





**Peterborough and Stamford Hospitals  
NHS Foundation Trust**

Annual Report and Accounts 2016/17

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



**This is the last set of annual reports and accounts for Peterborough and Stamford Hospitals NHS Foundation Trust following the successful acquisition of Hinchingsbooke Health Care NHS Trust and formation of North West Anglia NHS Foundation Trust.**

We would like to thank all staff, volunteers and patients for working together to enable the success of our predecessor and our new organisation.



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### Glossary



# SECTION 1 | Introduction

## About this report

Our annual report, quality account and annual accounts present information about the services we provide, including our strategy for the coming year. It looks at our performance over the past year against strategic objectives, while providing a detailed review of our financial information in keeping with the Trust's pledge of openness and transparency.

This report is divided into the following sections:

### Introduction

Statement by the Chairman and Chief Executive

### Performance Report

Our Trust explained – key facts about the Trust, our values and strategy, operational performance, achievements and accolades, plus current financial position, going concern, operational performance and our values and strategy. This section covers the requirements of a strategic report as set out in the *Companies Act 2006* and NHS Improvement guidance issued to NHS Foundation Trusts.

### Quality Account

Looks at our priorities in providing a good experience for patients with quality care, which is both safe and effective.

### Accountability Report

Details our performance against national targets; a financial review including risks facing the Trust; workforce and organisational development; and information relating to caring for patients and our community. In addition, it includes details of the Board of Directors, the Council of Governors, Foundation Trust membership, statutory information and governance standards for the organisation.

### Finance Report

Provides a detailed look at the Trust's accounts for the past financial year.

For further information regarding the Trust, please contact the Communications Department on **01733 678024**, or email: [communications@pbh-tr.nhs.uk](mailto:communications@pbh-tr.nhs.uk)



The team on Amazon children's ward took delivery of an End of Treatment bell for young patients to ring once they complete a course of treatment.

## Statement from the Chairman



This is the last Annual Report for Peterborough and Stamford Hospitals NHS Foundation Trust, so as well as looking to the past, it's also time to look forward to North West Anglia NHS Foundation Trust as a result of our merger with Hinchingsbrooke Health Care NHS Trust.

Over the last four years, while I have been chairman, I have been encouraged by the progress the Trust has made while responding to the growing demands for our services. We are now treating close to 30% more patients than we did in 2011/12. While we still have scope for further improvement, especially on our A&E 4 hour waiting times, our overall performance has continued to improve each year, with last year being no exception.

I want to thank all the staff for their contribution to the CQC's Good rating achieved in 2015 for both Peterborough and Stamford Hospitals, and the work they do every day to provide and embed high standards of care to patients.

I am delighted we have been able to increase the services available to our patients and being able to invest in both our hospitals. Through investment in Peterborough City Hospital this year, we will be able to offer increased radiotherapy and dialysis. At Stamford Hospital the renovation work has commenced and a new MRI scanner has been installed. The Friends of Stamford Hospital kindly purchased a state-of-the-art optical scanner which is used for those patients suffering from a range of eye conditions who would normally be treated at Peterborough City Hospital. This will greatly improve patient experience and services there.

I also want to thank everyone for delivering the challenging financial targets for each of the last four years, and that they continue this momentum going forward.

Our most important asset is our staff, and the staff survey results continued to improve this year. We value everyone who works in the Trust and this year we increased our efforts on improving engagement, capability and retention through the Good to Outstanding programme, which will continue over the next few years.

With growing demand for health and social care and finite resources, most agree that the current model of care is unsustainable and new solutions need to be found.

This cannot be achieved by individual organisations alone, and I support, along with the rest of the board, the collaboration that commenced this year with other providers, commissioners and local government in Cambridgeshire and Peterborough under the banner of Sustainability and Transformation Plans (STP).

The merger with Hinchingsbrooke Health Care NHS Trust is one of the first steps in this plan. Over the last year both organisations have invested significant time and resource into the preparation for the merger, which was approved by the Secretary of State on 27 March 2017.

So after 1 April 2017, 'us' and 'them', becomes 'we'. Over 6,000 staff will be employed by the new organisation and the three hospitals will serve a growing population currently over 700,000. A new board has been appointed from both trusts and I am proud to serve as its chairman. I would like to welcome all the newly elected Governors who will represent the members, public and staff and will hold the board to account.

Looking to the future, there are many challenges ahead of us, but the new board is committed to ensuring the merger is a success, and sets the benchmark for others. In support of this, the new board has set a new vision which will be used to guide the organisation, not only internally but also externally.

It recognises that we have to **work together** with our staff, local providers in the region, GPs, local government, commissioners and the public.

It recognises that we must challenge ourselves to improve from providing Good Care, to be **the best at providing outstanding care** in all three hospitals.

It also recognises the importance of providing health care in the **local communities** served by our hospitals.

Finally, I would like to thank all the staff, volunteers and our partners for their contributions to the Trust, and wish everyone success in the new organisation, North West Anglia NHS Foundation Trust.



**Rob Hughes**  
Chairman  
24 May 2017

## Statement from the Chief Executive



It has been a very busy year - our dedicated staff across both Peterborough City Hospital and Stamford & Rutland Hospital have achieved so much in the development of new and improved patient services, and in setting the future direction of our organisation.

Our board members have ensured that the focus has remained upon providing a better experience for our patients, in line with our strategic goals. In particular, our aim has been to ensure that the majority of people can access the right care, at the right time at their local hospital. Some examples of the ways this has been achieved in 2016/17 are:

- Working in partnership with Leicester Hospitals and Renal Services Ltd, we expanded the Renal Unit at Peterborough City Hospital in late 2016 to provide an additional 10 dialysis stations. This has increased capacity to enable local patients, who had been travelling further afield to neighbouring hospitals for dialysis, to be treated in their local hospital.
- Phase one of the redevelopment of Stamford and Rutland Hospital was completed on schedule in March 2017. This provided a permanent MRI scanner which will see an additional 7,000 patients per year scanned at the hospital, along with additional clinic room facilities which will accommodate extra chemotherapy and paediatric clinics. The redevelopment has also enabled the Pain Management clinic to be moved to its own dedicated suite and has also provided much-needed improvements to waiting areas. Phases two and three and four of the programme, which include improvement works to the main reception, are currently under way and are due to be complete by Summer 2017.
- Radiotherapy Services at Peterborough City Hospital are expanding in early 2017/18. This year has seen the construction of two bunkers – one to house a third Linear Accelerator radiotherapy machine and one spare for future development of the service. The radiotherapy machine was delivered in late Autumn 2016 and work took place over the winter to set up and calibrate the machine in readiness for use in late Spring. This third machine will ensure more local patients can have radiotherapy treatment closer to home. We are forecast to treat an additional 700 patients per year who would have otherwise had to travel to

Cambridge or Leicester for treatment. Since we opened our Radiotherapy Department in May 2011, demand for the service has been 40% higher than originally anticipated.

This work has been undertaken along-side the day today running of our two hospitals – both of which have seen increased activity levels in 2016/17.

Our performance against key indicators, which are part of our regulatory requirements and set at national level, is set out in detail on page 32 and shows that we achieved 12 out of 18 indicators.

A notable area of increased activity continues to be in emergency care. Attendances at our Emergency Department at Peterborough City Hospital exceeded the 100,000 milestone this year - an increase of 5.3% on last year's attendances. Like many hospitals across the country this year, our performance against the four-hour waiting time standard for emergency care has fallen considerably short of the 95% target. Regrettably, only 80% of patients were seen and treated/discharged within four hours.

Our capacity teams have worked hard to create a better flow of patients through our hospitals despite, at times, record numbers of patients who remain in hospital despite being medically fit. This work has included opening a discharge lounge to enable patients to leave the ward sooner, thus freeing beds earlier; increasing the use of Ambulatory Care; reintroducing trolleys in the Medical Assessment Unit and ensuring earlier assessment of patients in A&E. To address our challenges in reducing the number of patients whose care transfer to another organisation is delayed, we agreed new thresholds with commissioners in the final quarter of 2016/17.

The combination of the initiatives above led to real improvements in the final months of the year and, whilst there is a lot more to do in 2017/18, we would like to pass on our thanks to all those involved across the Trust who have worked hard to ensure our patients continue to receive good care despite delays on occasions.

Emergency Care is one key element of the Cambridgeshire and Peterborough Sustainability and Transformation Plan, which was published in November 2016.

The plan was developed to address the issues highlighted in the Evidence For Change report (March 2016) which showed that local needs are growing and changing, the demand on health services is increasing, the current system does not meet the standards of care we aspire to as a health system and our collective financial challenge

is significant and growing. The plan looks at how we can provide improved health services to the people of Cambridgeshire and Peterborough in a more financially sustainable way across the whole range of services delivered.

Under this programme, our Trust announced last year that we would be exploring the case for a merger with Hinchingsbrooke Health Care NHS Trust to see if by working together we could support the future delivery of sustainable services for the benefit of patients and taxpayers.

Over the last 12 months, our board, and the board of Hinchingsbrooke Health Care NHS Trust, approved an Outline Business Case and then a Full Business Case that set out clear benefits in combining our two organisations. Working with our regulator, NHS Improvement, we set up a dedicated project team to explore in detail the clinical, financial and organisational benefits of a merger.

In a bid to fully involve service users and address any concerns they may have on the subject, extensive public engagement across all areas served by Peterborough City, Hinchingsbrooke and Stamford Hospitals was undertaken. More than 30 meetings were held, including briefings to local Health Overview and Scrutiny Committee members. As a result of this engagement, we were able to attract local people to become members of our Trust and some went on to consider the role of Public Governor to help them play a greater part in how their local hospitals are run in the future.

As you would expect, we have kept our staff closely informed of merger developments, and, working with staff side union representative colleagues, we launched a consultation involving all corporate support services staff both at our Trust and at Hinchingsbrooke Health Care NHS Trust in January 2017. We recognise how unsettling this process was for our staff and have used our learning from this to influence the way we will work with operational staff to combine our clinical departments in the summer of 2017. Job losses have so far been kept to a minimum as a result of the Trust holding vacancies open. As we head into 2017/18, we hope to establish new structures throughout our organisation and, in turn, increase our sustainability by being able to recruit more successfully to enlarged teams and reduce our reliance upon expensive agency staff to fill rota gaps.

The culmination of the work described above was the formation of our combined Trust – the North West Anglia NHS Foundation Trust – on 1 April 2017. I have been greatly encouraged by the resilience and support of the staff across all three hospitals in how they have continued to put our patients first this year, despite the uncertainty the merger initially brought. It is now clear that for the vast majority of staff, there is little change – and for our patients there is no negative impact. In fact, some services at Hinchingsbrooke Hospital have been improved. For example, the Haematology (blood disorders) service

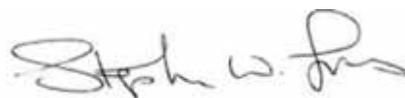
at Hinchingsbrooke was previously deemed unsustainable due to staffing issues and was managed by a locum doctor. As a result of the merging of the service with Peterborough and Stamford Hospitals, we were able to appoint an additional substantive consultant to work in the combined team. Now our doctors hold clinics at two hospitals and patients are benefiting from seeing the same doctor on each visit.

Our drive for 2017/18 will be to continue to strengthen services across all three of our hospital sites.

NHS finances have worsened again this year with more Trusts reporting a deficit. In 2016/17 we recorded a retained deficit of £17.7m (against a control total deficit of £20.2m). This compared with £37.1m in 2015/16. We have achieved efficiency gains of more than 5% (£15.2m) in our Cost Improvement Programme this year and for the fifth year in a row we have achieved more than 5%. Our pay costs have increased by more than £8m from last year to a total of £178.54m. These costs can be linked to the increase in patient numbers and operational activity which has been higher than that were included in the Trust's contracts with its commissioners. Our spend on agency staff across the Trust as a whole was £15.1m against a price cap of £14.1m set by our regulator NHS Improvement. It should be noted that there were exceptional items associated with the merger included in the agency costs.

Finally, in our Quality Report, you will find that considerable improvements have been made in the quality of care provided to our patients – including an overall reduction in the number of patients falling in hospital. *C.difficile* infection rates are better than the national trajectory, and the number of hospital-acquired catheter-associated urinary tract infections has been reduced. Additionally, the Trust has recorded an improvement in mortality rates and greatly improved complaint response times.

In this, the final annual report and accounts for the Peterborough and Stamford Hospitals NHS Foundation Trust, I would like to end by paying tribute to our excellent and talented staff who, despite the challenging year due to further increases in activity and the level of change, have risen to that challenge so positively and have continued to focus on improving care to our local community. The board of directors and I look forward to integrating our hospitals further in the coming months and feel confident that with our staff we can ensure the benefits of merging are realised.



**Stephen Graves**  
Chief Executive  
24 May 2017



# SECTION 1 | Performance Report

# Overview

This section describes the development and performance of Peterborough and Stamford Hospitals NHS Foundation Trust during the year, as well as outlining its future direction. It incorporates the financial review of 2016/17 to provide a context for our future plans and sets out the key risks facing the Trust.

## Who we are

Peterborough and Stamford Hospitals NHS Foundation Trust was formed on 1 April 2004 as one of the first 10 foundation trusts created under the *NHS Act 2003*, and is the successor organisation to Peterborough Hospitals NHS Trust. The Trust delivers acute care services to a growing catchment that encompasses Peterborough, South Lincolnshire, and parts of Cambridgeshire, Norfolk and Leicestershire from its two sites: Peterborough City Hospital and Stamford and Rutland Hospital.

The Trust transferred its services from three sites in Peterborough to the purpose-built, state-of-the-art Peterborough City Hospital at Bretton Gate in November 2010. This move brought improved services and facilities to the city – including a Radiotherapy Unit, an Emergency Centre with a separate children’s emergency department, a dedicated Women’s and Children’s unit, an expanded cardiac unit, a new respiratory investigations facility and an additional MRI scanner. Inpatients at the 635 bed Peterborough City Hospital are cared for on modern wards with either single rooms with ensuite facilities or three to four-bedded ward areas, each with their own bathroom. This affords our patients far greater privacy than before and meets the NHS same sex accommodation criteria.

Our hospital at Stamford has 22 inpatient beds on the John Van Geest ward and provides a range of outpatient clinic services, a minor injuries unit, and a day case surgery facility. It is also the base for the Trust’s pain management services. The first phase of a programme to redevelop Stamford Hospital was completed in 2016/17 – this saw the installation of a permanent MRI scanning suite on site, plus the creation of additional clinic rooms to enable the expansion of some outpatient services. The second phase of the work will begin in 2017/18 to continue the drive to ensure more local patients can receive treatment at Stamford Hospital in the coming year.

The Trust employs 4,227 staff, some of which work across its two sites. About 180 staff are based permanently at Stamford Hospital, while the remainder are based at Peterborough City Hospital.

Staff from our service provider partners Brookfield Multiplex, Medirest and Asterol, who provide facilities management services, cleaning, catering, portering and medical equipment management, are also based at the Peterborough City Hospital site. Catering services at Stamford Hospital is provided by ISS Facilities Management.

Staff at both hospital sites are assisted by approximately 300 part-time volunteers, who kindly dedicate some of their free time to support hospital services, primarily in patient-facing roles, such as supporting meal times and helping patients and visitors find their way around our hospitals.

As is typical in most NHS establishments, the split of female to male staff members is 80:20. However, the make-up of the Trust board of directors is closer to an equal split, with five females and eight males, representing a 40:60 female-to-male ratio. However, the executive team is an equal female to male ratio.

Patient services are delivered through a clinical directorate structure which puts clinicians at the heart of service delivery. Support to these directorates for estates, finances, human resources, business development, quality and corporate governance is provided from the corporate services that are managed by the executive directors. This structure incorporates services at both the Peterborough City Hospital and Stamford Hospital site. For more information, please see the Accountability Report on pages 103 to 170.

## Key facts



- Core market - electoral ward of residence where >40% patients admitted to PSH
- Wider market - electoral ward of residence where 5-40% patients admitted to PSH

According to Peterborough City Council's Joint Strategic Needs Assessment published in 2016, Peterborough has a higher than average number of children and young people. It is also one of the fastest growing cities in the UK, with predicted population growth of 34.9% between the 21 years spanning 2010 to 2031.

The city is ethnically diverse and also has areas of significant deprivation close to central Peterborough. The number of patients in the over-80 age group, who tend to require more help and support from acute services compared to the general population,

has also increased. The proportion of the over 80 age group in the Trust's catchment area increased by 37.5% (22,200) in the period 2002 to 2012, compared to a national growth of 20.2%.

In 2016/17, our staff cared for a total of 459,505 patients in new and follow-up outpatient appointments at our hospitals. This compares with 420,183 in 2015/16, representing an increase of 9%. Emergency attendances have also grown, from 99,042 in 2015/16 to 104,367 in 2016/17. More data on our activity for the year is shown below.

### Number of patients treated in 2016/17 (compared with 2015/16)

	2016/17	2015/16	Change
Elective inpatients	6,366	6,677	↓ 4.6%
Outpatients	459,505	420,183*	↑ 9%
Emergency attendances	104,367	99,042	↑ 5.3%
Emergency admissions	45,528	47,097	↓ 3.3%
Day cases	36,610	33,753	↑ 8.4%
Diagnostic scans	292,438	253,672	↑ 15%
Births	4,920	5,113	↓ 3.7%

\* Due to an error in the 2015/16 Annual Report and Accounts, the figure for the number of outpatient episodes was incorrectly published. The table has been amended to show the correct activity figures.

### Operational performance

The Trust has a range of performance targets to meet throughout the year. Key changes against last year's performance are shown above. The Quality Account section of this document provides a more detailed performance against quality standards statistics.

Since Peterborough City Hospital opened in November 2010, there has been a continuing rise in emergency activity. Our emergency staff are now seeing 40% more activity in the emergency department than in 2010/11. This increase in demand for emergency care, coupled with the higher than average numbers of patients who have experienced delays in their discharge from hospital into another care setting, has, at times, impacted negatively on patients' journeys through our hospitals during 2016/17. In addition, the trust saw an increase in the number of emergency patients from Lincolnshire in the evenings following the temporary reduction of opening hours of Grantham Hospital A&E department this year.

While there are external factors that impact upon our performance against the national waiting time standard for emergency patients, such as delays for patient leaving hospital to move into other care settings, we have focussed efforts upon actions that can be taken within the hospital to improve patient experience in this area. This has included increasing the range of conditions that can be treated by our ambulatory care team (which has led to a reduction in emergency hospital admissions compared to previous years), implementing changes to reduce waiting times for minor injury patients, creating eight trolleys in the Medical Assessment Unit (MAU) for the assessment and treatment of GP-referred patients and re-opening a Discharge Lounge for patients awaiting discharge from wards, MAU and also those awaiting transport to go home from the Emergency Department.

These changes were implemented early in 2017 under the guidance of clinical staff and using best practice initiatives from the Emergency Care Improvement Programme. We continue to monitor the outcomes.

In addition to the work in the hospital, our colleagues at Cambridgeshire and Peterborough Clinical Commissioning Group are leading work pre and post hospital to both reduce the number of patients needing to come into hospital through the GP route and 111 services. In addition they are looking at the capacity of Joint Emergency Teams (JET) and the interaction between the Ambulance Service and JET in supporting the Trust to increase GP hours in A&E.

The CCG, in conjunction with local authorities, has also agreed to reduce the number of patients whose transfer of care from hospital to an external setting has been delayed. During the year DTOC levels, despite the best intention of partner agencies, remained at an average of 9% compared to 8% in 2015/16 and the national target of 3.5%. This has impacted on length of stay and the occupancy rate of the Trust. We continue to work with our statutory partners to improve the experience for patients who need further care upon leaving hospital.

The creation of 12 extra beds at Peterborough City Hospital in Autumn 2016 provided extra capacity in readiness for the pressures of winter. The works took place on four wards and saw three beds added to each, thereby converting two single rooms into a three-bedded bay with a bathroom. The same increase in beds was undertaken in 2015 – which means the hospital has created 24 more beds in an 18 month period to help ensure more patients can get a bed on the right ward faster. The recent ward expansion work has taken the total number of beds at PCH from the original 611 to 635.

In 2015/16, 58 operations were cancelled as a result of capacity pressures. However, in 2016/17 that figure reduced to 52. This has been supported through the clinical teams moving to day-case procedures where possible, reducing the need for overnight beds.

Recruitment of staff has continued to be a key focus for 2016/17 and initiatives launched in 2015/16 were further built upon this year, particularly to reduce the Trust's reliance upon agency staff, in order to address safe staffing level requirements. Recruitment will remain a key focus for the coming year, and the formation of our new trust running three hospitals will be promoted as an added attraction to clinicians who are looking for opportunities to gain wider experience.

The Trust now employs over 3.72% more nurses than it did in 2015/16 and 6.46% more doctor/consultants than in 2015/16.

Further detail regarding workforce activity is provided in the Accountability Report on pages 103 to 170.

## Business model

Peterborough and Stamford Hospitals NHS Foundation Trust is a not-for-profit, public benefit corporation forming part of the wider NHS and providing health care and services. We provide and develop healthcare according to core NHS principles - free care, based on need and not ability to pay.

We are accountable to our local communities through members and governors; our commissioners through contracts; Parliament (in that we lay our annual report and accounts before Parliament); the Care Quality Commission (through the legal requirement to register and meet the associated standards for the quality of care provided); and NHS Improvement through the NHS provider licence. NHS Improvement's role as the sector regulator of health services in England is to protect and promote the interests of patients by providing services which are effective, efficient and economical and which maintain or improve their quality.

As a Foundation Trust, we are responsive to the needs and wishes of our local communities. Anyone who lives in the trust-wide geographical area or works for our Foundation Trust can become a member. Members elect our Council of Governors, who appoint the Chairman and Non-Executive Directors and approve the appointment of our Chief Executive. The Chief Executive, together with the Non-Executive Directors, appoints the Executive Directors. Together they form the Board of Directors. The Board as a whole is responsible for decision making, while the Council of Governors, among other things, is responsible for holding the Non-Executive Directors to account for the performance of the Board and for representing the views of members to inform decision making.

## Financial position

In 2016/17, the Trust recorded a financial operating deficit (before technical items) of £17.7m (against a control total deficit of £20.2m).

The total deficit for the financial year was £33.7m. The £17.7m is the value arrived at after deducting the permitted technical adjustments of £16.0m (being the impairment of the Trust's estate).

One of the main drivers for overspend this year was pay costs.



"Staff on B7 ensured my health and wellbeing was their priority."



This was due predominantly to an increase in patient numbers and operational activity, which has been significantly higher than the levels that were included in the Trust's contracts. The Trust received support from the Department of Health to help with the costs of meeting our PFI payments again this year. More details on the Trust's financial performance are available in the Finance Report in Section 2.

## Going Concern

International Accounting Standard (IAS) 1 requires management to assess, as part of the accounts preparation process, the Trust's ability to continue as a going concern. The financial statements should be prepared on a going concern basis unless management either intends to apply to the Secretary of State for the dissolution of the NHS Foundation Trust without the transfer of services to another entity, or has no realistic alternative but to do so.

The HM Treasury Financial Reporting Manual (FRM) states that "The anticipated continuation of the provision of a service in future, as evidenced by inclusion of financial provision for that service in published documents, is normally sufficient evidence of going concern".

The Trust continues to operate with a structural deficit. Therefore, Peterborough and Stamford Hospitals NHS Foundation Trust's Board of Directors has carefully considered the principle of 'Going Concern' and the requirement to provide continuity of service. The Directors have concluded that the combination of the circumstances outlined in this note represents a material uncertainty that casts significant doubt upon the Trust's ability to continue as a going concern. This is also set out in the Annual Governance Statement in the Trust's Strategic Annual Report. Nevertheless, after making enquiries, the Directors have a reasonable expectation that the Trust will have access to adequate resources to continue in operational existence for the foreseeable future and continue to provide services to patients. For this reason, they continue to adopt the going concern basis in preparing the accounts.

## Principal risks and uncertainties

At the end of the year, the Trust had 36 high risks on its risk register. The Trust has mechanisms in place to manage overall risk supported by a robust corporate governance structure and risk management policy. Further detail on this can be found in the annual governance statement which also describes how specific risks are identified, assessed and mitigated as part of the risk management processes. The Trust Board regularly reviews the risk register and Board Assurance Framework (BAF) which details the risks (with mitigation) to the delivery of the Trust's key objectives. The annual governance statement also provides a high level description of the principal risks and uncertainties facing the Trust.

Examples of principal uncertainties facing the Trust during 2016/17 against our strategic objectives include:

- The successful acquisition of Hinchingsbrooke Health Care NHS Trust (HHCT). This was a key issue for the Trust throughout the year. Following a formal review by NHS Improvement, the Department of Health, NHS England, local Clinical Commissioning Groups, both Trusts and public consultation, the acquisition of HHCT was completed on 31 March 2017.

Throughout 2016/17 our acquisition work engaged a broad range of clinical and support staff, through a programme of 30 engagement events that included public, staff and local health overview and scrutiny committee members, ensuring that robust plans were in place to secure a smooth transition from 1 April 2017.

The business case confirmed that the merger of HHCT and PSHFT would:

- Maintain or improve the sustainability of clinical services at HHCT;

- Improve the sustainability of clinical services at PSHFT;
- Enable more than £9m of financial benefits to be achieved through the integration of back office functions for the benefit of taxpayers;
- Improve patient care and experience through recruitment and retention of high quality specialists with more realistic rotas, increased training and educational opportunities;
- Improve infrastructure, for example, through the single procurement and running of IT; greater flexibility of major equipment and more robust business continuity;
- Expand engagement out to the local community in Huntingdonshire.

Specific risks outlined in the risk register include;

- The growth in patient demand
- The need to work closely with stakeholder organisations to rectify ongoing issues regarding patients experiencing Delayed Transfer of Care (DTOC).
- Locum and agency staff use to maintain safe staffing levels.
- Recruitment
- The financial deficit. This is a critical issue for the Trust.
- The need to manage and rectify issues concerning the PFI estate (including ongoing fire rectification work).
- Working with NHS Improvement and the Department of Health to secure funding.
- The need to ensure ongoing delivery against the four-hour emergency waiting time target.
- The need to address sustainability issues across the local health economy. The Trust is playing a key part in a Sustainability and Transformation Programme (STP), to help secure the long term sustainability of the health and social care services delivered across Cambridgeshire and Peterborough communities. This includes having senior staff members contributing to the emerging vision of improved urgent, emergency and elective care provided to patients.

These issues are formulated as risks and are included on the Trust's risk register.

## Independent inspections, assessments, awards and accolades

We celebrated the following successes in 2016/17:

### Graduation achievements celebrated by hospital staff

In April the Trust held a graduation ceremony to recognise members of staff who completed additional qualifications while fulfilling their roles. More than 40 members of staff were honoured with qualifications ranging from NVQs in business administration, customer services, clinical healthcare, pathology and perioperative support. Attaining additional qualifications alongside working hours is not an easy undertaking and demonstrates dedication to develop the skills necessary to fulfil their roles to the highest standard.

### 100 Health Care Assistants (HCAs) attained the Care Certificate during the year

The Care Certificate was introduced nationally in April 2015 and comprises a set of 15 standards that all new starter HCAs have to achieve when they begin working for the NHS. The Trust's 100th Care Certificate was awarded in December to Leann Edwards, who works in our Outpatients department at Stamford and Rutland Hospital.

### Continence nurse receives British Journal of Nursing award

Lorraine Spindler, a specialist continence nurse in our Patient Safety Team was recognised by the British Journal of Nursing, placing her as one of the top continence nursing specialists in the UK. She received the award for her outstanding dedication to patients who suffer with continence issues, and for reducing the number of catheter-associated urinary tract infections across the Trust.

### 100 year royal celebration for nurses

In May, Kay Bannister, a staff nurse at Stamford Hospital, attended a Royal Garden Party at Buckingham Palace to celebrate the centenary of the Royal College of Nursing (RCN). The event, which was hosted by the Queen, recognises outstanding public service. Kay, who is also a representative for the RCN, has practiced nursing for more than 30 years in hospitals around the UK, covering a range of specialities including orthopaedic, adult medicine and adolescent oncology.

### National Inpatients Survey puts Trust at top

Results from the National Inpatient Survey received in June confirmed the Trust is among the UK's top performing hospitals. We received our best ever rating from the CQC benchmarked patient survey which compares all Foundation Trusts in the UK. The survey looked at the experiences of over 550 patients who spent time being cared for in our hospitals during



July 2015. We featured among the top performing hospitals for seven of the survey questions answered, and received improved scores for 48 areas. These results reinforce our CQC report and further embed our commitment to move from Good to Outstanding in respect of quality care.

#### **HR Excellence award for cost saving software**

Nicola Fowler, HR Programme Manager and Lisa Sharp, Project Lead for the NMC Revalidation Project, won an Excellence in Human Resource Management award for re-modelling the NHS workforce 'Electronic Staff Record' (ESR) software. Their initiative saved the Trust more than £105,000, and meant our nurses and midwives could comply with the Nursing and Midwifery Council's new revalidation guidelines using the existing ESR software. The Excellence in HRM Award judges said: "The Trust was ahead of the game by using revalidation as part of ESR and focussed on the benefits for nurses and patient care."

#### **Cancer survey results show positive patient experience**

Results of the National Cancer Patient Experience Survey in July revealed that the Trust exceeded the national average in many areas of treatment for cancer patients. Patients gave the Trust high scores for providing information about support groups; guidance about free prescriptions; privacy when discussing treatment; overall good quality administration of care and working well with community staff. We received an average rating of 8.9. This was above the national average of 8.7. The score is based on a scale of 0 (very poor) to 10 (very good). The report enabled us to see where we excelled and where we need to improve as we continue to provide the best quality care for our patients.

#### **Obstetrics and Gynaecology ranked first place in survey**

In August our Obstetrics and Gynaecology department was named one of the top training units in the country in a survey conducted with specialist trainees by the General Medical Council. The department was named first in England and second out of 140 units in the UK for overall satisfaction and adequate experience. It ranked among the top five sites for educational supervision, supportive environment and access to educational resources. The department also scored the highest nationally for new trainee induction. This demonstrates how the team of consultants, midwives, nurses, secretaries and rota co-ordinators worked together to ensure trainees had the best possible experience during the time they spent working at the Trust.

#### **Student and educators celebrated at new awards ceremony**

We held a new awards ceremony in September for students and staff who contributed to learning. The Student and Educator Awards was an initiative developed by our Practice Development Team to recognise students on placement in the Trust for their dedication and hard work, as well as staff who go above and beyond to ensure students have a positive learning experience. More than 50 students and staff attended the event sponsored by Anglia Ruskin University, the Open University, University of East Anglia and The Friends of Peterborough City Hospital. Students, staff and patients were invited to nominate staff for one of eight awards.

#### **Trust awarded for supporting carers**

The Trust won a Care Quality Award by Lincolnshire Carers and Young Carers Partnership in September for implementing new initiatives to support unpaid carers and to recognise the important role they play. The Trust is committed to ensuring carers are identified, supported and signposted to the relevant support services. The new initiatives included extended visiting



hours, concessionary car parking and the opportunity to stay overnight at the patient's bedside.

### Trust chosen as test site for new nursing role

The Trust was selected out of just 11 sites across the UK as a test site to deliver the first wave of training for the UK's Nursing Associates. The new Nursing Associate role bridges the gap between health and care support workers and graduate registered nurses and offers Health Care Assistants the opportunity to progress into nursing roles. The Department of Health and Health Education England visited the Trust on 17 March 2017 to meet our trainee cohort.

### Queen's Nurse Title awarded to clinical manager

The Queen's Nursing Institute awarded the prestigious title of 'Queen's Nurse' to Angela West, a clinical manager in our Occupational Health department. The award is given to community nurses who demonstrate commitment to high standards of patient care, learning and leadership. Angela was one of six occupational health nurses in the country to receive the title at a ceremony held in November.

### Inspirational Leader of the Year

Also in November, Bev Goose, our Lead Palliative Care and End of Life Nurse, was named Inspirational Leader of the Year in the Annual East of England NHS Leadership Recognition Awards, which is run by Health Education England.

### Outstanding Orthopaedic Department

The Trust's Orthopaedic Department was recognised four times last year by Leicester Medical School. The Trust has been regularly voted best in region by the school, whose students are trained by members of our Orthopaedic Department. In June Mr Mark Latimer,

Consultant Orthopaedic Surgeon was awarded the title of Honorary Senior Lecturer in Medical Education in recognition of his outstanding teaching record. In December the school named him Associate Professor in Medical Education in recognition of his sustained and highly regarded contribution to the education of Leicester Medical Students. In March, students named Consultant Orthopaedic Surgeon Mr Rupert Clifton 'Star Tutor'. The award was based on feedback from students during the academic year and is judged by the Clinical Education Evaluation Group.

### Rheumatology research team excel at trial recruitment

In December our Rheumatology Department was commended by The British Society for Rheumatology, for their work in recruiting to the Biologics trial register BSRBR-AS. This is a nationwide register for patients who have Ankylosing Spondylitis, a long-term inflammatory condition that affects the spine and other parts of the body.

Dr Poonam Sharma, Rheumatology Consultant and Principal Investigator for the trial, said: "This was great news for our department because we achieved 100% against the national average of 77% in the questionnaire return and recruited specifically to target the study. This commendation is an accolade to my colleagues' dedication to our patients."



### Maternity team best in region for new-born hearing screening

In January, the Trust's New-born Hearing Screening Team was recognised as the top scoring team in the region for ensuring new-born babies receive their hearing test by four weeks of age. Out of 115 sites in the UK, our team was placed first in the region and joint second in the country for their performance. The team screened 99.8% of the 5,000 babies born at the hospital during 2016. This equates to the screening of around 400 babies a month.

### Endoscopy unit reaccredited by JAG

For the second consecutive year our endoscopy unit received reaccreditation by the Joint Advisory Group (JAG), in January. JAG sets the national standards for competence and quality in Endoscopy Units nationally and is an absolute requirement for the undertaking of bowel cancer screening services.

