and accounting in line with the Trust's policy; and — We agreed all income recognised in relation to the Heatherwood and Wexham Park Hospitals NHS Foundation Trust was in line with the conditions of funding agreements and either matched to appropriate expenditure or deferred. <p>Our findings</p> <ul style="list-style-type: none"> — We found minor presentational errors which were corrected relating to NHS Income and Receivables; and — In determining the provision for doubtful debts, there is room for judgement, and we found that within that, the Trust's judgement mildly cautious.

3. Our application of materiality

Materiality for the Trust financial statements as a whole was set at £10 million (2016/17: £10 million), determined with reference to a benchmark of operating income (of which it represents approximately 1.5%). We consider operating income to be more stable than a surplus- or deficit-related benchmark.

We agreed to report to the Audit Committee any corrected and uncorrected identified misstatements exceeding £0.25 million (2016/17: £0.25 million), in addition other identified misstatements that warranted reporting on qualitative grounds.

Our audit of the Trust was undertaken to the materiality level specified above and was [all] performed at the Trust's headquarters in Frimley.



4. We have nothing to report on going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

5. We have nothing to report on the other information in the Annual Report

The directors are responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

In our opinion the other information included in the Annual Report for the financial year is consistent with the financial statements

Remuneration report

In our opinion the part of the remuneration report to be audited has been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2017/18.

Corporate governance disclosures

We are required to report to you if:

- we have identified material inconsistencies between the knowledge we acquired during our financial statements audit and the directors' statement that they consider that the annual report and financial statements taken as a whole is fair, balanced and understandable and provides the information necessary for stakeholders to assess the Trust's position and performance, business model and strategy; or
- the section of the annual report describing the work of the Audit Committee does not appropriately address matters communicated by us to the Audit Committee; or
- the Annual Governance Statement does not reflect the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual 2017/18, is misleading or is not consistent with our knowledge of the Trust and other information of which we are aware from our audit of the financial statements.

We have nothing to report in these respects.

6. Respective responsibilities

Accounting Officer's responsibilities

As explained more fully in the statement set out on page 73, the Accounting Officer is responsible for: the preparation of financial statements that give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they have been informed by the relevant national body of the intention to dissolve the Trust without the transfer of its services to another public sector entity

Auditor's responsibilities

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

A fuller description of our responsibilities is provided on the FRC's website at

www.frc.org.uk/auditorsresponsibilities

REPORT ON OTHER LEGAL AND REGULATORY MATTERS

We have nothing to report on the statutory reporting matters

We are required by Schedule 2 to the Code of Audit Practice issued by the Comptroller and Auditor General ('the Code of Audit Practice') to report to you if:

- any reports to the regulator have been made under Schedule 10(6) of the National Health Service Act 2006.
- any matters have been reported in the public interest under Schedule 10(3) of the National Health Service Act 2006 in the course of, or at the end of the audit.

We have nothing to report in these respects.

We have nothing to report in respect of our work on the Trust's arrangements for securing economy, efficiency and effectiveness in the use of resources

Under the Code of Audit Practice we are required to report to you if the Trust has not made proper arrangement for securing economy, efficiency and effectiveness in the use of resources.

We have nothing to report in this respect.

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

The Trust is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in the use of resources

Under Section 62(1) and Schedule 10 paragraph 1(d), of the National Health Service Act 2006 we have a duty to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in the use of resources .

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

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the specified criterion issued by the Comptroller and Auditor General (C&AG) in November 2017, as to whether the Trust had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. We planned our work in accordance with the Code of Audit Practice and related guidance. Based on our risk assessment, we undertook such work as we considered necessary.

Report on our review of the adequacy of arrangements for securing economy, efficiency and effectiveness in the use of resources

We are required by guidance issued by the C&AG under Paragraph 9 of Schedule 6 to the Local Audit and

Accountability Act 2014 to report on how our work addressed any identified significant risks to our conclusion on the adequacy of the Trust's arrangements for securing economy, efficiency and effectiveness in the use of resources. The 'risk' in this case is the risk that we could come to an incorrect conclusion in respect of the Trust's arrangements, rather than the risk of the arrangements themselves being inadequate.

We carry out a risk assessment to determine the nature and extent of further work that may be required. Our risk assessment includes consideration of the significance of business and operational risks facing the Trust, insofar as they relate to 'proper arrangements'. This includes sector and organisation level risks and draws on relevant cost and performance information as appropriate, as well as the results of reviews by inspectorates, review agencies and other relevant bodies.

No significant risks or findings were identified as a result of our risk assessment or through the procedures we performed.

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

This report is made solely to the Council of Governors of the Trust, as a body, in accordance with Schedule 10 of the National Health Service Act 2006 and the terms of our engagement by the Trust. Our audit work has been undertaken so that we might state to the Council of Governors of the Trust, as a body, those matters we are required to state to them in an auditor's report, and the further matters we are required to state to them in accordance with the terms agreed with the Trust, and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors of the Trust, as a body, for our audit work, for this report, or for the opinions we have formed.

CERTIFICATE OF COMPLETION OF THE AUDIT

We certify that we have completed the audit of the accounts of Frimley Health 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 Thomas
for and on behalf of KPMG LLP (Statutory Auditor)

Chartered Accountants
15 Canada Square,
London
E14 5GL

25 May 2018

FOREWORD TO THE ACCOUNTS

FRIMLEY HEALTH NHS FOUNDATION TRUST

The accounts are 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.



Signed: Neil Dardis, Chief Executive

Date: 24 May 2018

**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED
31 March 2018**

	NOTE	2017/18 £000	2016/17 £000
Revenue from patient care activities	2	575,139	555,866
Other operating revenue		98,759	109,369
Operating expenses	3-4	<u>(636,244)</u>	<u>(630,035)</u>
NET OPERATING SURPLUS		37,654	35,200
Finance costs			
Finance income		209	139
Finance expenses - financial liabilities	6	(112)	(139)
Gain on disposal of asset		0	565
Public Dividend Capital dividends payable		<u>(11,107)</u>	<u>(10,581)</u>
Net finance costs		(11,010)	(10,016)
SURPLUS FOR THE YEAR		<u>26,644</u>	<u>25,184</u>
Other comprehensive income/expense:			
Revaluation gain on property, plant and equipment	9	9,222	4,174
Impairment loss on property, plant and equipment	9	(10,096)	(43,572)
TOTAL COMPREHENSIVE INCOME(EXPENSE) FOR THE YEAR		<u><u>25,770</u></u>	<u><u>(14,214)</u></u>

The following notes 1 to 21 form part of these accounts.

**STATEMENT OF FINANCIAL POSITION AS AT
31 March 2018**

		31 March 2018	31 March 2017
	NOTE	£000	£000
Non-current assets			
Intangible assets	8	5,651	3,988
Property, plant and equipment	9	<u>357,573</u>	<u>318,143</u>
Total non-current assets		363,224	322,131
Current assets			
Inventories	10	3,369	3,265
Trade and other receivables	11	71,326	61,474
Cash and cash equivalents	15	<u>113,142</u>	<u>86,654</u>
Total current assets		187,837	151,393
Current liabilities			
Trade and other payables	12	(56,810)	(57,885)
Tax payable	12	(8,711)	(8,247)
Other financial liabilities	12	(276)	(287)
Other liabilities	12	(22,672)	(11,244)
Provisions for liabilities and charges	13	<u>(289)</u>	<u>(383)</u>
Total current liabilities		(88,758)	(78,046)
Total assets less current liabilities		462,303	395,478
Non current liabilities			
Other financial liabilities	12	(1,476)	(1,749)
Provisions for liabilities and charges	13	(322)	(51)
TOTAL ASSETS EMPLOYED		<u>460,505</u>	<u>393,678</u>
FINANCED BY:			
TAXPAYERS' EQUITY			
Public dividend capital		267,972	226,915
Revaluation reserve		110,515	111,389
Income and Expenditure Reserve		82,018	55,374
TOTAL TAXPAYERS' EQUITY		<u>460,505</u>	<u>393,678</u>

The financial statements on pages 195 to 233 were approved by the Board of Directors and signed on its behalf by