### Maternity unit reaccredited by UNICEF

The Trust's Maternity unit was reaccredited in February with a high level 'three status' by UNICEF's Baby Friendly initiative. Implementing baby friendly standards is a proven way of increasing breastfeeding rates. The team was delighted that the work they do to support, encourage and inform mothers was recognised, and look forward to continued breastfeeding success rates across the region.





### Public choose their Hospital Hero

Each year patients and relatives are invited to nominate members of staff who have gone above and beyond the call of duty. In 2016 eight members of staff were nominated for the care, kindness and commitment they showed our patients.

The three finalists included Esther Kirk, a neonatal nurse who was nominated for the role she played in supporting a family with premature twins. Mr Steven Goh, breast consultant for his outstanding commitment, care and compassion towards his patients; and Julie Holroyd, cardiology nurse practitioner, who was named Hospital Hero of the year for her support of a large family who came under her care during the death of a close family member. The family who nominated Julie, said: "Julie explained everything in such a way that we understood the reasons behind things, she is caring, compassionate and a brilliant communicator."

## NHS Improvement Enforcement Requirements

Throughout the year the Trust has worked with NHS Improvement on an improvement plan for performance against the four hour A&E target to increase efficiencies and deliver a long term strategy for financial sustainability. This work was progressed through monthly performance review meetings and reported at each public Board of Directors' meeting. Further information is available on page 24 in the Going Concern statement in Section 2 (Annual Accounts) and page 165 of the Annual Governance Statement.

## Improving experience for our patients, visitors and staff

Survey data and inviting feedback through other means is hugely important in helping the Trust identify areas for improvement, enhancing experiences for patients, visitors and staff. Where surveys or feedback

shows us that we could be doing more, action plans are developed to track progress in implementing changes based upon what patients and staff tell us.

The Trust renewed its focus on the Friends and Family Test (FFT) patient satisfaction monitoring tool in 2016. Data from all areas of the Trust is published monthly and reviewed by the Chief Nurse and her team, and action plans are drawn up to address any issues that may arise.

In addition, Message to Matron boxes were installed on all wards to give patients, visitors and staff the opportunity to post feedback or ideas for improvements to one of our 9 matrons who oversee the running of all wards across the Trust. Further information on this and the FFT data for 2016/17 is available on page 60 of the Quality Account.

In 2016, the Trust took the decision to invite every member of staff to respond to the National Staff Survey, instead of sampling approximately 900 staff, as in previous years. 53% of those issued with a questionnaire responded and their views about working in our organisation are being used to improve local working conditions and ultimately to improve patient care.

The latest results have shown positive improvement in two key areas – i.e.: would staff recommend our Trust as a place to work or receive care? In 2016, 66% of staff said they would recommend the Trust as a place to work (an improvement from 61% in 2015, and 5% above the national average for comparable acute trusts). 74% would recommend the Trust to a friend or relative to receive treatment in, which again is an improvement compared to the results published last year, and 4% above the national average.

More detailed information on the results of the NHS Staff Survey is available in the Workforce Report on page 128.

## Public support and interest

The Trust serves a growing population of more than 500,000 people and interacts with patients, the community and stakeholders in a variety of ways, both inside and outside its hospitals. There are approximately 8,000 public members of the Trust (more details in our Foundation Trust membership section on page 152). They provide a great source of patient and community connection, feedback and learning and help provide an essential way by which the Trust can ensure that it continues to *'put the patient at the centre of what we do'*.

The Trust's aim is to increase involvement and communication with all these groups to support improvement in the quality of care and service provided by our hospitals.

The Trust embarked on the biggest public and staff engagement programme in its recent history to involve as many local people as possible in the plans to combine our Trust with Hinchingbrooke Health Care NHS Trust in 2017.

Gaining public feedback and being able to address any concerns local residents may have as a result of the proposals was a particular factor for the boards of both trusts to consider as part of their review of the Full Business Case merger proposal.

Approximately 600 people attended a series of 30 public presentations that were held from July to November 2016 in public venues spanning from Bourne in Lincolnshire to St Neots in Cambridgeshire. The venues were specifically chosen to enable as many local people as possible to attend and give their views ahead of the boards of both trusts making their final decisions to ratify the merger proposals at the end of November 2016.

The engagement programme was supported by colleagues from Healthwatch Cambridgeshire and Healthwatch Peterborough to help widen our reach. The results of this engagement programme are available as an appendix to the Full Business Case for merger. As a result of greater engagement with residents in Huntingdonshire on this particular issue, the Trust was able to sign up an additional 2,500 members from this area in readiness for the merger of the two trusts to become North West Anglia NHS Foundation Trust on 1 April 2017.

The Trust's patient experience lead completed work to establish a Patient Experience Group in 2016. The group will focus upon improving patient and visitors' stays in hospital and has a dedicated programme of work for the coming year.

Patient feedback is vital to improving experience and some service areas within the Trust, including Ophthalmology and Gastro services, are managing their own specific patient groups to gain insight into making patient-friendly improvements as their services develop. As services combine across our merged organisations in 2017 and beyond, service-user feedback will become even more valuable.

Almost every week throughout the year, the Trust is involved in the promotion of a wide variety of internal health awareness events, in particular through information stands displayed in the main atrium at Peterborough City Hospital and via the Trust's growing social media channels.

Regular communication with external groups ensures key decision-makers outside the Trust are kept informed of developments and can provide feedback to the Trust on major issues. Senior managers from the Trust have actively contributed this year to Peterborough City Council's Scrutiny Commission for Health and the Health Scrutiny Committee for Lincolnshire. Topics have included the development of services at Stamford and Rutland Hospital, the Trust's collaboration work with Hinchingbrooke Health Care NHS Trust, and the system-wide Sustainability and Transformation Plan.

The Trust has focussed upon providing more meaningful and relevant engagement through its public meetings. Members' meetings are now themed to focus on subjects our members tell us are of interest to them. In 2016 the majority of members' meetings were focussed upon the merger plans and the redevelopment of Stamford and Rutland Hospital. However, the first meeting for 2016/17 focussed on our ophthalmology services. Clinicians attend these meetings to give members the chance to talk to them directly, which has proved popular. The Trust's governors and non-executive directors also support these events to meet members and to pick up key themes and concerns so that these can be reflected as part of the Trust's overall plans and strategies.

The Trust will continue to improve the quality of the public meetings it holds in 2017/18 as a way to further increase membership within our expanded catchment area following the merger with Hinchingbrooke Health Care NHS Trust, and to encourage even more people to have their say on hospital services and how they are delivered.

More information on how we plan to grow our membership can be found in our Foundation Trust membership section on page 152.

## Our Values and Strategy

All strategic planning at the Trust is underpinned by our values and behaviours. These were developed in conjunction with staff and are reflected in their day-to-day work with patients, colleagues and stakeholders. Patients know what to expect when they are cared for and staff know what is expected of them in terms of how they treat patients and colleagues.

### Strategy 2016/17

#### Vision

The Trust's strategic vision reflects the importance of providing sustainable services for our patients and the local population. This vision supported by our values is: *"Delivering excellence in care; in the most efficient way; in hospitals where it is great to work."*

#### Values

All staff are expected and supported to embody the Trust values in whatever they do; the Trust also supports staff in their work and expects them to

receive the same respect and behaviours. The Trust's values were formed following consultation with Governors, Foundation Trust members, patients, staff and other key stakeholders.

They are:

**Caring** – treating everybody with dignity and respect;

**Creative** – challenging the status quo with good evidence about how things could work differently. Being creative with resources to make them go further and positively benefit patients. Enhancing care through innovation;

**Community** – being open and honest. For example, if mistakes are made, being open and honest so that issues can be addressed and improvements made for the future.

These values define what patients should expect when they are cared for at Peterborough and Stamford Hospitals NHS Foundation Trust. They are used as part of our staff appraisal process in which all staff are required to demonstrate how they embody our values as part of their everyday roles. In addition, our values form a significant part of the Trust's recruitment processes.

## 2016/2017 Objectives

The Joint Board of Directors and Council of Governors confirmed five objectives for the Trust for the financial year 2016/17. The objectives were agreed as part of the Trust's annual planning process. Each objective is rated against an agreed threshold. Performance against these objectives is summarised below:

### 1. Deliver quality of care standards

This year the Trust has achieved the following progress towards this objective:

Measure	Progress
Upper quartile Hospital Standardised Mortality Rate (HSMR) for all trusts nationally	Green
Quarterly minimum 90% compliance with documentation audit by all directorates	Green
90% of complaints responded to within 30 days or timeframe agreed with complainant	Green
Year on year increase in the number of patients in clinical trials by 10%	Green
Achieve the standards in the NHS Improvement Single Oversight Framework including A&E four hour target	Red

Operationally, the Trust is working with its local health and social care partners to further focus on emergency care and the need to achieve the 4 hour waiting time standard, reduce the level of delayed transfers of patient to other providers of care and improve the effectiveness of its elective care pathway.

## 2. Recruiting, developing and retaining our workforce

This year the Trust has achieved the following progress towards this objective:

Measure	Progress
85% of adult inpatient wards $\geq$ 90% registered nurse fill rate on days and nights	Green
Trust vacancy factor $\leq$ 5% by March 2017	Red
70% retention of nursing students commissioned through Health Education England (HEE)	Green
Deliver first year of the trust OD programme	Green
East of England top quartile doctor satisfaction with training	Amber
Staff engagement score of 3.82 in the national survey	Green

The Trust continues to work towards a Trust vacancy factor of 5% through innovative recruitment practices. Further detail and actions can be found in the Workforce and Organisational Development report on page X.

## 3. Develop our capacity and infrastructure

This year the Trust has achieved the following progress towards this objective:

Measure	Progress
New radiotherapy unit operational	Green
Implement elective care transformation plan 2016/17 priorities	Green
Achieve investment in critical infrastructure at Stamford Hospital	Green
Increase capacity by 12 beds	Green
Patient administration system replacement underway	Amber
Fire safety enforcement delivered in line with Cambs Fire and Rescue requirements	Red

The new Radiotherapy Unit is now in operational use. The Trust completed the first phase of redevelopment work at Stamford and Rutland hospital on 20 March 2017. This included creating new phlebotomy, lymphoedema and chemotherapy suites, moving the pain management team to a new department and moving Therapy Services back in to their new, upgraded department. The appointment of the PAS contractor and project team has been completed, and this starts a programme of work over the next 18 months. It should be noted that work continues to deliver the Fire safety enforcement in line with Cambridgeshire Fire and Rescue requirements.

## 4. Deliver the finance plan

This year the Trust has achieved the following progress towards this objective:

Measure	Progress
Year on year reduction in our deficit from £38.8m in FY16 to £20.15m in FY17	Green
Cost improvement programme (CIP) of £13m with a focus on reducing agency expenditure to £14.15m	Green

Further information is available in the Accounts section on page 6.

## 5. Deliver the organisational strategy

This year the Trust has achieved the following progress towards this objective:

Measure	Progress
LHE sustainability and transformation plan submitted by the end of June 2016 with actions progressed according to the final published STP	Red
Hinchingbrooke hospital collaboration business case by the end of May 2016 and implement recommendations in accordance with the final approved Full Business Case	Green
Greater collaboration with Lincs including Stamford GP's and Lincolnshire sustainable service plan	Amber

Local health and social care organisations have been working together in recent months to identify ways in which we can collaborate. The Local Health Economy work continues and is on track to deliver the Sustainability and Transformation Plan (STP). Partners across the local health and care system have agreed to work together to deliver the STP.



Jeremy Hunt, Secretary of State for Health, visited Peterborough City Hospital in November 2016 to tour the site and chat with staff.

## Looking forward to 2017/18

The Annual Plan details the plan for the coming year. The vision for the North West Anglia NHS Foundation Trust will be: *'Working together to be the best at providing outstanding care for local communities'*. This vision was developed prior to merger. Board members, who were all board members of the predecessor trusts set out their vision for the North West Anglia NHS Foundation Trust and the five supporting strategic goals for the next five years and beyond, and will be delivered through annual objectives.

Providing services in different ways, while meeting the needs of our patients and stakeholders, will help us support the local health economy and the NHS as a whole. This whole system approach will deliver the best care for the patients we serve. Our objectives for the next two years will support the delivery of our vision and each has measurable outcomes, with the clear goal of delivering high quality care. The objectives are summarised below:

Objective	Deliverables 2018/19
Delivering outstanding care and experience	Upper quartile mortality rate
	Documentation meets professional and Trust standards
	Meet Single Oversight Framework standards
	Continuous improvement in high quality across all sites
Recruiting, developing and retaining our workforce	Deliver the workforce benefits from merger
Working together with local health and social care providers	Deliver the benefits of integration in the new NWAnglia FT
	Implement services changes in the STP
	GP collaboration in Trust catchment area
	Deliver the merger organisational change
Improving and developing our services and infrastructure	Stamford and Rutland hospital redevelopment
	Deliver IT strategy
	Deliver the Strategic Estates Partnership
	Fire safety plan
Delivering financial sustainability	Deliver activity to plan and within STP frameworks
	CIP of £16.9m and merger non-pay savings of £0.95m
	Lord Carter efficiencies

In addition, through the work of the organisational development programme across both trusts, we have launched a set of revised values for the new Trust. These are based on suggestions and themes from 30 staff listening events and public and staff engagement at all three sites and a staff values survey which received over 650 responses. The new values are:

- We put **patients first**
- We are **caring and compassionate**
- We work **positively together**
- We are **actively respectful**
- We seek to **improve and develop**



# Performance Analysis

## How the Trust measures performance

The Quality Assurance Committee and Trust Board receive a monthly performance report comprising a number of key performance indicators (KPIs), with associated commentary to explain variances and actions in place to deliver improvement.

The KPIs cover a range of contractual and internally determined metrics, providing a balanced scorecard for the Trust's performance across the four domains of regulatory compliance, quality, efficiency and workforce. The report also includes a summary of financial performance, with more detailed information provided to the finance and investment committee.

Each KPI, where appropriate, has a target based on either the contractual performance standard, or an internally-set target. The integrated performance report presents trend data for the last 12 months to enable the Trust Board to track progress over time.

Performance at directorate level is scrutinised through monthly performance review meetings, providing an opportunity for executive directors to have a more detailed discussion with directorate teams, to support performance improvement initiatives, and to challenge underperformance. Directorate performance reviews are supported with the relevant division's performance information supplemented by additional performance information relevant to the priorities of the directorate concerned.

In order to support effective operational performance, the Trust employs a team of specialist information professionals who provide analytical support to all parts of the organisation and service all the Trust's internal and external reporting obligations.

Performance information is provided to the organisation routinely through a combination of desktop tools, automated routine reports, refreshed periodical scorecards and ad hoc reporting on request. Trust performance is scrutinised and supported through a range of daily, weekly and monthly meetings, with the necessary information available for discussion.

For 2017/18, performance will be monitored through the reconfigured Finance and Performance Committee and from 1 July 2017. Services will be delivered through three clinical divisions.

## Review of non-financial performance

The continuing rise in emergency activity has seen an impact upon the flow of patients through our hospitals from admission through to their discharge. High levels of acutely ill emergency patients, combined with the difficulty of discharging patients into the community who are no longer in need of hospital care, have made for a challenging year across the NHS as a whole, including within our Trust.

During the year the Trust raised the impact of Delayed Transfers of Care (DTOC) levels with all commissioners through contractual meetings and correspondence. It was also a key focus of the SRG and then the A&E delivery board. Discussions included the impact on patient care, flow within the hospital and the consequence on key performance indicators delivery. At the A&E delivery board interagency plans were pulled together to reduce the number of DTOCs. The implementation of these plans were discussed further at contractual meetings.

Attendances at our Emergency Department at PCH continued to be higher than levels we would normally expect. In addition to high numbers of emergency patients the Trust has seen an unprecedented number of patients who were medically fit to leave hospital but required additional community support, which was not always available. To counter this increase in activity, the Trust has developed its ambulatory care service. This is now regularly diverting 20% or more potential admissions. As a result, we have actually reduced our emergency admissions this year.

The Trust's executive team is working continually with local health partners and NHS Improvement to alleviate this position as it significantly impacts on the quality of patient care. Regrettably, these pressures have impacted upon the Trust's performance against national targets. The four-hour emergency waiting time standard is set so that 95% of patients spend less than four hours in the Emergency Department



"We are so grateful to the staff at A&E who gave our son great care."

from arrival to admission or discharge. This was not delivered in 2016/17, despite some significant changes within hospital processes to improve the urgent care pathway for patients.

Among the initiatives was the opening of a discharge lounge, the increasing use of ambulatory care, reintroduction of trolleys in the Medical Assessment Unit, earlier assessment in A&E, and reduction of the number of patients with delayed discharge dates. New processes in our Medical Assessment Unit have contributed to an improved flow of emergency patients at Peterborough City Hospital. This has helped teams ensure that an increased number of emergency patients are being seen, treated and admitted or discharged within the standard four-hour waiting time.

The table on page 32 outlines the Trust's performance against key performance indicators for the last year. There are 18 targets illustrated. The table shows that a significant number of targets were met this year. In addition, the national standard regarding the

certification against requirements regarding access to healthcare for people with a learning disability has been compliant for each of the last three years. These targets would not have been achieved without the hard work and dedication of our staff across a wide range of areas of the Trust. We are extremely grateful for their sustained commitment to delivering good quality care for our patients.

The table shows that six targets were not met this year (A&E four hour wait, MRSA emergency and elective screening, diagnostic six week waits, 62 days from referral to treatment (cancer pathway), 62 days from screening to treatment. Actions are being taken in collaboration with key partners in the local health economy to improve these areas, especially through a focus on the emergency care pathway.



The Trust introduced scrubs for all staff within the Emergency Department in 2016.

National target / Regulatory requirement <sup>1</sup>		2014/15	2015/16	2016/17	
Recruiting, developing and retaining our workforce	Target	100%	100%	100%	
	Actual	108.2%	96.0%	97.0%	
MRSA screening for all emergency inpatients	Target	100%	100%	100%	
	Actual	93.7%	85.0%	93.0%	
VTE risk assessment	Target	95%	95%	95.0%	
	Actual	95.2%	92.5%	95.9%	
18 week referral to treatment time – Incomplete pathways within 18 weeks	Target	92%	92%	92.0%	
	Actual	97%	95.0%	94.8%	
Diagnostic 6 week waits (% waiting)	Target	1%	1%	1%	
	Actual	0.1%	0.7%	1.1%	
All cancers 2 week wait from referral	Target	93%	93%	93%	
	Actual	96.8%	96.0%	97.4%	*
All cancers – 31 days from decision to admit	Target	96%	96%	96%	
	Actual	99.6%	99.5%	99.9%	*
All cancers – 62 days from referral to treatment	Target	85%	85%	85%	
	Actual	89%	86.1%	84.4%	*
All cancers – consultant upgrades	Target	90%	90%	90%	
	Actual	93.9%	94.0%	98.9%	*
62 days from screening to treatment	Target	90%	90%	90%	
	Actual	95.4%	95.0%	88.8%	*
Cancer subsequent treatment – Drugs	Target	98%	98%	98%	
	Actual	100%	100%	100%	*
Cancer subsequent treatment – Surgery	Target	94%	94%	94%	
	Actual	98.9%	100%	100%	*
Cancer subsequent treatment - Radiotherapy	Target	94%	94%	94%	
	Actual	99%	97.9%	99.8%	*
Cancer subsequent treatment – All treatment types	Target	96%	96%	96%	
	Actual	99.4%	99.1%	99.9%	*
Breast symptomatic referral within 2 weeks	Target	93%	93%	93%	
	Actual	96.9%	96.8%	94.6%	*
Total time in A&E 4 hours or less – Local health economy	Target	95%	95%	95%	
	Actual	85.5%	90.5%	80.1%	
% elective operations cancelled for non-clinical reasons	Target	1%	1%	1%	
	Actual	1%	0.7%	0.7%	
Meeting the <i>C. difficile</i> target	Target	31	29	29	
	Actual	41	37	23	

\* Cancer information is provisional

<sup>1</sup>This information relates to annual performance. Some targets may be reported monthly/quarterly.

## Review of financial performance

The annual report has been prepared to reflect the activities and financial position of Peterborough and Stamford Hospitals NHS Foundation Trust for the year ended 31 March 2017.

In 2016/17, the Trust recorded a retained deficit of £17.7m (before technical adjustments) which compares to a deficit of £37.1m in 2015/16.

The Trust had a Financial Sustainability Risk Rating of 2 at the beginning of the year. However, during the year NHSI's Risk Assessment Framework changed. The Trust now has a Use of Resources rating of 3 – with 1 being the best available rating and 4 being the worst.

During the year the Trust delivered cost improvements amounting to £15.2m against a target of £13m (15/16 £14.2m against a target of £13m).

During 2016/17, patient numbers have been significantly higher than those that were included in the Trust's contracts with its main commissioners and compared to the prior year.

Pay costs have increased from last year (£178.4m in 2016/17 and £169.6m in 2015/16) and reversing this trend remains a key area of focus for the Trust. The Trust's variable pay and non-pay costs are inextricably linked to patient numbers and activity. These costs have, therefore, increased as a result of the increase in patient numbers. However, this year there has also been additional pay costs linked to the temporary appointment of specialist project team members who have driven the programme of work to oversee the merger of our trust with Hinchingsbrooke Health Care NHS Trust.

System Transformation Funding (STF) of £12.5m was received during the year and treated as income. £10.7m related to the general fund which was achieved against a maximum available of £10.8m. An additional £1.8m was received due to trust delivering and over achieving against its Control Total set by NHS Improvement as financial incentive and bonus.

The cost of agency staff in clinical areas has decreased marginally, but for the Trust as a whole we spent £15.1m against a price cap of £14.1m set by NHS Improvement. This directive also involves mandated use of framework agencies. Unfortunately a national shortage of staff means that the beneficial effects on the Trust's finances have been limited.

The Trust has reduced its reliance on outsourcing work to private providers through many efficiency schemes. Increased demand and restraints on capacity due to blockages in the local health system create a bottleneck in the flow of patients which restricts availability of beds. As a result, outsourcing becomes necessary in order for the Trust to achieve the 18 week elective target.

The Trust is also required to ensure that the income received from the provision of goods and services for the purposes of the health service in England is greater than income from the provision of goods and services for any other purposes (e.g. private patient income). The amount of private work carried out by the Trust is minimal. Income from other purposes including private work in 2016/17 was £1.284m which is 0.5% of total income.

This level of private patient income and activities associated with it has had no material impact on the Trust's provision of goods and services for the health service in England.

The Trust received loans from the Department of Health during the year. Revenue loans amounted to £44.8m and capital loans amounted to £13.2m. and £0.2m was received from Public Dividend Capital. This funding ensured that the Trust could continue to meet its liabilities as and when they fell due. The Trust also received PFI support funding during the year of £10m which has been confirmed as recurrent.

The Trust's Annual Accounts can be found in Section 2 of this report.

### Going forward

On 1 April 2017, Peterborough and Stamford Hospitals NHS Foundation Trust merged with Hinchingsbrooke Health Care NHS Trust. The merged organisation is called North West Anglia NHS Foundation Trust.

The Trust will continue to face a major financial challenge with a significant underlying deficit. The NHS operating environment is particularly challenging with a need to deliver significant efficiency improvements, while safeguarding and enhancing the quality of patient care provided: it is therefore unlikely that the Trust will be able to return to financial surplus without a local health economy solution. Details of the Trust's plan for 2017/18 are set out in the Annual Operational Plan available on the Trust's website. The merging of cultures, departments, policies and procedures will add to this challenge as will achieving the savings highlighted in the merger Full Business Case. Hinchingsbrooke



"I don't know where I'd be without your consultants' advice and support."

Health Care Trust, with which the Peterborough and Stamford Hospitals merged on 1 April 2017, is also a loss making organisation.

The Trust will continue to work with its commissioners, NHSI, the System Transformation Programme (STP) and other stakeholders to develop long-term plans. This is in the context of current enforcement requirements to improve A&E performance, to provide increased efficiencies as part of tackling the Trust's deficit, and to participate in the development and delivery of plans for future financial sustainability.

These plans incorporate:

- A continuing and significant internal efficiency improvement challenge (which, in order to reduce the Trust's deficit, will need to exceed the proposed annual efficiency targets that are imposed each year through reductions to national tariffs);
- Achieving efficiency savings highlighted in the merger proposal;
- An increased financial contribution from the clinical services that we already provide (in partnership with commissioners and other providers);
- The introduction of high quality new services (in partnership with commissioners and other providers), which also generate a surplus;
- Continuing to focus on providing excellent quality of patient care, delivering operational targets and improving internal governance arrangements;
- Working in partnership with commissioners and community services to avoid unnecessary hospital attendances and delays to discharge, in order to assist capacity pressures and understand the need for services in the community; and
- Agreeing the solution to the affordability of the Trust's PFI scheme with NHSI/DoH.
- Investigating options for the local health economy to work in more efficient ways while maintaining excellent patient care quality via the STP.

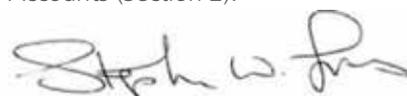
The delivery of these long-term plans will depend partly on the Trust's ability to fulfil a number of challenging internal objectives but also on gaining the support and co-operation of a large number of

stakeholders (including the Department of Health, NHS Improvement, the Trust's commissioners and other local providers), to drive the necessary changes to the local health system.

The success of the Commissioner's activity plans to treat more patients outside of an acute setting is a major factor in the Trust's ability to achieve its financial and efficiency targets.

The Trust is again expecting to incur a deficit during the next 12 months and as a result will require significant additional external funding from the Department of Health. During 2016/17 the Trust received loans from the Department of Health. The type of funding to be received for 2017/18 is again likely to be via loans.

As Directors of the Trust, we consider that this represents a material uncertainty which may cast significant doubt on the Trust's future financial performance and sustainability. We will continue to seek formal assurances from the Department of Health in respect of this matter. Although the level of this funding stream is not yet formally agreed, the Trust's Board of Directors has a reasonable expectation that the Trust will have access to adequate resources to continue to provide patient services for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts as set out in page 18 of the Annual Accounts (Section 2).



**Stephen Graves**  
Chief Executive Officer  
24 May 2017



The MRI team at Stamford and Rutland Hospital.

# SECTION 1 | Quality Account

## Part 1: Chief Executive's statement

I am pleased to introduce this account detailing the quality of care provided to patients in our Trust for the year April 2016 to March 2017.

This report makes it clear just how much has been achieved by the staff of the Trust under the direction of the leadership team. In 2015 our Trust was rated 'Good' by the Care Quality Commission (CQC). Since then, members of staff from across the organisation have been exploring how we can build on these strong foundations to become Outstanding in all we do and thus achieve an 'Outstanding' CQC rating. Our 'Good 2 Outstanding' (G2O) programme was launched earlier this year and a huge amount of work has already gone into improving the areas we needed to focus on to take us from 'Good' to 'Outstanding' (see full report on page 40).



Throughout the year, there have been considerable improvements in the quality of care provided to our patients, which can be seen on a consistent basis in the Trust's monthly Quality Reports. Headline improvements are:

- The number of pressure ulcers has fallen again this year and the Trust remains below the national average for hospital associated pressure ulcers on the NHS Patient Safety Thermometer
- Only one hospital acquired catheter associated urinary tract infection (CAUTI)
- An improvement in the Hospital Standardised Mortality Rates (HSMR), with our Trust appearing in the top 25% of NHS Trusts across England
- Complaint response times have improved again this year reaching 100% answered within 30 days
- *C. difficile* rates are well below our trajectory

Patient Experience is a key part of our care within the Trust. To evidence and share patient experience and quality care, 'patient stories' led by patients or their representatives, are presented at the public Trust Board on a monthly basis. Other 'Board to ward' activities have included CEO and Chief Nurse weekly visits to patient care areas, Trust wide night visits, patient safety walkabouts and the 15 Steps Challenge which were carried out by senior nursing and medical staff, Executive and Non-Executive Directors. External challenge has included a series of planned and unplanned visits by our local Clinical Commissioning Groups (CCGs), the CQC, Healthwatch Peterborough and the Local Authorities Overview and Scrutiny Panels.

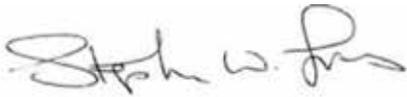
The Trust, like others across the majority of the country, has experienced challenges in relation to levels of staffing, which have been a concern across all professions. The introduction of the national agency cap in 2015 has continued to be a further challenge. However, the Trust has made every effort to comply with this requirement, and as a result has benefitted from both quality and financial improvements. The Trust has continued to recruit both at home and abroad. This year has seen many developments and new ventures for Nurse and Midwifery recruitment, with successful visits to India, the Philippines and Europe. Through all forms of recruitment we have welcomed 175 nurses and midwives to work across the organisation.

The Trust has worked hard during the year to manage the increases in attendances at the Emergency Department (ED), the increased acuity and dependency of those patients admitted and the, sometimes, long delays in finding suitable and safe care packages for patients who are ready to be discharged. As part of the improvements, the urgent care pathways have been revised. GP admissions are directed to assessment bays in the Medical Assessment Unit to reduce long waits in ED and the Ambulatory Care Unit is used to manage more acute patients who can be followed up as out patients and not be admitted. This has been balanced with a more considered list of patients who can be moved to alternative wards. This has in turn led to a much reduced number of patients being transferred, especially at night and most patients receiving care in the correct speciality wards ensuring **Right Care; First Time; Every Time.**

The results of the quality improvement priorities for 2016/17 are reported. These reflect national and local priorities across the domains of safety, effectiveness and patient experience and assist staff to realise the Trust's strategic vision of:

*'Delivering excellence in care; in the most efficient way; in hospitals where it is great to work'.*

To the best of my knowledge, the information contained in this Quality Account is accurate. I would like to thank all our patients, their carers, our volunteers, other stakeholders and our staff for their leadership, ideas and comments which have been used to plan the Trust's quality improvement programme for 2017/18. Looking forward, we believe the merger of Peterborough and Stamford Hospitals NHS Foundation Trust and Hinchingsbrooke Health Care NHS Trust will help to improve clinical and financial sustainability in our three hospitals and provide exceptional opportunities to deliver a step change in the strength and depth of many of the patient services currently provided. Our staff continue to drive the delivery of high quality care to patients and on behalf of the Board I thank them all for their hard work, professionalism and compassion.



**Stephen Graves, Chief Executive**  
24 May 2017



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

### Priorities for improvement identified for 2016/17

The following section summarises progress made during the year. The report should be read within the context of the work completed by the Trust over the year, including care delivered to our patients, numbers of which are in the table to the right.

#### Our patients in numbers



**104,367**

Patients seen in our  
Emergency Department



**45,528**

Emergency  
admissions treated



**36,610**

Elective day cases or surgeries  
carried out



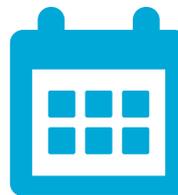
**6,366**

Elective operations  
carried out



**4,920**

Babies were born here



**459,505**

Patients seen in new and  
follow-up outpatient appointments

See the glossary at the end of this report for a key to the abbreviations.

## Priorities - results at a glance

Priority	Name	Goal Met	Goal Partially Met	Goal Not Met
Goal 1	To develop the CREWS ward accreditation scheme to assess/monitor wards aligned to the CQC domains			
	1. Develop criteria for ward based accreditation scheme – CREWS (by July 2016)	●		
	2. Trial concept on identified wards	●		
	3. Roll out across the Trust and RAG rate all inpatient areas (according to roll out plan)	●		
Goal 2a	Documentation compliance			
	90% compliance with documentation audit by all Directorates	●		
Goal 2b	Safe Discharge			
	1. Introduce monitoring of patients with a safe discharge/transfer from PCH	●		
	2. Q1 – Agree measure with Matrons/ward managers re discharge checklist and monitoring	●		
	3. Q2 benchmark to define level of improvement in Q3		●	
	4. Q2 benchmark to define level of improvement in Q4			●
	5. Monitor details during Q1 to benchmark improvements by year end	●		
Goal 2c	MUST/Nutrition assessment compliance			
	1. Achieve 95% completed accurate MUST assessments within 24 hours of admission	●		
	2. 100% of completed assessments with MUST components accurately calculated			●
	3. 100% of completed assessments with correct MUST care plan in place			●
Goal 2d	E-Observations			
	100% roll out of the e-observation programme	●		
Goal 3a	Upper quartile HSMR for all Trusts nationally			
	1. Consultant led review of at least 50% of all hospital deaths	●		
	2. Respond to Dr Foster alerts within 45 days of them being raised			●
Goal 3b	Safe staffing levels with reduced reliance on agency and locum cover			
	1. 85% of adult inpatient wards have a minimum 90% registered nurse fill rate on days and nights		●	
	2. Paediatric inpatient areas have a minimum 90% registered nurse fill rate per month	●		
	3. Implement Healthroster SafeCare Live module	●		
	4. 70% retention of nursing students commissioned through Health education East of England (HEEoE)		●	
Goal 3c	Increase involvement in clinical trials			
	Year on year increase in the number of patients in clinical trials by 10%	●		
Goal 4a	Improve responsiveness to complaints			
	1. Increase the response rate to a minimum of 90% of complaints being responded to within the 30 day timescale or agreed timeframe with complainant	●		
	2. Ensure that all (100%) complainants receive an acknowledgement letter within 3 days of receipt of the complaint	●		
	3. 80% of complainants 'extremely satisfied' or 'satisfied' with their complainant response	●		
Goal 4b	National Patient Survey			
	Increase the responses to questions in the patient National Patient Survey (NPS) in the 'best performing category'	●		

# Priority 1 – Good to Outstanding

## Goal 1

To develop the CREWS ward accreditation scheme to assess/monitor wards aligned to the CQC domains	Goal Met	Goal Partially Met	Goal Not Met
1. Develop criteria for ward based accreditation scheme – CREWS (by July 2016)	●		
2. Trial concept on identified wards	●		
3. Roll out across the Trust and RAG rate all inpatient areas (according to roll out plan)	●		

### Information

The Trust has undertaken a new initiative in the ward accreditation scheme as part of 'Outstanding Patient Experience' - one of the five workstreams that underpin the Trust's G2O (Good to Outstanding) programme. Each patient area will be assessed following the CQC fundamental standards and their five key lines of enquiry,

- **C**aring
- **R**esponsive
- **E**ffective
- **W**ell-led
- **S**afe

The assessment is an open and transparent way to assess quality standards. Two ward areas are assessed each month. The programme started with the inpatient areas first, with the long term plan to extend to all other clinical areas. Those wards deemed **Outstanding** will work alongside wards rated as **Inadequate** or **Requires Improvement** to provide peer support and share best practice.

### Reason for prioritisation

All areas to be rated as Outstanding (CREWS status) by 2019/20 and provide assurance that our patients are receiving high quality and consistent care across the Trust.

Part of the G2O programme objectives.

### Baseline

1. CQC 'Good' rating from 2015 visit.
2. Development of the G2O programme.

### Action taken

- Presentation about the accreditation scheme was given to Trust Board and Quality Assurance Committee (QAC) in August 2016
- The first areas to be assessed were the pilot area Ward A2, then Maternity Inpatient Ward and Ward A8
- The wards undergo an assessment by a team of Matrons who discuss the results at the Matrons' Quality Assurance Forum with the Chief Nurse
- Following an assessment a draft report is written and sent to the Ward Manager and Directorate management team for factual accuracy checking
- Once finalised, copies are sent to the Chief Nurse for final approval, then submitted to the Quality Assurance Committee (QAC) for information, review and follow up, and local Directorate Governance Meetings
- Once the report rating has been finalised the area will be rated. As below, in line with the CQC ratings:
  - **Inadequate**
  - **Requires Improvement**
  - **Good**
  - **Outstanding** - CREWS status
- The area is then required to formulate an action plan which is supported by the Matron

- Action plans must then form part of every ward team meeting and the Ward Manager is to track progress
- Patients and relatives are notified by a poster displayed outside of the ward area which gives information that the area has undergone an assessment, the key recommendations highlighted for action and the date the re-assessment will take place
- A ward assessment tracker has been produced to keep track of all the assessments that have been carried out.

## Outcome details

1. Matrons attended an away day to develop the criteria for a ward based accreditation scheme. A pilot then took place on Women's Health Ward and time was spent on planning and pre-reading the data. A project plan was drawn up with template reports and a template action plan.
2. Documentation was agreed and then the concept was trialled on Ward A2. All Matrons were involved in the assessment, dividing up the five key lines of enquiry for review. Processes evolved using the feedback from the Ward Managers.
3. As at the end of March 2017, sixteen ward areas have been assessed.

## Next steps and lessons learnt

- Aim to complete assessments to all the wards and to start reassessing wards from March 2017
- The ward management team will be required to meet the recommendations and the ward will have to undergo a reassessment within recognised timeframes

### Inadequate

Three month interim review  
Reassess in six months from final written report date with a summative internal review to assess progress against action plan by Matrons' team

### Requires Improvement

Reassess in nine months from final written report date

### Good

Reassess in 12 months from final written report date

### Outstanding - CREWS status

Reassess in 18 months from final written report date

- A newsletter will be developed to share learning from ward areas that have had their assessments, for circulation to all teams. There has already been excellent staff engagement and sharing experiences is a vital part of that process
- Information on 'You Said, We Did' will be displayed for public information to share lessons learnt
- The assessments will be extended to the Hinchingsbrooke Hospital site to cover all inpatient wards and other clinical areas
- For those wards that achieve Outstanding – CREWS status, the staff concerned will be nominated for a Staff Award, and those wards / areas that sustain CREWS status for two consecutive time periods will automatically receive a Staff Award
- Matrons will need to embed their CREWS action plan into the Directorate CQC action plan going forward



"From the first scan to discharge after major surgery, the care received has been outstanding. This is based on reception staff in the Women's Health unit through to those managing mealtimes and a busy ward, surgery staff and the anaesthetists. How comforting to know that really skilful and experienced doctors were involved. It is almost impossible to find any feedback that could improve on the care I have received. Excellent on every front"

## Patient Safety Domain

### Priority 2 - Improve the percentage of patients who are harm free whilst under the care of the hospital

#### Goal 2a

Documentation compliance	Goal Met	Goal Partially Met	Goal Not Met
90% compliance with documentation audit by all Clinical Directorates	●		

#### Information

Documenting patient assessments and nursing care is an integral part of the work that nurses and midwives undertake on a day-to-day basis. However, as the acuity and dependancy of our patients increases, the workload becomes such that nursing staff attend to their physical care and leave documentation until later. This leads on occasions to poor record keeping which may result in poor or mis-communication. The Code (NMC, 2015) states that nurses should 'identify any risks or problems that have arisen and the steps taken to deal with them, so that colleagues who use the records have all the information they need'. Poor documentation can also create difficulties when something goes wrong or there is a complaint as it is then difficult to provide assurance and evidence of the care given.

#### Reason for prioritisation

Safe nursing care is given but the documentation does not always evidence this. Documentation was highlighted in the CQC report as an area where the Trust could improve.

#### Baseline

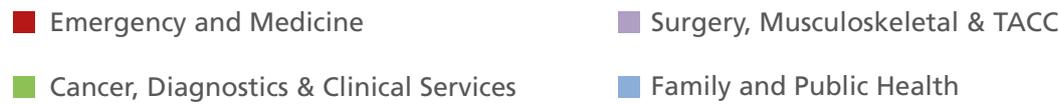
Compliance with documentation is recorded on the Matrons Balanced Score Card (MBSC) monthly. The audit was reviewed and revised to include areas of poor documentation which required improvement for the new financial year.

#### Action taken

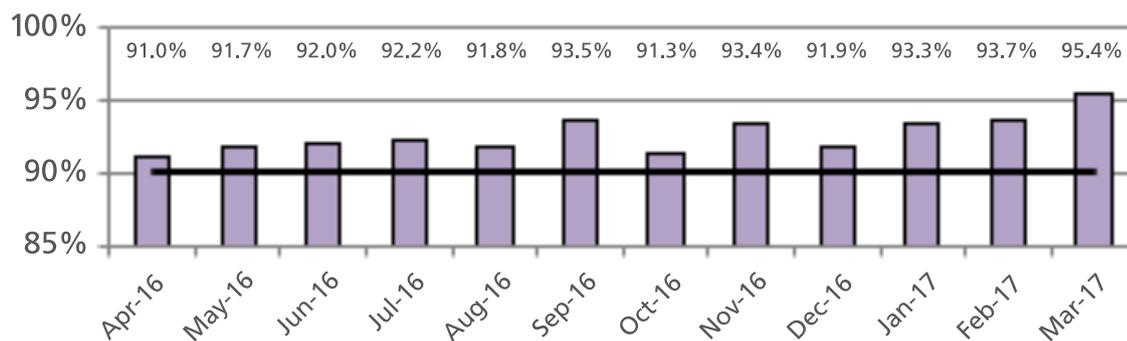
- New adult assessment document piloted on Cardiac Unit then rolled out to all inpatient areas
- New adult assessment document for the Medical Assessment Unit (MAU) piloted and rolled out
- Documentation is highlighted within all training such as the Waterlow skin assessment which is included in the Tissue Viability sessions
- Practice Development Team (PDT) have increased the level of training provided for staff new to the Trust
- Audit based on the review of documentation was undertaken monthly and discussed at the Matron's Quality Assurance Forum and Quality Assurance Committee (QAC)
- Where poor results were identified, or example in Haematology/Oncology ward in December 2016, an action plan was put in place. An independent external visit by the Cambridgeshire and Peterborough Clinical Commissioning Group undertaken in March 2017 has verified the improvement
- A Coroners Court training day was held in the Trust in November. This included the legal aspects of documentation, a mock Coroners' Court session and the Coroner detailing the responsibility of staff in documentation. There was a very large audience, it was thought provoking, evaluated well and it is hoped that it can be repeated next year as it was so successful in highlighting the importance of documentation in the workplace

## Outcome details

### Documentation Audit Directorate



### Documentation Audit Trust



## Next steps and lessons learnt

- Documentation will remain on the MBSC, a monthly audit, this in turn often leads to more frequent monitoring by Matrons if the compliance falls
- Feedback to the staff, following learning from complaints and adverse events around their accountability regarding non-compliance with correct documentation
- Monitoring will continue through the QAC
- Documentation will remain part of Registered Practitioner Induction (RPI) and Healthcare Assistant's induction to emphasise the importance of correct completion
- Documentation will also form part of the ward CREWS assessment
- New or revised documentation will continue to focus on patient care and changes to pathways such as the new MAU admission booklet and updated ED cas cards including the frailty score for our older patients
- Following the merger into one Trust, standardisation of documentation will be undertaken. This will require a scoping process and additional education on all three sites as any new documentation is rolled out
- The Trust takes documentation seriously and will continue to develop good clear documentation that is simple to complete but supports and evidences safe patient care

## Goal 2b

Safe discharge	Goal Met	Goal Partially Met	Goal Not Met
1. Introduce monitoring of patients with a safe discharge/transfer from PCH	●		
2. Q1 – Agree measure with Matrons/Ward Managers regarding discharge checklist and monitoring	●		
3. Q2 benchmark to define level of improvement in Q3		●	
4. Q2 benchmark to define level of improvement in Q4			●
5. Monitor details during Q1 to benchmark improvements by year end	●		

### Information

Discharge planning should involve the clinical staff and patient/family to develop a patient-centred plan. Critical elements in successful discharge transitions include performing an accurate reconciliation of medications, establishing timely follow up if required and developing a detailed discharge summary that is communicated to the patient and any 'aftercare' providers.

With elective care, discharge planning should start before admission. This is not possible for emergency patients, however, this should commence on admission. This improves the patient experience and good planning enables

- Safe discharge
- A reduction in length of stay.

Discharge from hospital can only happen when a clinician has decided the person is medically fit for discharge. However, this does not mean that the person is now 'well' or has no medical conditions. In addition we must be satisfied that discharge will be safe which means that there is an appropriate care and support plan in place.

### Reason for prioritisation

This is the final part of the care delivered to our patients. The increasing capacity pressures and increased bed occupancy within the organisation can cause clinical teams to 'rush' the discharge and not offer the patient a safe discharge on all occasions. This can lead to patients being discharged without the correct information or the complete prescription of medicines they are taking home.

Complaints and SOVA (adult safeguarding) referrals received into the Trust.

### Baseline

Due to increased time pressure to discharge patients, discharge checklists were not being fully completed. Datix and complaints were also being received from outside agencies such as District Nurses and Nursing Homes. Key themes were medication to take home and clear communication of patients care needs. Working with the Discharge Nurses, Ward Managers and Matrons the aim is to improve the processes currently in place for example, check lists and re-education to enable nursing staff to complete the discharge process on time but safely.

### Action taken

- Development of the Safe Discharge Group to support the discharge planning work and work with Trust staff and community colleagues. Work projects included looking at barriers to safe discharge and documentation. This included working with pharmacy and the transport teams to improve communication and practice
- The discharge checklist and the monitoring process were discussed with the Matrons and have been added to the MBSC
- Complaints, Datix and soft intelligence referring to poor or unsafe discharge has been collated on a data base for further analysis and training from lessons learnt
- Process developed to ask wards to respond to queries and if necessary a proforma is completed and discussed at a scrutiny panel

with results feedback to the Safe Discharge Group, Patient Safety Group and Nursing and Midwifery Group (NMAG)

- Development of an eLearning package for all staff to support knowledge around the discharge process. The package covers all aspects of discharge planning for adult patients
- Development and roll out of Criteria Led Discharge throughout the Trust  
This is a programme where a Consultant writes



a plan specific to each patient, if they are deemed suitable for discharge and a senior Registered Practitioner can then discharge the patient following the plan

- Work together with pharmacy to improve how and when patients receive their To Take Out medication (TTOs). This included pharmacy teaching sessions, new posters to remind staff of all aspects of safe practice regarding TTOs
- Nursing staff who are found to have omitted TTOs or given out the medications incorrectly will now be managed as for any other drug error
- The discharge planning team are leading the launch of a new nationwide initiative on managing patient flow. 'Red2Green' ensures that each patient day adds value to their inpatient stay. A Green day is when a patient receives an intervention that supports their pathway of care towards discharge. This means for example that all the care/diagnostics that is planned happens on the day it is requested, supporting a positive patient experience and promoting safe discharge. A red day is when a patient is waiting for an action to progress their care and/or this action could take place out of the current setting.

## Outcome details

1. Safe patient discharge has been monitored throughout the year and details stored on a database. The database was in place but was not being fully utilised. Records are kept from datix, PALS, complaints, emails and telephone calls and the database is now receiving regular updates.
2. Working with the Matrons and reviewing the data around the monitoring of the Discharge Checklist, targets were set for an improvement in the final two quarters.

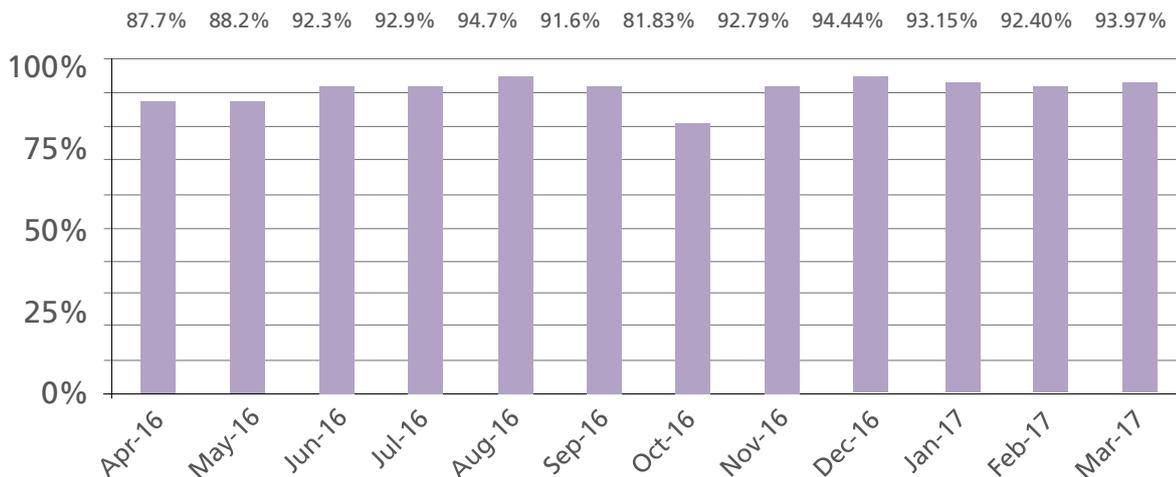
Q3 – 95% Priority 3 **achieved 94.8%**  
Q4 - 97% Priority 4 **93.97%**

Unfortunately the level of compliance with completing the discharge checklist has not reached the improvement target set. Although reaching the target of 90%, which is good, there has not been sustained improvement since Q3 which was the intention.

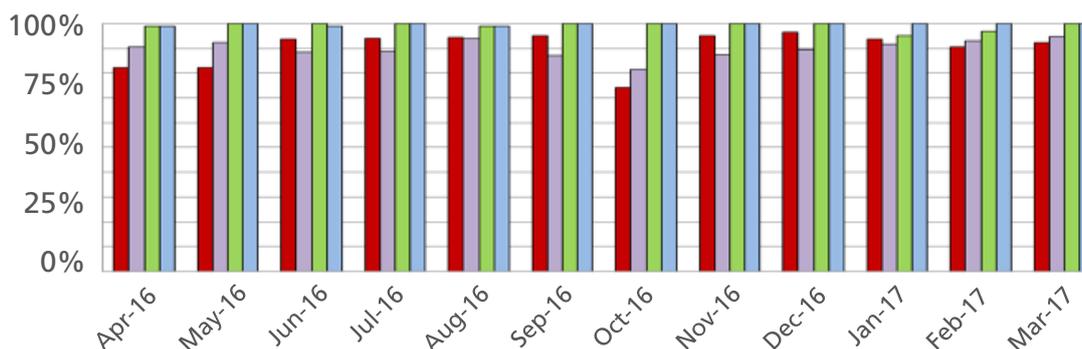


"I have just been discharged, after being in the hospital for five days. From the treatment I received from the emergency department to the short-stay ward, everything was top notch. Thank you for making me better."

### 3. Discharge Audit Process



### 4. Discharge Audit Process



5. The database has unexpectedly grown during the year as we have become more efficient at collating the data. However relevant concerns have remained consistent at 5-9 a month. The most frequent issue was communication. The medication issues reduced through the year as work with pharmacy and the provision of TTOs improved.

There is always more to do but the Discharge Team and ward staff have worked hard to improve discharge processes. The Trust is held up as an exemplar, by NHS England, for our 'Red2Green' pathways which has improved the whole approach to safe patient discharge.

### Next steps and lessons learnt

- The Safe Discharge Group will be reviewed as the discharge team move into another management structure as part of the merger process

- Work will continue with Pharmacy to maintain the improvement in provision of TTOs
- Lessons learnt around good communication with the community when patients are discharged has led to improved documents and increased awareness of their use
- The eLearning session will be placed on electronic record of training TAPS (Training at Peterborough and Stamford) to monitor staff attendance
- The discharge checklist will continue to be monitored by the Matrons
- Criteria Led Discharge will be embedded into practice with further education available to new staff
- 'Red2Green' will become part of the whiteboard process in all areas to improve patient pathways to safe discharge

## Goal 2c

MUST/Nutrition assessment compliance	Goal Met	Goal Partially Met	Goal Not Met
1. Achieve 95% completed accurate MUST assessments within 24 hours of admission	●		
2. 100% of completed assessments with MUST components accurately calculated			●
3. 100% of completed assessments with correct MUST care plan in place			●

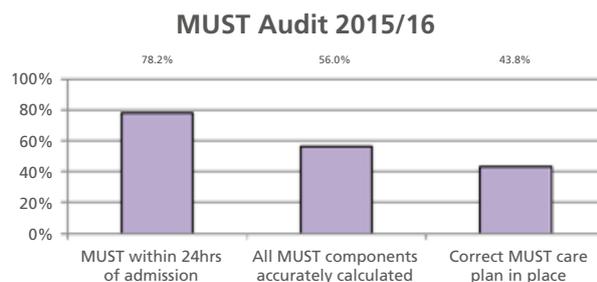
### Information

Malnutrition is often unrecognised and untreated in hospitals, in both inpatients and outpatients. MUST is an accredited nutrition screening tool, that will effectively identify nutritionally 'at risk' patients. It includes management guidelines which are used to develop local care plans.

### Reason for prioritisation

25-34% of patients admitted to secondary care are malnourished. Effective use of nutritional supplements and an accurate care plan can reduce clinical complications by up to 70% and mortality by 40%. Implementing the correct care plan will decrease inappropriate dietitian referrals and ensure their time is spent effectively.

### Baseline

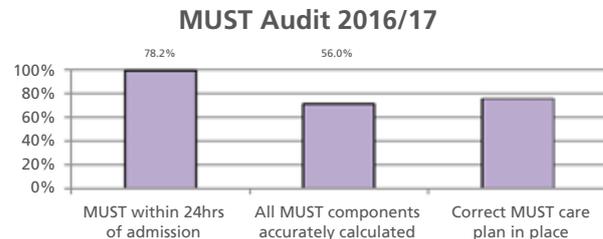


### Action taken

- Dietitians take responsibility for MUST audit in conjunction with the Matron, Ward Manager or ward member of staff with responsibility for nutrition
- Results are fed back to ward staff directly, with examples of good and bad practice
- A key theme was that the percentage weight loss was not correctly calculated. This has become a focus of staff training

- Ward based education sessions are offered dependant on a results based need
- Task and Finish Group was led by the Matrons to review practice
- Nutrition Link Nurses have been involved in the localised education and encouragement for good practice
- MUST training is part of the Registered Practitioner Induction (RPI) programme.

### Outcome details



Following Q1 it was realised that the sample size was inadequate. The sample size was increased from 40 sets of notes overall to 10 sets from each ward, which totalled 210. This has led to more realistic results and the targets have not been met since July. The Dietetic Team have been closely collaborating with the Matrons and Ward Managers to ensure that the data collection for MUST is robust and consistent for all areas. It was felt that previous data collections had some discrepancies, but we are now assured that the method of collection is accurate and valid for each area.

The targets were affected by the review above and have resulted in some poor results since Q2. However with help, support and further training from Matrons and Dietitians the results are beginning to improve. The year end results overall demonstrate a real improvement however only one of the three targets was met.

## Next steps and lessons learnt

- Ward staff and the Dietetic Team are all aware that this is not good enough compliance to support adequate nutrition for some patients. The Trust is looking to best practice elsewhere to share good ideas and move this forward. The developments will be scrutinised monthly by the QAC to monitor improvements
- Meal time standards to ensure all patients have adequate and correct nutrition for their needs are being revised and strengthened
- League tables will be published from March 2017 for the MUST audit results for each individual ward
- Dietitians and Matrons will work collaboratively to share best practice to help improve scores in weak areas
- Task and Finish Group revising MUST audit tool to improve ease of use to increase compliance. Tool will be piloted and once agreed will be rolled out Trust wide
- Collaboration is already taking place with Nutrition and Dietetics at Hinchingbrooke Hospital relating to adopting MUST as the standard Nutrition Screening Tool across both sites.



## Goal 2d

E-Observations	Goal Met	Goal Partially Met	Goal Not Met
100% roll out of the e-observation programme	●		

### Information

Digital clinical observation software is widely used in the healthcare community to provide accurate trend analysis, calculation of National Early Warning Score (NEWS) and to provide prompts and escalation options for the deteriorating patient. The Trust was using paper based systems and relied on accurate interpretation of trends and accurate calculation of NEWS scores by individuals in order to identify any early warning of deterioration and to act accordingly. The Trust also made a decision that only registered nurses would be allowed to undertake observations. This increased the need for an effective system that included reminders and correct channels for escalation.

Digital observation and task management software systems have been shown to have many quantifiable benefits, including reduction in overall length of stay, reduction in mortality and a reduction in the number of cardiac arrests. Additionally, the system contributes to the Trust's Information Management and Technology (IM&T) strategy to become paper light by 2018. The Trust took on this challenge, despite operational pressures, as part of a continuous aim to improve patient care.

### Reason for prioritisation

To develop safer processes for the early detection of deteriorating patients.

To make full use of the investment in the system.

### Baseline

NEWS as an observation tool was carried out on paper. Levels of escalation were not measurable; the NEWS score was not always calculated accurately.

### Action taken

- Bid for Nurse Technology Fund (NTF) monies – Feb 2015
- NTF Awarded to Trust – covered cost of system and hardware – March 2015

- Software and hardware procured - August 2015
- Roll out plan agreed – October 2015
- Training commenced – Jan 2016
- Pilot of 3 wards completed – Feb 2016
- Review and re-work of system – March 2016
- Roll out to remaining wards commenced – Apr 2016

### Outcome details

Roll out complete across Trust – November 2016

The digital observations project has improved patient care as observations are now completed accurately, on time and can be escalated effectively to the Critical Care Outreach Team and medical staff. This supports staff in the early recognition of a deteriorating patient.

### Next steps and lessons learnt

- To set up the internal data warehouse which, will generate the data required to show the impact of the digital observation system. This will help with the MBSC and staff training
- Educate and train staff to work with the National Early Warning Score at Hinchingsbrooke Hospital following the merger. This will be a change of practice.
- Support the development and use of the electronic E-obs system within the Hinchingsbrooke site
- Update the system which will involve more robust access for agency staff and training
- Continued support for the staff and students
- Speak to new medical staff at induction to emphasise the benefit for patients when all staff use the system effectively. This is to avoid

problems in the past where medical staff have not logged onto the system

- The roll out of the handover module. This will involve a pilot phase which is currently underway on the Haematology/Oncology ward followed by training for all staff
- Look at other modules which can improve patient escalation and management of care such as the sepsis module
- Look at the benefits for other areas within the Trust such as the Emergency Department, Ambulatory Care Unit and Outpatients using the system.



"I accompanied my Dad to ENT clinic on several occasions during which he underwent biopsies and received bad news. He was subsequently looked after in MAU, endoscopy and on ward A3 with involvement from the palliative care team. Everyone we encountered was open, honest, compassionate and professional. Thanks to everyone involved for all their care."



# Effectiveness Domain

## Priority 3 - Ensure effective and responsive care: Right Care; First Time; Every Time

### Goal 3a

Upper quartile HSMR for all Trusts nationally	Goal Met	Goal Partially Met	Goal Not Met
1. Consultant led review of at least 50% of all hospital deaths	●		
2. Respond to Dr Foster alerts within 45 days of them being raised			●

### Information

A new Trust mortality system has been embedded throughout this financial year with the aim for 2016/17 of achieving a consultant led review of 50% of all in-hospital deaths. It was recognised that a more robust and easy to use mortality system was required to improve the number of reviews.

The Trust uses Dr Foster, provider of variation analysis and clinical benchmarking, to indicate where the number of deaths (in a particular group) is higher than expected. Dr Foster alerts are an indicator where the number of deaths maybe higher than expected in a particular diseased group. However, the statistical model is not always only sensitive to other factors than quality of care and may therefore provide a false alarm. It is important to understand as soon as possible why the Trust has received a Dr Foster mortality alert. An early review and response is necessary to be able to understand the reason for the alert, respond quickly and act appropriately (if action is necessary). As the Trust mortality review rate continues to increase during the next financial year specific Dr Foster reviews will be able to be completed more quickly.

### Reason for prioritisation

This is part of the Trust Annual Plan and is a key part of the work of the Quality Governance and Compliance team. The goals support the Trust response to Dr Foster intelligence and are essential to the Trust's internal morbidity and mortality review compliance.

### Baseline

- Mortality reviews in 2015/16 = 38% (510/1343)
- 2015/16 response rates to Dr Foster mortality alerts. There were 38 alerts in total.
  - 24 (63%) were completed on time
  - 3 (8%) were ongoing at year end
  - 9 (24%) were ongoing in excess of 45 days at year end
  - 2 (5%) had not been started or were rejected

### Action taken

- The reporting system has been developed and mortality leads receive a monthly report stating the mortality reviews that need to be completed within their specialities
- New mortality system rolled out across the Trust Q1 2016/17
- Discussion and regular tracking of progress at the Hospital Mortality Review Group (HMRG), led by the Medical Director
- Engagement with clinicians on refinements to be made to the system to improve usability
- Consultant led process in liaison with the Quality Governance Team, Coding Team and Information Services contributing to developments
- New reporting includes a monthly mortality leads report and new lessons learnt report.

## Outcome details

1. Mortality reviews in 2016/17 = 60% (522/869)
2. 2016/17 response rates to Dr Foster mortality alerts. There are 32 alerts (FYTD).
  - 17 (53%) were completed on time
  - 4 (13%) currently ongoing
  - 11 (34%) ongoing in excess of 45 days
  - 0 not started or rejected.

## Next steps and lessons learnt

- Further develop the lessons learnt report so that it links to Serious Incident review panels and embed this process for mortality reviews throughout the Trust
- Comprehensive discussion of lessons learnt at HMRG and action plans put in place within the clinical directorates where necessary
- Spot check audit of 10% of mortality reviews – category A (good practice) to ensure quality of reviews
- Continue to monitor and report response rates for Dr Foster mortality alerts via the HMRG 2017/18
- Processes for reporting will be reviewed to align with the National Quality Board and CQC around 'avoidable' deaths
- Continued reporting to QAC (Quarterly) and the Quality Governance Operational Committee (QGO) (monthly)
- The lessons learnt report will be updated to reflect the greater depth of information generated
- Lessons learnt report is discussed at HMRG and decision taken whether these warrant further action. These are also shared at QGO for Directorate Governance meetings and sharing.



"The compassion showed by the nurse on the night my mum passed away was exceptional. That sort of care cannot be learned, it is there within. I would like to say a very big thank you to the team and especially the nurse on duty that night."

## Goal 3b

Safe staffing levels	Goal Met	Goal Partially Met	Goal Not Met
1. Safe staffing levels with reduced reliance on agency and locum cover. 85% of adult inpatient wards have a minimum 90% registered nurse fill rate on days and nights		●	
2. Paediatric inpatient areas have a minimum 90% registered nurse fill rate per month	●		
3. Implement HealthRoster SafeCare Live module	●		
4. 70% retention of nursing students commissioned through Health Education East of England (HEEoE)		●	

### Information

Expectation 7 (National Quality Board, 2013) detailed the need for openness and transparency for patients and public around safe staffing levels. There is clear guidance on requirements for publishing and for reporting to the Board monthly. Implementation of the HealthRoster SafeCare Live module has provided the Trust with live evidence based information. This helps to inform real-time decisions regarding safe and effective staffing and skill mix, based on the needs of our patients at any given time, day or night.

As a Trust, there has been continued investment in recruitment and retention of our nursing and midwifery staff. This includes a focus on the retention of students who train at Peterborough and Stamford Hospitals.

### Reason for prioritisation

- To ensure safe patient care
- The NHS Constitution
- CQC requirements
- National Quality Board (2013 and 2016)
- Lord Carter of Coles (2016) "Unwarranted variations" report
- Leading Change, Adding Value. A Framework for nursing, midwifery and care staff (NHS England, 2016) Commitment 9 "We will have the right staff in the right places and at the right time"
- NHS Improvement (2016)

- Department of Health (2016) Delivering high quality, effective, compassionate care: Developing the right people with right skills and the right values
- Francis Report
- In addition for measure 4, Health Education England QIPF (Quality Improvement and Performance Framework) Key Performance Indicator six – Employment of Students.

### Baseline

1. 85% of adult inpatient wards had a minimum 90% registered nurse fill rate on days and nights for 2015/16.
2. Paediatric inpatient areas had a minimum 90% registered nurse fill rate per month for 2015/16 when benchmarked against patient demand.
3. HealthRoster SafeCare Live not in the Trust in 2015/16.
4. While retention of nursing students was a new goal this year, data for 2015/16 shows that we retained 51.4% of the student nurses from the Sep 2015 qualifying group (Sep 2012 cohort); and 55.5% of the student nurses from the March 2016 qualifying group (March 2013). This was a combined retention rate for student nurses (2015/16 reporting year) of 52.8%.

## Action taken

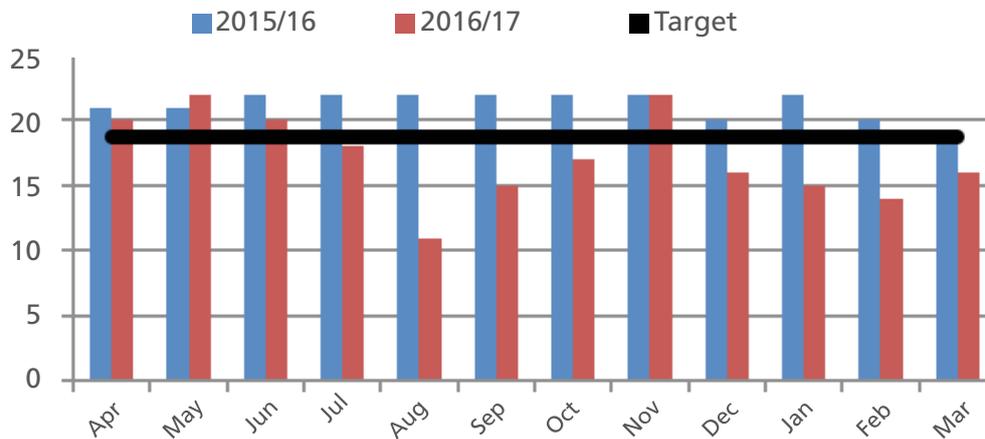
- Nursing and midwifery staffing levels for every inpatient area were reported monthly to Trust Board and reported publicly. Information is also uploaded monthly to the Department of Health via Unify as part of national reporting requirements. Scrutiny is undertaken by QAC
- SafeCare Live (part of HealthRoster) was purchased and rolled out as per plan to 29 wards and departments across Peterborough and Stamford Hospitals from January 2016 to December 2016
- In line with national requirements started monthly monitoring and reporting on Care Hours Per Patient Day (CHPPD) from May 2016 data onwards
- Worked with specialist areas such as Maternity, Paediatrics, Neonatal Intensive Care and Medicine for the Elderly to design bespoke, evidence based acuity and dependency tools to help get the best information for the patient groups as possible
- Established a monthly SafeCare Steering Group bringing clinical staff and the eRoster team together to share best practice during and after the SafeCare project
- Continued liaison and work with Allocate Software (company who designed HealthRoster and SafeCare) to make best use of the system and to help influence the product capabilities
- Commenced work on a Safe Staffing and Skill Mix Quality Dashboard in order to provide at a glance all the evidence from SafeCare and HealthRoster
- Written and published SafeCare Guidelines for use in the Trust to support staff in getting the best out of the SafeCare system
- The Trust worked hard to actively recruit student nurses in their final year, providing extra training and development sessions throughout year three
- The Trust also supported increased numbers of Return to Practice Nurses and grow your own initiatives
- Our pre-registration team within Practice Development have continued to support final year student nurses on a bespoke development programme to help support their transition from Student Nurse to Staff Nurse
- The Practice Development Team has continued to work with Recruitment and Retention to help support overseas nurses and other staffing recruitment and retention.