Neil Dardis, Chief Executive

24 May 2018

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED
31 March 2018**

	2017/18 £000	2016/17 £000
Cash flows from operating activities		
Operating surplus	37,654	35,200
Depreciation and amortisation	17,697	19,177
Impairments	1,596	630
Non cash donations credited to income	(943)	(249)
Decrease/(Increase) in Inventories	(104)	173
(Increase) in Trade and other receivables	(9,759)	(6,330)
(Decrease)/Increase in Trade and other payables	7,501	(9,451)
(Decrease)/Increase in Provisions	177	(291)
	<hr/>	<hr/>
Net cash generated from operating activities	53,819	38,859
Cash flows from investing activities		
Interest received	209	139
Purchase of intangible assets	(2,141)	(2,825)
Purchase of Property, Plant and Equipment	(54,593)	(38,214)
Sale of Property, Plant and Equipment	0	2,515
	<hr/>	<hr/>
Net cash used in investing activities	(56,525)	(38,385)
Cash flows from financing activities		
Public dividend capital received	41,057	25,085
Public dividend capital repaid	0	0
Other loans received	(57)	194
Other loans repaid	0	(41)
PDC dividend paid	(11,467)	(10,386)
Capital element of finance lease rental payments	(227)	(489)
Interest paid	(3)	(3)
Interest element of finance leases	(109)	(138)
	<hr/>	<hr/>
Net cash generated from financing activities/(used in financing activities)	29,194	14,222
	<hr/>	<hr/>
Increase in cash and cash equivalents	26,488	14,696
Cash and cash equivalents at 1 April	86,654	71,958
	<hr/>	<hr/>
Cash and cash equivalents at 31 March	<u>113,142</u>	<u>86,654</u>

Statement of Changes in Taxpayers' Equity for the year ended 31 March 2018

	Total	Revaluation Reserve	Income and Expenditure Reserve	Public Dividend Capital
	£000	£000	£000	£000
Taxpayers' equity as at 1 April 2017	393,678	111,389	55,374	226,915
Surplus for the year	26,644	0	26,644	0
Revaluation gain on property, plant and equipment	9,222	9,222	0	0
Impairment loss on property, plant and equipment	(10,096)	(10,096)	0	0
Transfer from reval reserve to I&E reserve for impairments arising from consumption of economic benefits	0	0	0	0
Public dividend capital received	41,057	0	0	41,057
At 31 March 2018	460,505	110,515	82,018	267,972

Statement of Changes in Taxpayers' Equity for the year ended 31 March 2017

	Total	Revaluation Reserve	Income and Expenditure Reserve	Public Dividend Capital
	£000	£000	£000	£000
Taxpayers' equity as at 1 April 2016	382,807	153,344	27,633	201,830
Surplus for the year	25,184	0	25,184	0
Revaluation gain on property, plant and equipment	4,174	4,174	0	0
Impairment loss on property, plant and equipment	(43,572)	(43,572)	0	0
Transfer from reval reserve to I&E reserve for impairments arising from consumption of economic benefits	0	(2,557)	2,557	0
Public dividend capital received	25,085	0	0	25,085
31 March 2017	393,678	111,389	55,374	226,915

Revaluation Reserve - any gains/(losses) on property, plant and equipment are recorded in the revaluation reserve.

The Income and Expenditure Reserve - records any surplus or deficit on a non-profit-seeking concern.

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.

NOTES TO THE ACCOUNTS

1 Accounting policies and other information

NHS Improvement (NHSI), in exercising the statutory functions conferred on Monitor, is responsible for issuing an accounts direction to NHS foundation trusts under the NHS Act 2006. NHSI has directed that the financial statements of NHS foundation trusts shall meet the accounting requirements of the Department of Health Group Accounting Manual (DH GAM) which shall be agreed with the Secretary of State. The following financial statements have been prepared in accordance with the DH GAM 2017/18. The accounting policies contained in that manual follow IFRS and HM Treasury's 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. The accounts have been prepared on a going concern basis, following the submission of a two-year operating plan to NHSI projecting income and expenditure surpluses for 2018/19 of £33m before impairments and with £112m of cash holding as at 31 March 2019.

1.2 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 income for the Trust is contracts with commissioners in respect of healthcare services.

Income received from the Department of Health in respect of the acquisition of the former Heatherwood and Wexham Park Hospitals NHS Foundation Trust (H&WPH) is to fund the costs of integration and transformation, this is recognised in the year in which the costs of the transaction arose. Any income received which has not been matched to costs is treated as deferred income in accordance with the funding agreement.

Where income is received for a specific activity which is to be delivered in the following financial year, that income is deferred in accordance with the funding agreement.

Income from the sale of non-current assets is recognised only when all material conditions of sale have been met, and is measured as the sums due under the sale of contract, less costs to sell.

As regards the Frimley Health Charity any legacies are accounted for as incoming resources where the receipt of the legacy is probable; this will be once confirmation has been received from the representatives of the estate(s) that payment of the legacy will be made or property transferred and once all conditions attached to the legacy have been fulfilled.

1.3 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 annual leave entitlement earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry forward leave to the following period.

1.3 Expenditure on Employee Benefits (continued)

Pension Costs

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

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

Additional pension liabilities arising from early retirements are not funded by the scheme except where the retirement is due to ill-health. The full amount of the liability for the additional costs is charged to the operating expenses at the time the trust commits itself to the retirement, regardless of the method of payment.

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary’s Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and are accepted as providing suitably robust figures for financial reporting purposes. The valuation of scheme liability as at 31 March 2018, is based on valuation data as 31 March 2017, updated to 31 March 2018 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The 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.

The next actuarial valuation is to be carried out as at 31 March 2016 and is currently being prepared. The direction assumptions are published by HM Treasury which are used to complete the valuation calculations, from which the final valuation report can be signed off by the scheme actuary. This will set the employer contribution rate payable from April 2019 and will consider the cost of the Scheme relative to the employer cost cap. There are provisions in the Public Service Pension Act 2013 to adjust member benefits or contribution rates if the cost of the Scheme changes by more than 2% of pay. Subject to this ‘employer cost cap’ assessment, any required revisions to member benefits or contribution rates will be determined by the Secretary of State for Health after consultation with the relevant stakeholders.

1.3 Expenditure on Employee Benefits (continued)

c) Scheme provisions

The NHS Pension Scheme provided defined benefits, which are summarised below. This list is an illustrative guide only, and is not intended to detail all the benefits provided by the Scheme or the specific conditions that must be met before these benefits can be obtained:

The Scheme is a "final salary" scheme. Annual pensions are normally based on 1/80th for the 1995 section and of the best of the last three years pensionable pay for each year of service, and 1/60th for the 2008 section of reckonable pay per year of membership. Members who are practitioners as defined by the Scheme Regulations have their annual pensions based upon total pensionable earnings over the relevant pensionable service.

With effect from 1 April 2008 members can choose to give up some of their annual pension for an additional tax free lump sum, up to a maximum amount permitted under HMRC rules. This new provision is known as "pension commutation".

Annual increases are applied to pension payments at rates defined by the Pensions (Increase) Act 1971, and are based on changes in retail prices in the twelve months ending 30 September in the previous calendar year. From 2011-12 the Consumer Price Index (CPI) has been used and replaced the Retail Prices Index (RPI).

Early payment of a pension, with enhancement, is available to members of the scheme who are permanently incapable of fulfilling their duties effectively through illness or infirmity. A death gratuity of twice final year's pensionable pay for death in service, and five times their annual pension for death after retirement is payable.

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to the employer.

Members can purchase additional service in the NHS Scheme and contribute to money purchase AVC's run by the Scheme's approved providers or by other Free Standing Additional Voluntary Contributions (FSAVC) providers.

1.4 Expenditure on other goods and services

Expenditure on goods and services is recognised when, and to the extent that they have been received, and is measured at the fair value of those goods and services. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment.

1.5 Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured using the 'First In First Out' (FIFO) method. The only inventory recognised by the Trust which is capitalised is pharmacy stock.

1.6 Property, plant and equipment

Recognition

Property, plant and equipment is capitalised where:

- it is held for use in delivering services or for administrative purposes;
- it is probable that future economic benefits will flow to, or service potential be provided to, the Trust;
- it is expected to be used for more than one financial year; and
- the cost of the item can be measured reliably.

1.6 Property, plant and equipment (continued)

Property, plant and equipment assets are capitalised if they are capable of being used for a period which exceeds one year and they:

- individually have a cost of at least £5,000; or
- form a group of assets which individually have a cost of more than £250, collectively have a cost of at least £5,000, 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
- form part of the initial setting-up cost of a new building or refurbishment of a 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 e.g. plant and equipment, then these components are treated as separate assets and depreciated over their own useful economic lives.

Measurement

Valuation

All property, plant and equipment assets are measured initially at cost, representing the costs directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management.

Land and buildings are measured subsequently at fair value, other assets are valued at depreciated cost.

Property, plant and equipment are stated at the lower of replacement cost or recoverable amount. On initial recognition they are measured at cost (for leased assets, fair value) including any costs, such as installation, directly attributable to bringing them into working condition. The carrying values of property, plant and equipment are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable. The costs arising from financing the construction of the property, plant and equipment are not capitalised but are charged to the statement of comprehensive income in the year to which they relate in accordance with Monitor's interpretation of IAS 23 revised.