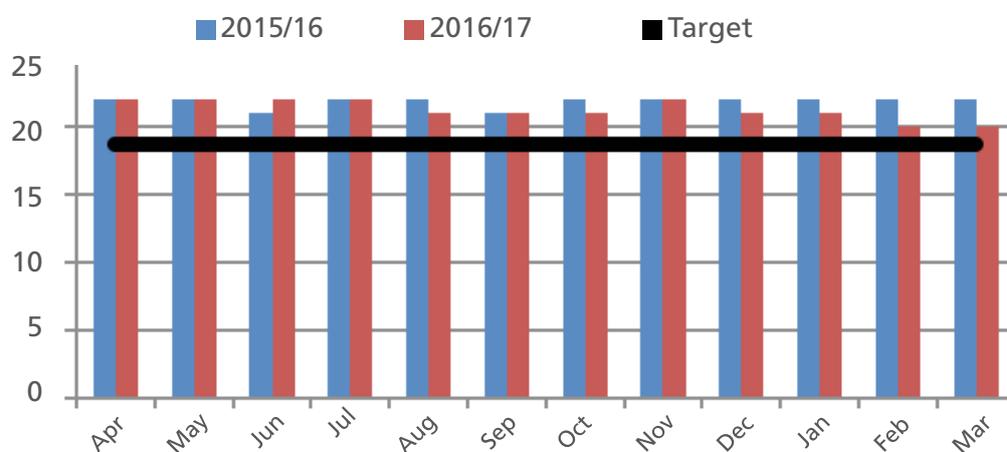
## Outcome details

- There are 22 adult inpatient wards within the Trust. The 'target' line represents 85% (of the 22). The graphs demonstrate that this was achieved every month for days and nights in 2015/16. The target was not reached on all day shifts during 2016/17 but was successfully reached for night shifts.

**Registered fill rate (days)**



**Registered fill rate (nights)**



The National Quality Board (2016) advocates the use of a triangulated approach; with information gathered using evidence based introduction of SafeCare Live (part of HealthRoster) from January 2016 onwards, has helped to inform real-time decisions regarding safe and effective staffing and skill mix, based on the needs of our patients at any given time day or night. This has shown that while some of our wards are under the 90% fill rate, when benchmarked against other indicators such as ratio of nursing staff to patients and/or Care Hours Per Patient Day, the staffing levels are safe.

Where there are shortfalls in staffing, this is checked against nurse sensitive indicators. There have been

no occasions where a staffing shortfall has been supported by poor indicators. The results are reported monthly to the Trust Board and made publicly available.

Nurse sensitive indicators included are:

- Vacancy factor (Registered Nurse WTE)
- Sickness (Registered Nurse Head Count)
- Infection rates
- Pressure ulcers

- Falls
- Complaints re: nursing care
- PALS concerns
- Datix (adverse events) reports regards staffing levels
- Friends and Family Test results
- Call bell results

The table below displays the results for 2016/17. Overall this is an 88.85% RN fill rate (days) and 88.89% RN fill rate (nights).

Month	% RN fill rate days	% RN fill rate nights
Apr 2016	101.0	99.8
May	94.9	95.7
Jun	96.9	98.3
Jul	90.2	89.2
Aug	87.5	90.2
Sep	86.9	82.8
Oct	81.7	83.3
Nov	88.4	89.6
Dec	84.2	81.9
Jan 2017	78.8	80.6
Feb	85.8	83.8
Mar	90.0	92.3
<b>Total</b>	1,066.3 / 1,200 = 88.85	1,066.7 / 1,200 = 88.89

2. The paediatric unit (Amazon Ward) relocates staff around the individual areas to ensure that the children and young people are safely cared for depending on the acuity and dependency levels. Paediatric inpatient areas have a minimum 90% registered nurse fill rate per month.
3. The SafeCare project started on 6 January 2016. SafeCare is linked directly to the HealthRoster already in place across our wards and departments. Roll out of SafeCare concluded as per plan in December 2016.
4. We have continued to see excellent retention rates across a number of professions who come to Peterborough and Stamford Hospitals for their training throughout 2016/17. We retained 60%

of the Student Nurses from recent qualifying group September 2016 (September 2013 cohort). Those that didn't stay have either secured jobs in the community or moved away from the area back to family. From the March 2014 cohort (due to qualify in March 2017) there are 6 out of 13 who have accepted a post in the Trust. The remainder have not stayed for personal reasons such as pregnancy or moved nearer to home. This would be a combined retention rate for Student Nurses of 56%.

## Next steps and lessons learnt

- Monitor and report registered nursing and midwifery fill rates on days and nights and support the Clinical Directorate teams if there are shortfalls
- Monitor the information and data provided from SafeCare and HealthRoster. This information will allow for evidence based decision making and can be used to inform nursing, midwifery and care staff capacity and capability in line with the needs of our patients
- Continue to provide a monthly report to the Trust Board regarding Nursing and Midwifery staffing levels
- Finalise and introduce the Safe Staffing and Skill Mix Quality Dashboard in order to provide at a glance all the evidence from SafeCare and HealthRoster
- Continue to grow our own staff through foundation degree programmes, flexible nursing opportunities, apprenticeships and the new trainee Nursing Associate. Peterborough and Stamford Hospitals has been chosen as part of a partnership across Cambridgeshire and Peterborough, as one of only 11 test sites nationally for the new trainee Nursing Associate programme
- Develop new and exciting ways of attracting staff to the Trust with our current recruitment and retention work.

## Goal 3c

Increase involvement in clinical trials	Goal Met	Goal Partially Met	Goal Not Met
Year on year increase in the number of patients in clinical trials by 10%	●		

### Information

The Research and Development (R&D) Department seeks to support researchers across the Trust by helping them establish and run research studies. These contribute to our understanding of disease and development of future treatment options whilst providing our patients access to additional treatment options.

The start of the year saw changes in both the structure of the department (May 2016) and how research is approved within the NHS (April 2016). These changes also coincided with large numbers of staff vacancies across all research teams in the Trust, all of which had a direct impact on recruitment of patients in the early part of the financial year - (Q1 – 102) (Q2 – 151).

As the new team became established, vacancies filled and new processes embedded we were able to generate a sustained month-on-month increase in recruitment (Q3 – 318) (Q4 – 558) and have increased the number of studies actively recruiting patients. We reviewed our resource within the team and targeted specific studies to achieve a balanced portfolio of research that will see us meet our financial commitment and exceed recruitment targets.

Clinical research can involve patients, staff or healthy volunteers. Broadly research studies can be classed as:

- **Clinical Trials** – These test one or more treatments of devices, usually comparing them with an alternative treatment to establish which is more beneficial to a patient.
- **Observational Studies** – These usually collect data from routine care to test the health of a population or effectiveness of a treatment.

Different types of study have different levels of complexity, when research between organisations is compared this complexity is taken into account and a weighting is applied to each study to represent this.

### Reason for prioritisation

Trust Research and Development Strategy.

This is a Trust priority because a good research programme and ethos attracts staff to the Trust and helps in staff retention. It also encourages innovation in practice and therefore improves patient care.

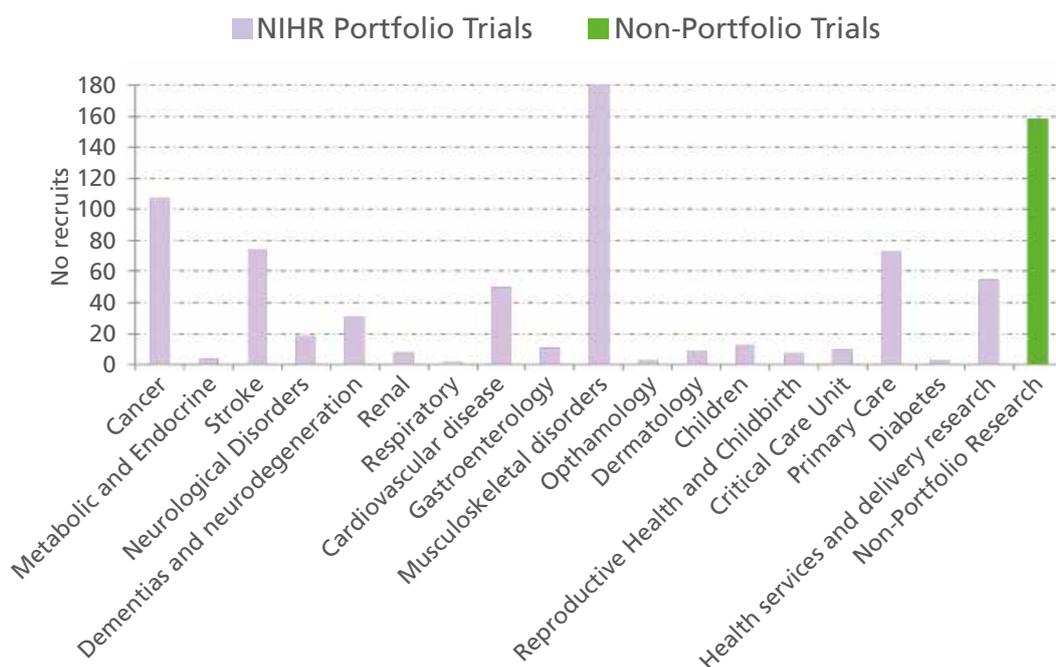
### Baseline

The number of patients receiving NHS services by the Trust in 2015/16 that were recruited during this period to participate in research approved by a research ethics committee was 815, of this 657 (81%) were recruited to NIHR portfolio studies.



“Having a gastroenterologist who genuinely cares and wants to improve my quality of life is brilliant. Nothing but praise. Well done Peterborough.”

## Recruitment into Trials 2015/2016



### Action taken

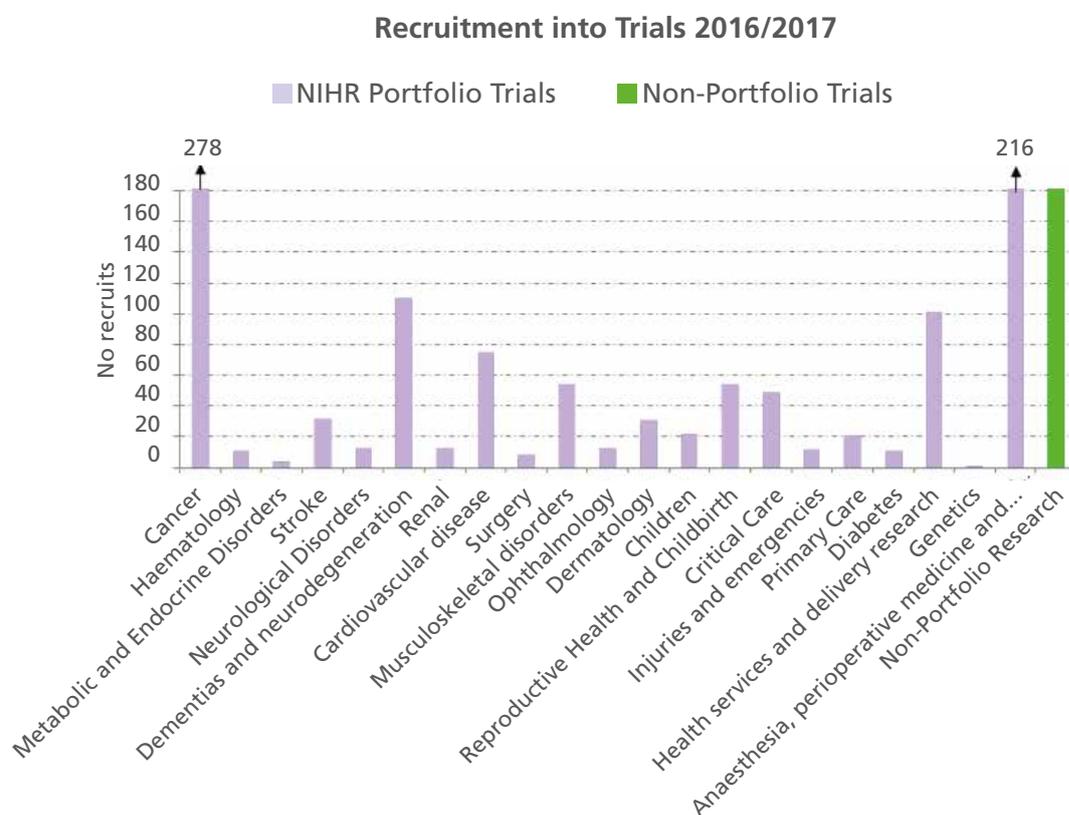
- 2016/17 saw the appointment of a Senior Research Nurse managed centrally by the R&D Department. The post holder acted as a research lead for trials across the Surgical and Family & Public Health Directorates. This role has allowed for the formation of a research nursing team covering specialties with a single point of line management and support. This change has further embedded research within the Trust and contributed to the increased patient recruitment in 2016/17
- 1 April 2016 saw the implementation of a commercial income distribution policy. This sees approximately 10% of income being retained centrally. Whilst this only generates small amounts we have used this income to provide resource for specific high recruiting trials we could not have otherwise run. Moving forward this fund can be used to start up new research areas.
- The new team was co-located into a single office to allow for efficient cross-cover of studies and development of a team ethos
- New budgetary structures were introduced for 2016/17. Prior to this research delivery staff were often intermingled within clinical budgets. Income from research was raised to these budgets and could not easily be identified in the Trust's accounts
- Pooling of research income. Through the creation of the above team and implementation of research cost centres we have created a mechanism for more flexible use of research income. By pooling the income across specialties we have been able to justify new research posts and increase the capacity within our teams



"I had a wonderful experience at the Ophthalmology Department in Peterborough for my laser treatment. All the staff were extremely helpful and went above and beyond to ensure I was comfortable, in particular the kind doctor who performed the procedure in a very professional way."

## Outcome details

The number of patients receiving relevant health services provided or sub-contracted by Peterborough and Stamford Hospitals NHS Foundation Trust in 2016/17 that were recruited during this period to participate in research approved by a research ethics committee was 1310, of this 1129 (86%) were recruited to NIHR portfolio studies. These figures exceed both the target set by the Clinical Research Network (CRN) (632) and the self-imposed Trust target of 700 (a 10% increase in portfolio recruitment from 2015/16).



## Next steps and lessons learnt

- The outcome of the Trust merger consultation will inform a number of the next steps, the current proposal sees the management of Emergency and Medicine and Cancer and Diagnostic research delivery teams centralised into a single R&D department encompassing all delivery and set-up. This would allow for further alignment of processes across the organisation
- Implement aligned processes and financial management across all sites following the merger to facilitate further growth and expansion
- Increase patient opportunities and access to research studies. A study may be established at one site but not the other due to hospital activity. However opportunities to participate should be equally spread where possible
- Following the merger and integration of both teams a revised R&D strategy must to be determined to reflect our joint vision and steps to achieving this
- Implement an approach to facilitate the growth of research studies from within the organisation.

# Patient Experience Domain

## Priority 4 - Increase the satisfaction levels reported by patients

### Goal 4a

Improve responsiveness to complaints	Goal Met	Goal Partially Met	Goal Not Met
1. Increase the response rate to a minimum of 90% of complaints being responded to within the 30 day timescale unless agreed with the complainant	●		
2. Ensure that all complainants (100%) receive an acknowledgement letter within three days of receipt of the complaint	●		
3. By year end, 80% of complainants 'extremely satisfied' or 'satisfied' with their complaint response measured through peer review and support from Addenbrookes Hospital.	●		

### Information

The complaints department receive on average around 30 complaints per month. Each complaint is sent to the appropriate Directorate for investigation and to provide a worthwhile response. Staff dealing with complaints, have been given complaints training to ensure that they have the knowledge to complete a full investigation and provide a response that identifies the outcome and learnings from each complaint. Despite the time driven targets, the Trust would not compromise the integrity of the response to achieve the timeframe.

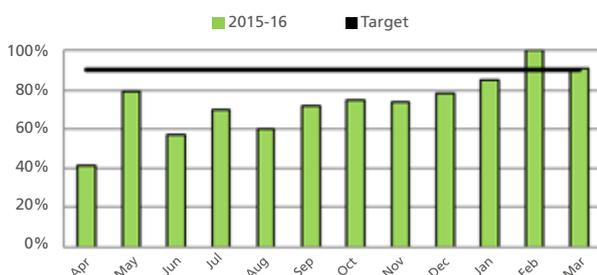
During 2015/16 there was an increase in establishment levels within the team and the expertise of the staff made a positive impact on both the overall complaint pathway and also the quality of the responses being sent.

### Reason for prioritisation

The Trust has committed to improving the timeliness and quality of complaints responses as this has previously been raised as an issue by complainants and groups representing the communities we serve.

### Baseline

#### 1. Complaints responded to within 30 days



2. This objective was met on 100% of occasions throughout 2015/16.
3. This objective is not comparable with 2015/16 as the method of peer review has been revised.

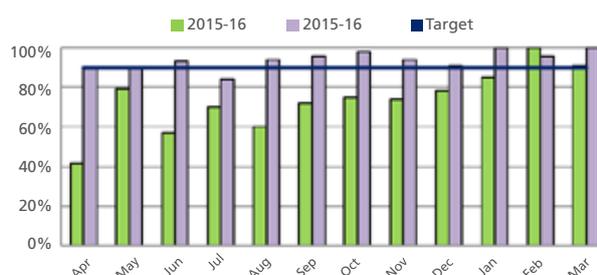
### Action taken

- Complaints resolution has been continuously monitored via Key Performance Indicators (KPIs) as agreed by the Complaints Review Group. KPI monitoring with check and challenge is now undertaken through the Quality Assurance Committee and shared with the Trust Board via the monthly Quality Report
- Feedback from the Complaints Process questionnaire has framed the revision of the complaints policy and the process by which complaints are managed
- Additional resources have been placed in the Complaints Department to ensure a more robust approach to scrutiny of responses and record keeping which has led to more detailed weekly reports being available so as to challenge Directorates when responses are late
- Increased focus on chasing complaint responses that are approaching due dates
- Continued and improved working with Healthwatch and CCGs regarding complaints. A CCG themed review into complaints was very positive, the CQC inspection rated complaints as 'good' and commended the department as having an area of outstanding practice into the increase in face to face meetings. An internal audit report also gave 'substantial assurance' in respect of processes and pathways

- Complaints training has been implemented for those staff who complete responses and those who undertake investigations and are involved in early resolution at ward level
- The Complaints Team continue to attend the Chief Nurse Rapid Review meetings to discuss complaints received, identify trends and review risk ratings on a weekly basis
- Increased focus on partnership working with a local Trust to evaluate the satisfaction levels of complainants
- The Trust produced its own questionnaire and agreed a peer review process with Addenbrooke's Hospital which commenced in Q3 this year 2016.

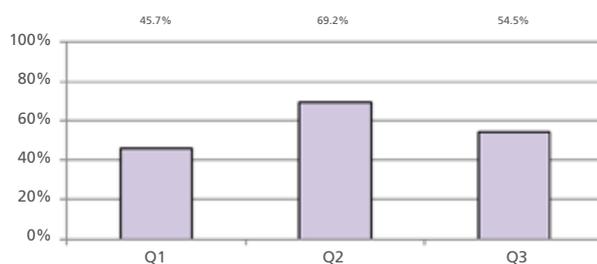
## Outcome details

### Complaints responded to within 30 days



1. The results show a consistent improvement with the Trust reaching 100% on two occasions. The staff throughout the Trust have worked tirelessly to achieve this target.

### Complainants 'extremely satisfied' or 'satisfied' with their complaint response



2. This target is consistently 100%, therefore meets the target.
3. The complaints survey assesses patient experience of the quality of the complainant's response and the overall management. The survey results suggest scope for further improvements however this is a very sensitive process for complainant's to separate the result of their complaint from the efficiency and

service provided by the complaints team. The questionnaire is carried out by telephone and this can be difficult when they feel a complaint has been closed. The complainants who have provided positive feedback as shown in the chart in the left hand column have felt the complaints team have communicated well and been very helpful in what can be a distressing and difficult time for them.

## Next steps and lessons learnt

- KPI monitoring now undertaken through the Quality Assurance Committee and shared with the Trust Board
- Continue with rolling training programme for staff regarding complaint handling
- Ensure all staff are aware of Duty of Candour
- Quarterly Peer Review undertaken to review satisfaction levels of complainants
- Ensure that lessons learned from complaints are shared at Sharing Lessons events, Complaints Litigation Claims, Adverse Events and PALs (CLAEP) reports and staff feedback following a complaint
- Areas develop action plans following complaints to involve all staff in making change
- Continue to publish the Complaints Newsletter to emphasise lessons learnt.



"I visited A&E with my 18 month old daughter who had a foot injury. The Doctor who saw us in the Jungle Unit was very good and caring towards my daughter and reassured us during the consultation. The radiographer we saw was really good with us as well."

## Goal 4b

National Patient Survey	Goal Met	Goal Partially Met	Goal Not Met
Increase the responses to questions in the patient National Patient Survey (NPS) in the 'best performing category'	●		

### Information

The National Patient Survey referred to is an Inpatient Survey which is a mandatory requirement of the Care Quality Commission (CQC) as is the National Cancer Patient Survey, Maternity Survey, Emergency Department Survey and the Children's and Young Persons Survey. The only ones undertaken yearly are the Inpatient Survey and Cancer Patient Survey. The surveys are completed so as to gather the views of patients about their care and treatment during their stay in hospital. By using this as one measure it supports Trusts to improve year on year the quality of services provided and allows us to target resources in areas where deficiencies are identified.

### Reason for prioritisation

We use the year on year survey results to ensure that we are continuing to improve and develop our services based on the feedback from previous surveys and identifying any areas where satisfaction levels have decreased so action can be taken to improve and re-embed good practice.

### Baseline

The 2014 Inpatient Survey showed the Trust achieving 'best performing' category in two questions. The categories related to:

- Did the patient experience sharing the same bathroom facilities as members of the opposite sex?
- Did the patient experience any form of noise from other patients at night

In 2015 the Inpatient National Survey the Trust has featured in the 'top performing trusts' for seven questions. The areas we have scored in the 'top performing trusts' for are as follows:

- The whole section on operations and procedures
- Patients not having to share bathroom and showers with members of the opposite sex

- Nurses not talking in front of patients as if they were not there
- Staff explaining the risks and benefits of their operation in a way they could understand
- Staff explaining what would be done during the operation or procedure
- Staff answering questions about the operation or procedure
- Patients being told what to expect to feel after their operation or procedure

The Trust did NOT feature at all in the worst performing trust section.

The results for the National Cancer Patient Survey 2015 showed the Trust to be one of the top Trusts for patient experience for cancer care and treatment for the second year running. 12 questions were rated as 'best performing 20% of trusts'.

### Action taken

- Following receipt of each year's findings an action plan is compiled and completed before the next re-survey takes place
- The action plan is monitored through QAC and shared at QGOC and Joint Ward Managers Meeting (JWMM). The CCG monitor progress against the action plans on a quarterly basis.

### Outcome details

The Trust results for the 2016/17 National Inpatient Survey have not yet been published but will be available from May/June 2017 on

[www.cqc.org.uk/content/survey](http://www.cqc.org.uk/content/survey)

The results for the 2016 National Cancer Patient Survey are also not available however information for the preceding years are detailed above.

## Next steps and lessons learnt

- We will continue to use the results and the action plan to improve areas of patient care
- Continue to use patient feedback from such sources as 'Message to Matron' and social media to provide us with information as to where we need to focus activities to improve the patient experience
- Work with patient representatives on the Patient Experience Group to give insight and discussion around patient care through the Trust
- We will continue to work towards a year on year increase for questions featuring in the best performing category.



The Trust's team of Matrons

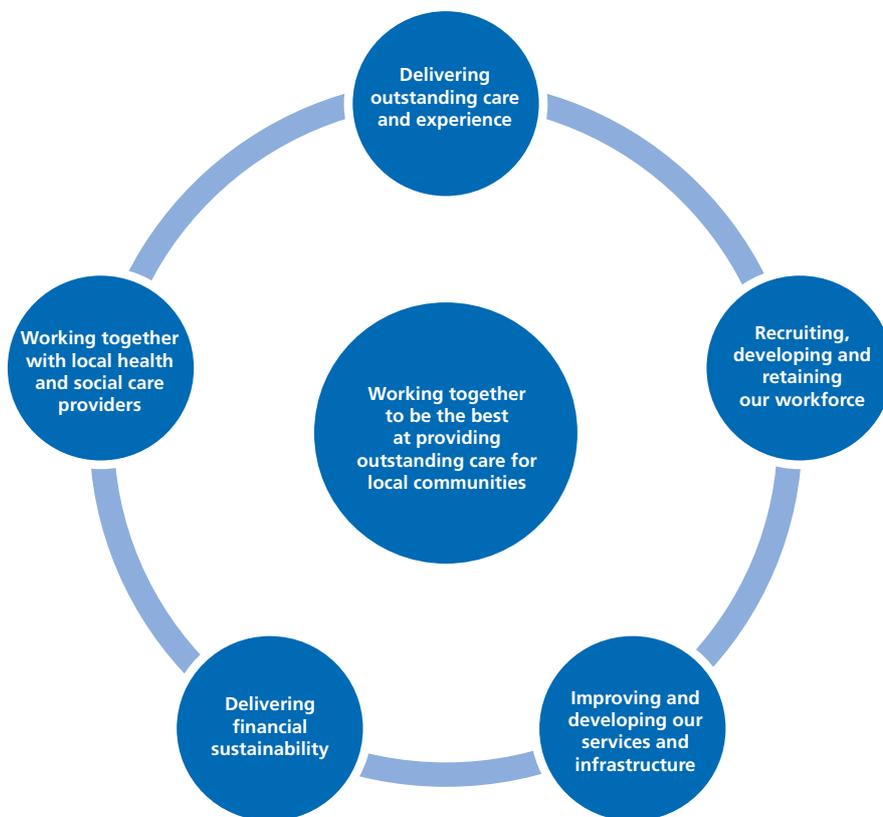
# Priorities for 2017/18

In November 2016 our Trust board and the board of Hinchingbrooke Health Care NHS Trust ratified a Full Business Case that set out in detail the plans to merge our hospitals in order to create more sustainable services for residents in Greater Peterborough, Huntingdonshire and South Lincolnshire.

Following a detailed merger implementation programme, the Trusts merged on 1 April 2017 to form the North West Anglia NHS Foundation Trust.

The vision for the North West Anglia NHS Foundation Trust is:

**“Working together to be the best at providing outstanding care for local communities”**



Our vision has been developed by the shadow Board prior to merger. Board members, who were all board members of the predecessor Trusts, have set out their vision for North West Anglia NHS Foundation Trust and the strategic goals for the next five years and beyond will be delivered through a suite of annual objectives.

The North West Anglia NHS Foundation Trust overarching objectives for Quality in 2017/18 is:-

## **Delivering Outstanding Care and Experience**

The quality priorities for 2017/18 have been identified through new national initiatives and

areas of improvement that have been identified by reporting trends during the previous financial year. These priorities have been discussed with the Public Board, Quality Assurance Committee, Governors and Clinical Commissioning Groups throughout the year.

Some objectives from 2016/17 still require improvement and those that are not in the new priorities will continue to be monitored through the Matrons Balanced Scorecard such as MUST and Safe Discharge.

The overarching objectives are both monitored and reviewed, in depth, by the Quality Assurance Committee which is a sub-committee of the Board.

## 1. Upper quartile mortality rate

Metric	Measures	Date	Monitoring
<b>HSMR and SHMI</b> Scope process for measuring HSMR and SHMI across all sites  Integrate HSMR and SHMI reports for local reporting in line with National Quality Board (NQB) requirements (2017)  Align policies and processes to provide equitable results  Introduce 'lessons learnt' process	Measuring HSMR and SHMI is a nationally standardised process. Following the merger policies and systems will be aligned.	Start Apr 2017	This may have to be phased in accordance with nationally published DFI data. We will continue to monitor DFI reports and DFI alerts. DFI reporting is monitored via Hospital Mortality Review Group bi-monthly.
	Standardise mortality review process Trust wide (includes primary and secondary reviews).	Q1 2017	Mortality review reports are presented to HMRG at every meeting.
	Presentation of 'avoidable' deaths data in line with NQB requirements	Sept 2017	Quarterly
	Align Trust mortality review process and Policy to new national requirements due to be published early 2017/18	Aug 2017	Changes to the mortality review process and/or Policy will be completed through liaison with Trust wide mortality leads, endorsed and ratified through HMRG. Monthly
<b>Serious Incidents (SIs)</b> Align SI reporting to meet local and commissioner requirements	Review SI processes and adopt best practice and adopt best practice across all sites	Apr 2017	Reports for CLAEF, QGOC and the Board Minutes of SI meetings Data collection
	Reporting to CCGs within agreed timeframes:- 48hrs to report following identifying the SI and 60 working days for the investigation and written report	On going	Monitored monthly on Quality Dashboards for CCGs
	Inform and educate Trust employees on processes	On going	RCA training Risk team as part of banded study days
	Share lessons learnt and report in Quality Report to QAC	On going	Recreate bimonthly Risky Times newsletter to share lessons learnt  Ensure representation from Risk Team at Divisional Meetings re lessons learnt and actions to be taken
<b>MEWS to NEWS</b> Transition to recording physiological observations using National Early Warning Scores (NEWS), prior to the introduction of E-observations on the Hinchingbrooke site	Set up a Task and Finish Group	Apr 2017	Task and Finish Group minutes
	Baseline audit to assess compliance of present observation documentation	May 2017	Baseline review results Patient Safety Committee minutes
	Plan roll out and education Ongoing support from both CCOT and PDT	May-Oct 2017	Teaching plan Plan of roll out to each area
	Review of compliance using established observation audit tool	Dec 2017	Result reported to NMAG and QAC MBSC monitoring

## 2. Documentation meets professional and Trust standards

Metric	Measures	Date	Monitoring
Scope documentation to assess best practice across sites	Collection and scoping work	Apr 2017	Comparison between documents from all sites and all departments
Education around the Documentation Steering Group (DSG) and its work	Use communication systems Trust wide to inform all staff of the processes	May 2017	Availability of information on the intranet on both sites Effective use of DSG
Discuss at senior nurse level to gain support for any changes necessary	All documentation to go through:- DSG processes NMAG JWMM Matrons Quality Forum	On going	Minutes from the meetings Actions taken
Design and combine documentation to create unified process and practice	Use Trust standardised documents that are suitable for electronic scanning Discuss with specialities to formulate needs and requirements	On going	Standards of Documentation link to Trust policy Document created are fit for purpose and clear to use
Educate and introduce new or updated documentation where applicable	Work with wards and departments to introduce new documentation Support from specialist nurses and Practice Development in support of change	On going	MBSC to review compliance with completion of all documentation Documentation audit compliance  To achieve 90% in Trust wide audit in Q4



### 3. Meet Single Oversight Framework standards

Metric	Measures	Date	Monitoring
<p><b>C. difficile</b> Align RCA and scrutiny process</p> <p>Maintain surveillance of cases of <i>C. difficile</i> and patients with diarrhoeal potential <i>c diff</i></p> <p>Ensure timely testing and reporting of stool samples across all sites</p> <p>Share lessons learnt</p>	<p>Implement new documentation and RCA tools. Record compliance with measures within the quality dashboard agreed with the CCG</p> <p>Daily side room check lists</p> <p>100% of cases ratified within 2 working days of result being available</p> <p><i>C.difficile</i> scrutiny panel to be held within 30 working days of the result</p> <p>100% of RCAs provided to CCG, 3 working days prior to meeting</p> <p>Lab reports</p> <p><i>C.difficile</i> target set nationally at 29 cases for 2017/18 for Peterborough and Stamford Hospitals and 11 for Hinchingbrooke Hospital Aim to report &lt;10 for the year</p> <p>Patient Stories and reporting to relevant meetings Share action plans with ward staff</p>	<p>May 2017</p> <p>On going</p> <p>May 2017</p> <p>Mar 2018</p> <p>On going</p>	<p>CCG Quality Dashboard Infection control team meeting, HICC and Board reporting</p> <p>Exception reporting infection control team meeting</p> <p><i>C.difficile</i> scrutiny panel records CCG HICC</p> <p>Infection control team meeting, HICC</p> <p>Quality Report QAC</p> <p>Minutes of NMAG, JWMM and HICC Action Plans</p>
<p><b>MRSA</b> Align policies from PCH and HH</p> <p>Continue MRSA decolonisation audit</p> <p>Review decolonisation prescription and align across all three sites</p>	<p>Ratified at September HICC (PSHFT)</p> <p>Audit results to achieve &gt;95% compliance for the MRSA decolonisation care pathway of cases</p> <p>Compliance with the local antibiotic policy in line with the CCG quality dashboard</p>	<p>Sept 2017</p> <p>Sept 2017</p> <p>Sept 2017</p>	<p>HICC (Ongoing to become the Trust Infection and Control Committee – TIPCC)</p> <p>CCG Quality Dashboard Infection control team meeting, HICC</p> <p>CCG Quality Dashboard Infection control team meeting, HICC</p>
<p><b>Cleaning</b> Ensure all sites are meeting PAS 2011 standards, despite using different cleaning contactors.</p>	<p>Cleaning scores to reach 95% achievement standards</p>	<p>Jan 2018</p>	<p>CCG Quality Dashboard HICC, Matrons' Quality Forum</p>
<p><b>Complaints</b> To respond to 100% of complaints within 30 working days and acknowledgement within 3 working days</p>	<p>Review and align processes across the Trust.</p> <p>Ensure all departments know how to access the complaints team and understand the process.</p> <p>Teams are given 20 days to respond to complaints leaving 10 days for quality monitoring</p>	<p>Jun 2017</p> <p>Jun 2017</p> <p>On going</p>	<p>Communications -Intranet Training</p> <p>Monthly KPI reports CLEAP report</p>

#### 4. Continuous improvement in high quality across all sites

Metric	Measures	Date	Monitoring
<b>Care Quality Commission</b> As part of CQC readiness the Trust will work to the Quality Improvement Plan, highlighting risks and working with quality improvement methodology to provide <b>Right Care First Time every Time</b>	Align the CQC self-assessments across all three sites	Sept 2017	Matrons' Quality Forum Matrons' CQC Action Plan
	Ensure best practice is adopted on all sites including:- Progress against action plans addressing all CQC concerns, including compliance with key lines of enquiry (KLOEs)	On going	
	Quality Improvement plan (to include actions to achieve the national ambition to reduce maternity associated deaths and serious harm)		
Standardise quality performance	Review and align MBSC audits for all three sites and standardise quality dashboard (MBSC)	May 2017	MBSC QAC
Ensure professional standards across all sites	Standardisation of the Matron role within the new structures and working to the Chief Nurse	Aug 2017	Matrons' Quality Forum MBSC
Implement CREWS across the Trust	Align the ward accreditation schemes	Aug 2017	CREWS reports Matrons' Quality Forum
	Roll out to all remaining areas	On going	QAC



# Statements of assurance from the Board

## Review of services

During the year April 2016 to March 2017 Peterborough and Stamford Hospitals NHS Foundation Trust provided 47 NHS services and specialities across four Clinical Directorates.

The Trust has reviewed all the data available to them on the quality of care in 100% of these NHS services.

The income generated by the NHS services reviewed in 2016/17 represents 100% of the total income generated from the provision of NHS services by the Peterborough and Stamford Hospital's NHS Foundation Trust for 2016/17.

## Participation in clinical audits

During the year April 2016 to March 2017, 34 national clinical audits and 5 national confidential enquiries covered NHS services that Peterborough and Stamford Hospitals NHS Foundation Trust provides.

During 2016/17 Peterborough and Stamford Hospitals NHS Foundation Trust participated in 100% (34/34) national clinical audits and 100% (5/5) national confidential enquiries of the national clinical audits and national confidential enquiries which it was eligible to participate in.

During the last financial year the following improvements have been put in place to improve commitment within clinical audit.

The agenda of the Trust Clinical Audit Forum has been redesigned to improve engagement with clinicians and provide a bi-monthly themed meeting where each speciality can share outcomes of their audit projects and discuss clinical audits being undertaken. As recommended by internal audit clinical audit leads are now expected to complete mandatory clinical audit training with the Quality Governance and Compliance department. The department now has a Clinical Audit Facilitator in post to assist clinical staff and work on Trust wide audits and has already worked with Legal Services on consent to treatment audit and our patient representative on a survey of inpatient experience around medication.

The national clinical audits and national confidential enquiries that Peterborough and Stamford Hospitals NHS Foundation Trust was eligible to participate in during 2016/17 are detailed in column three of the table below.

The national clinical audits and national confidential enquiries that Peterborough and Stamford Hospitals NHS Foundation Trust participated in during 2016/17 are detailed in column four of the table below.

The national clinical audits and national confidential enquiries that Peterborough and Stamford Hospitals NHS Foundation Trust participated in, and for which data collection was completed during 2016/17, are listed below alongside the number of cases submitted to each audit or enquiry as a percentage of the number of registered cases required by the terms of that audit or enquiry.

ID	Project Title	Eligible	Participated	Sample Requested	Sample Submitted	Participation & reasons for not taking part
1	Acute coronary syndrome or acute myocardial infarction (MINAP)	✓	✓	413	376	91%
2	BTS Adult Asthma	✓	✓	34	34	100%
3	Asthma (paediatric and adult) care in emergency departments (CEM)	✓	✓	100	100	100%
4	Colorectal Bowel Cancer (NBOCAP)	✓	✓	220	220	100%
5	Cardiac Arrhythmia (CRM)	✓	✓	301	301	100%

ID	Project Title	Eligible	Participated	Sample Requested	Sample Submitted	Participation & reasons for not taking part
6	Intensive Care National Audit & Research Centre (ICNARC)	✓	✓	523	523	100%
7	RCPC National Paediatric Diabetes Audit (NPDA)	✓	✓	235	235	100%
8	Elective Surgery (National PROMs Programme)	✓	✓	830	595	71.7%
9	Endocrine and Thyroid National Audit (01/04/2016-14/02/2017)	✓	✓	46	46	100%
10	Neonatal Intensive and Special Care (NNAP)	✓	✓	1190	1190	100%
11	Falls and Fragility Fractures Audit Programme (FFFAP)	✓	✓	310	310	100%
12	Head and Neck Cancer Audit	<b>Addenbrookes submit data as regional Head and Neck Unit</b>				
13	RCP Inflammatory Bowel Disease (IBD)	✓	✓	12	12	100%
14	Paediatric Pneumonia	✓	✓	23	23	100%
15	Learning Disability Mortality Review Programme (LeDeR Programme)	✓	✓	<b>Audit ongoing-open to East of England from 01/04/2017</b>		
16	TARN Severe Trauma (Trauma Audit & Research Network)	✓	✓	371	175	47%
17	Maternal, infant and new born programme (MBRRACE-UK)	✓	✓	40	40	100%
18	National Audit of Dementia	✓	✓	50	50	100%
19	National Cardiac Arrest Audit (NCAA)	✓	✓	169	100	59%
20	RCP National Chronic Obstructive Pulmonary Disease (COPD) Audit Programme (Pulmonary Rehabilitation)	✓	✓	<b>Data collection ongoing</b>		
21	National Comparative Audit of Red Cell and Platelet Transfusion/ Patient Blood Management in Scheduled Surgery 2015	✓	✓	60	60	100%
22	National Inpatient Diabetes Audit	✓	✓	90	90	100%
23	National Emergency Laparotomy Audit (NELA)	✓	✓	181	180	99%
24	Heart Failure (NICOR)	✓	✓	522	499	96%
25	National Joint Registry (NJR) 2015	✓	✓	960	973	99%
26	Lung Cancer (NLCA)	✓	✓	138	138	100%
27	National Ophthalmology Audit 2015	✓	✓	1402	1402	100%
28	National Prostate Cancer Audit (01/04/2015-29/02/2016)	✓	✓	224	224	100%
29	Sentinel Stroke National Audit Programme (SSNAP)	✓	✓	600	600	100%
30	Severe Sepsis and Septic shock-care in emergency departments (CEM)	✓	✓	100	100	100%
31	Stress urinary incontinence Audit	✓	✓	5	5	100%

32	Oesophago-gastric Cancer (NAOGC)	✘	✘	Data submitted by Addenbrookes and presented within the Trust.
33	Renal Replacement Therapy (Renal Registry)	✘	✘	Data submitted by Leicester
34	BSR Rheumatoid and Early Inflammation Arthritis (2yr)	✘	✘	Audit not currently running and will be recommissioned by HQIP in 2017

During 2016/17 Peterborough and Stamford Hospitals NHS Foundation Trust participated in the following studies as confirmed by NCEPOD.

	Cases Included	Cases Excluded	Clinical Questionnaire returned*	Excluding Clinical Questionnaire returned*	Casenotes returned*	Excluding casenotes returned*	Sites participating	Organisation Questionnaire returned*
<b>Mental Health</b>	0	0	0	0	0	0	1	1
<b>Acute Pancreatitis</b>	5	2	5	0	5	0	1	1
<b>Acute Non Invasive Ventilation</b>	0	0	0	0	0	0	1	1
<b>Questionnaires</b>								
<b>Clinician Questionnaire</b>	7	0	7	0	4	0		
<b>Lead Clinician Questionnaire</b>	3	0	1	0	1	0		

\*number of Questionnaires/casenotes returned including blank returns with a valid reason, questionnaires marked "not applicable" and casenotes missing with a valid reason

## Reviewing reports of national clinical audits

The reports of 11 national clinical audits and one national confidential enquiry report were reviewed by the provider in 2016/17 and Peterborough and Stamford Hospitals NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided. Examples of national clinical audits completed are given below.

National Clinical Audit and Confidential Enquiries	Findings	Actions Taken during 2016/17
BTS Paediatric Asthma Audit-858	<p>The audit showed partial compliance, improvement was required in the below areas:</p> <ul style="list-style-type: none"> <li>History taking regarding smokers in the child's environment (no improvement)</li> <li>Further improve on documentation of advice on discharge (improved)</li> <li>To improve awareness among clinicians on NICE quality standards on Asthma (Asthma Care Bundle 2016)</li> </ul>	<ul style="list-style-type: none"> <li>Posters to remind staff to ask about parental smoking to be displayed in clinical areas including both outpatients and the inpatient ward</li> <li>To update nursing discharge asthma checklist - to be discussed at Respiratory Team meeting. To look at possibility of increasing respiratory nurse led clinic capacity</li> <li>Re-audit with next BTS audit cycle</li> </ul>

National Clinical Audit and Confidential Enquiries	Findings	Actions Taken during 2016/17
National Prostate Cancer Audit-1133	<ul style="list-style-type: none"> <li>The audit showed improvement has been made from previous years</li> <li>TNM staging now being recorded more regularly at MDT meetings</li> <li>Further improvement required from a data clerk to record into Somerset database</li> </ul>	<ul style="list-style-type: none"> <li>Dissemination of results</li> <li>Discuss possibility of a data clerk to help complete. To be discussed/agreed at Governance meeting</li> <li>Re-audit</li> </ul>
NADIA 2016-1169	<ul style="list-style-type: none"> <li>The audit showed improvement in 13/23 areas. There are some areas still requiring improvement</li> <li>Patients receiving foot risk assessment within 24 hours of admission is +30.1% compared to the England average, and patients receiving foot risk assessment during their hospital stay +37.5%.</li> </ul>	<ul style="list-style-type: none"> <li>Dissemination of results at Diabetes Action Group/Audit meeting, Diabetes Link Nurses, Diabetes news letter</li> <li>To increase staff volume (work force) to increase staffing attendance (hours per week per patients with diabetes)</li> <li>Continued staff education concerning foot risk assessment, early active foot disease assessment by the diabetic foot MDT, and avoidance of prescription errors</li> <li>Improving patients' experience concerning meals and report of staff knowledge</li> </ul>
Acute Pancreatitis NCEPOD	<ul style="list-style-type: none"> <li>Review showed partial compliance with the recommendations</li> </ul>	<ul style="list-style-type: none"> <li>Presentation of findings at General Surgery Education meeting</li> <li>Doctors are regularly reminded about the need for accurate coding on discharge letters through Clinical Governance meeting and audits</li> <li>7 Day services Programme in place which will improve timescales to Surgery</li> </ul>
National Ophthalmology Database (NOD)-1335	<p>The audit results were positive and showed below expected complication rate</p>	<ul style="list-style-type: none"> <li>Presentation at the department audit meeting</li> <li>Increase use of the Medisoft PCR risk calculator</li> <li>Encourage patients to return optometrist forms to give feedback and improve care for others.</li> <li>Improve optometrist feedback promptly updated onto Medisoft</li> <li>If pre-op VA is not available within the last 3 months, it is repeated on the day of surgery. Royal College of Ophthalmologists(RCOphth) requirement</li> </ul>

## Reviewing reports of national clinical audits

The reports of 148 local clinical audits were reviewed by the provider in 2016/17 and Peterborough and Stamford Hospitals NHS Foundation Trust intends to take actions to improve the quality of healthcare provided as detailed in a document available from the Quality Governance and Compliance Team. Examples of some local clinical audits are given below.

Local Clinical Audit	Findings	Actions Taken during 2016/17
Fire Safety Audit (1218)	The initial audit showed improvement was required to become compliant with the 'Trust Fire Safety Policy 2010' subsequent re-audit showed improvement on ¾ standards but actions needed to be put in place	<ul style="list-style-type: none"> <li>• Audit was presented by DR at AAGBI Conference and DR won first prize</li> <li>• Update the department specific fire safety lecture and ensure delivered annually</li> <li>• Give department specific lecture to theatre staff and surgeons</li> <li>• All new staff now have a virtual tour of the department to know where all fire extinguishers &amp; Medical Gas shut off valves are</li> <li>• Creation of a "Fire Safety Facts" laminate</li> </ul>
Audit of Management of Motor Neurone disease at Peterborough City Hospital (1114)	The audit showed that the NICE guideline (NG42) cannot be met with the current model of care	<ul style="list-style-type: none"> <li>• Dissemination of results at Emergency and Medicine Governance meeting, Addenbrookes Hospital and City Care Centre meetings</li> <li>• Establish dedicated clinic at PCH</li> <li>• Outline options to establish MDT clinic either at PCH or in the community</li> <li>• Establish MND standards in clinic: Change clinic format to be able to monitor respiratory function and functional measures such as ALSFRS</li> <li>• Establish dedicated clinic database and proforma</li> <li>• Look into options to fund a clinic coordinator</li> </ul>
Therapy Services compliance with the NICE clinical guideline on Dementia (1268)	The re-audit showed PSHFT to be non-compliant with the standards, however the results showed improvement in 5/8 standards	<ul style="list-style-type: none"> <li>• Audit to be presented to the QGOC Governance meeting</li> <li>• Therapy booklet documentation training by team leaders</li> <li>• Therapy booklet to include assistive technology referral and home/access visit prompts</li> <li>• Amend therapy guidelines for the management of dementia patients</li> </ul>

## Participation in clinical research

During 2016/17 patient participation in research has increased, this represents a year-on-year increase in participation since 2010/11. During 2016/17 research activity has expanded in specialties that were new to research whilst continuing to develop our core research areas. We are committed to continuing the growth of our clinical research and providing opportunities for our staff and patients.

2016/17 has seen significant change to how research studies are established in the NHS. The Health Research Authority (HRA) has brought together the assessment of governance and legal compliance removing the needs for these checks to be completed locally. As such research teams now focus on the assessment of capability and capacity which results in an in-depth review of whether studies can be delivered locally. The teams have successfully implemented new approaches to reflect the changes in site responsibility and requirements of the new processes across the Trust.

Our research patient ambassadors (PRA's) have continued to work with the R&D teams across the Trust to raise awareness and access to clinical research for our patients, ensuring that our patient voice is heard. National clinical trials day was a success in May, our poster competition attracted entries from over 80 children that were displayed in the hospital atrium. We also introduced patients to the concept of being recruited to a clinical trial with the chocolate trial. The mock clinical trial presents the patient with an information sheet similar to that they'd usually receive on a trial; this information must be read and understood before the patient consents. Once consent is given the patient receives a chocolate at random and is asked to provide feedback. Participants felt this helped them understand how as a patient they would be approached and enrolled onto a trial, breaking down some of the barriers to participation in clinical research.

During the period of 2016/17 159 Trust clinical staff participated in research approved by a Research Ethics Committee. These staff have been involved in conducting 163 clinical research studies (studies open to recruitment during this period) in 2016/17, of which 139 (85%) were National Institute for Health Research (NIHR) Portfolio studies. The Trust sponsors 5 active research studies, where the clinical trials are set up and managed from within the Trust and a further 3 studies have been approved as service evaluations.

In the year 2016/17, 91 publications in a number of different specialties have resulted from studies at the Trust, which shows our commitment to transparency and desire to improve patient's outcomes and experience across the NHS.



## Use of the CQUIN payment framework

A proportion of the Peterborough and Stamford Hospitals NHS Foundation Trust's income in 2016/17 was conditional on achieving quality improvement and innovation goals agreed between Peterborough and Stamford Hospitals NHS Foundation Trust and its commissioners through the CQUIN (Commissioning for Quality and Innovation) payment framework.

For 2016/17 the baseline value of CQUIN was 2.5% of the contract value, based on the Indicative Activity Plans agreed with commissioners in April 2016 as £226.2m that is, £5m of income from the CQUINs. This total is only achieved if the milestones are met. Actual income to date is £4,073,052.

Further details of the agreed goals for 2016/17 and for the following twelve month period are available electronically at [jane.minett@pbh-tr.nhs.uk](mailto:jane.minett@pbh-tr.nhs.uk).

The Trust use CQUIN projects to improve patient care. Following on from the National, Sepsis and the Local, Carers CQUINs the Trust has agreed to create both a substantive Sepsis Lead Nurse and a Carers Lead. These posts will continue the exciting work started by the CQUIN projects. Below are some other examples of how CQUINs affect quality change within the Trust.

### Healthy eating CQUIN

This CQUIN is an initiative that has been introduced to offer healthier choices to staff and visitors in hospitals. Over the last 12 months Medirest, the Trust partner company that supply food and drink within the hospital, have been making changes to their outlets to offer the consumers healthier choices and

to comply with CQUIN requirements. Actual income to date is £547,918.

### What does this mean to the Consumer?

Medirest have been asked to ensure that all of the retail outlets in the hospital comply with the 4 following guidelines:

1. A ban on price promotions on sugary drinks and foods high in fat, salt and sugar (HFSS)
2. A ban on advertising on NHS premises of sugary drinks and HFSS foods
3. A ban on sugary drinks and HFSS Foods at till
4. Healthy food to be available 24 hours a day

### How have we achieved this?

#### 1. A ban on price promotions on sugary drinks and foods high in fat, salt & sugar

Medirest have removed all price promotions in all units on sugary drinks and foods that are HFSS. Any items that are price promoted have been checked by the Medirest health and well being manager and NHS England to ensure they comply with the CQUIN.

#### 2. A ban on advertising on NHS premises of sugary drinks and HFSS foods

The monthly posters that are on display now promote healthier options including water and fruit. The commercial outlet in the Trust has also changed the marketing strategy on the posters that they use in hospital; these now promote the skills of the barista rather than the products themselves.



#### 3. A ban on sugary drinks and HFSS foods at till points

Medirest have made a commitment that water and fruit will be available at all till points and have removed all chocolate and sweets. The servers are no longer upselling chocolate or sugary drinks to consumers at the till points.

#### 4. Healthy food to be available 24 hours a day

Medirest's aim is to introduce a 24 hour service for food through the Service Desk; a trial run took place at the end of 2016. Following that trial Medirest will implement an out of hour's menu for staff to order through the Service Desk.

The menu was limited so Medirest intend to work with staff to introduce a healthy options menu with the help of staff working night shifts.

The vending machines have been changed throughout the hospital and now consistently offer the same products in all areas which include healthy options. The new vending machines in the theatre/ A15 area will also offer a healthy sandwich Meal Deal.

The Healthy eating CQUIN has been a success both in achieving its financial aims but more importantly encouraging staff, patients and visitors to eat a healthy diet.

  
 "@psh\_nhstrust has a pretty good range of food on their menu, and so far pretty tasty. Every cloud. #hospital"

### Transition into Adult Care - 2 year CQUIN

Children and young people who have long term conditions such as diabetes and cystic fibrosis reach an age where their care moves from Paediatric to Adult care, this is called transition. In the past this process has not been planned and some young people have found the transfer in care difficult. This CQUIN was developed to improve this process and to plan ahead. The aim was to make transition a gradual process that gives young people and everyone involved in the young person's care time to get ready and discuss their needs. The process covers young people who will remain within an acute Trust or those who transition into community care.

The CQUIN identifies a cohort of young people who should prepare for transition. The Trust uses a programme called Ready Steady Go This allows time for discussion with the young person and their families as well as introductions to adult services and signposting to new services that can be accessed. It allows them to move into adult services feeling empowered, in a position to manage their own treatment plan and have a good understanding of their condition.

In year one there were three specialisms and in year two, five specialisms which were included in the programme. The plan following the end of the CQUIN is that the programme will continue roll out to all children aged 14-18 within the children's service who have chronic conditions.

This CQUIN has been successful with the feedback received from the young people involved as very positive. It has improved the young person's and their parent/carers satisfaction of the service provision both with children's services and the adult services to which they are transferred. The team are hoping that there will be better health outcomes for young people, which will lessen the impact of their disease later in life.

All the milestones have been successfully achieved and the group of staff involved are now planning 17/18 and beyond. Actual income to date is £356,193.



### Statements from the Care Quality Commission

During 16/17 there have been no announced or unannounced visits from the CQC. The Chief Nurse has met 6-8 weekly with the CQC relationship manager to review progress against the CQC quality improvement plans developed by each Directorate and any concerns/issues that may have been raised to the CQC. These meetings have been pivotal in developing and maintaining a strong, open and honest relationship with the CQC.

Work has continued to drive to develop our quality from 'Good' to 'Outstanding' through a variety of routes for example the good to outstanding Organisational Development 'Outstanding patient care and Experience' work stream, CQC monthly self-assessments reviewed at the monthly Matron Quality Assurance Committee chaired by the Chief Nurse and introduction of the ward accreditation scheme aligned to the CQC lines of enquiry (CREWS). This programme of work was commended by the CQC relationship manager and has been shortlisted for a national award through Healthcare People Management Association (HPMA).

As a newly merged organisation for 17/18 we have been informed that the CQC will undertake a full inspection of all three sites. Work has already commenced to prepare the organisation.



New optometry machine purchased by the Friends of Stamford Hospital

Peterborough and Stamford Hospitals NHS Foundation Trust is required to register with the Care Quality Commission and its current registration status is unconditional for all regulated activities.

The Care Quality Commission has not taken any enforcement action against Peterborough and Stamford Hospitals NHS Foundation Trust during 2016/17.

Peterborough and Stamford Hospitals NHS Foundation Trust has not participated in special reviews or investigations by the Care Quality Commission during 2016/17.

## CQC Inspection 2015/16

### Our ratings for Peterborough City Hospital

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

### Data Quality

Peterborough and Stamford Hospitals NHS Foundation Trust submitted records during 2016/17 to the Secondary Uses Services (SUS) for inclusion in the Hospital Episode Statistics (HES) which are included in the latest published data. The percentage of records in the published data which included the patient's valid NHS Number was: 99.8% for admitted patient care (99.3% national); 99.9% for out-patient care (99.5% national); and 98.8% for accident and emergency care (96.7% national).

The percentage of records in the published data which included the patient's valid General Practitioner Registration Code was: 100% for admitted patient care (99.9% national); 100% for out-patient care (99.8% national); and 100% for accident and emergency care (99.0% national).

### Information Governance Toolkit attainment levels

Peterborough and Stamford Hospitals NHS Foundation Trust Information Governance Assessment Report overall score for 2016/17 was 68% and was graded green satisfactory.

### Clinical coding error rate

Clinical coding is the translation of medical terminology that describes a patient's complaint, problem diagnosis, treatment or other reason for seeking medical attention into codes that can easily be tabulated, aggregated and sorted for statistical analysis in an efficient and meaningful manner.

Peterborough and Stamford Hospitals NHS Foundation Trust was not subject to the Payment by Results clinical coding audit during 2016/17 by the Audit Commission but was subject to an Information Governance Audit to comply with Information Governance Toolkit (IGT) requirement number 14-505. An audit of clinical coding, based on national standards, has been undertaken by an NHS Classifications Service Approved clinical coding auditor within the last 12 months. Data Quality audit, focused on clinical coding, is a crucial part of the robust assurance framework required for both Payment by Results (PbR) and the development of the NHS Care Records Service (NHS CRS). The Information Governance audit and these results are based on a 200 episode audit from a random selection of all specialties for patients discharged between July and September 2016.

The NHS Classifications Service recommends the following percentage scores measured by procedure and diagnosis error rates as targets:

### Attainment Level for Information Governance Purposes

	Level 2	Level 3
Primary diagnosis	>= 90%	>= 95%
Secondary diagnosis	>= 80%	>= 90%
Primary procedure	>= 90%	>= 95%
Secondary procedure	>= 80%	>= 90%

Audit results: The percentage scores achieved on this audit are as follows:

Primary diagnosis correct	Secondary diagnosis correct	Primary procedures correct	Secondary procedures correct
95%	93.9%	96.7%	92.5%

The results verify that the Trust attained accuracy scores equal to Level 3 for Primary/Secondary diagnosis and Primary/Secondary procedures.

Achievement of this standard is linked to independent audit outcomes and as improvements were noted as required in this audit, an action plan has been put in place with actions in progress (but not audited). It should be noted that these results should not be extrapolated further than the actual sample that was audited (i.e. 200 episodes audited).

### Data Quality Improvements

Peterborough and Stamford Hospitals NHS Foundation Trust will be taking the following actions to improve data quality:

1. The Data Quality Team currently monitors a wide range of automated reports set up by Information Services to identify errors and omissions to enhance the overall standard of the Trust's Data Quality. In addition, the team are now carrying out a monthly demographic audit to monitor the accuracy of service user data including GP, Address, Referral source, Sex, DOB.
2. All Trust Staff have the facility to log calls with the Data Quality Team on the IT service desk Portal. Staff are encouraged to log calls if they:-
  - Have a query on how to record data correctly
  - Discover a recording error
  - Make a recording error
3. Any errors are recorded on a data base and staff concerned are notified to make them aware of the recording error and re-training arranged if appropriate. Monthly statistics are circulated to the Directorate Data Quality Leads for information/action and discussed at the DQ Leads and Data Quality Steering Group (DQSG) to identify trends and implement actions to improve performance.
4. Alongside a rolling validation programme, the DQ team also carry out a monthly random audit of approximately 250 Referral to Treatment (RTT) pathways to monitor the overall accuracy of patient pathways. Any errors or inconsistencies in recording or adherence to the RTT rules are reported to the Directorates for action.
5. The Trust have a series of Data Quality Key Performance Indicators (KPI's) which are reported to the DQ Leads and the DQSG on a quarterly basis.

## Quality Indicators

For the majority of the Quality indicators the data is made available to the NHS Foundation Trusts by the Health and Social Care Information Centre for the reporting period 2016/17. The Health and Social Care Information Centre was accessed on 3 April 2017 with the most recent data available at that time reported. This is a National reporting database which collates data for many different parameters. These are not always the figures that the Trust uses to report data so figures may appear different in other reports

Indicator	2014/15	2015/16	2016/17	PSHFT considers that this data is as describes for the following reasons...	PSHFT intends to take/has taken the following actions to improve this proportional/score/rate/ number, and so the quality of its services by...
Summary Hospital – Level Mortality Indicator (SHMI)	Value – 1.001 Band 2	Value - 1.035 Band 2	Oct 2015 – Sept 2016 Value - 1.0939 Band 2	The Trust has processes for clinical coding and mortality data review so is confident that the data is accurate	The Trust reviews SHMI data (along with the HSMR) and always looks at how it can be at least sustained or reduced further.
Patient Reported Outcome Measures (PROMS)	6mth data Apr 14 – Sept 14	April – Sept 2015	Apr – Sept 2016	The Trust has processes in place to ensure that relevant patients are given questionnaires to complete. However it has no control over their completion and return.	PROMS data is reviewed and reported in the Quality Report to the Board and Quality Assurance Committee each month, and in the Directorate Scorecards for the monthly Performance meetings.
Groin hernia surgery	Adjusted average health gain 0.0.114	Adjusted average health gain - 0.101	Adjusted average health gain - 0.056		
Varicose vein surgery	Data not available	Data not available	Data not available		
Hip replacement surgery (primary)	Data not available	Data not available	Adjusted average health gain - 0.438		
Knee replacement surgery (primary)	Data not available	Data not available	Adjusted average health gain - 0.371		For applicable measures, the Trust results are better than the national average in the latest reporting period.

Indicator	2014/15	2015/16	2016/17	PSHFT considers that this data is as describes for the following reasons...	PSHFT intends to take/has taken the following actions to improve this proportional/score/rate/ number, and so the quality of its services by...
Readmission within 28 days of discharge: (i) Aged 0-15	(i) 12.2%	12.7%	13.96% (Data source – Trust systems)	The Trust has robust Information Technology procedure notes for this process so is confident that the data is accurate.	The Trust rates for 0-15 have increased slightly but this is probably due to the Trust's open door policy. The 16 plus ages re-admissions again show some improvement and are both better than the national average. The Trust monitors and looks to at least sustain current position.
Readmission within 28 days of discharge: (ii) Aged 16 or over	(ii) 18.5% (Data source, Trust IT systems)	19.64%	19.33% (Data source – Trust systems)		
Responsive to inpatients' personal needs	77.3	2015/16 70.2	Data not available	Undertaken independently as part of the annual national inpatient survey.	We continue to use feedback from surveys and complaints to address areas of performance which fall short of our standards.
Friends and Family Test – Staff % of staff recommending the Trust to family or friends	2014 survey 60%	2015 survey 72%	2016 survey 74%	Undertaken annually within the Trust as part of the annual national staff survey.	The Trust is in the top 20% of Trusts nationally. The data shows that the Trust has improved this year and is aiming to improve on this position in the coming year.
Friends and Family Test – Patient [not statutory] % of inpatients who would recommend the Trust to their family or friends	Indicator not included	Indicator not included	Feb 2017 (latest available) 96%	Undertaken independently and reported monthly as a national requirement	Monitored monthly in the Trust's integrated performance report that is submitted for the Board and Quality Assurance Committee. Performance is well above the national average.
% risk assessed for VTE	Quarter 3 14-15 95%	Quarter 3 15-16 93.6%	Quarter 3 16-17 96.89%	The Trust uses the DoH process for assessing VTE risk in patients. This is also part of the monthly NHS Patient Safety Thermometer audit.	The Trust performance has improved and is now consistently above the 95% target ensuring safe care through assessments for inpatients.

Indicator	2014/15	2015/16	2016/17	PSHT considers that this data is as describes for the following reasons...	PSHT intends to take/has taken the following actions to improve this proportional/score/rate/number, and so the quality of its services by...
Cases of <i>C.difficile</i> infection per 100,000 bed days	Apr 13 – Mar 14 18.9	Apr 14 – Mar 15 20.1	Apr 15 – Mar 16 (latest available) 18.4	The Trust has in place robust mechanisms to record cases of <i>C.difficile</i> .	A number of wide ranging actions including improved cleaning standards and documentation compliance plus regular scrutiny panels are in place. This has supported a notable improvement in recorded cases.
Patient Safety Incidents	Oct 13 – Mar 14	Oct 14 – March 15	Oct 15 – Mar 16	Data is submitted to the National Reporting Learning System in accordance with national reporting requirements. Note: these figures relate to incidents reported via the Trust incident reporting system which relies on the reporter identifying that an incident has occurred	The Trust has a positive reporting culture. Reducing harm to patients remains one of the key elements of our quality account and quality strategy.
(i) Number	Number (patient safety incidents reported) – 4,089	Number (patient safety incidents reported) – 3,867	Number (patient safety incidents reported) – 4,018		
(ii) Rate	Rate – 9.5	Rate - 38.4	Rate – 41.0		
(iii) Number and percentage resulting in severe harm/death	Number (incidents involving severe harm or death) – 14 0.34%	Number (incidents involving severe harm or death) – 28 0.72%	Number (incidents involving severe harm or death) – 24 0.597%		

## Part 3: Review of quality performance

Quality is measured and reported on a regular basis and challenged monthly by the Quality Assurance Committee (QAC). This sub-Board committee is chaired by a Non-Executive Director (NED), has key external stakeholders as members as well as two further NEDs and a Public Governor. Internal challenge is provided by monthly Matrons' Balanced Score Card audits and peer review walkabouts carried out by the Matron group. The audit results are scrutinised and challenged at the Matrons' Quality Assurance Forum Committee which is chaired by the Chief Nurse, and also at Performance meetings that are attended by both the Executive and Clinical Directorate teams.

### 3.1 Patient Safety

#### Duty of Candour

Duty of Candour is a process of being open and honest with our patients and their families/carers when something goes wrong. This starts at ward level whenever harm is caused to a patient such as following a fall or developing a pressure ulcer. A verbal apology is given to the patient and their family/carers and an explanation of what has happened is documented in the patient notes as well as recorded on datix. This apology is followed up by a letter. The Trust takes pride in ensuring this process is followed especially around Serious Incidents (SIs). This information is recorded and reported below. Due to the Clinical Commissioning Group allowing 60 days to investigate following the SI, the data is reported from January - December.

#### Serious Incidents (SIs) reported (January – December each year)

(source:-PSHFT data)

	2015	2016
Formal Duty of Candour meetings	22	13
Ward Duty of Candour meetings	39	3
No acknowledgment of letter from patient or relative offering report and/or Duty of Candour meeting	14	20
Patient wanted the report but not a meeting	11	11
Investigations completed for infection outbreaks/capacity/ Information Governance (IG) breaches	5	6 Patients were notified at the time of outbreaks, IG breaches-each patient received an individual letter
No harm found once investigation completed	6	5
Unable to contact Patient/Next of Kin		3
Discussed with Serious Clinical Incident Group -patients not informed of the investigation as may cause undue psychological distress		4 (court trials or patients had died external from the Trust)
Coroner informed family from Post Mortem		1
Root Cause Analysis due for completion March 2017 so not recorded at this time		3
<b>Total</b>	<b>102</b>	<b>73</b>

The patients and relatives experience has been enhanced by having the opportunity to either access the report of their incident or openly discussing, face to face, the investigation process and share findings by attending a duty of candour/ being open meeting. This process also allows the Trust to understand the impact an SI has directly on individuals and their families.

Action plans are developed by individuals or departments following SIs, these are a way of showing that lessons are being learnt and processes changed and implemented in order to improve the service we provide for our patients. The data from the two years shown, highlights our number of SIs has decreased by 29.

## Freedom to Speak Up Guardians

The role of the Freedom to Speak Up Guardians has been created as a result of recommendations from Sir Robert Francis' Freedom to Speak Up review, published in February 2015.

The Trust has appointed Doctor Callum Gardner, Deputy Medical Director and Lesley Crosby, Deputy Chief Nurse as the Freedom to Speak Up Guardians and they work with Trust leadership teams to create a culture where staff are able to speak up in order to protect patient safety and empower workers.

## *Clostridium difficile*

All Trusts are set nationally, an annual target, aiming to reduce the number of *C. difficile* cases. For 2016/17 this was set at 29 for PSHFT. The Trust is delighted that from 23 recorded cases of toxin positive *C. difficile* that only six cases have been sanctioned by the CCG at scrutiny panel. This means that following the root cause analysis there was deemed to be lapses in care for these cases. This compares to 2015/16 where the target was again 29 but 16 were sanctioned (source:-PSHFT data).

Each hospital acquired *C. difficile* is reviewed at a scrutiny panel within 30 days of reporting. The panel consists of the Chief Nurse, clinical teams and Lead Infection Control Nurses for the Trust and commissioners. Based on the Root Cause Analysis (RCA) tool, a decision is made as to whether the cases are sanctioned because there were lapses in patient care. The main reasons were, staff taking too long to isolate the patient as soon as infection was suspected, time to send a sample to the laboratory and inappropriate antibiotic use. The sharing of lessons learned from these scrutiny panels has resulted in far fewer lapses in care in 2016/17.

Cleaning the patient environment is a very important factor in the reduction in *C. difficile* cases. The Trust has improved cleaning schedules during 2016/17 and

has also introduced an Ultra Violet (UV) deep clean programme, where in-patient areas are deep cleaned using UV light at least once a year. This has now been in place for two years and the cumulative effect of the cleaning changes is keeping the environment cleaner with less contamination of *C. difficile* spores.

## Sign up to Safety Campaign



The Trust continues to follow the 'Sign up to Safety' pledge to – "Put safety first, continually learn, be honest and collaborate".