All land and buildings are revalued using professional valuations in accordance with IAS 16. The frequency of valuations is dependent upon changes in the fair value of the items of property, plant and equipment being revalued. 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.

Valuations are carried out by independent professionally qualified valuers in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual.

Valuations are carried out primarily on the basis of depreciated replacement cost on a modern equivalent asset basis for specialised operational property and existing use value for non-specialised operational property.

The value of land for existing use purposes is assessed at existing use value. For non-operational properties including surplus land, the valuations are carried out under fair value based on alternative use.

Valuation for land and buildings have been carried out using an optimised site basis across all Trust sites.

The District Valuation Service (DVS) completed a desktop update valuation as at 31 March 2018 of all properties held by the Trust which qualify as non-current assets. This included the Frimley Park Hospital, Heatherwood Hospital and Wexham Park Hospital sites.

1.6 Property, plant and equipment (continued)

Operational equipment has not been inflated due to it being immaterial.

Additional alternative open market value figures have only been supplied for operational assets scheduled for imminent closure and subsequent disposal.

Assets in the course of construction are valued at cost and are valued by professional valuers as part of the property, plant and equipment valuation or when they are brought into use.

Equipment surplus to requirements is valued at net recoverable amount.

Subsequent expenditure

Subsequent expenditure relating to an item of property, plant and equipment is recognised as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred to replace a component of such item will flow to the enterprise and the cost of the item can be reliably determined. The carrying amount of the part replaced is derecognised. Other expenditure that does not generate additional future economic benefits or service potential, such as repairs and maintenance, is charged to the Statement of Comprehensive Income in the period in which it is incurred.

Depreciation

Items of property, plant and equipment are depreciated over their remaining useful economic lives in a manner consistent with the consumption of economic or service delivery benefits on a straight line basis. Freehold land is considered to have an indefinite life and is not depreciated.

Property, plant and equipment which has been reclassified as 'Held for Sale' ceases to be depreciated upon reclassification. Assets in the course of construction are not depreciated until the asset is brought into use or reverts to the Trust, respectively.

Plant and machinery, information technology equipment and furniture and fittings are depreciated on current cost basis evenly over the estimated life. The useful economic life for equipment assets is typically between 2 to 8 years for IT assets, and between 2 to 15 years for plant and equipment.

Asset lives of buildings and dwellings are up to a maximum of 80 years. Buildings across the sites are deemed to have a useful economic live ranging from 14 years to 77 years

Revaluation and impairment

Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse an impairment previously recognised in operating expenses, in which case they are credited to operating income.

Where an impairment is not the result of a loss of economic benefit or service potential, decreases in asset values and impairments are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses. Impairments can arise when land and building valuations have been conducted by independent professionally qualified valuers.

1.6 Property, plant and equipment (continued)

Where an impairment is due to a loss of economic benefit or service potential in the asset, the impairment is charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of

- i) the impairment charged to operating expenses; and
- ii) the balance in the revaluation reserve attributable to that asset before the impairment.

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

De-recognition

Assets intended for disposal are reclassified as 'Held for Sale' once all of the following criteria are met:

- i) the asset is available for immediate sale in its present condition subject only to terms which are usual and customary for such sales; and
- ii) the sale must be highly probable i.e.;
 - management are committed to a plan to sell the asset;
 - an active programme has begun to find a buyer and complete the sale;
 - the asset is being actively marketed at a reasonable price;
 - the sale is expected to be completed within 12 months of the date of classification as 'Held for Sale'; and
 - the actions needed to complete the plan indicate it is unlikely that the plan will be dropped or significant changes made to it.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged and the assets are not revalued, except where the 'fair value less costs to sell' falls below the carrying amount. Assets are de-recognised when all material sale contract conditions have been met.

Property, plant and equipment which is to be scrapped or demolished does not qualify for recognition as 'Held for Sale' and instead is retained as an operational asset and the asset's economic life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

Donated property plant and equipment

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 donation/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 assets are subsequently accounted for in the same manner as other items of property, plant and equipment.

1.7 Intangible assets

Recognition

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

Intangible assets are capitalised if they are capable of being used for a period which exceeds one year, they can be valued and have a cost of at least £5,000.

Software

Software which is integral to the operation of hardware e.g. an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware e.g. application software, is capitalised as an intangible asset.

Measurement

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management. Revaluation gains and losses and impairments are treated in the same manner as for property, plant and equipment.

Depreciated replacement cost is being used as a proxy of fair value for intangible assets. The assessment of intangible assets highlights that software held typically has a life of approximately 3 to 7 years.

Intangible assets held for sale are measured at the lower of their carrying amount or 'fair value less costs to sell'.

Amortisation

Intangible assets are amortised over their expected useful economic lives in a manner consistent with the consumption of economic or service delivery benefits. Intangible assets on the Statement of Financial Position have a life of between 3 to 7 years assigned.

1.8 Jointly controlled operation

The Trust is a member of Berkshire and Surrey Pathology Service, which incorporates Ashford and St. Peter's Hospitals NHS Foundation Trust and Royal Surrey County Hospital NHS Foundation Trust (RSCH) and Royal Berkshire Hospital NHS Foundation Trust (RBH). This arrangement operates within the definition of a jointly controlled operation under IAS 31.

The Trust accounts for its share of the assets, liabilities, income and expenditure arising from the activities of the Berkshire and Surrey Pathology Services, identified in accordance with the Pathology service agreement. Accordingly both the RSCH and Ashford and St. Peter's Hospitals NHS Foundation Trust, and RBH also account for their share of the assets, liabilities, income and expenditure in their financial statements.

1.9 Cash, bank and overdrafts

Cash, bank and overdraft balances are recorded at the fair value of these balances in the Trust's cash book. These balances exclude monies held in the Trust's bank account belonging to patients (see note 20 - Third party assets).

Interest earned on bank accounts and interest charged on overdrafts is recorded as, respectively, "interest receivable" and "interest payable" in the periods to which they relate. Bank charges are recorded as operating expenditure in the periods to which they relate.

1.10 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), and 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 note 1.11 - Leases. 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 'Loans and receivables'. Financial liabilities are classified as 'Other financial liabilities'.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments which 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.

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.

1.10 Financial instruments and financial liabilities (continued)

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.

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 through the use of a bad debt provision.

1.11 Leases

Finance leases

Where substantially all risks and rewards of ownership of a leased asset are borne by the Trust, the asset is recorded as property, plant and equipment and a corresponding liability is recorded. The value at which both are recognised is the lower of the fair value of the asset or the present value of the minimum lease payments, discounted using the interest rate implicit in the lease. The implicit interest rate is that which produces a constant periodic rate of interest on the outstanding liability.

The asset and liability are recognised at the inception of the lease, thereafter the asset is accounted for as an item of property plant and equipment and are de-recognised when the liability is discharged, cancelled or expires. The annual rental is split between the repayment of the liability and a finance cost. The annual finance cost is calculated by applying the implicit interest rate to the outstanding liability and is charged to Finance Costs in the Statement of Comprehensive Income.

Operating leases

Other leases are regarded as operating leases and the rentals are charged to operating expenses on a straight-line basis over the term of the lease. Operating lease incentives received are added to the lease rentals and charged to operating expenses over the life of the lease.

Leases of land and buildings

Where a lease is for land and buildings, the land component is separated from the building component and the classification for each is assessed separately. Leased land is treated as an operating lease.

1.12 Provisions

The Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using the discount rates published and mandated by HM Treasury. The rate applicable for early retirement provisions and injury benefit provisions is 0.10% (2016/17 0.24%) in real terms.

1.13 Clinical negligence costs

NHS Resolution (formerly NHS Litigation Authority) operates a risk pooling scheme under which the Trust pays an annual contribution to NHS Resolution, which, in return, settles all clinical negligence claims. The Trust carries no liabilities in relation to these claims. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the Trust is disclosed at note 14 but is not recognised in the Trust's accounts.

1.14 Non-clinical risk pooling

The Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the Trust pays an annual contribution to NHS Resolution and in return receives assistance with the costs of claims arising. The annual membership contributions, and any 'excesses' payable in respect of particular claims are charged to operating expenses when the liability arises.

1.15 Contingencies

Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity's control) are not recognised as assets, but are disclosed in the notes to the accounts where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in a note to the accounts unless the probability of transfer of economic benefits is remote. Contingent liabilities are defined as:

- Possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control; or
- Present obligations arising from past events for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

1.16 Public dividend capital

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS trust. HM Treasury has determined that PDC is not a financial instrument within the meaning of International Accounting Standard (IAS) 32.

A charge, reflecting the cost of capital utilised by the Trust, is paid over 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 donated assets and average daily cash balances held with the Government Banking Services and 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. This can result in either a payable or receivable amount being identified at each accounting year end. The dividend thus calculated is not revised should any adjustment to net assets occur as a result of the audit of the annual accounts.