Keeping our patients safe is a continuous theme throughout all departments. For example the introduction of human factors training and practice in the maternity unit is proving successful whilst improving communication and team working.

The Infection Control team in collaboration with specialist nurses and the Practice Development Team have run a focus of the month to spread targeted messages across the Trust, such as the holistic approach to caring for patients in isolation.

All the patient safety team including the Falls Specialist Nurse, Tissue Viability Nurses and the Continence Specialist Nurse continue to educate and teach on Trust mandatory training days ensuring continual learning.

## Staff Survey results

The Trust undertakes many staff surveys both internally and nationally. With reference to the NHS Staff survey results for 2016, specifically for KF26 (percentage of staff experiencing harassment, bullying or abuse from staff in the last 12 months), KF21 (percentage believing that Trust provides equal opportunities for career progression or promotion) and for the Workforce Race Equality Standard, information about these results can be found on page 128 of the Trust's annual report.

## 3.2 Clinical Effectiveness

### Nursing, Midwifery Strategy

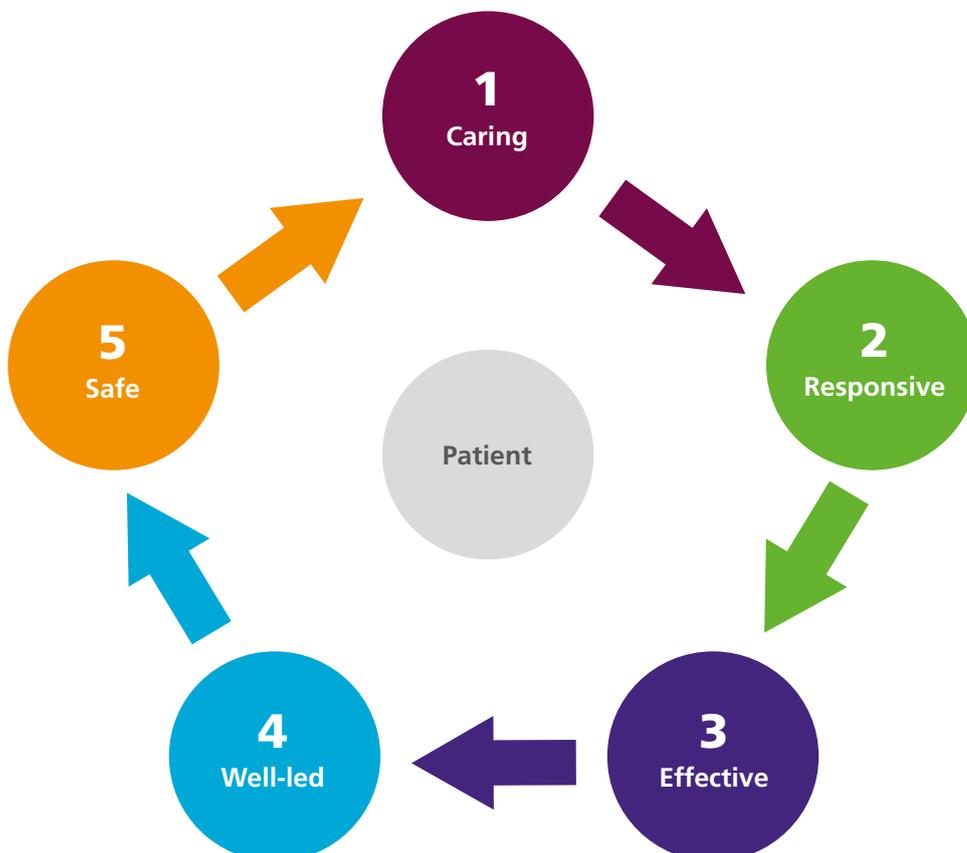
This year has seen the launch of our revised Nursing and Midwifery Strategy 2016 – 2018. This document outlines our aims for quality patient care over the next two years and is aligned to the Annual Plan, the G20 scheme and our aims for the merged Trust in the future.

The Nursing and Midwifery Strategy is broken down into five key areas which are based upon the Care Quality Commission (CQC) key lines of enquiry: Caring, Responsive, Effective, Well-Led and Safe.

The overall aim, or vision, of this nursing and midwifery strategy is:

**All nursing and midwifery staff will aim to give harm free, individualised patient care which will lead to a patient experience that is quality led throughout their care pathway.**

**Both the NHS and the nursing and midwifery professions will face great challenges over the next two years. However by leading the way in standards of care, education and clinical research, we aim to overcome those challenges to create the best patient experience supported by well-informed staff, working together to give high quality care.**



## Dementia Care

There have been several improvements made during 2016/17 for our patients with Dementia, including:

- Dementia-friendly signage included in all areas on both Peterborough City Hospital and Stamford Hospital sites
- New privacy curtains in all inpatient wards that are of a plain lilac design, which according to research is more conducive to a dementia-friendly environment;
- Roll out of blue crockery for patient use on Wards A9 and B14 is continuing by Medirest and staff are being trained during the course of the roll out
- Improvements to staff training with a 3-Tier Dementia Awareness Training programme having been put in place, and also monthly 'Making a difference in Dementia Care' training sessions which focus on person-centred care and communication. This training has been well received and is reviewed and updated according to evaluations and feedback received.
- The Patient Safety and Well Being Apprentices are working on the wards to support vulnerable patients especially those with Dementia. They have been innovative and held 'Time for Tea' parties and craft work.



Megan Whetstone - one of our young apprentices

The Dementia Specialist Nurse continues to work with Carers in the completion of surveys which provided vital feedback regarding the services we provide, and any possible changes that can be developed within the Trust. The Dementia Specialist Nurse is also working with staff in the Emergency Department to look at options available to develop the cubicles to be more dementia-friendly.

## Non-medical Education

### QIPF – Quality Improvement & Performance Framework (Health Education England)

QIPF is a framework through which Health Education England (Cambridgeshire and Peterborough Workforce Partnership) assures itself regarding the quality and standard of education and learning environments. It is integral to Health Education England's governance arrangements.

As reported in the 2015/16 Quality Account, Trust non-medical education was formally inspected on 3 November 2015 against six KPIs. The visit was extremely positive. We were assessed as green against all the KPI's.

During 2016/17 Health Education England have reviewed the QIPF process and during Q4 of 2016/17 a new Quality Standards process is to be phased in. As part of the transition to the new process a self-assessment has been undertaken in liaison with Health Education England. The Trust remains green in all areas. Areas of 'Excellence' were highlighted including a ward based student induction pack, a Student and Mentor Zone on the Trust intranet and the development of mentor and sign-off mentor badges to identify them on the wards and signify the importance placed on the role.

## Nursing Education

During 2016/17 we have also seen a variety of new flexible 'grow your own' pathways into nursing in the Trust.

### New Foundation Degree in Nursing

In May 2016 a new Foundation Degree in Nursing was validated and approved at Anglia Ruskin University. This foundation degree dovetails with the flexible work based registered nurse curriculum validated in December 2015 and supports the "grow your own initiative". The first Foundation Degree trainee's from this Trust started in September 2016. 13 started the 18 month course.

Once qualified with this foundation degree, the staff will then be eligible to step onto the new Flexible Nursing programme, leading to registration as a Registered Nurse. The full programme (if done together) will take three years and two months.

## Flexible Nursing

This is an 18 month course run by Anglia Ruskin University for HCAs (or equivalent) that have a Foundation Degree and then who wish to step onto the flexible programme leading to registration as a Registered Nurse. The second cohort started in March 2017 and we had two candidates commence this pathway from Peterborough and Stamford Hospitals.

## New Trainee Nursing Associate role

The Nursing Associate role is a new role to create trained staff to support the registered nurses. The Trust is one of 11 test sites across the country. We are working as part of a partnership across Cambridgeshire and Peterborough which includes four students from our Trust. The course takes two years and is full-time university and work-based learning experience. This results in a Diploma in Higher Education Nursing Associate qualification. In January 2017 the NMC announced that they have agreed to be the regulator for this new role. The pilot started on the 30th January 2017.

The Trust were pleased to host a visit from the Department of Health and Health Education England on the 17th March 2017, where Lee McDonough (Director General for Acute Care and Workforce at the Department of Health), along with Lisa Bayliss-Pratt (Director of Nursing, Health Education England) and other visiting colleagues had the opportunity to meet and talk with the Trainee Nursing Associates, their mentors and other hospital staff about how the course is running and how they could help to shape the role going forward.

## Return to Practice nursing students



We continue to attract Return to Practice nursing students. These are nurses that have previously been registered and have had time away from practice. The nurses now need to renew their registration with the NMC. A new group of five Return to Practice students started in October 2016.

## Student and Educator Awards



The first Student and Educator Awards were held 15th September 2016. The event was held at PCH and it was a very successful evening with excellent feedback from all involved. Planning has already started to repeat the same event again during 2017/18.

## Recruitment

The Nursing and recruitment team have been busy at home and abroad during 2016/17. Our branding and marketing campaign 'A career without compromise' has been received enthusiastically at the 12 recruitment events we have visited in the last 12 months. The story behind the campaign concentrates on supporting our staff's careers in a state of the art hospital whilst appreciating their life outside of work.

This past year we have been to numerous Universities such as Nottingham, Lincoln and Northampton as well as the Royal College of Nursing career event in London. We have recently seen some of these students secure employment in Medicine and Paediatrics. The photo below was taken at the RCN careers fair in September 2016. Our recruitment stand caused quite a stir as people spotted Pedro; one of our EU nurses who is part of our campaign.



Our workforce continues to mirror the multicultural population of Peterborough and the surrounding area. This year has seen 34 EU nurses and 14 international nurses join us including our first arrivals from India and the Philippines.



Our Indian nurses are from the southern region of Kerala. A group of four senior nurses represented the Trust in May and November 2016 travelling to recruit 90 nurses. Although not all of these nurses will pass through the registration process, we still have a considerable number to support our workforce over the coming year.

The photos show our new Indian recruits with the Overseas Education Team and some of our new Philippine nurses.

Our overseas nurses continue to receive support from our dedicated Overseas Education Team. The team have worked tirelessly to develop induction programmes to support the transition to the NHS and support nurses through full registration with the Nursing and Midwifery Council.

There has been a notable reduction in EU recruits towards the end of the year, reflecting the uncertainty around Brexit. However, even with this uncertainty, we successfully retain our EU staff. Of the total 120 EU nurses in the organisation, 37 of them have now been here longer than two years and a number have gained promotions to Band 6.

### 3.3 Patient Experience

#### Volunteers

We are very fortunate to have around 332 volunteers (an increase of 75 since March 2016) working in many areas of the Trust. They assist in various departments and areas within the hospital, for example the Macmillan Centre, Way Finding in the main atrium, General Outpatients and Haematology/Oncology Outpatients, PALS Desk, Faith Centre Chaplaincy ward visitors, Friends Shop, Sweet Trolley Service, Patient visitors in various wards, Day Treatment unit, Meal Time Companions, Buggy Drivers, Breast Feeding Peer Supporters, Pulmonary Rehabilitation and PCH Radio.

We have learnt that patients engage easily with volunteers who spend their time with the patients individually, freeing up staff resources. The Way Finding service provided by the volunteers is very welcomed and is constantly in use. The buggy service is also well used; this has greatly improved the patient's experience. We have approximately 20 volunteers now trained to drive the buggy. The Meal Time Companions initiative works really well due to the hard work of the volunteers who provide this service. We have just started a new initiative with the Occupational Therapist in the Stroke Unit with volunteers coming in twice a week to help with rehabilitation.

We currently have nine volunteers who assist with collecting the Friends and Family Test (FFT) in different capacities throughout the Trust. More recently two volunteers have been assigned to the Emergency Department to improve the response rate. The recruitment for this area is ongoing with the expectation we will continue to recruit suitable volunteers.

From the 1 April 2017, we are introducing uniforms for the volunteers. The aim is to make the volunteers stand out and be more accessible to the public; the majority of the volunteers voted for and agreed that it was a great idea.

#### 15 Steps Challenge/Night visits

The annual Trust wide '15 Steps Challenge' took place in October 2016. The 15 Step Challenge originated from a mother reporting that she could tell the kind of care her daughter would receive on a ward from walking 15 steps into the area. It is a tool which provides some insight into a patient's first impressions. There were nine teams each included Trust staff and external stakeholders including Healthwatch Peterborough and Healthwatch Lincolnshire, Peterborough City Council, South Lincolnshire CCG and Peterborough Disability Forum. The results were generally very good but those areas where changes were needed were notified and actions taken.

Three Night Ward Walkabouts have been undertaken during 2016/17. These are well supported by Executive and Non-Executive Directors as well as senior medical and nursing staff. Where possible all inpatient areas are visited by small teams, with the same questions and challenges raised. The feedback is correlated and reported back to the wards and these are displayed for staff and the public to see.

## Mixed Sex Accommodation breaches

Every patient has the right to receive high quality care that is safe, effective and respects their privacy and dignity (NHS Constitution, 2015). Mixed Sex Accommodation breaches occur when patients who are not in outdoor clothes have to share toilet and washing facilities or are bedded next door to each other without adequate screening. The exceptions are emergency care and Critical Care Units. The Trust has had no mixed sex accommodation breaches for the previous three years. During January 2017 a new department opened and an episode of mixed sex accommodation breaches took place.

The departure lounge (DEPL) opened on 25 January 2017 after guidance from Emergency Care Improvement Programme (ECIP) and NHS Improvement (NHSI) as a means to creating beds and flow in the early part of the day. From preparation to the opening, was only five working days. This created initial problems within the environment. During January a few patients were transferred to the departure lounge in nightwear whilst waiting for their own or hospital transport to arrive.

A very high level of privacy and dignity was and is maintained at all times throughout the patients stay on the DEPL. However new solid partitions have been put in place to ensure no further mixed sex accommodation breaches occur between the cubicles/bedded areas. There were no concerns or complaints from patients regarding the environment. It was explained to all patients prior to entering the departure lounge that they may have to sit beside a member of the opposite sex and it was recorded on the DEPL check list. No patients objected to this.

## End of Life Care (EOL)

The work of the palliative care team at Peterborough and Stamford Hospitals NHS Foundation Trust has been recognised by the National Council of Palliative Care.

The Trust was one of six in England and Wales that was highlighted in the Council's 24/7 Models of

Care Report as a good example of round-the-clock care to be used for commissioners to follow when commissioning services in the future. The team is able to sustain a seven day service between the hours of 9am – 5pm. This service supports staff, patients and carers across the community and hospital, avoiding unnecessary admissions, supporting discharges, caring for palliative and EOL patients, families, carers and staff to manage complex symptoms, emotional and psychological support. The team provide a staff member in the Emergency Department on a daily basis to help expedite discharges, support staff, identify patients that are deteriorating and put in place appropriate care arrangements.

The Trust has taken part in a wide range of audits during 2016/17.

### National End of Life Audit

(source:-End of Life care Audit – Dying in Hospital – Royal College of Physicians) results published March 2016. The audit reviewed deaths of patients aged 18 and over and who were admitted for longer than four hours.

There were five national clinical indicators being measured and the Trust either met or finished above the national average on all five. To improve this position, the Trust now has a lay member of the Trust Board for End of Life Care, is reviewing training in communication skills for staff and alterations have been made to an in-house audit tool to reflect the pertinent questions asked within the audit.

**Trust EOL audit** (source:-PSHFT data) reviewed deaths in the Trust during May 2016. This showed that pain assessment and the use of anticipatory medication prescribing have improved. However, as shown nationally, discussions need to continue with families and carers regarding nutrition and hydration and the relevance of Nil by Mouth. Written information and documentation to support bereaved families, early identification of someone reaching EOL and the use of the ABBEY pain assessment tool were all highlighted. Results showed that in 2016, 50% of patients aged 18 and over, who were admitted for longer than four hours were supported by the personalised care plan for the last days of life. This compares to 37% and 42% in previous audits.



“Every effort was made for my Mum. Your staff should know they are exceptional.”

A visit by a team from a local Clinical Commissioning Group was impressed with the palliative and EOL care, highlights were:

- The implementation of a palliative care website for staff to access. This provides additional information and care planning for staff
- End of Life check list
- End of Life / Palliative care ward trackers and flagging system so that patients can be added to the End of Life register
- Use of yellow and purple stickers to clearly identify when the patient has been seen by the team
- Staff training days to support FY1, FY2 doctors and nurses at induction;

## 3.4 Service updates

### Chief Nurse Rapid Review

The Chief Nurse Rapid Review Meeting is held weekly and forms part of the Chief Nurse's assurance process in relation to risk management and identification of trends/issues. It also helps the Trust to be assured that duty of candour is being carried out for those incidents that do not fall within the Serious Incident reporting remit. The meeting reviews all grade 3 and above adverse event reports and discusses whether the grading is appropriate (whether it needs to be increased or decreased) and ensures that pathways/processes are reviewed or lessons learnt are implemented promptly.

The data is presented by the Matron for the relevant area with, if appropriate, Lead Nurse involvement. Specialist Nurses such as the falls Specialist Nurse and the Lead Nurse for Adult Safeguarding also attend so as to identify issues that may need external escalation/ internal action. The Clinical Risk Manager is present so as to identify any potential serious incidents. The meeting also reviews any new complaints received that week to again facilitate early learning. The meeting is chaired by the Chief Nurse or nominated deputy and has been commended as an excellent risk management tool by the Clinical Commissioning Groups who have visited to observe.

### Revalidation

With the introduction of NMC revalidation regulations from 1 April 2016, every nurse and midwife is required to provide evidence to meet specific standards and maintain records to demonstrate that they have met the revalidation requirements every

three years. A steering group was formed to enable direction and governance to facilitate the NMC requirements and support staff.

A collaborative working approach with a variety of substantive members of staff, various Directorates, flexible staffing, Unions and external bodies was adopted.

Initial teaching strategies and working with the Practice Development Team (PDT) created an initial plan aimed to incorporate generic and confirmer training. We have now included revalidation on Registered Practitioner Induction days. With the NHS ESR Central Team a bespoke electronic revalidation solution (#GAIT) was devised, that provides a clear governance structure and encourages individuals to take ownership of their own revalidation.

The processes accomplished for revalidation and the ESR bespoke solution resulted in Lisa Sharp (Registered Nurse & Project Manager) and Nicola Fowler (HR Transformation Programme Manager) receiving the following awards:

- PSHFT Improvement and Innovation of the Month Award – May 2016
- National award at the HPMA (Healthcare People Management Association) in London June 2016.

The potential for shared learning is immense and we have already shared our work through hosting and presenting to Trusts at the London region ESR "Big SIG" event April 2016 and we have currently been contacted by 17 Trusts about our model.

### Midwifery Services

The Trust's ward accreditation system, CREWS, has recently been carried out on both Maternity Inpatients and Transitional Care. Both areas were found to have an overall rating of 'good'. This was a very positive assessment and reflects the hard work that has taken place in both areas in the last few months. Along with the report came an action plan highlighting areas for continued improvement. These included an improvement in documentation. K2, an electronic patient notes system, is now live for all women's maternity records. The transition from paper to IT has caused some challenges around documentation. This is now being monitored by a documentation audit carried out by the Practice Development Midwifery team on a monthly basis. The aim is to highlight trends in poor documentation, support staff to improve in these areas and so improve the standard of documentation for the women's care.

Partners being able to stay overnight, is proving to be a huge success, and is very much seen as an improvement to the women's experience. During February 2017 the ward has sought feedback from families and this was very positive. In order to continue to improve it has been agreed that a leaflet should be given out on delivery suite so all families are aware of the offer of partner to stay and also of what is expected if they choose to do this. The intention is to roll this opportunity out to transitional care once the recliner chairs are in place.



## Allied Health Professionals

Allied Health Professionals (AHPs) are a group of autonomous practitioners who work at many points along the care pathways from first contact and even sole contact practitioners, from diagnosis and prevention, to specialist disease management and rehabilitation. The Trust employs almost the full range of AHPs: Radiographers; Physiotherapists; Occupational Therapists; Dietitians; Orthoptists; Speech and Language Therapists; Paramedics; Prosthetists and Podiatrists. While these are all grouped under the banner of AHPs they are distinct professions with diverse roles. They are all registered with the Health and Care Professions Council (HCPC). HCPC ensure that all AHPs meet a standard of training, professional skills, behaviour and health to be fit for practice. The renewal of registration is every three years.

Radiology has brought back in-house the Lithotripsy service, upskilling the Radiographers and under the supervision of the Consultant Sonographer, they have as a team with guidance from the Radiologists reduced waiting times, improved outcomes and reduced numbers of treatments required. Several Radiographers have successfully completed post graduate training in musculoskeletal and chest X-ray reporting to expand the reporting pool; this has reduced report turnaround times. They have also expanded the repertoire by adding follow up lung

nodule reporting of CT chest examinations under the guidance of our chest Radiologist; this is a new field for reporting Radiographers.

Physiotherapist and Occupational Therapists commenced group inpatient sessions to provide greater intensity of rehabilitation. The therapists working at the 'front door' are now focussed on the frail elderly patients providing early assessment and intervention in their journey to reduce overall length of stay. Outpatient therapists commenced joining forces with the Consultants in fracture clinics to provide a one stop clinic for patients.

Dietitians developed education and management groups as the first line treatment for coeliac disease to improve efficiency and reduce waiting times for the service. The Dietetic Manager now leads the Nutritional Steering Committee and dietitians are working collaboratively with the wards to improve the quality and patient outcomes for the Malnutrition Universal Screening Tool (MUST).

Orthoptists have started to see new patients single handed, which has reduced waiting times and freed up Consultant capacity. They have commenced ward visits to see patients that would benefit from orthoptic treatment but may be unable to attend clinics or feel safer in their ward environment.

Speech and Language therapists have continued to provide education and training on dysphagia management and expanded their staffing to enable the provision of both communication and dysphagia management. Together with medical and nursing colleagues they have developed awareness of oral hygiene.



## National targets and regulatory requirements

The table below outlines the Trust's performance against key performance indicators for the last year. There are 18 targets illustrated.

National target / Regulatory requirement <sup>1</sup>		2014/15	2015/16	2016/17
18 week referral to treatment time – Incomplete pathways within 18 weeks	Target	92%	92%	92%
	Actual	97%	95%	94.8%
All cancers 2 week wait from referral	Target	93%	93%	93%
	Actual	96.8%	96%	97.4%
All cancers – 31 days from decision to admit	Target	96%	96%	96%
	Actual	99.6%	99.5%	99.9%
All cancers – 62 days from referral to treatment	Target	85%	85%	85%
	Actual	89%	86.1%	84.4%
All cancers – consultant upgrades	Target	90%	90%	90%
	Actual	93.9%	94%	98.9%
62 days from screening to treatment	Target	90%	90%	90%
	Actual	95.4%	95%	88.8%
Total time in A&E 4 hours or less – Local health economy	Target	95%	95%	95%
	Actual	85.5%	90.5%	80.1%
<i>C. difficile</i> – meeting the <i>C. difficile</i> objective (crude numbers – refer to section 'other quality improvements on page 83)	Target	31	29	29
	Actual	41	37	23

The national targets show three red areas for targets not achieved. More information about these and the actions taken are in the Annual Report (page 32)

## Statements from stakeholders

The Trust external stakeholders are involved throughout the process of the development of the Quality Account. From the early stages it is discussed at the meetings with the CCGs, Non-Executive Directors and Governors who then review and comment throughout the process. Draft copies are sent to the external auditor and the CCGs for their statements. More complete drafts of the Quality Account are sent out for statements and comments with an invitation to a stakeholder meeting where final comments and changes can be made.

### No statements were received from:-

#### Peterborough Health and Overview Committee



#### Cambridgeshire County Council



## The following statements have been received from external stakeholders by the Trust

### Statement for inclusion in 2016-17 Quality Account for PSHFT April 2017



Cambridgeshire and Peterborough Clinical Commissioning Group (the CCG) has reviewed the Quality Account produced by Peterborough and Stamford Hospitals NHS Foundation Trust (PSHFT) for 2016/17.

The CCG and PSHFT work closely together to review performance against quality indicators and ensure any concerns are addressed. There is a structure of regular meetings in place between the CCG, PSHFT and other appropriate stakeholders to ensure the quality of PSHFT services is reviewed continuously with the commissioner throughout the year. In addition, the CCG has carried out visits to PSHFT to observe practice and talk to staff and patients about quality of care, feeding back good practice and any concerns so the Trust can take action where required. Wherever possible there is joint working with South Lincolnshire CCG.

Following on from the 'Good' rating given by CQC in May 2015 PSHFT have launched their 'Good to Outstanding' (G2O) programme, which engages

staff to drive improvements even further in patient safety, patient experience and patient outcomes. This is having a demonstrable effect in key standards as described in the Quality Account. The fact that much of this, including the ward accreditation programme, is driven by staff on the ground sharing and learning from practice is particularly positive. Achievement is then acknowledged through staff awards.

PSHFT should be particularly proud of the 100% response rate to complaints within 30 days. A strengthened Complaints Department in 2016 enhanced support for staff responding to complaints as well as the monitoring of complaints. The CCG monitor this monthly and what is really important to see is not only that the process is of a high quality but also that the trust are able to demonstrate that they are quick to get learning into practice to improve patient safety and experience. In 2016-17, the focus was on improving the complainants' satisfaction with the response to their complaint and a peer review process with Addenbrookes Hospital has been established which will be fully embedded in 2017-18.

PSHFT have paid particular attention to improvements in documentation in 2016-17 as a cornerstone for delivering safe care. New Adult Assessment documentation has been rolled out, alongside a package of training in assessment and documentation. This has led to a marked improvement in patient documentation, which the CCG recognised on a visit to the trust in March

2017. There has also been the introduction of an electronic e-observations programme to support staff in identifying deteriorating patients accurately and to facilitate effective escalation to the Critical Care Outreach Team. A pilot is currently being undertaken and once completed will be rolled out across the hospital. The assessment of patients' nutritional needs was a quality priority for 2016-17, which requires further improvement work to the required level. The Trust will continue with training staff and is looking to learn from the best practice in other Trust.

In 2016-17, PSHFT reported 66 Serious Incidents, about a third of these relating to the category 'Diagnostics', and three Never Events. Ongoing review and monitoring of the diagnostic serious incidents has not shown any theme and this category remains under close scrutiny by CCG and the Trust to ensure that any emerging trends are addressed. PSHFT has engaged well with the CCG's Serious Incident and Never Event learning events and monthly telephone conferences to ensure that shared learning takes place and preventative actions are implemented.

The Trust has overcome the challenges highlighted in 2015-16 with regards to assessing patients for their risk of Venous Thromboembolism. In 2016-17 staff assessed consistently over 95% of inpatients for this risk and therefore meeting the national target.

PSHFT, as with many other NHS organisations, did not meet the four hour waiting time target in A&E consistently as demand and acuity increased throughout the year and patient flow through the hospital was affected by delays to discharge medically fit patients. The organisation has improved the urgent care pathways using different models for patients to access appropriate care, and ensure that waiting times did not have a detrimental effect on patient care or outcomes.

The complaints process highlighted a particular issue with the discharge of patients from hospital. The Trust were acutely aware of this due to delays to discharge of medically fit patients and A&E performance being below the 95% target. PSHFT responded positively and launched the 'Red to Green' Initiative to improve discharge for medically fit patients by reviewing and addressing delays for individual patients on a daily basis. This is supported by formal training. This initiative has already demonstrably improved the patient experience.

However, PSHFT have, along with all other NHS acute trusts, key areas where they have to be constantly vigilant and strive to ensure that they are meeting the needs of patients. Nursing staffing was problematic at the beginning of the year due to national shortage. PSHFT has successfully recruited nursing staff from the UK and abroad as well as retaining existing and newly trained staff, and a visit by the CCG to the

trust in October 2016 demonstrated an impressive programme of support for nurses from overseas. They have also embraced initiatives such as foundation degree programmes and flexible nursing opportunities, apprenticeships and the new trainee Nursing Associate. This work has resulted in the Trust meeting the safe staffing levels for the wards.

Innovation again has been key to the Trust Medical Recruitment strategy is currently being implemented to ensure that vacancies for middle grade doctors and consultants are filled. PSHFT undertook an Advanced Clinical Practitioner pilot and is also using new technology, such as Skype, to enable recruitment for overseas doctors.

It is clear that the patient experience is central to what PSHFT do, and that to do this the trust demonstrates mechanisms for gaining insight into the patient's perspective at all levels, including the Trust Board. A patient story is heard at every Board meeting, executives' visit services, trust-wide night visits, patient safety walkabouts and the 15 Steps Challenge is embraced, toolkit to help look at hospital care through the eyes of patients and relatives, "what does good look like?". Patient experience is also monitored through the national Friends and Family Test and 74% of patients fed back that they would recommend the Trust, putting PSHFT into the top 20% of NHS trusts nationally.

It is also a testament to the Trust and local pride in the organisation that their volunteer base grew by 23% in 2016-17 to over 300.



**South Lincolnshire  
Clinical Commissioning Group**

NHS South Lincolnshire Clinical Commissioning Group (the commissioners) welcomes the opportunity to review and comment on the Peterborough and Stamford Hospitals NHS Foundation Trust Annual Quality Report 2016/17.

The Quality Report provides very comprehensive information on the quality priorities the trust has focussed on during the year including the challenges in the recruitment of nursing and medical staff, but the Trust recognises the importance of a substantive workforce in contributing to the quality of care for patients and to enhance the patient experience. The report provides a good level of detail describing how the nursing workforce is being strengthened but this is less detailed for medical staff recruitment.

The trust has self-rated compliance with the nutritional MUST toolkit as red; this has been a

concern over a number of years for the commissioner and is a regular item for review at the joint provider and commissioner quality review meetings.

Examples of improvement are detailed throughout the quality accounts and the commissioners acknowledge the efforts made. Of particular note is the positive impact of the ward based accreditation system developed and implemented over the year (CREWS) and this will support the delivery of the 2017/18 Quality Priorities below.

Looking forward to 2017/18, it is unclear how Quality Priorities have been developed with the needs of the local population in mind. The commissioners did not have the opportunity to suggest, recommend or vote on the final Quality Priorities and are concerned that other stakeholders may also not have had the opportunity to contribute to ensure the priorities are correct for the needs of the population.

The geographic area served by the trust has a diverse population and the commissioners would have expected more information throughout the report on how the broader equality and diversity agenda is being implemented for all communities.

The commissioners are also concerned that the Workforce Equality Standard (WRES) refers the reader to the trust's annual report. When reviewing the annual report WRES data is presented but no analysis of the data is given.

The commissioner can confirm that up to the end of quarter three the trust has achieved 38.75% of the National & Local CQUIN (Commissioning for Quality and Innovation) schemes for 2016/17. This is a good

level of achievement and represents 97.65% of the year's monies to date with the remaining monies available in quarter four subject to the trust attaining the requirements. The CQUIN schemes are designed to improve the quality of clinical care and the commissioner is concerned at the poor level of Sepsis CQUIN achievement by the trust during the year.

The commissioner confirms that to the best of our knowledge the accuracy of the information presented within the working draft of the Quality Account submitted is a true reflection of the quality delivered by Peterborough and Stamford Hospitals NHS Foundation Trust based upon the information submitted to the Quality Contract Meetings.

The commissioner can also confirm that the additional reporting requirements for 2016/17 are included within this set of draft accounts although a number of final numerics, percentages and wording will require inclusion in the final issued version.

NHS South Lincolnshire Clinical Commissioning Group recognises the increasing levels of activity over the year and the continued delivery of quality assured safe services. The commissioner looks forward to working with the Trust over the coming year to further improve the quality of services available for our population in order to deliver better outcomes and the best possible patient experience.

**Liz Ball**  
**Executive Nurse and Director of Quality**  
**NHS South Lincolnshire Clinical**  
**Commissioning Group**



# Statement on Peterborough and Stamford Hospitals NHS Foundation Trust's Quality Account for 2016-17

## Introduction



This statement has been prepared by the Health Scrutiny Committee for Lincolnshire. The context for the Committee's statement is that the Trust is the main provider of acute hospital services to patients from the South Lincolnshire Clinical Commissioning Group area. The Trust also provides services to patients in other parts of the county. Over £50 million of acute hospital services are provided by the Trust to Lincolnshire residents each year.

## Review of Priorities for 2016/17

Information on the progress is clearly presented, with simple statements on whether the 2016/17 priorities have been met, supported by detail in each case. This makes the report easier to understand. The Health Scrutiny Committee for Lincolnshire welcomes the fact that the Trust has met 17 of the 24 targets, which have supported its priorities for 2016/17.

An area of interest to the Health Scrutiny Committee for Lincolnshire is the topic of delayed transfers of care. The Committee accepts the reason for the Trust including the 'safe discharge' priority, and notes the statement in the Quality Account that clinical teams might 'rush' discharge in order to release beds. The Committee acknowledges the progress in this area, and stresses the importance of patient safety over the pressure to discharge.

As with 2015/16, we note that the Trust has achieved all its targets in 2016/17 in relation to the handling of complaints. The Quality Account also sets out how the Trust has responded to, and learned from, the investigations and follow-up to complaints.

## Priorities for 2017/18

We support North West Anglia Foundation Trust's priorities for 2017/18 and note that these priorities will apply across all the Trust's hospitals. We note that the priorities are based on input from each of the predecessor trusts.

We note that the Trust Board's Quality Assurance Committee will continue with its in depth monitoring of performance against the targets to deliver these priorities and each month a detailed performance report is submitted to the Board.

## Care Quality Commission

We note the Care Quality Commission's 'good' rating for the Trust, and the fact there have been no planned or unannounced inspections during 2016/17. We note the newly formed North West Anglia Foundation Trust, as a new trust, will be inspected during the course of 2017/18. We look forward to the new Trust continuing with a 'good' rating in the future.

## Challenges for the Future

Last year, the Health Scrutiny Committee for Lincolnshire indicated that it would not wish to see the treatment and the services provided to Lincolnshire residents being adversely affected, as a result of the focus on the plans for the 'merger'. The Committee would like to reiterate this statement in the context of the newly-formed North West Anglia Foundation Trust in its year. Providing high quality services to all patients should remain the primary focus of the Trust's activities.

## Stamford and Rutland Hospital

We welcome the developments taking place at Stamford and Rutland Hospital, and would in particular like to congratulate the Trust on installing an MRI scanner at the Hospital, which has been providing services to patients from February 2017. We look forward to further developments and improvements in Stamford.

## Engagement with the Health Scrutiny Committee for Lincolnshire

The Health Scrutiny Committee for Lincolnshire would like to put on record its positive engagement with the Trust during the last year. This has involved attendance by senior management from the Trust at three meetings of the Committee, where issues such as the 'merger' and developments at Stamford and Rutland Hospital have been discussed. In relation to the 'merger', the Committee considered both the outline and detailed business cases, and gave its overall support to the arrangements for the newly merged trust.

## Conclusion

We are grateful for the opportunity to comment on the draft Quality Account, although as ever the timescales for making comments are brief. We are pleased with the quality and clarity of the information in this document, which clearly demonstrates the quality of services provided to patients.

We would like to engage with the North West Anglia Foundation Trust in the coming year on the quality its services and any plans for the future, in particular on Stamford and Rutland Hospital.

## Council of Governors

The Council of Governors is pleased to comment on the detailed Quality Account for 2016/17 which continues to show progress throughout the year.

The progress shown by the monthly quality reports ensure that Governors are kept up to date with issues throughout the year and assurance is further enhanced by having a Governor attending the monthly Trust's Quality Assurance Committee.

Despite the pressures throughout the NHS, we have been further assured by the Trust's initiatives around quality, compassion, dignity, respect and person centred care. Our involvement enables us to focus on any issues of concern affecting the quality and safety of people using the service throughout the year.

We look forward to the progress continuing throughout the coming year with the formation of the North West Anglia NHS Foundation Trust. The Council of Governors continue to be assured and satisfied that quality and safety is at the heart of the Trust.

**Chris Chew**  
**Tobias Payne**

**Vice Chairman/Lead Governor**  
**Governor Representative Quality**  
**Assurance Committee**

### **Healthwatch Peterborough: Response to Peterborough and Stamford Hospitals NHS Foundation Trust (PSHFT) Quality Account 2016-17**



#### **Working together to have the best health and social care services, shaped by local needs and experiences**

Healthwatch Peterborough and PSHFT have worked closely to ensure patient, carer and public awareness, involvement and feedback is used to develop and deliver the best local services at their two sites in Peterborough and Stamford.

Healthwatch Peterborough welcome the launch of PSHFT's 'Good to Outstanding' (G2O) programme, following their 'Good' rating by the Care Quality Commission (CQC), which engages staff to drive improvements even further in patient safety, patient experience and patient outcomes.

Healthwatch Peterborough are delighted to see some of the key recommendations following our complaint handling satisfaction monitoring being met and the continued improvement in this area, including the 100% response rate to complaints within 30 days. Following Healthwatch Peterborough's reports monitoring the Trust's complainant's satisfaction during 2015-16, we welcomed the introduction of their peer review process with Addenbrooke's Hospital, due to be embedded in 2017/18.

**Emergency Department (A&E)** As with many hospitals around the country, the Trust has seen ongoing and extensive delays in the Emergency Department. Healthwatch Peterborough carried out an out of hours six hour Enter and View visit. Key findings included attendance in the Emergency Department (ED) was exceptionally high; waiting times observed reflect the Trust's challenge to meet the 4 hour wait target. Even though the waiting times were high, general comments and feedback acknowledged that patients felt they would get good care, staff were good and they felt safe. Reviewing a number of Friends and Family Test response cards, which we promoted on the night, these showed a favourable response from patients and carers. However, concern must be raised in regards delays to be initially seen by a clinician for some presentations. For full report go to: [www.healthwatchpeterborough.co.uk](http://www.healthwatchpeterborough.co.uk)

**Patient and public engagement:** Healthwatch Peterborough welcome the Trust's request for support to provide patient and carer representation. Many of our staff and volunteers sit on a number of internal boards and committees to challenge and raise the profile of the patient and carer voice in the development and delivery of services.

We also have been delighted with the support from senior clinical leads of the Trust to our regular local community meetings, held in public. Providing an opportunity to answer questions and to provide updates and developments that affect local people.

Healthwatch Peterborough were delighted to support and host several local public events around the merger with Hinchbrook Hospital. Providing local people, the opportunity to ask senior board members about what mattered to them around the proposals. Healthwatch Peterborough produced reports providing key areas for the Trust to follow up.

Healthwatch Peterborough's staff and trained volunteers, provided patients to take part in the Patient-Led Assessment of the Care Environment (PLACE) at the Peterborough City Hospital and Stamford Hospital. Feedback was acknowledged and used to inform the action plan following this audit, ensuring that patient's views have an impact.

### **Non-clinical (holistic) Cancer Services**

Healthwatch Peterborough continues to work closely with the Trust and Macmillan to raise awareness, develop services and improve experiences for those living with and caring for someone living with cancer.

As a member of the Cancer Wellbeing Centre Steering Group, Healthwatch Peterborough support the Trust with its proposal to re-launch and redevelop the Robert Horrell Macmillan Centre and provide a modern, innovative and quality service for local people.

In November 2016, Healthwatch Peterborough's Chief Operating Officer Angela Burrows carried out a visit speaking to patients and carers. Key findings were access to refreshments, opportunity for those delayed at appointments in the main building, to use the centre and to review use of screens and where groups are held in the centre to offer best available privacy. We are delighted that the Trust continues to improve services offered to local people based on our recommendations.

### **Assessible Information Standards (AIS)**

Healthwatch Peterborough were delighted to be part of another Trust-wide 15 Step Challenge in October 2016. As part of this, we requested that the Trust include a review of AIS which states that an NHS or social care provider organisation must:

1. Ask people if they have any information or communication needs, and find out how to meet their needs
2. Record those needs in a set way
3. Highlight a person's file, so it is clear that they have information or communication needs,
4. and clearly explain how those needs should be met
5. Share information about a person's needs with other NHS and adult social care providers,
6. when they have consent or permission to do so
7. Make sure that people get information in an accessible way and communication support if they need it.

Healthwatch Peterborough created a survey based on the 15 Step Challenge and AIS recommendations and worked with staff and volunteers to see where the Trust was doing well, and where improvements were needed.

Key findings were staff were aware of a range of communication tools/methods where English was a second language and with those with dementia, however more could be done around those with learning disabilities and deaf/blind patients. However, staff did have a good understanding of what needed to be done to assist these people. There is extensive training, however clarity on training material and exactly what it covers would be useful. In regards recording information, the use of passports was deemed an excellent tool.

Staff raised the issue with reliability around information provided externally, i.e. from GPs. If they omit to highlight a communication need, then there may be delays in provided the most appropriate support. Finally, the issue around staff understanding of symbols (used on boards and at beds) was not completely robust. Healthwatch Peterborough made several recommendations and will follow up with an Enter and View during 2017-18.

For further information and/or for reports go to: [www.healthwatchpeterborough.co.uk](http://www.healthwatchpeterborough.co.uk)



*"I cannot speak highly enough of the minor injuries unit at Stamford Hospital. Every member of staff was friendly and welcoming, from the volunteer on arrival, to the receptionist and nurse practitioner. We are so lucky to have this hospital on our doorstep."*

## APPENDIX 1: 2016/17 Statement of directors' responsibilities in respect of the quality report

The directors are required under the *Health Act 2009* and the National Health Service (Quality Accounts) Regulations 2010 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:

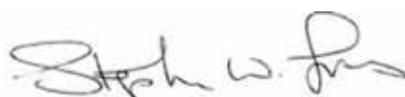
- the content of the Quality Report meets the requirements set out in the NHS Foundation Trust Annual Reporting Manual 2016/17 and supporting guidance
- the content of the Quality Report is not inconsistent with internal and external sources of information including:
  - board minutes and papers for the period April 2016 to May 2017
  - papers relating to Quality reported to the board over the period April 2016 to May 2017
  - feedback from the commissioners dated 08/05/2017
  - feedback from governors dated 05/05/2017
  - feedback from local Healthwatch organisations dated 09/05/2017
  - feedback from Overview and Scrutiny Committee dated 08/05/2017
  - the Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated 09/05/2017
  - the 2016 National Patient Survey xx/xx/20xx
  - the 2016 National Staff Survey, dated 31/03/2017
  - the Head of Internal Audit's annual opinion over the Trust's control environment dated May 2017
- Care Quality Commission inspection report dated 18/05/2015
- 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



**Rob Hughes, Chairman**  
24 May 2017



**Stephen Graves, Chief Executive**  
24 May 2017

## **INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF GOVERNORS OF NORTH WEST ANGLIA NHS FOUNDATION TRUST IN RESPECT OF PETERBOROUGH AND STAMFORD NHS FOUNDATION TRUST ON THE QUALITY REPORT**

We have been engaged by the Council of Governors of Peterborough and Stamford Hospital NHS Foundation Trust to perform an independent assurance engagement in respect of Peterborough and Stamford Hospital NHS Foundation Trust's Quality Report for the year ended 31 March 2017 (the 'Quality Report') and certain performance indicators contained therein.

### **Scope and subject matter**

The indicators for the year ended 31 March 2017 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/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 requirements 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 requirements in NHS Improvement's "Detailed requirements for quality reports for foundation trusts 2016/17"; and
- the indicators in the Quality Report identified as having been the subject of limited assurance in the Quality Report are not reasonably stated in all material respects in accordance with the NHS Foundation Trust Annual Reporting Manual and supporting guidance, and the six dimensions of data quality set out in the Detailed guidance for external assurance on quality reports.

We read the Quality Report and consider whether it addresses the content requirements of the NHS Foundation Trust Annual Reporting Manual 2016/17 and supporting guidance, and consider the implications for our report if we become aware of any material omissions.

We read the other information contained in the Quality Report and consider whether it is materially inconsistent with:

- board minutes and papers for the period April 2016 to May 2017;

- papers relating to quality reported to the board over the period April 2016 to May 2017;
- feedback from commissioners dated April 2017;
- feedback from governors dated May 2017;
- feedback from local Healthwatch organisations dated May 2017;
- feedback from Overview and Scrutiny Committee dated May 2017;
- the Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009 dated May 2017;
- the latest national patient survey dated June 2016;
- the latest national staff survey dated February 2017;
- Care Quality commission inspection, dated March 2017;
- the 2016/17 Head of Internal Audit's annual opinion over the trust's control environment, dated 8 March 2017; and
- Any other information included in our review.

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 Peterborough and Stamford Hospital 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 2017, 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 Peterborough and Stamford Hospital 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 Peterborough and Stamford Hospital NHS Foundation Trust.

### **Basis for qualified conclusion**

As set out in the Statement on Quality from the Chief Executive of the Foundation Trust on pages 1 to 2 of the Trust's Quality Report, the Trust currently has concerns with the accuracy of data of the percentage of patients with a total time in A&E of four hours or less from arrival to admission, transfer or discharge (4 hours A&E) indicator and the accuracy of the data of the percentage of patients on incomplete pathways in excess of 18 weeks (18 week referral to treatment) indicator.

#### A&E Indicator

*Our testing of the calculation of the 4 hours A&E indicator found that supporting data did not corroborate the "start or stop times" recorded by the Trust in 76% of the cases tested. We therefore, cannot conclude that we have sufficient assurance as to the accuracy, reliability or validity of the indicator.*

#### 18 Week Referral to Treatment Indicator

*Our testing of the calculation of the 18 week referral to treatment indicator identified 12% of the cases tested to supporting data did not corroborate the start or stop times recorded by the Trust.*

As a result of these issues, we have concluded that we are unable to test sufficiently the '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/discharge' indicators for the year ended 31 March 2017.

### **Qualified conclusion**

Based on the results of our procedures, except for the effects of the matters described in the 'Basis for qualified conclusion' section above, nothing have come to our attention that causes us to believe that, for the year ended 31 March 2017:

- the Quality Report is not prepared in all material respects in line with the requirements set out in the NHS Foundation Trust Annual Reporting Manual 2016/17 and supporting guidance; and

- the Quality Report is not consistent in all material respects with the requirements in NHS Improvement's "Detailed requirements for quality reports for foundation trusts 2016/17".

KPMG LLP

KPMG LLP  
Chartered Accountants  
15 Canada Square  
London E14 5GL

30 May 2017

# **SECTION 1 | Accountability Report**

## Board of Directors 2016/17

### Non-Executive Directors



**Chairman**  
**Mr Robert Hughes**

Appointment start date 1 April 2013; Appointment end date 31 March 2018.

Mr Hughes was appointed as the Trust's Chairman starting from

1 April 2013. His term was extended to the end of March 2018 by the Trust's Board of Governors in January 2016. Mr Hughes is a former Managing Director of Mars Food UK and has wide experience in national and international strategic development and all aspects of sales, marketing, manufacturing, logistics, financial management and mergers and acquisitions. He is currently a Trustee of Brain Tumour Research and was formerly involved in the NHS Strategic Review of Children's Neuro Surgery. He is Chairman of the charity Anna's Hope, a children's brain tumour charity.



**Non-Executive Director and Deputy Chairman**  
**Mr Allan Arnott OBE**

Appointment start date 1 January 2012. Appointment end date 31 December 2018.

The Council of Governors appointed

Mr Arnott to a non-executive director vacancy effective from the date shown above. Allan fulfils the role of Senior Independent Director and Deputy Chairman at Peterborough and Stamford Hospitals NHS FT. Allan has considerable business and industrial experience at the highest level in large companies in the UK and globally, coupled with significant current and historical non-executive director service, in both the private and public sectors, as Chair and Board member. This experience includes positions on the post-merger synergies team for Lucas Industries and Varsity and the acquisition synergies team for Caterpillar's acquisition of Perkins Engines.



**Non-Executive Director**  
**Ken Beeton**

Appointment start date 1 January 2012; Appointment end date 31 December 2015 – extended to 31 May 2016.

The Council of Governors appointed

Mr Beeton to a non-executive director vacancy effective from the date shown above. His role was extended to 31 May 2016 to enable successful recruitment of a replacement non-executive director. Mr Beeton retired from his role as a senior official at HM Treasury in January 2012. He is a Chartered Accountant and has previously worked locally at Norwich and Peterborough Building Society.



**Non-Executive Director**  
**Steve Brown**

Appointment start date 1 February 2012; Appointment end date 31 March 2017.

The Council of Governors appointed

Mr Brown to a non-executive director vacancy effective from the date shown above. Mr Brown is a former founding Director of Center Parcs and has extensive Non-Executive Director experience within the NHS. He has a portfolio of interests, including being the Senior Independent Director of a construction plc.



**Non-Executive Director**  
**Dr Madhu Davies**

Appointment start date 12 May 2014; Appointment end date 11 May 2017

The Council of Governors appointed Dr Davies to a Non-Executive Director

vacancy effective from the date shown above. Following an initial career in hospital medicine and General Practice, Madhu has developed a career as a consultant in Pharmaceutical Medicine and Devices. This has included some longer-term working including three years with PharmaKodex, seeing the business through from inception to sale. Whilst the majority of her time is dedicated to consultancy the remainder of her time is spent on pro bono work including trustee roles.



**Non-Executive Director  
Sarah Dunnett**

Appointment start date 1 January 2012; Appointment end date 31 December 2017.

Mrs Dunnett is a Chartered

Accountant. Sarah has worked in the public sector for more than 25 years. As well as Peterborough and Stamford Hospitals NHS FT, she is also a Non-Executive Director at United Lincolnshire Hospitals, a trustee of the Miscarriage Association and Treasurer for the Health Quality Improvement Partnership.



**Non-Executive Director  
Mike Ellwood**

Appointment start date 12 May 2016; Appointment end date 11 May 2019.

Mike is Head of Corporate and Commercial Banking at Santander UK

Plc operating at board level. He has more than 30 years' experience in corporate banking having also worked at RBS and NatWest. Mike has extensive experience in merger and acquisition activity both at corporate level and as a provider of finance to large companies. He has led significant transformation programmes and has established Santander Corporate and Commercial as a strong player in the U.K. market with revenues of £750m. He is used to working in a demanding regulatory environment and leading cultural change.



**Non-Executive Director  
Mr Gareth Tipton**

Appointment start date 18 August 2014; Appointment end date 17 August 2017.

Gareth is Group Director

Ethics, Compliance and Governance at British Telecommunications plc. He is a member of the BT senior leadership team and a director of EE. Gareth's current responsibilities include delivering and maintaining a robust ethics and compliance programme pan-BT and designing and implementing a fit-for-purpose and effective system of corporate governance for BT Group plc and its subsidiaries. In addition to running major business transformation programmes, Gareth has a wealth of merger and acquisition experience, the most recent being BT's £12.5bn acquisition of EE in 2016, the UK's largest mobile operator, where he led on the governance and compliance aspects of the deal.

Sarah Dixon and Alan Brown (former Non-Executive Directors at Hinchingsbrooke Health Care NHS Trust were appointed to the Board on 1 April 2017.

## Executive Directors



**Chief Executive  
Mr Stephen Graves**

Mr Graves joined the Trust on 8 September 2014.

He has a broad range of NHS experience which spans some 27 years. One of his early roles saw him based in offices at our Stamford Hospital site. Mr Graves led the Trust to deliver ongoing CIP delivery, and played a major role on the Health and Care Executive for the local Sustainability and Transformation Plan. He is a member of the Peterborough Executive Partnership, whose key aim is the integration of health and care services. Mr Graves was previously Chief Executive of West Suffolk NHS Foundation Trust. During his time there he led the Trust to Foundation Trust status. Mr Graves was a director at Addenbrooke's Hospital and Director of Corporate Development at Cambridge University Hospitals NHS Foundation Trust, where he led the development of the Cambridge Biomedical Campus.



**Director of Finance/Deputy  
Chief Executive  
Mrs Caroline Walker**

Mrs Walker joined the Trust as Director of Finance and Deputy Chief Executive in April 2013.

Prior to this she was Chief Operating Officer at Loughborough University. Her career in finance within the NHS dates back to 1982 and has seen her work at University Hospitals of Leicester NHS Trust, Great Ormond Street Hospital, Barts and the London NHS Trust. In August 2015 she was appointed to lead an ongoing health system-wide programme to investigate the possible benefits of local healthcare providers working together to improve services and save money. In order to do this, she handed the core finance responsibilities to Peter Oldfield, Deputy Director of Finance, until 30 June 2016. Mrs Walker was Project Director for the merger of the Trust with Hinchingsbrooke Health Care NHS Trust.



**Acting Finance Director  
Mr Peter Oldfield**

Mr Oldfield joined the Trust in October 2013, initially as Deputy Director of Finance and moved to the position of Acting Finance Director in August 2015.

His role of Deputy Director of Finance concluded on 31 July 2016. Following this appointment Mr Oldfield took up the role of Transaction Finance Workstream Lead for the merger Transactional Team.



**Director of Workforce and Organisational Development**  
**Mr Ian Crich**

Mr Crich was appointed in October 2014 and is responsible for all aspects of the management of the Trust's workforce, estates, facilities and security team.

He was Chief HR Officer at University Hospitals Coventry and Warwickshire NHS Trust. Prior to joining the NHS, Mr Crich had a long and successful career in Local Government and was HR Director to the States of Jersey. He has been a Corporate Director and member of a Board of Directors for the past 18 years.



**Chief Operating Officer**  
**Mr Neil Doverty**

Mr Doverty joined the Trust in October 2014 and is responsible for the operational performance of all directorates across the Trust and is the executive lead for

transformational change. He has extensive NHS experience with over 10 years at Director/Assistant Director level in the acute sector in community and mental health services, as well as county level experience in social care. His experience spans the successful management of complex change implementation, including service re-modelling, hospital decommissioning, staff redeployment plans, clinical merger and inter-agency partnership working. Mr Doverty's previous posts include Chief Operating Officer at the Wye Valley NHS Trust and University Hospitals of Leicester NHS Trust.



**Medical Director**  
**Dr Kanchan Rege**

Dr Rege was appointed in August 2015. She oversees the management of the Trust's consultant body and doctors in training.

Prior to her appointment, Dr Rege was a Consultant Haematologist for the Trust and continues to see patients one day a week at her clinic at Peterborough City Hospital. She began her career as a consultant working at Hinchingbrooke and Papworth Hospitals in 2000. She joined Peterborough and Stamford Hospitals in 2007 and was appointed Clinical Lead for Cancer and Specialist Care in 2008. She was appointed Clinical Director of the Cancer and Diagnostics directorate in 2012. During her clinical role she led the development of radiotherapy services, bringing this treatment to the local population. She was voted 'Hospital Hero' by public vote in 2013.



**Chief Nurse**  
**Mrs Joanne Bennis**

Mrs Bennis was appointed Chief Nurse in February 2015 following her role as Deputy Chief Nurse at the Trust.

She is responsible for professional practice, clinical quality and organisational change in the interests of patient care. She advises on nursing, midwifery and allied health professional issues, and is the professional head of the nursing and midwifery service and director of infection prevention and control for the trust. She takes the lead in delivering effective clinical care and has joint responsibility with our Medical Director for the clinical governance agenda. Mrs Bennis began her training in Peterborough and brings more than 30 years' nursing experience to the role. Mrs Bennis was the Trust's first clinical educator and developed the research team in partnership with the Medical Director. She led the Trust in developing services and care for the Trust to attain a 'good' service rating from the CQC.



**Company Secretary**  
**Miss Jane Pigg**

Miss Pigg's role involves a wide diversity of work across the Trust.

She works at a strategic level with all our external partners, including the local authority, ensures the appropriate running of the Trust Board of Directors and Council of Governors, and has lead responsibilities for corporate governance. Miss Pigg has held a number of posts at the Trust, during which time she was the Project Director for achieving foundation trust status, and led the development and induction of the Council of Governors. Prior to joining the Trust Miss Pigg was the Co ntracts and Marketing Manager for the Royal Marsden NHS Trust and worked to successfully introduce contract processes for the internal market. She is a non-voting member of the Trust Board.

## Required Disclosures

### Income disclosure

As required by section 43(3A) of the *NHS Act 2006*, Peterborough and Stamford Hospitals NHS Foundation Trust can confirm that income received from other sources has had no impact on its provision of goods and services for the purposes of the health service in England.

### Better Payment Practice Code

The Better Payment Practice Code requires the Trust to pay all valid invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later, unless other payment terms have been agreed with the supplier. The Trust's compliance with the code is set out in the notes to the accounts.

### Compliance with cost allocation and charging guidance

The Trust has complied with the cost allocation and charging guidance issued by HM Treasury.

### Statement as to disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which Peterborough and Stamford Hospitals NHS Foundation Trust auditors are unaware.

The directors have taken all steps they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that Peterborough and Stamford Hospitals NHS Foundation Trust auditors are aware of that information.

### Donations

There were no political or charitable donations to disclose.

### Overseas Operations

The Trust does not have any areas of overseas operation.



"@psh\_nhstrust  
Would like to thank the  
staff at Peterborough  
Hospital for keeping  
my dad going, you're  
doing a fantastic job...  
thankyou"



Trust managers went 'back to the floor' in 2017

# Patient Care

## Service improvements

The Cost Improvement Programme (CIP) Target for the year was £13m and this was apportioned across the Trust directorates based on budget, as in previous years. The Trust actually delivered £14.311m at the financial year end and £15.907m at the prior year ending, an over performance of 111% and 122% respectively. This is testament to the effort and focus across the Trust to accept the challenge and deliver the agreed CIP targets.

During the year the Business Transformation Team (BTT) switched its main focus from the Urgent Care Programme to the Elective Care Programme.

Between April and December 2014, the Trust cancelled 1953 elective procedures (day case and in-patient) on the day. The top 80% reasons for cancellations on the day were:

Reason cancelled Apr-Dec 2014	Vol	Cum %
Procedure not required	422	22%
Patient did not arrive	306	37%
Unfit for surgery	252	50%
No bed on ward	188	60%
Unfit for anaesthetic	136	67%
Patient changed mind	116	73%
Transfer other list: Hosp Choice	102	78%
Session Overran	47	80%



Preliminary work was started with the Surgical Musculoskeletal Directorate to reduce the volume of 'on the day' cancellations in 2015. In April to December 2015, the number of cancellations on the day was reduced to 1587 for the following reasons.

Reason cancelled Apr-Dec 2015	Vol	Cum %
Procedure not required	360	23%
Patient did not arrive	261	39%
Unfit for surgery	241	54%
Unfit for anaesthetic	116	62%
Patient changed mind	96	68%
Transfer other list: Hosp Choice	86	73%
Lack of time for procedure	51	76%
Further tests required	50	79%

During April to December 2016 'on the day' cancellations reduced further to 1357 procedures.

Reason cancelled Apr-Dec 2016	Vol	Cum %
Patient did not arrive	261	19%
Procedure not required	235	37%
Unfit for surgery	229	53%
Unfit for anaesthetic	118	62%
Patient changed mind	110	70%
Did not comply starving Inst	40	73%
Further tests required	37	76%
Pt phoned to cancel day of Op	36	79%
Patient has other commitments	26	80%

It is pleasing to see that cancellations for lack of beds between April and December 2016 amounted to 23 patients only, compared to 188 cancellations for lack of beds in April to December 2014.

The April to December data shows a further reduction of 230 cases cancelled on the day and at an average tariff of £1,500, a 'saving' to the Trust of £460k at the financial year end.

In addition to the work to reduce on the day cancellations, work has been ongoing to undertake 'five joints per list' on Mr Reston's list. This exceeds Professor Tim Briggs expectations of four joints per list. This trial has been successful and while the team are keen to progress this further, pressures in the Urgent Care Pathway hindered further progress. As a result of the work undertaken during the Elective Care Programme, £2.2m has been transacted for the CIPs this financial year.

In addition to the work in theatres to support the elective care programme, a member of staff dedicated to supporting the Outpatient's Department. As a result of the work in the Outpatients Department, utilisation has increased. As a result of the additional activity £1.425m was transacted on the CIP master this year. Further opportunities in the Elective Care Programme remain next year; however, the BTT will need to continue to support the Urgent Care Programme to regain a steady state.

### **Other areas the BTT has supported, include:**

Programme management to support the Pharmacy Department in its delivery of recommendations highlighted in the 'Model Hospital' by Lord Carter of Coles.

Work streams with stream leads were established. These streams report into a project board. The Chair of the Project Board reports into the Programme Board which monitors the progress of all Pharmacy projects.

The governance methodology was shared with a number of Chief Pharmacists within the Region and we anticipate at least £500k CIPs next year as a result of implementing the Lord Carter recommendations.

Dedicated support to the Ambulatory Care Unit (ACU) pathway to increase the number of pathways that ACU can support from either the base wards, the Medical Assessment Unit (MAU) or the Emergency Department (ED).

Excellent progress was made and the focus for next year will be extending opening hours and making the processes within the Trust more efficient. As a result of the increase in activity within ACU, the Trust managed to transact £632k against this year's cost improvement plan.

Support across the Urgent Care Pathway was ongoing this year. This was notably on the Medical Assessment

Unit (MAU) and on Ward A3 to ensure white boards were effective in identifying patients who needed to transfer to specialty beds and maintain MAU as an assessment area. This also included identifying patients who were in the Trust on a short stay only basis, and need to move to Ward A3 ready for discharge within 72 hours, to maintain flow in the medical pathway. Since mid-December we saw an improvement in the number of daily discharges from the short stay medical ward.



*"Sending my thanks to all the lovely staff on Amazon Ward. My daughter was well looked after. The facilities available for the children are amazing and the food offered was a very high standard. Thank you all for the love and support."*

Finally, the BTT managed the new Chandra Mistry Dialysis Unit project. The opening date was set at 9 January 2017. By Friday 6 January the unit was approved by the CQC, the building regulations were signed off, the Leicester Fire Officer had signed off the fire safety certificate, and patients were booked to arrive on Monday 9 January. Unfortunately, due to bad weather, some ground works were not completed by 16:00 hrs on Friday 6 January, which meant the actual opening was delayed by one week. The Unit is now fully operational and staff and patients alike are delighted by the new facility. The official opening is scheduled for 26 April 2017.

### **Care Quality Commission**

During the year there were no announced or unannounced visits from the CQC. The Chief Nurse met every six to eight weeks with the CQC relationship manager to review progress against the CQC quality improvement plans developed by each Directorate and any concerns or issues that may have been raised to the CQC. These meetings have been pivotal in developing and maintaining a strong, open and honest relationship with the CQC.

Work has continued to drive to develop our quality from 'Good' to 'Outstanding' through a variety of routes. For example, the good to outstanding Organisational Development 'Outstanding patient care and Experience' work stream, CQC monthly self-assessments reviewed at the monthly Matron Quality Assurance Committee chaired by the Chief Nurse, and introduction of the ward accreditation scheme aligned to the CQC key lines of enquiry (CREWS). This programme of work was commended by the CQC relationship manager and has been shortlisted for a national award through HPMA.

As a newly merged organisation for 2017/18, we have been informed that the CQC will undertake a full inspection of all three sites. Work has already commenced to prepare the organisation.

## Complaints

The Trust has a strong focus on improving patient experience and is committed to resolving complaints to the satisfaction of the complainant, to learn from what has happened and where appropriate, make demonstrable improvements to our services.

Some of the improvements were made last year as a result of taking action on complaints, and included:

- Providing a quiet room in the orthopaedic department, that was named after a patient
- A Gentamicin task and finish group was set up to revamp the tool to make it easier to use and to roll out further education to staff
- Team days around communication, close call bell monitoring and fluid balance monitoring
- Additional staff training on data protection
- A standard operating procedure in theatres for lost property
- Review of the critically ill child policy, development of an HDU risk assessment and parent information leaflet by the Paediatrics team

The complaints team refined the complaints process in 2015/2016 to ensure we put patients at the centre of everything we do when handling complaints and concerns. The most significant changes have been the introduction of an opportunity of a pre-meeting for the complainant to come in to the Trust to discuss their concerns before the investigation begins. This is aimed mainly at maternity patients to ensure any concerns they have are highlighted immediately and any ongoing concerns addressed.

We have also improved personal contact with each complainant. We now telephone them to discuss their complaint and ask what outcome they are seeking. This is so their expectations can be better managed while ensuring there is a more robust complaints management plan.

This management plan means complainants' expectations are better managed from the outset and ensure complaints are dealt with in a timely manner. During this first initial contact, the complainant is given the opportunity to attend a pre-investigation meeting, a further offer to meet after the

investigation, and once the complainant has received the full response.

This second meeting would usually be attended by appropriate senior staff who would have been involved in providing input for the complaint response. This provides an opportunity for both the complainant and staff to discuss the outcomes and learnings from the complaint, as well as any outstanding concerns.

Throughout 2016/17 the complaints department responded to 93% of the 404 complaints received within 30 days – exceeding its target of 90%. This was compared to 70% in 2015/16, when the Trust received a total of 510 complaints. Although the number of complaints received was higher in 2015/16, this still shows a notable improvement in response rate.

Nevertheless it continues to be a challenge to achieve the 30 working day response timeframe, particularly at times of increased clinical pressures. Many of the complaints closed outside of the agreed timescales were either more complex and involved more than one organisation, or those which raised complex concerns.

It is important to the Trust that while maintaining our targets, it is essential that our continued commitment and desire to improve the effectiveness and responsiveness of our complaints handling is achieved.

We continue to work hard to ensure our complaints process is personal and responds to the needs of the individual.

Our approach is based upon the principles of good complaints handling, as published by the Parliamentary and Health Service Ombudsman and endorsed by the Local Government Ombudsman. Our principles are:

- Getting it right
- Being customer-focused
- Being open and accountable
- Acting fairly and proportionately
- Putting things right
- Seeking continuous improvement



*"Would just like to say a massive thank-you to all the staff at PCH... from admittance in A&E to all the staff on Ward A15 were an absolute credit to your team of angels - friendly, caring, attentive all the time, and at one of the busiest times of the year too. You were superb!"*

Significant developments in complaints management during 2016/17 included:

- A named point of contact for all complainants to discuss how their complaint will be handled, agree the timeframe and extension if required
- Robust monitoring of lessons learnt
- Monitoring complaints handled jointly between the Trust and Addenbrooke's Hospital by undertaking each other's satisfaction surveys and contacting each complainant by phone
- On-going improvements in the quality of our investigations and responses through a robust quality assurance checking process
- Delivering Trust-wide complaints training for staff involved in investigating, responding to and reviewing complaints
- More face-to-face meetings before and after investigations
- Changes to our Datix system to support the new requirements of the national KO41, a complaints data collection to publish quarterly data and improve the usefulness of reporting to identify themes

The National Health Service Complaints (England) Regulations 2009 requires that all Trusts provide an annual report on the handling and consideration of complaints. This report will be available on our Trust website once it has been endorsed by the Trust Board of Directors.

## Complaints monitoring

Complaints are reviewed at the most senior level in the Trust in recognition of their importance. The Chief Executive is the Responsible Officer and is the signatory for all written responses.

Complaints matter to us as a Trust and we take all negative feedback very seriously. Our Chief Executive or his nominated Deputy sees all complaints when they arrive and reviews all responses personally before they are sent to the complainant. Weekly meetings take place between the Complaints Manager and the Chief Executive to discuss the process for all active complaints.

Complaints received are also presented and reviewed at our weekly Rapid Review Meeting which is chaired by the Chief Nurse. All complaints are risk-rated by the Complaints Manager and then, depending on the level of the risk identified, highlighted either to the Risk Manager, Safeguarding Vulnerable Adults Nurse or Safeguarding Children Nurse. Based on

the individual complaint concerns, some are also highlighted to the Trust Dementia Specialist Nurse or the Falls and Fracture Prevention Nurse Specialist.

Through the Performance Review Groups we challenge our General Managers regarding pathways issues, timeliness and quality.

Our overall activity for the year across the Trust (which includes Emergency Department attendances, inpatients, outpatients, day-case patients and maternity patients) totals 716,981 episodes. When compared to complaints activity, this demonstrates that of those patients who were seen and treated in the Trust, 0.071% complained about the care they received. While the number of episodes from last year to this year increased by 7.1, the number of complaints fell by 21%.