Average relevant net assets are calculated as a simple mean of opening and closing relevant net assets.

1.17 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 non-current assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.18 Corporation Tax

Section 148 of the Finance Act 2004 amended S519A of the Income and Corporation Taxes Act 1988 to provide power to the Treasury to make certain non-core activities of Foundation Trusts potentially subject to corporation tax. This legislation became effective in the 2005/06 financial year. In determining whether or not an activity is likely to be taxable a three-stage test may be employed:

- The provision of goods and services for purposes related to the provision of healthcare authorised under Section 14(1) of the Health and Social Care Act 2003 (HSCA) is not treated as a commercial activity and is therefore tax exempt;
- Trading activities undertaken in house which are ancillary to core healthcare activities are not entrepreneurial in nature and not subject to tax. A trading activity that is capable of being in competition with the wider private sector will be subject to tax;
- Only significant trading activity is subject to tax. Significant is defined as annual taxable profits of £50,000 per trading activity.

The majority of the Trusts's activities are related to core healthcare and are not subject to tax.

1.19 Foreign exchange

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.

1.20 Third party assets

Assets belonging to third parties (such as money held on behalf of patients see note 20 of the accounts) are not recognised in the Trust's accounts since the Trust has no beneficial interest in them. However, they are disclosed in a separate note to the accounts in accordance with the requirements of the HM Treasury Financial Reporting Manual.

1.21 Reserves

Other reserves have been created to account for differences between the Trust's opening capital debt (Public Dividend Capital on its inception as an NHS Foundation Trust) and the value of net assets transferred to it. Details of other movements in reserves in respect of the acquisition of H&WPH are detailed at note 7.

1.22 Critical accounting estimates and judgements

Estimates and judgements are periodically evaluated and are based on historical experience and other factors, including, expectations of future events that are believed to be reasonable under the circumstances.

Estimates and judgements are also made in respect of provisions, details of provisions are shown at note 13 to the accounts.

1.22 Critical accounting estimates and judgements (continued)

Partially completed spells income has been calculated using different methodologies by the two legacy organisations. Both calculations are in keeping with prior years and are considered reasonable estimates and approaches upon which commissioners have agreed to the figures calculated.

The Maternity work in progress is calculated using the department of health technical accounting guidance on part payments for antenatal care that often spans more than one financial year. The methodology used is consistent with previous years and has been agreed with the commissioners.

The Trust has included within the accounts £22.7m of deferred income. This is considered by the Trust to be deferred income as the services for which the income has been received have not yet been delivered. These deferred income balances by their nature are estimates and management has made a judgement in its recognition and measurement of these. Further details can be seen within note 12.1.

A desktop update was undertaken as at 31 March 2018 as a full asset valuation of the land and buildings was undertaken during 2014/15. The valuations have been undertaken under IFRS, the RICS advises that assumptions underpinning the concepts of fair value should be explicitly stated and identifies two potential qualifying assumptions:

"the Market Value on the assumption that the property is sold as part of the continuing enterprise in occupation" (effectively Existing Use Value); or

"the Market Value on the assumption that the property is sold following a cessation of the existing operations" (in effect the traditional understanding of Market Value).

The Department of Health has indicated that for NHS assets it requires the former assumption to be applied for operational assets, this is the approach that was taken by the DV. The Market Value used in arriving at fair value for operational assets is therefore subject to the assumption that the property is sold as part of the continuing enterprise in occupation.

In the view of the Trust there are no further estimates or judgements which if wrong could significantly affect financial performance.

1.23 Charitable Funds

Material entities over which the Trust has the power to exercise control so as to obtain economic or other benefits are classified as subsidiaries and are consolidated. Their income and expenses; gains and losses; assets, liabilities and reserves; and cash flows are consolidated in full into the appropriate financial statement lines. Appropriate adjustments are made on consolidation where the subsidiary's accounting policies are not aligned with the Trust's or where the subsidiary's accounting date is before 1 January or after 30 June.

Frimley Health NHS Foundation Trust is the Corporate Trustee of the Frimley Health Charity. The charity is deemed to be a subsidiary under the prescriptions of IAS 27. International Accounting Standards dictate that consolidated accounts should be prepared, that include the result and Statement of Financial Position of this subsidiary undertaking.

Consolidation of the Charitable Funds with the Trust's main accounts was deemed to be immaterial for 2017/18 Accounts. The unaudited value of the Charitable Funds reserves as at 31 March 2018 is circa £3.9m (2016/17 £4.0m), income received during the year was £1.2m (2016/17 £1.7m) and expenditure was £1.3m (2016/17 £0.8m).

Frimley Health NHS Foundation Trust is the sole beneficiary of the Frimley Health Charity. The charity registration number is 1049600 and the registered address is Portsmouth Road, Frimley, Camberley, Surrey GU16 7UJ. Accounts for the charity can be obtained from <http://www.gov.uk/government/organisations/charity-commission>

1.23 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. The losses and special payments note is compiled directly from the losses and compensations register which reports on an accruals basis with the exception of provisions for future losses.

1.24 Changes to Accounting Policies

The following table presents a list of recently issued accounting standards and amendments which have not yet been adopted within the FReM, and are therefore not applicable to DH group accounts in 2017-18.

Standards issued or amended but not yet adopted in FReM	
IFRS 9 Financial Instruments	Application required for accounting periods beginning on or after 1 January 2018, but not yet adopted by the FReM: early adoption is not therefore permitted.
IFRS 14 Regulatory Deferral Accounts	Not yet EU-endorsed.* Applies to first time adopters of IFRS after 1 January 2016. Therefore not applicable to DH group bodies.
IFRS 15 Revenue from Contracts with Customers	Application required for accounting periods beginning on or after 1 January 2018, but not yet adopted by the FReM: early adoption is not therefore permitted.
IFRS 16 Leases	Application required for accounting periods beginning on or after 1 January 2019, but not yet adopted by the FReM: early adoption is not therefore permitted.

* The European Financial Reporting Advisory Group recommended in October 2015 that the standard should not be endorsed as it is unlikely to be adopted by many EU countries.

2. Operating Income

2.1 Operating Income	2017/18 £000	2016/17 £000
Commissioner requested services		
Elective income	100,815	103,233
Non elective income	198,965	192,284
Outpatient income	70,090	92,439
A&E income	35,111	32,565
Other type of activity income	158,757	122,999
Total Commissioner requested services	563,738	543,520
Non-Commissioner requested services		
- Private patient income	9,158	9,786
- Overseas patients (non-reciprocal)	775	734
- NHS Injury Scheme	1,468	1,826
Non-Commissioner requested services	11,401	12,346
Non-Commissioner requested services - Other Income		
Education and training	13,090	12,661
Non-patient care services to other bodies	12,422	13,528
Research and development	1,366	1,409
Car Parking	4,502	4,031
Catering	3,361	2,450
Charitable and other contributions to expenditure	943	249
Staff accommodation	263	556
Clinical Excellence Award	229	257
Creche	539	634
Clinical tests	878	894
Support from Department of Health for mergers	18,899	27,490
Sustainability and Transformation Fund income	27,172	24,103
Other operating income	15,095	21,107
Non-Commissioner requested services - Other income	98,759	109,369
Total Operating Income	673,898	665,235

Commissioner Related Services are those that if withdrawn might significantly impair the health of the local population and / or significantly increase health inequalities. For the year to 31 March 2018 the Trust has treated the provision of all services provided to NHS patients to fall within that definition.

NHS Injury Scheme income is subject to a provision for doubtful debts to reflect expected collection rates. The level of provision is based on historic recovery of NHS Injury Scheme debts.

Other operating income includes £1.7m (2016/17 £6.9m) in respect of integration funding received from the commissioners, note 7 refers.

2.2 Operating Income by category	2017/18 £000	2016/17 £000
Commissioner requested services		
Income from activities	563,738	543,520
Non-Commissioner requested services		
- Private patient income	9,158	9,786
- Overseas patients (non-reciprocal)	775	734
- NHS Injury Scheme	1,468	1,826
Total Income from activities	575,139	555,866
Other income	98,759	109,369
Total operating income	673,898	665,235

2.3 Overseas patients (non-reciprocal)	2017/18	2016/17
	£000	£000
Income recognised this year	775	734
Cash payments received in-year	533	364
Amounts added to provision for impairment of receivables	333	558
Amounts written-off in year	763	109

3. Operating Expenses

3.1 Operating expenses comprise	2017/18	2016/17
	£000	£000
Purchase of healthcare from NHS bodies	1,826	2,317
Purchase of healthcare from non-NHS bodies	6,690	7,183
Chair and non-executive directors' costs	170	163
Executive directors' costs	1,386	1,411
Staff costs	408,977	395,488
Drug costs	57,803	59,868
Supplies and services - clinical (excluding drug costs)	58,389	65,086
Supplies and services - general	9,489	7,473
Establishment	7,232	7,409
Transport	1,477	1,911
Premises	31,456	30,214
(Decrease)/increase in bad debt provision	(31)	1,002
Depreciation	17,219	18,722
Amortisation on intangible assets	478	455
Property, plant and equipment impairment	1,596	630
Audit Fees - statutory audit	68	68
Other auditor remuneration (external auditor only)	14	14
Internal audit fees and local counter fraud service	83	80
Clinical negligence	24,174	21,989
Rentals under operating leases	802	1,219
Consultancy costs	2,022	3,607
Legal Fees	321	478
Education training and conferences	1,306	1,444
Other expenses	3,297	1,804
	636,244	630,035

3.2 Auditor's remuneration

The Council of Governors appointed KPMG as the external auditors from 1 April 2016, the table below shows the fees for KPMG for 2017/18 and the prior year 2016/17.

The table below sets out the fee for the audit in accordance with the Audit Code issued by NHSI, March 2018.

Audit Services - Statutory Audit	2017/18	2016/17
	£(exc. VAT)	£(exc. VAT)
Audit of the financial statements	52,480	52,480
Additional procedures performed for the NAO, as appointed auditors of the consolidated foundation trust accounts	3,980	3,980
Total	56,460	56,460

3.2 Auditor's remuneration (continued)

Non Audit fees	2017/18 £(exc. VAT)	2016/17 £(exc. VAT)
1. the auditing of accounts of any associate of the trust	0	0
2. audit-related assurance services	12,000	12,000
3. taxation compliance services	0	0
4. all taxation advisory service not falling within item 3 above	0	0
5. internal audit services	0	0
6. all assurance services not falling within items 1 to 5	0	0
7. corporate finance transaction services not falling within items 1 to 6 above and	0	0
8. all other non-audit services not falling within items 2 to 7 above.	0	0
Total	12,000	12,000

Non audit fees in 2017/18 consist of assurance on the Quality Report (£12,000).

KPMG is the external auditor of Frimley Health Charitable Funds, of which the Trust is the Corporate Trustee. The fees in respect of this engagement are £5k (excl VAT).

The engagement letter signed on 10th June 2016, states that the liability of KPMG, its members, partners and staff (whether in contract, negligence or otherwise) shall in no circumstances exceed £2m, aside from where the liability cannot be limited by law. This is in aggregate in respect of all services.

3.3 Operating leases

3.3.1 Arrangements containing an operating lease

	2017/18 £000	2016/17 £000
Payments recognised as an expense	802	1,219
	802	1,219

3.3.2 Future minimum lease payments due

	2017/18 £000	2016/17 £000
Annual payments on leases:		
Not later than one year	714	1,021
Later than one year and not later than five years	608	1,352
Later than five years	0	0
	1,322	2,373

4. Staff Costs

4.1 Staff costs	2017/18			2016/17
	Total	Permanently Employed and Bank	Other	Total
	£000	£000	£000	£000
Salaries and wages	317,837	316,379	1,458	299,771
Social Security Costs	32,584	32,584	0	30,423
NHS Pension costs	37,483	37,483	0	35,107
Apprenticeship levy	1,588	1,588	0	0
Agency/contract/MOD staff	22,849	0	22,849	32,547
Recoveries from other bodies	(928)	(928)	0	(949)
	411,413	387,106	24,307	396,899

Costs for MOD staff shown above were £1,458k (2016/17 - £1,091k), staff are employed on the Frimley site under contract from the MOD.

4.2 Staff exit packages

	2017/18 Compulsory redundancies Number	2017/18 Cost of compulsory redundancies £000s	2016/17 Compulsory redundancies Number	2016/17 Cost of compulsory redundancies £000s
<£10,000	0	0	2	7
£10,001 - £25,000	1	17	3	52
£25,001 - £50,000	4	130	0	0
£50,001 - £100,000	1	91	0	0
£100,001 - £150,000	0	0	0	0
	6	238	5	59

Exit packages granted to staff during 2017/18 were in respect of restructuring as part of the Frimley Health synergies.

4.3 Monthly average number of persons employed

	2017/18 Total Number	2017/18 Permanently Employed and Bank Number	Other Number	2016/17 Total Number
Medical and dental	1,019	1,013	6	964
Administration and estates	1,752	1,752	0	1,734
Healthcare assistants and other support staff	1,686	1,679	7	1,562
Nursing, midwifery and health visiting staff	2,369	2,354	15	2,317
Scientific, therapeutic and technical staff	1,176	1,174	2	1,164
Bank staff	708	708	0	621
Agency staff	284	0	284	408
	8,994	8,680	314	8,770

4.4 Early retirements due to ill health

During 2017/18 there were 6 early retirements from the Trust agreed on the grounds of ill-health at a cost of £337k (2016/17 - 7 at a cost of £427k).

5. Better Payment Practice Code

5.1 Better payment practice code - measure of compliance

	2017/18		2016/17	
	Number	£000	Number	£000
NHS				
Total bills paid in the year	4,618	38,172	5,169	51,304
Total bills paid within target	3,183	24,435	3,470	32,799
Percentage of bills paid within target	69%	64%	67%	64%
Non-NHS				
Total bills paid in the year	153,050	241,094	144,678	247,039
Total bills paid within target	108,708	181,367	103,721	163,556
Percentage of bills paid within target	71%	75%	72%	66%
Total				
Total bills paid in the year	157,688	279,285	149,847	298,343
Total bills paid within target	111,891	205,802	107,191	196,355
Percentage of bills paid within target	71%	74%	72%	66%

Under the better payment practice code the Trust aims to pay all valid NHS and non-NHS invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later.

5.2 The Late Payment of Commercial Debts (Interest) Act 1998

An amount of £3k has been included within finance costs arising from claims made under this legislation (2016/17 - £3k).

6. Finance Expenses - Financial Liabilities

	2017/18	2016/17
	£000	£000
Finance leases	109	136
Interest on late payment of commercial debt	3	3
	<u>112</u>	<u>139</u>

7. Acquisition Funding

Since the acquisition of Heatherwood and Wexham Park Hospitals NHSFT (H&WPH) by Frimley Health NHSFT in October 2014, a five year integration plan has been in place agreed with the Department of Health (DH) and local commissioners. This details the funding that is provided to the Trust to support the costs of integration and transformation. The agreement with the DH includes income support to cover the pre-existing deficit that existed at the H&WPH sites, to allow the Trust to move to a stand alone surplus position over time.

The exact value of the income support due each year is based on the Trust's transformation progress, as judged by overall financial performance. For 2017/18 the DH have agreed to release the full amount of income support as set-out in the transaction agreement. This has been recognised in the financial statements as £16.6m of income in 2017/18 (2016/17 £20m).

With respect to the costs of transformation and integration, the Trust has recognised £2,299k (2016/17 £2,128k) of revenue from the Department of Health to meet an equal expenditure incurred. This has been recorded as support from Department of Health at note 2.1 to the accounts.

A proportion of the post-transaction transformation cost are chargeable to local commissioners and the Trust has agreed a five year programme of funding with NHS England, NHS Slough CCG, NHS Bracknell and Ascot CCG, NHS Windsor, Ascot and Maidenhead CCG and NHS Chiltern CCG. Within other operating income in note 2, £1,722k of income has been recognised in 2017/18 (£6,900k 2016/17) in respect of integration funding received from the commissioners.

8. Intangible Assets

Intangible assets at the statement of financial position date comprise the following elements

	Total £000	Software £000
Gross cost at 1 April 2017	10,785	10,785
Additions - purchased	2,141	2,141
Derecognition	0	0
Gross cost at 31 March 2018	12,926	12,926
Accumulated amortisation at 1 April 2017	6,797	6,797
Provided during the year	478	478
Derecognition	0	0
Accumulated amortisation at 31 March 2018	7,275	7,275
NBV - Purchased at 31 March 2017	3,988	3,988
NBV total at 31 March 2017	3,988	3,988
NBV - Purchased at 31 March 2018	5,651	5,651
NBV total at 31 March 2018	5,651	5,651

Intangible software assets have been assigned a life of between 3 to 7 years.

	Total £000	Software £000	Information technology (internally generated) £000
2016/17			
Gross cost at 1 April 2016	15,828	7,960	7,868
Additions - purchased	2,825	2,825	0
Derecognition	(7,868)	0	(7,868)
Gross cost at 31 March 2017	10,785	10,785	0
Accumulated amortisation at 1 April 2016	14,210	6,342	7,868
Provided during the year	455	455	0
Derecognition	(7,868)	0	(7,868)
Accumulated amortisation at 31 March 2017	6,797	6,797	0
NBV - Purchased at 31 March 2016	1,618	1,618	0
NBV total at 31 March 2016	1,618	1,618	0
NBV - Purchased at 31 March 2017	3,988	3,988	0
NBV total at 31 March 2017	3,988	3,988	0

Intangible software assets have been assigned a life of between 3 to 7 years.

9.1 Property, plant and equipment at the statement of financial position date comprise the following elements

	Total	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account	Plant and machinery	Transport Equipment	Information technology	Furniture and fittings
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2017	436,891	31,210	264,704	923	15,749	86,798	135	26,614	10,758
Additions - purchased	58,176	0	19,376	0	28,095	5,344	0	5,148	213
Additions - leased	0	0	0	0	0	0	0	0	0
Additions - donated	943	0	0	0	0	943	0	0	0
Revaluations	4,575	4,575	0	0	0	0	0	0	0
Impairments/surpluses charged to revaluation reserve	(10,096)	0	(10,096)	0	0	0	0	0	0
Impairments recognised in operating expenses	(1,596)	0	(1,596)	0	0	0	0	0	0
Reclassifications	0	0	8,305	0	(8,305)	0	0	0	0
Disposals/Derecognition	(164)	0	0	0	0	(164)	0	0	0
Cost or valuation at 31 March 2018	488,729	35,785	280,693	923	35,539	92,921	135	31,762	10,971
Accumulated Depreciation at 1 April 2017	118,748	0	35,287	103	0	61,751	124	15,097	6,386
Provided during the year	17,219	0	7,931	22	0	5,887	0	2,228	1,151
Accumulated depreciation written out upon revaluation	(4,647)	0	(4,625)	(22)	0	0	0	0	0
Disposals/Derecognition	(164)	0	0	0	0	(164)	0	0	0
Depreciation at 31 March 2018	131,156	0	38,593	103	0	67,474	124	17,325	7,537
Net book value									
Purchased at 1 April 2017	306,867	31,210	221,709	0	15,749	22,299	11	11,517	4,372
Finance Leases 1 April 2017	2,593	0	0	820	0	1,773	0	0	0
Donated at 1 April 2017	8,683	0	7,708	0	0	975	0	0	0
Total at 1 April 2017	318,143	31,210	229,417	820	15,749	25,047	11	11,517	4,372
Net book value									
- Purchased at 31 March 2018	345,544	35,785	234,075	0	35,539	22,263	11	14,437	3,434
- Finance Leases at 31 March 2018	2,383	0	0	820	0	1,563	0	0	0
- Donated at 31 March 2018	9,646	0	8,025	0	0	1,621	0	0	0
Total at 31 March 2018	357,573	35,785	242,100	820	35,539	25,447	11	14,437	3,434

Land and Buildings were revalued effective 31 March 2018 by the District Valuer, based on a desktop valuation in accordance with the MEA Valuation method.

During the financial year revaluation of the following assets took place which resulted in the following impairments, which were charged to Statement of Comprehensive Income: Wexham Park - Backlog improvements, statutory compliance and external works £1,596k.

9. Property, Plant and Equipment

9.2 Property, plant and equipment at the statement of financial position date comprise the following elements

	Total	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account	Plant and machinery	Transport Equipment	Information technology	Furniture and fittings
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2016	440,132	35,270	287,284	3,551	3,096	81,213	135	19,677	9,906
Additions - purchased	41,101	0	13,345	0	14,142	5,821	0	6,937	856
Additions - leased	0	0	0	0	0	0	0	0	0
Additions - donated	249	0	0	0	0	249	0	0	0
Revaluations	100	100	0	0	0	0	0	0	0
Impairments/surpluses charged to revaluation reserve	(43,572)	(4,160)	(39,412)	0	0	0	0	0	0
Impairments recognised in operating expenses	(630)	0	(630)	0	0	0	0	0	0
Reclassifications	0	0	4,117	(2,628)	(1,489)	0	0	0	0
Disposals/Derecognition	(489)	0	0	0	0	(485)	0	0	(4)
Cost or valuation at 31 March 2017	436,891	31,210	264,704	923	15,749	86,798	135	26,614	10,758
Accumulated Depreciation at 1 April 2016	104,589	0	29,774	103	0	55,862	124	13,257	5,469
Provided during the year	18,722	0	9,565	22	0	6,374	0	1,840	921
Accumulated depreciation written out upon revaluation	(4,074)	0	(4,052)	(22)	0	0	0	0	0
Disposals/Derecognition	(489)	0	0	0	0	(485)	0	0	(4)
Depreciation at 31 March 2017	118,748	0	35,287	103	0	61,751	124	15,097	6,386
Net book value									
- Purchased at 1 April 2016	323,205	35,270	249,114	2,628	3,096	22,229	11	6,420	4,437
- Finance Leases 1 April 2016	2,963	0	0	820	0	2,143	0	0	0
- Donated at 1 April 2016	9,375	0	8,396	0	0	979	0	0	0
Total as at 1 April 2016	335,543	35,270	257,510	3,448	3,096	25,351	11	6,420	4,437
Net book value									
- Purchased at 31 March 2017	306,867	31,210	221,709	0	15,749	22,299	11	11,517	4,372
- Finance Leases at 31 March 2017	2,593	0	0	820	0	1,773	0	0	0
- Donated at 31 March 2017	8,683	0	7,708	0	0	975	0	0	0
Total at 31 March 2017	318,143	31,210	229,417	820	15,749	25,047	11	11,517	4,372

Land and Buildings were revalued effective 31 March 2017 by the District Valuer, based on a desktop valuation in accordance with the MEA Valuation method, the Heatherwood site had been previously valued under MEA but at an optimised valuation, both Frimley and Wexham sites for 2017 have also now been optimised. The impact of this is an impairment of £43,572k which has been charged to the revaluation reserve.

During the financial year revaluation of the following assets took place which resulted in the following impairments, which were charged to Statement of Comprehensive Income: Wexham Park - Backlog improvements, statutory compliance and external works £630k.

9.3 Assets held at open market value

Of the totals at 31 March 2018 and 31 March 2017 all assets were valued in line with valuation methods set out in Note 1.6.

9.3.1

Net book value of assets held under finance leases at the statement of financial position date

	Total	Dwellings	Plant and Machinery
	£000	£000	£000
NBV as at 31 March 2018	2,383	820	1,563
NBV as at 31 March 2017	2,593	820	1,773

9.3.2 The total amount of depreciation charged to the statement of comprehensive income in respect of assets held under finance leases and hire purchase contracts

	Total	Dwellings	Plant and Machinery
	£000	£000	£000
Depreciation as at 31 March 2018	232	22	210
Depreciation as at 31 March 2017	391	22	369

10. Inventories

	31 March 2018	31 March 2017
	£000	£000
Consumables	3,369	3,265
	<u>3,369</u>	<u>3,265</u>

All inventories held relate to Pharmacy stock. During the year £56k (2016/17 £43k) of Pharmacy stock had expired and was written off to Statement of Comprehensive Income as an expense, £27k (2016/17 £18k) of breakages were also expensed.

11. Trade and Other Receivables

Note 11.1 Amounts falling due within one year:

	31 March 2018	31 March 2017
	£000	£000
NHS receivables	33,667	35,110
Provision for impaired receivables	(1,206)	(1,544)
Prepayments	4,386	6,389
Accrued Income	22,055	5,125
Other receivables	9,127	13,296
PDC dividend receivable	93	0
NHS injury scheme income	4,932	4,928
NHS injury scheme provision	(1,728)	(1,830)
	<u>71,326</u>	<u>61,474</u>

Included within NHS receivables is an accrued sum of £4.2m relating to partially completed spells of clinical activity (2016/17 £4.3m).

Other receivables includes amounts for private patient billing. Whilst credit control procedures are in place a bad debt provision is made in respect of any potential doubtful debts, the provision is a specific bad debt provision based on assessment of individual debts.

Note 11.2 Provision for impairment of receivables

	31 March 2018	31 March 2017
	£000	£000
At 1 April	1,544	824
Increase in Provision	608	1,268
Amounts utilised	(307)	(282)
Unused amounts reversed	(639)	(266)
At 31 March	<u>1,206</u>	<u>1,544</u>

Increase/(decrease) in bad debt provision (charged to Operating Expenses)

	31 March 2018	31 March 2017
	£000	£000
Increase in provision	608	1,268
Unused amounts reversed	(639)	(266)
Charged to Operating Expenses	<u>(31)</u>	<u>1,002</u>

Note 11.3 Ageing of impaired receivables

	31 March 2018	31 March 2017
	£000	£000
Up to three months	67	223
In three to six months	69	83
Over six months	1,070	1,238
Total	<u>1,206</u>	<u>1,544</u>

Note 11.4 Ageing of non-impaired receivables past their due date

	31 March 2018	31 March 2017
	£000	£000
Up to three months	36,590	29,176
In three to six months	2,165	2,934
Over six months	4,410	3,087
Total	<u>43,165</u>	<u>35,197</u>

The Trust does not consider the above receivables past their due date to be impaired based on previous experience. The total reported above does not reconcile to note 12.1 as the total receivables balance includes receivables that are not classed as financial assets (see note 20.2) and receivables not past their due date as at 31 March 2017.

12. Trade and other payables**12.1 Trade and other payables at the statement of financial position date are made up of:**

	31 March 2018	31 March 2017
	£000	£000
Current liabilities		
NHS payables	5,842	8,276
Capital payables	7,378	3,795
Accruals	25,175	22,958
PDC payable	0	267
Other payables	<u>18,415</u>	<u>22,589</u>
Trade and other payables	56,810	57,885
Tax payable (including social security costs)	8,711	8,247
Obligations under finance leases and hire purchase contracts	228	228
Other loans	48	59
Other liabilities: deferred income	<u>22,672</u>	<u>11,244</u>
	88,469	77,663
Non current liabilities		
Obligations under finance leases and hire purchase contracts	1,367	1,594
Other loans	109	155
	<u>89,945</u>	<u>79,412</u>

The deferred income includes a balance of £4.1m in respect of maternity pathway income. (31 March 2017 £4.0m)

12.2 Finance lease obligations

2017/18	Total	Plant and Machinery	Dwellings
Payable:	£000	£000	£000
Within one year	325	303	22
Between one and five years	1,349	1,327	22
After five years	321	321	0
	1,995	1,951	44
Less finance charges allocated to future periods	(400)	(391)	(9)
	1,595	1,560	35
not later than one year	228	210	18
later than one year and not later than five years	858	841	17
later than five years	509	509	0
2016/17	Total	Plant and Machinery	Dwellings
Payable:	£000	£000	£000
Within one year	337	315	22
Between one and five years	1,180	1,137	43
After five years	814	814	0
	2,331	2,266	65
Less finance charges allocated to future periods	(509)	(496)	(13)
	1,822	1,770	52
not later than one year	228	210	18
later than one year and not later than five years	876	842	34
later than five years	718	718	0

12.3 Future finance lease obligations

	Plant and Machinery	Dwellings
	2017/18	2017/18
Minimum number of payments	89	8
Number of years of commitment	8	2
	Plant and Machinery	Dwellings
	2016/17	2016/17
Minimum number of payments	101	12
Number of years of commitment	9	3

Plant and Machinery finance lease obligations consist of a managed service for PACS/RIS which comprises equipment and service elements this was taken out during 2015/16.

Dwellings consist of a finance lease in respect of a residential accommodation block, this is governed by both a lease and underlease, the minimum payments are based on quarterly payments made per annum.

The underlease states:

1. The basic rent is calculated as being the sum which represented the gross annual amount payable at the time of such calculation if the sum of £440,000 was borrowed on a five year fixed interest rate (including the Landlord's half percent margin) for a period of 25 years.

2. In the event that interest rates rise or fall the basic rent shall be adjusted upwards or downwards on the review dates according to the extent to which five year fixed interest rates (including the Landlord's half percent margin) exceed or fall short of 10.89% per annum calculated on £440,000 as in paragraph 1 above.

13. Provisions for Liabilities and Charges

	Total	Pensions - other staff	Other legal claims	Other
	£000	£000	£000	£000
At 1 April 2017	434	135	144	155
Arising during the year	417	197	68	152
Utilised during the year	(172)	(82)	(33)	(57)
Reversed unused	(68)	0	(68)	0
At 31 March 2018	611	250	111	250
Expected timing of cash flows:				
Within one year	289	83	111	95
Between one and five years	322	167	0	155
After five years	0	0	0	0
	611	250	111	250

13.1 Provisions for Liabilities and Charges 2016/17

	Total	Pensions - other staff	Other legal claims	Other
	£000	£000	£000	£000
At 1 April 2016	725	219	156	350
Arising during the year	58	0	58	0
Utilised during the year	(291)	(84)	(12)	(195)
Reversed unused	(58)	0	(58)	0
At 31 March 2017	434	135	144	155
Expected timing of cash flows:				
Within one year	383	84	144	155
Between one and five years	51	51	0	0
After five years	0	0	0	0
	434	135	144	155

Pensions provisions have been calculated using figures provided by the NHS Pensions Agency, they assume certain life expectancies. Whilst this provides a degree of uncertainty in respect of both timing and total amounts, these estimates are based upon best available actuarial information.

The Trust provides for legal or constructive obligations that are of uncertain timing or amount at the Statement of Financial Position date on the basis of the best estimate of the expenditure required to settle the obligation.

Other provisions consist of the following which are also of uncertain timing and amount.

	£000
Injury benefit scheme	250
Total other provisions	250

14. Clinical negligence liabilities

	2017/18 £000	2016/17 £000
Amount included in provisions of NHS Resolution in respect of Clinical Negligence liabilities of the Trust.	309,988	266,416

15. Cash and Cash Equivalents

	31 March 2018 £000	31 March 2017 £000
At 1 April	86,654	71,958
Net change in year	26,488	14,696
At 31 March	113,142	86,654
Broken down into:		
Cash at commercial banks and in hand	1,168	1,256
Cash with the Government Banking Service	111,974	85,398
Cash and cash equivalents in Statement of Cash Flows	113,142	86,654

16. Contractual Capital Commitments

Commitments under capital expenditure contracts at the statement of financial position date were £33,228k (2016/17 - £46,029k) these are in respect of building work being undertaken for major capital projects including the Emergency Assessment Centre scheme at Wexham Park.

17. Post Statement of Financial Position Events

There are no material post statement of financial position events.

18 Related Party Transactions

The Trust had significant transactions, defined as an income/expenditure balance of over £1,500k or a receivables/payables balance of over £750k, with the following related bodies:

	2017/18 Income £000	2017/18 Expenditure £000	31/3/2018 Receivables £000	31/3/2018 Payables £000
Royal Berkshire NHS Foundation Trust	8,157	1,709	3,325	341
Royal Surrey County Hospital NHS Foundation Trust	3,034	3,346	1,565	1,030
NHS Bracknell and Ascot CCG	56,775	0	695	686
NHS Chiltern CCG	49,796	0	4,647	258
NHS Guildford and Waverley CCG	6,893	0	486	4
NHS Hillingdon CCG	2,122	0	0	21
NHS North East Hampshire and Farnham CCG	133,011	25	774	1,387
NHS North Hampshire CCG	7,169	0	304	52
NHS North West Surrey CCG	8,417	0	82	130
NHS Slough CCG	88,921	0	4,669	963
NHS South Eastern Hampshire CCG	2,355	0	0	255
NHS Surrey Heath CCG	56,314	0	0	873
NHS Windsor, Ascot and Maidenhead CCG	73,365	0	4,272	698
NHS Wokingham CCG	6,714	0	291	37
Department of Health and Social Care	25,935	0	3,609	0
NHS England - Core	31,625	9	15,124	9
NHS England - South Central Local Office	15,808	0	1,518	0
NHS England - South East Local Office	2,016	0	523	0
NHS England - South West Local Office	2,633	0	661	0
NHS England - Wessex Local Office	2,272	0	595	0
NHS England - Wessex Specialised Commissioning Hub	56,606	0	1,178	0
Health Education England	15,251	70	3,136	46
NHS Resolution (formerly NHS Litigation Authority)	13	24,174	0	6
NHS Property Services	0	2,619	0	936
HM Revenue & Customs	0	34,172	0	8,711
NHS Pension Scheme	0	37,483	0	5,199

The Trust who is the Corporate Trustee of the Frimley Health Charity holds charitable funds for which transactions between parties are not deemed material. Included within operating income in respect of non cash donations credited to income are £943k relating to PPE additions. (2016/17 £249k).

Board members have only received short term employee benefits from the Trust as shown in note 4.4. No post employment benefits, other long term benefits, share based payments or termination benefits have been paid to the Directors.

18.1 Related Party Transactions 2016/17

The Trust had significant transactions, defined as an income/expenditure balance of over £1,500k or a receivables/payables balance of over £750k, with the following related bodies:

	2016/17	2016/17	31/3/2017	31/3/2017
	Income	Expenditure	Receivables	Payables
	£000	£000	£000	£000
Ashford and St Peter's Hospitals NHS Foundation Trust	402	67	1,037	45
Royal Berkshire NHS Foundation Trust	2,385	1,581	2,414	312
Royal Surrey County Hospital NHS Foundation Trust	2,681	3,412	1,305	1,854
NHS Bracknell And Ascot CCG	54,686	125	110	667
NHS Chiltern CCG	50,004	0	2,379	271
NHS Guildford And Waverley CCG	4,988	0	293	7
NHS Hillingdon CCG	1,970	0	10	11
NHS North East Hampshire And Farnham CCG	123,606	2	920	965
NHS North Hampshire CCG	6,276	0	54	16
NHS North West Surrey CCG	8,651	0	0	447
NHS Slough CCG	85,076	145	3,951	1,242
NHS South Eastern Hampshire CCG	2,227	0	23	0
NHS Surrey Heath CCG	56,588	0	1,249	405
NHS Windsor, Ascot And Maidenhead CCG	70,750	206	4,038	649
NHS Wokingham CCG	6,114	0	355	32
Health Education England	14,904	46	98	17
Department of Health	27,591	0	9,197	0
NHS England - Core	27,731	0	8,661	9
NHS England - South Central Local Office	15,522	0	618	0
NHS England - South East Local Office	1,981	0	419	0
NHS England - South West Commissioning Hub	2,542	0	639	0
NHS England - Wessex Commissioning Hub	62,190	0	298	0
NHS Litigation Authority	0	22,005	0	6
NHS Property Services	0	2,908	0	2,486
HM Revenue & Customs	0	30,423	0	8,247
NHS Pension Scheme	0	35,107	0	4,970
NHS Blood and Transplant	0	1,972	0	74

The Trust who is the Corporate Trustee of the Frimley Health Charity holds charitable funds for which transactions between parties are not deemed material. Included within operating income in respect of non cash donations credited to income are £249k relating to PPE additions. (2015/16 £77k).

Board members have only received short term employee benefits from the Trust as shown in note 4.4. No post employment benefits, other long term benefits, share based payments or termination benefits have been paid to the

19. Financial Instruments

International Accounting Standards IAS 32, IAS 39 and IFRS 7, require disclosure of the role that financial instruments have had during the year in creating or changing the risks an entity faces in undertaking its activities. Because of the continuing service provider relationship that the Trust has with local NHS Commissioners and the way those NHS Commissioners are financed, the Trust is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of the listed companies to which these standards mainly apply. The Trust has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated through day-to-day operational activities rather than being held to change the risks facing the Trust in undertaking its activities.

Financial Risk Management

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 Treasury Management Policy agreed by the Board of Directors. Trust treasury activity is routinely reported and is subject to review by the Trust's internal auditors.

Currency Risk

The Trust is principally a domestic organisation with the majority of transactions, assets and liabilities being in the UK and sterling based. As such, the Trust does not normally undertake transactions in currencies other than sterling and is therefore not exposed to movements in exchange rates over time. All currency payments are translated into sterling at the exchange rate ruling on the date of the transaction. The total value of payments made in Euro denomination was 73,721 as at 31 March 2018 (2016/17 40,481).

The Trust's main exposure to interest rate fluctuations arises where it utilises external borrowings. The Trust has no external borrowing apart from several finance leases as per note 13.2 and accordingly has not been required to manage exposure to interest rate fluctuations.

Credit Risk

Due to the fact that the majority of the Trust's income comes from legally binding contracts with NHS bodies and Government departments the Trust does not believe that it is exposed to significant credit risk in relation to cash.

The Trust's deposits are routinely monitored in accordance with guidance issued by Monitor and are overseen by the Audit Committee, the Trust typically invests in A-1 institutions for short term investments.

Liquidity Risk

The Trust's net operating costs are incurred under legally binding contracts with local CCGs, which are financed from resources voted annually by Parliament. The Trust has the potential to fund its capital expenditure from funds obtained within the Prudential Borrowing Limit. The Trust is not, therefore, exposed to significant liquidity risks.

19.1 Financial Instruments

19.1.1 Financial Assets

	Carrying Value £000
Financial assets	
Denominated in £ sterling	176,785
Gross financial assets at 31 March 2018	<u>176,785</u>
Denominated in £ sterling	138,641
Gross financial assets at 31 March 2017	<u>138,641</u>

	Carrying Value £000
19.1.2 Financial liabilities	
Denominated in £ sterling	58,562
Gross financial liabilities at 31 March 2018	<u>58,562</u>
Denominated in £ sterling	59,921
Gross financial liabilities at 31 March 2017	<u>59,921</u>

The above financial assets have been included in the accounts at amortised cost as "loans and receivables", with no financial assets being classified as "assets at fair value through the profit and loss", "assets held to maturity" nor "assets held for resale".

Prepayments of £4,386k (2016/17 - £6,389k) are not considered to be financial instruments.

Other tax and social security payables amounts of £8,711k (2016/17 - £8,247k) and deferred income of £22,672k (2016/17 - £11,244k) are not considered to be financial instruments under IFRS and therefore have been excluded from the above analysis.

All financial liabilities are classified as "other financial liabilities", with no financial liabilities being classified as "liabilities at fair value through the I&E".

19.2 Financial Assets by Category

	Total	Loans and receivables
	£000	£000
Assets as per statement of financial position		
NHS receivables	33,667	33,667
Provision for impaired receivables (as at 31 March 2018)	(1,206)	(1,206)
Accrued income	22,055	22,055
Other receivables	9,127	9,127
Cash and cash equivalents	113,142	113,142
Total at 31 March 2018	176,785	176,785

	£000	£000
Assets as per statement of financial position		
NHS receivables	35,110	35,110
Provision for impaired receivables (as at 31 March 2017)	(1,544)	(1,544)
Accrued income	5,125	5,125
Other receivables	13,296	13,296
Cash and cash equivalents	86,654	86,654
Total at 31 March 2017	138,641	138,641

19.3 Financial liabilities by category

	Total	Other financial liabilities
	£000	£000
Liabilities as per statement of financial position		
Trade and other payables (NHS)	5,842	5,842
Trade and other payables	18,415	18,415
Accruals	25,175	25,175
Capital payables	7,378	7,378
Finance lease obligations	1,595	1,595
Other loans	157	157
Total at 31 March 2018	58,562	58,562

	£000	£000
Liabilities as per statement of financial position		
Trade and other payables (NHS)	8,276	8,276
Trade and other payables	22,589	22,589
Accruals	22,958	22,958
Capital payables	3,795	3,795
Finance lease obligations	1,822	1,822
PDC dividend payable	267	267
Other loans	214	214
Total at 31 March 2017	59,921	59,921

19.4 Fair values	31 March 2018 Book Value £000	31 March 2017 Fair Value £000
Financial assets	176,785	176,785
	176,785	176,785
Financial liabilities		
Payables over 1 year - Finance Lease obligations	1,367	1,367
Other	57,195	57,195
	58,562	58,562
	31 March 2018 Book Value £000	31 March 2017 Fair Value £000
Financial assets	138,641	138,641
	138,641	138,641
Financial liabilities		
Payables over 1 year - Finance Lease obligations	1,594	1,594
Other	58,327	58,327
	59,921	59,921

As at 31 March 2018 there are no significant differences between fair value and carrying value of any of the Trust's financial instruments.

For financial assets and financial liabilities carried at fair value, the carrying amounts are classified as the carrying value net of the Trusts best estimates of bad and doubtful debts.

Discounted cash flows have not been performed on non-current liabilities due to the fact that the major lease is in Euros and the result would not be material.

19.5 Maturity of financial assets

All of the Trust's financial assets mature in less than one year.

19.6 Maturity of financial liabilities

	31 March 2018 £000	31 March 2017 £000
Less than one year	57,086	58,327
In more than one year but not more than five years	967	876
In more than five years	509	718
Total	58,562	59,921

19.7 Derivative financial instruments

In accordance with IAS39, the Trust has reviewed its contracts for embedded derivatives that are required to be separately accounted for if they do not meet the requirements set out in the standard.

20. Third Party Assets

The Trust held £8,587 cash and cash equivalents at 31 March 2018 (31 March 2017 - £6,256) 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.

21. Losses and Special Payments

There were 1,723 cases of losses and special payments (2016/17 - 329 cases) totalling £1,002,000 (2016/17 - £231,000) approved during 2017/18.

There were no clinical negligence cases where the net payment exceeded £300,000 (2016/17 - nil). These would relate to payments made by the Trust and would not relate to any payments made by NHS Resolution in respect of the Trust.

There were no fraud cases where the net payment exceeded £300,000 (2016/17 - nil).

There were no personal injury cases where the net payment exceeded £300,000 (2016/17 - nil).

There were no compensation under legal obligation cases where the net payment exceeded £300,000 (2016/17 - nil).

There were no fruitless payment cases where the net payment exceeded £300,000 (2016/17 - nil).

There were no Claims waived or abandoned where the net payment exceeded £300,000 (2016/17 - nil).

There were no stores losses and damage to property where the net payment exceeded £300,000 (2016/17 - nil).

The total costs in this note continue to be disclosed on a cash basis, under IFRS this should be on an accruals basis, however it is acknowledged that the amounts are immaterial and therefore continue to be on a cash basis.

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