A decrease in the number of complaints for 2016/2017 could suggest that more patients are satisfied with the care, treatment or service they have received. However, other factors may have influenced the number of complaints received, such as our Trust listened and learned from the complaints and made appropriate improvements, trained staff to deal with complaints and improve customer services skills.

We also worked more closely with our Patient Advice and Liaison Team to try to have matters dealt with more promptly. Another reason formal complaints may be less, could be that patients and carers became more comfortable about complaining directly to PALS. Having said this, the actual reasoning behind a decrease or an increase in complaints is difficult to evidence. Further information can be found in the Quality Account on page 60.

All complaints are categorised according to the main subject or topic of the complaint. The top areas of concern in 2016/17 were Clinical Care, Medical, Communication and Diagnosis.



## Stakeholder relations

This year, we have undertaken a dedicated programme of engagement with our staff, our members, local patient groups and members of the public to ensure as many local people as possible could share their views on the proposal to combine Peterborough and Stamford Hospitals NHS Foundation Trust with Hinchingbrooke Health Care NHS Trust.

A series of public events were held at venues throughout Peterborough, Huntingdonshire and South Lincolnshire to give people the opportunity to discuss how merging our hospitals would strengthen services across all three hospital sites. These events were well-attended and also served to strengthen relationships with key stakeholders who supported them, such as Cambridgeshire and Peterborough Healthwatch, local patient participation groups and local council representatives.

We have continued to work closely with local healthcare providers and commissioners, particularly in the health system-wide Sustainability and Transformation Programme which aims to develop a health and social care system that meets the needs of patients in both the short and longer term. This has involved Trust staff from board to service delivery levels and our commitment to this programme will continue in 2017/18 and beyond.

The Trust also maintains good links with stakeholders in Lincolnshire and Rutland in order to provide updates on the work of our teams at Stamford and Rutland Hospital. We have provided regular updates to Stamford Town Council and the Health Scrutiny Committee for Lincolnshire on the work that has taken place this year to redevelop parts of Stamford and Rutland Hospital.

Our relationship with Health Overview and Scrutiny Committees (HOSCs) in both Lincolnshire and Peterborough ensures members are briefed regularly by a Trust executive board member on issues relating to both our hospitals. We were pleased to be able to brief a specially-convened joint committee of the Peterborough and Cambridgeshire Health Overview and Scrutiny Committee on our merger with Hinchingbrooke Health Care NHS Trust and will continue to do so post the merger implementation on 1 April 2017.

HOSCs are a statutory function of Local Authorities, comprising elected representatives whose role it is

to scrutinise decisions and changes that impact on health services in their area.

Pupils from local primary and secondary schools are welcome visitors to our hospitals as a way to help educate youngsters about health and potentially influence their career choices. Staff in the Emergency Department run a regular 999 Club, which is aimed at primary school children and designed to take the fear out of a hospital visit, as well as instil some safety messages. Every February, pupils from the sixth form at Jack Hunt School participate in a 'Take Over' day, which involves them shadowing specific clinicians to learn about a particular NHS career that interests them. This year students undertook placements in maternity, pharmacy, radiology and pathology.

This year the Trust has also supported the set-up of a formal patient experience group, led by our patient experience manager. We look forward to widening the remit of this group in future to gain valuable insight on ways we can improve our hospitals for patients and visitors.

On matters of patient experience, quality of care and patient feedback, the Trust continues to engage with the local Healthwatch organisations in the Trust's geographical area. We appreciate the support Healthwatch members give us in completing reviews of our service, both planned and unannounced



**"@psh\_nhstrust thanks A&E Sun eve for 1st class treatment for my Dad (on Father's day!) Emergency hernia op then to A4 YOU WERE ALL AMAZING!"**



Students from the Jack Hunt School visit Peterborough City Hospital for Take Over Day

# Remuneration Report

The Trust operates with two complementary remuneration committees.

There is a Remuneration and Nominations Committee, whose function is to meet the statutory responsibilities of the Board of Directors with respect to executive positions as set out in the NHS Improvement Code of Governance and to review succession planning.

There is a Non-Executive Director Appointments and Terms of Service Committee, whose duties are to recommend to the Council of Governors processes for the appointment, re-appointment, remuneration, appraisal, resignation and dismissal of the Trust's non-executive directors and chairman; and to manage these processes with Trust officers on behalf of the Council of Governors, prior to approvals being sought on these matters. These duties are also be conducted in line with the NHS Improvement Code of Governance.

This split reflects the duties of the Council of Governors to hold to account, appoint and set the terms of service for the non-executive directors; and the duties of the non-executive directors to appoint, hold to account and set the remuneration of the executive directors. The Trust operates with these two committees to ensure that the conflict of interest for the non-executive directors regarding their own remuneration is minimised.

Attendance at the two committees is shown in the relevant sections below. There is consistent membership between the two committees – the Trust Chairman and Company Secretary. When any personal arrangements for an individual are due to be discussed, these individuals are asked to leave the meeting and do not re-join that meeting until the discussions are complete.

This report focusses on the work undertaken in 2016/17, and whilst work was undertaken in preparation for the merger with Hinchingsbrooke Health Care NHS Trust, the outcome of this work in terms of appointments and exit packages will be evident in the report for 2017/18.

## Annual Statement on Remuneration

The Trust has adopted the national requirements for remuneration in terms of Agenda for Change for all nursing, administration and other non-medical staff and the medical and dental contracts for its medical staff (doctors). Information on these arrangements can be found at [www.nhsemployers.org](http://www.nhsemployers.org).

In terms of senior manager posts at Board level, remuneration is set at a level that enables the recruitment and retention of the skills required. Individual benchmarking for specific roles is undertaken as appointments are made. This uses benchmarking against the annual survey undertaken by NHS Providers as well as advice from appointed selection consultants.

There have been no new executive director appointments during 2016/17.

The notice period for executive directors is six months and for non-executive directors is three months.

The level of non-executive director remuneration has been unchanged from 2015/16. There has been no increase in non-executive director remuneration since 2014.

There is no performance related pay element of remuneration for Trust staff, including senior managers.

The Trust runs its own flexible staffing service, where registered staff are paid at agreed national rates in line with national parameters which enables additional shifts and resourcing requirements to be met from staff who have knowledge of the Trust's policies and quality standards. To incentivise staff to seek additional shifts within the Trust rather than seek higher rates in other hospitals, enhancements have continued during 2016/17 with regular reviews to assess impact.

External agency staffing is only used when the demands cannot be met by current contracted and bank staff, and the Trust continues to work on reducing these demands, however the recruitment



**"I have just been discharged, after being in the hospital for five days. From the treatment I received from the emergency department to the short-stay ward, everything was top notch. Thank you for making me better."**

market remains challenging and resource is scarce. The introduction of the agency cap (national controls on agency spend) last year has continued to prove a challenge and there have been occasions during 2016/17 when we have had no option but to go outside the rules and 'break' the cap rates. A vigorous authorisation process is followed before approval is given to 'break' the cap. These instances are for patient safety reasons and used only when required.

Off-payroll arrangements (i.e. where individuals are engaged through a personal service company) are kept to a minimum and are only used on an interim basis where this secures the best individual for the role. Off-payroll disclosures are noted on page 123. All executive directors are paid through the Trust payroll. No off-payroll payments have been made to this group.

As far as has been possible in advance of its introduction in April 2017, we have made preparations for the changes to the IR35 (intermediaries regulations) affecting the public sector. The changes place new liabilities and limitations on the use of off-payroll arrangements including those individuals working through Agencies via Personal Services Companies (PSC) and Limited Liability Partnerships (LLP). Many Agency Doctors have historically worked through PSCs and therefore will be impacted.

There were no staff exit costs for 2016/17. The costs for 2015/16 were a total of £680,000 for 40 staff.



## Annual Report on Remuneration

### Remuneration and Nominations Committee

This committee considers the remuneration strategy for the Trust and the remuneration and nominations considerations for executive directors.

The Committee met 8 times during the year rather than the baseline four meetings a year. The main issues for discussion were: the review of the disclosures required for the 2015/16 annual report and accounts including off-payroll declarations; review of performance; the impact of the collaboration work with Hinchingsbrooke Health Care Trust.

A further review of the Terms of Reference has been conducted within the year to review the arrangements for the committee to be established as part of the enlarged Trust. This was completed at the meeting held on 28 March 2017, with the Terms of Reference to be approved by the new enlarged Trust Board on 25 April 2017.

Membership of the committee has remained consistent throughout this last year. The members and attendance at the committee is shown below.

	26 Apr 16	24 May 16	31 Aug 16	2 Nov 16	2 Dec 16	5 Dec 16	6 Feb 17 <input type="checkbox"/>	28 Mar 17
<b>Committee Members</b>								
Rob Hughes Chairman	✓	✓	✓	✓	✓	✓	✓	✓
Allan Arnott <sup>1</sup> Deputy Chairman					✓		✓	-
Ken Beeton <sup>3</sup> Non-Executive Director	✓							
Steve Brown <sup>2</sup> Non-Executive Director			✓					
Madhu Davies Non-Executive Director	-	✓	-	-	✓	✓	-	✓
Mike Ellwood Non-Executive Director		✓	✓	✓	-	✓	✓	✓
<b>Hinchingbrooke Non-Executive Directors in Attendance</b>								
Alan Brown Non-Executive Director HHCT				✓	✓	n/a		n/a
Sarah Dixon Non-Executive Director HHCT				✓	✓	n/a		n/a
<b>Officers in Attendance</b>								
Stephen Graves Chief Executive	✓	✓	✓	-	-	✓	✓	✓
Ian Crich Director of Workforce and OD	✓	✓	✓	-	-	✓	✓	✓
Jane Pigg Company Secretary	✓	✓	✓	-	-	n/a	n/a	✓

<sup>1,2</sup> Mr Arnott and Mr Brown substituted for meetings where Dr Davies and Mr Ellwood were unavailable

<sup>3</sup> Mr Beeton's term of office ended in May 2016

this meeting was held virtually via phone and e-mail discussion

✓ denotes attendance

n/a attendance not appropriate

- denotes apologies sent

There are four key elements that the current committee needs to undertake, in terms of leadership, remuneration and performance, nomination and external advice. The activity of the committee during 2016/17 is set out below:

Purpose	Committee Activity
<b>Leadership</b>	
1. To review leadership needs and succession planning to ensure the Trust can fulfil its own strategic and statutory requirements	Reviewed as part of review of executive appointments and portfolios for proposed merged Trust (Dec 16) Further consideration of support requirements in line with NHSI request considered (Feb 17)
2. To review the overall structure of the Board of Directors in terms of structure, size, skills, knowledge, experience and diversity, reflecting the needs of the national equality and diversity strategy	Reviewed as part of review of executive appointments and portfolios for proposed merged Trust (Dec 16)
3. To review and approve the chairmanship of Board committees	Previous review (Sep 15) with review in year through Shadow Board for Board Committees for proposed merged organisation Confirmation of approach for enlarged Trust (Mar 17)
4. To approve the process for and outcome of Board performance reviews	Progressed through Shadow Board Development (Dec 16) Board Development Approach for 2017/18 endorsed (Mar 17)
<b>Remuneration and Performance</b>	
5. To review and approve executive remuneration and terms and conditions of service including decisions related to compulsory or voluntary redundancy for executives not covered by nationally negotiated pay scales adopted by the Trust	Review of 2015/16 remuneration as part of remuneration report for Annual Report and Accounts (Apr 16) Agreement that 2016/17 remuneration uplift should be linked to national pay awards of 1% (Apr 16) Review of Acting FD remuneration (Apr 16) Initial consideration of position and approach to existing executive directors across the two Trusts not appointed to the enlarged Trust (Mar 17)
6. To consider the development of any performance related pay element include the basis on which performance would be measured	Not undertaken as performance related pay currently not part of Trust's remuneration policy
7. To review and approve the process for job evaluation of executive posts	Process for review of posts undertaken as part of proposals for merged Trust, and with input from non-executive directors of Hinchingsbrooke Health Care Trust (Nov 16)
8. To review and approve the process for individual performance evaluation of executive post holders	Process currently used is as per Trust process for all staff groups (Dec 16) Process to be enhanced with 360-degree coverage for 2017/18 (Mar 17)
9. To receive the outcome of the annual evaluation undertaken for each individual executive	Review of annual evaluation received (Aug 16 and Dec 16) as part of merger requirements
10. To review the impact of any specific non-recurrent issues on performance and remuneration	

Purpose	Committee Activity
<b>Nomination</b>	
11.To commission recruitment exercises to fill any vacancies amongst the executive	No vacancies have arisen – however one formal recruitment process held in year regarding arrangements for proposed merged Trust (Chief Nurse) which included non-executive input from Hinchingsbrooke Health Care Trust (Dec 16)
12.To review and approve changes to the role description of existing executive posts following recommendation by the Chief Executive, except for the Chief Executive where a recommendation is made by the Chairman	Undertaken as part of appointment of executive positions for proposed merged Trust which included non-executive input from Hinchingsbrooke Health Care Trust (Dec 16)
13.To agree the role description, person specification, remuneration and terms and conditions of service for new executive appointments	No new appointments made to Trust, but role descriptions and portfolios reviewed as part of appointment to executive posts at proposed merged Trust (Dec 16)
<b>External Advice</b>	
14.To appoint specialist remuneration and recruitment advisors to assist the committee in fulfilling its purpose	NHS Provider benchmarking data shared, no external appointments made with independent advisor used for Chief Nurse appointment to proposed merged Trust (Dec 16)
15.To review and act in accordance with statutory and best practice guidance on remuneration and nomination	<p>Incorporated into Committee principles on remuneration</p> <p>Committee also heard and upheld the outcome of an appeal panel under National Terms and Conditions for Consultants 2003 (Aug 16)</p> <p>Specialist legal advice was sought to inform the Committee regarding the process for Executive Director appointments for the merged Trust (Nov 16)</p>



Our Research Team

## Non-Executive Director Appointments and Terms of Service

The members and attendance at the Committee is shown below. The Committee has met three times in the year – the main issues of discussion were: an update on performance appraisal for the non-executive directors and the chairman; a review of non-executive director remuneration; the consideration of the reappointment of three existing non-executive directors;

	11 Aug 16	04 Nov 16	23 Mar 17
<b>Committee Members</b>			
Mark Bush Lead Governor/Public Governor and Committee Chairman	✓	-	✓
Annette Beeton Public Governor	✓	✓	✓
Brian Hackman Public Governor	✓	✓	-
Bill Proudlock Public Governor	✓	✓	✓
Astrid Kuhn Public Governor	✓	✓	✓
Christopher Chew Public Governor	✓	✓	✓
John Ellington Staff Governor	-	✓	✓
Moira Johnston Staff Governor	✓	-	-
Sue Thompson Staff Governor	-	-	-
<b>Officers in Attendance</b>			
Rob Hughes Trust Chairman	✓	✓	✓
Jane Pigg Company Secretary	✓	✓	✓

## Senior Manager Remuneration Policy

The tables on pages 120 and 121 show the remuneration for those persons in senior positions having authority or responsibility for directing or controlling the major activities of the Trust. These are defined as the Executive and Non-Executive Directors of the Trust. It should be noted that the remuneration for the Medical Director includes that relating to her role as a medical consultant.

This table is supplemented by a further chart showing the pension benefits for the executive directors on page 122. There is no table for non-executive directors as these appointments are not pensionable. This table shows projected pension benefits as at the age of 60 and the increase in pension entitlement earned during the year. The cash equivalent transfer values (CETV) quoted on page 122 are the actuarially assessed capitalised value of the pension scheme benefits accumulated at the date shown. The real increase in cash equivalent transfer value is calculated by adjusting the value as at 31 March 2016 for inflation. 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.

The in-year pension benefit calculation is made according to the requirements of NHS Improvement's Annual Reporting Manual and is based on independent pension evaluations provided by the NHS Pensions Agency. This estimates the additional lump sum payment, plus the additional pension entitlement available at retirement over a twenty year period, provided the employee remains in post until the age of 60. This multiplier of twenty is used as it is the actuarial expectation that pension payments will be received for twenty years. The details of how pensions are calculated at retirement age are detailed in the accounting policies note in the Trust's accounts.

It should be noted that this pension benefit is not received until retirement and actual payments of these amounts have not been received by the individual executives.



Global Corporate Challenge – our winning team who walked the furthest, with Ian Crich, Director of Workforce and Organisational Development

## Single Total Benefit Table – Executive Directors

	2016/17			2015/16		
	Remuneration Salary & Fees Bands of £5k	Pension Related Benefits - All Bands of £2.5k	Total Bands of £5k	Remuneration Salary & Fees Bands of £5k	Pension Related Benefits - All Bands of £2.5k	Total Bands of £5k
<b>Joanne Bennis</b> Chief Nurse (appointed 1/2/15)	110-115	115-117.5	230-235	105-110	170-172.5	275-280
<b>Ian Crich</b> Director of Workforce and Organisational Development (appointed 20/10/14)	130-135	0	130-135	125-130	0	125-130
<b>Neil Doverty</b> Chief Operating Officer (appointed 22/10/14)	125-130	0	125-130	125-130	0	125-130
<b>Stephen Graves</b> Chief Executive Officer (appointed 8/9/14)	170-175	30-32.5	205-210	170-175	47.5-50	220-225
<b>Peter Oldfield</b> Acting Finance Director (appointed 1/9/15 to 30/6/16)	25-30	10-12.5	35-40	65-70	0-2.5	65-70
<b>Kanchan Rege</b> Medical Director (appointed 1/8/15)	175-180	330-332.5	505-510	125-130	0	125-130
<b>Caroline Walker</b> Finance Director (returned to role 1/7/16) Deputy Chief Executive (from 1/9/15) <sup>1</sup>	155-160	95-97.5	250-255	155-160	0	155-160

<sup>1</sup> Mrs Walker stepped down from substantive post whilst leading on health system wide programme. Mr Oldfield acted into the post until 30 June 2016.

Taxable benefits, performance related bonuses and long term performance related bonuses were £nil for both years for each individual. The above remuneration is net of any salary sacrifice agreement.

The total pension related benefits noted above include the increase in pension entitlement from 31 March one year to 31 March the following year after the prior year figure has been uplifted by indexation. This pension is forecast to be paid for 20 years and so the increase is multiplied by twenty for the purpose of this calculation. The change in lump sum (due upon retirement) from 31 March to 31 March (adjusted for indexation) is then added to the pension entitlement. Finally any in-year pension contributions made by the employee are deducted to produce the figures noted above. An over-riding assumption is made that the employee will contribute to their NHS pension up until retirement age. Please note that the pension related benefits above do not represent a benefit which the employees receive each year. Figures provided by the Pensions Agency.

### Single Total Benefit Table – Non-Executive Directors

	2016/17			2015/16		
	Remuneration Salary & Fees Bands of £5k	Pension Related Benefits <sup>1</sup> - All Bands of £2.5k	Total Bands of £5k	Remuneration Salary & Fees Bands of £5k	Pension Related Benefits <sup>1</sup> - All Bands of £2.5k	Total Bands of £5k
<b>Allan Arnott (wef 1/1/12)</b> Deputy Chairman and Senior Independent Director	15-20		15-20	15-20		15-20
<b>Ken Beeton (1/1/12 – 31/5/16)</b> Audit Committee Chairman	0-5		0-5	15-20		15-20
<b>Mike Ellwood</b> Audit Committee Chairman (wef 12/5/16)	10-15		10-15			
<b>Stephen Brown (wef 1/2/12)</b>	10-15		10-15	10-15		10-15
<b>Madhu Davies (wef 12/5/14)</b>	10-15		10-15	10-15		10-15
<b>Sarah Dunnett (wef 1/1/12)</b>	10-15		10-15	10-15		10-15
<b>Rob Hughes (wef 1/4/13)</b> Chairman	40-45		40-45	40-45		40-45
<b>Gareth Tipton (wef 18/8/14)</b>	10-15		10-15	5-10		5-10

<sup>1</sup> Pension benefits, taxable benefits, performance related bonuses and long term performance related bonuses were £nil for both years for each individual

## Pension entitlements of the Board of Directors

	Pension rights as at age 60		Increase arising in 2016/17 whilst employed by Peterborough and Stamford Hospitals NHS FT		Cash equivalent transfer value as at 31/3/2016 £000	Cash equivalent transfer value as at 31/03/2017 £000	Real Increase in Cash equivalent transfer value for 2016/17 £000
	Accrued	Lump sum	Accrued	Lump sum			
	£	£	£	£			
	Bands £5,000		Bands £2,500				
<b>2016/17 Executive Directors</b>							
<b>Joanne Bennis</b> Chief Nurse (wef 1/2/15)	25-30	65-70	5.0-7.5	5.0-7.5	324	412	87
<b>Ian Crich</b> Director of Workforce and Organisational Development (wef 20/10/14)			No pension contributions were paid in the year				
<b>Neil Doverty</b> Chief Operating Officer (wef 22/10/14)			No pension contributions were paid in the year				
<b>Stephen Graves</b> Chief Executive (wef 8/9/14)	50-55	155-160	0-2.5	5.0-7.5	1,146	1,221	76
<b>Peter Oldfield</b> Acting Finance Director (wef 1/9/15)	5.0-10.0	0	0-2.5	0	36	68	8
<b>Kanchan Rege</b> Medical Director (wef 1/8/15)	40-45	125-130	15-17.5	40-42.5	522	813	292
<b>Caroline Walker</b> Finance Director (wef 1/4/13 – 31/8/15) Deputy Chief Executive (wef 1/9/15)	50-55	150-155	5.0-7.5	0-2.5	890	1,013	123

Senior employees are defined as “those persons in senior positions having authority or responsibility for directing or controlling the major activities of the Trust”. The people listed above make up the Trust’s Board of Directors. None of the individuals detailed have received any other payments in respect of attraction, severance or any other benefit-in-kind. Non-Executive Director posts are non-pensionable.

In addition to the remuneration tables the Trust is also required to disclose the ratio of the mid-point of the highest paid senior manager to the median remuneration of the Trust staff. This is also known as the Hutton Disclosure.

This disclosure is based on the requirement to annualise the data regardless of whether this applies to the actual arrangements for the post holder. The figure below is therefore higher than the actual remuneration shown in the tables on the previous page.

The highest paid Director at the end of the reporting period is the Chief Executive Officer (CEO). The annualised (gross) median pay band for the CEO for 2016/17 is £182,500. This is 6.17 times higher than the median salary of £29,579. This pay comparison is a reduction from that for 2015/16 which was 6.59 times higher than the median salary of £28,445.

In 2016/17, 45 employees received remuneration in excess of the highest paid Director. Remuneration ranged from £6,500 to £250,000.

## Governor and Director Expenses

The expenses for the governors and directors for 2015/16 and 2016/17 are noted below. Expenses are paid in accordance with Agenda for Change expense arrangements and are rounded to the nearest £100. These are for expenses claimed directly through the Trust's payroll system.

	2016/17			2015/16		
	Number in Office	Number Receiving Expenses	Aggregate Expenses	Number in Office	Number Receiving Expenses	Aggregate Expenses
<b>Governors</b>	27	9	£4,597	31	11	£5,200
<b>Directors</b>	15	11	£9,639	15	13	£11,600

## Off-Payroll Arrangements

Off-payroll arrangements are where, rather than being employed by an agency or on the Trust's payroll, individuals are paid through their own service companies. There were concerns that this arrangement was used as a mechanism for avoiding a fair level of tax which is usually deducted by employers at source. Arrangements have been put in place within the Trust to provide assurance on these arrangements together with a range of control mechanisms regarding such appointments. The Trust has also had a fully established Board of Directors throughout the year. As a result there are no engagements of this nature to report. There were however three engagements during 2016/17 relating to the merger and implementation team the required disclosure tables are shown as follows.

### For all off-payroll engagements as of 31 March 2017, for more than £220 per day and that last for longer than six months

<b>No. of existing engagements as of 31 March 2017</b>	0
<b>Of which...</b>	
<b>No. that have existed for less than one year at time of reporting</b>	3
<b>No. that have existed for between one and two years at time of reporting</b>	0
<b>No. that have existed for between two and three years at time of reporting</b>	0
<b>No. that have existed for between three and four years at time of reporting</b>	0
<b>No. that have existed for four or more years at time of reporting</b>	0

**For all new off-payroll engagements, or those that reached six months in duration, between 1 April 2016 and 31 March 2017, for more than £220 per day and that last for longer than six months**

No. of new engagements, or those that reached six months in duration, between 1 April 2016 and 31 March 2017	3
No. of the above which include contractual clauses giving the trust the right to request assurance in relation to income tax and National Insurance obligations	3
No. for whom assurance has been requested	3
Of which...	
No. for whom assurance has been received	3
No. for whom assurance has not been received	0
No. that have been terminated as a result of assurance not being received.	0

**For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2016 and 31 March 2017**

No. of off payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year.	0
No. of individuals that have been deemed "board members and/or senior officials with significant financial responsibility" during the financial year. This figure should include both off payroll and on payroll engagements.	7



Stephen Graves,  
Chief Executive Officer  
24 May 2017



Rob Hughes,  
Chairman, Chair Remuneration Committee  
24 May 2017

# Audit Committee Report

The Trust has an Audit Committee, which is a mandatory Committee of the Board. Its main objective as set in its terms of reference is:

*“to independently contribute to the Board of Directors overall process for ensuring that an effective internal control system is maintained by providing an assurance on the arrangements relating to all internal control activities.”*

The Committee acts independently across all systems of internal control and also receives assurance from the Quality Assurance Committee on the systems of control for quality governance; from the Finance and Investment Committee on the systems of control for financial governance; from the PCH PFI Assurance Committee regarding systems of control for the PFI contract; from the Remuneration and Nominations Committee for governance on Board appointments and remuneration; and from the Strategic Planning Committee regarding process and governance for planning arrangements. The Committee also places increased reliance on the Trust’s Board Assurance Framework which provides a focus for the progress

being made against the Trust’s strategic objectives, strategic risks and high and significant operational risks.

The Committee consists of three Non-Executive members of the Board. Mr Ken Beeton stood down as Chair of the Audit Committee in May 2016 and stepped down from the Board as well. He was replaced by Mr Mike Ellwood, an external new appointment. Members of the Trust’s executive team also attend regularly, or as required, together with representatives from the internal and external auditors, the counter fraud provider and a Council of Governors representative who attends each Committee meeting as an observer to provide a means through which the Council of Governors can receive, as the appointing body, assurance on the performance of the external auditors as well as assurance on the Trust’s overall system of internal control.

Attendance at the Committee is shown in the table as follows.

	12 May 16	07 Jul 16	08 Sep 16	10 Nov 16	12 Jan 17	16 Mar 17
Ken Beeton <sup>1</sup> Non-Executive Director and Committee Chair	✓					
Mike Ellwood Non-Executive Director and Committee Chair		✓	✓	✓	-	✓
Sarah Dunnett Non-Executive Director	✓	✓	✓	✓	✓	✓
Gareth Tipton Non-Executive Director	-	✓	✓	✓	✓	✓
Caroline Walker Finance Director		✓	-	✓	-	✓
Pete Oldfield <sup>2</sup> Acting Finance Director	✓					
Jane Pigg Company Secretary	✓	-	✓	✓	✓	✓

	12 May 16	07 Jul 16	08 Sep 16	10 Nov 16	12 Jan 17	16 Mar 17
Ian Crich <sup>3</sup> Director of Workforce and Organisational Development	✓		✓			
Neil Doverty <sup>3</sup> Chief Operating Officer	✓			✓		
Margaret Anderson <sup>4</sup> Public Governor	✓	✓		✓		✓
Bill Proudlock <sup>4</sup> Public Governor			✓			
Duncan Lawson <sup>4</sup> Public Governor					✓	

<sup>1</sup>Mr Beeton stood down as the Audit Committee Chair at the end of May; his place was taken by Mr Ellwood

<sup>2</sup>Mr Oldfield stood down from the Audit Committee at the end of January, his place was taken by Mrs Walker

<sup>3</sup>Attendance was for specific items only

<sup>4</sup>Governors attend on rotation

As noted in the Annual Governance Statement on page 160, following work throughout the year, the Committee received an overall opinion from the Head of Internal Audit (HoIA) of Significant Assurance.

The Committee has received the following evidence to support the HoIA's overall opinion:

Domain	Domain Assurance Level	Audit Review Opinions			
		Full	Substantial	Limited	Nil
Finance	Substantial		4		
Workforce	Limited		4		
Performance & Operations	Limited		2	1	
Quality & Clinical	Substantial		3	3	
Governance & Risk	Substantial		2		1
Information Technology	Substantial	1	1		
<b>TOTAL</b>	Substantial	<b>1</b>	<b>16</b>	<b>4</b>	<b>1</b>

This shows an overall comparable position with 2015/16 with 77% of individual internal audit reports receiving full and substantial assurance in 2016/17 compared to 68% in 2015/16. There were four audits where a limited opinion was given in 2016/17 compared to six audits with limited opinions in 2015/16. The number of outstanding audit recommendations has declined slightly from 8 at the end of 2015/16 to 7 at the end of 2016/17.

The Trust's external audit service is provided by KPMG LLP. The external auditors were appointed by the Council of Governors on 21 March 2013, following a competitive tender exercise.

This appointment is for five years, with a review after three years. This contract was reviewed by the Audit Committee in July 2016. A recommendation to continue the contract until July 2018 was ratified by the Council of Governors on 31 January 2017. This continues the provision of the Trust's external audit service by KPMG LLP, which was also appointed in July 2008 following a competitive tender process. The cost of external auditors for 2016/17 was £94,536 (including VAT).

The Trust's internal audit service is provided by Mazars, which was appointed following a competitive tender exercise, and commenced work with effect from 1 April 2014. This service includes local counter fraud activities. The Local Counter Fraud Specialist

was also in attendance at all formal meetings of the Committee. Work has been ongoing during the year regarding the effectiveness of the internal audit and counter fraud services. The provision of Counter Fraud services is supported by an annual self-assessment against standards set by NHS Protect.

The Internal Audit, External Audit and Counter Fraud programmes for the year are set after challenge and scrutiny by the Audit Committee and reference to Trust risks.

The Committee works to an annual agenda plan, which includes a review of losses and payments, internal and external audit reports, and mechanisms for reviewing the assurance on clinical audit and quality governance (through the Quality Assurance Committee), financial process (through the Finance and Investment Committee), and key governance assurance through the Remuneration and Nomination Committee, Strategic Planning Committee and PCH PFI Assurance Committee. The assurance provided by other Board committees is through a formal process of reporting to the Audit Committee on the work completed throughout the year.

The Audit Committee also reviews the accounting policies and draft annual report and accounts.



# Workforce Report

## The Trust's Workforce

At 31 March 2017, the Trust employed 4,227 employees. The increase from 2015/16 is due to the review of staffing requirements and planned recruitment activities. A breakdown of the Trust's workforce is shown in the table below. There has been an increase in the number of staff under 18 years of age due to a small increase in the number of young apprentices, there is also an increase in the 25-34 age range due to the recruitment of international nurses who are mostly in this age range. The data also shows an increase in the number of staff in employment over the age of 60.

The changes in ethnicity are attributable to our recruitment of international nurses. The data also shows an increase in the number of staff with a recorded disability this year.



### Trust workforce statistics

		Staff 2015/16	%	Staff 2016/17	%
<b>Age</b>	Under 18	5	0.10%	7	0.17%
	18 - 24	273	6.60%	246	5.82%
	25 - 34	987	23.90%	1050	24.83%
	35 - 44	1069	25.90%	1077	25.47%
	45 - 50	671	16.20%	673	15.92%
	51 - 55	554	13.40%	583	13.79%
	56 - 59	320	7.70%	312	7.38%
	60+	255	6.10%	280	6.62%
<b>Ethnicity</b>	White	3271	79.12%	3324	78.62%
	Mixed	59	1.43%	62	1.47%
	Asian or Asian British	440	10.60%	494	11.68%

		Staff 2015/16	%	Staff 2016/17	%
<b>Ethnicity</b>	Black or Black British	124	3.00%	140	3.31%
	Other	78	1.89%	122	2.89%
	Undisclosed	145	3.51%	86	2.03%
<b>Gender</b>					
<b>Gender</b>	Male	802	19.40%	837	19.80%
	Female	3332	80.60%	3391	80.20%
	Trans-gender	0		0	
<b>Disability</b>					
<b>Disability</b>	Recorded Disabled	78	1.89%	85	2.01%

## Workforce utilisation

In September 2015, NHS Improvement introduced new rules which not only set ceilings on the amount that individual trusts can spend on agency staff but additionally a mandate that all trusts must only use framework agencies. The framework agreements provide NHS organisations with best possible value for money when sourcing temporary staff from a commercial supplier. They offer assurance that temporary staff supplied are of sufficient quality, having undergone the required employment checks in accordance with mandatory NHS Employment Check Standards. The full impact of these changes came in April 2016 when the final cap reduction was introduced and it has remained challenging to source available agency workers to fill shifts. To encourage our bank and substantive staff to choose to work shifts for us we introduced a system of enhanced rates, this has helped to mitigate the impact however our priority is to substantively fill vacancies to reduce reliance on expensive temporary staff through the delivery of our recruitment and retention strategies.

## Workforce planning and resourcing

Our Nursing and Midwifery recruitment strategy continues to evolve to meet our recruitment needs. The International Nurse Recruitment team travelled to the India in May and November 2016, in addition to continuing the regular European recruitment events. When the nurses arrive they are supported by the Overseas Education Team who provide preparation for examinations and facilitate a smooth transition to working in the UK. Recruitment of European nurses has become more difficult this year due to two main factors, the introduction of new English language

tests which were are challenging for candidates and secondly, the vote to leave the EU initially causing uncertainty.

Local recruitment initiatives continue with regular recruitment days, partnership working with our local Higher Education Institutions to offer employment to our local students as well as attendance at national recruitment events. To underpin our recruitment a marketing strategy 'Career without Compromise' has been developed which celebrates our own staff and their stories.

The Nursing and Midwifery vacancy rate has reduced this year from 15.2% to 9% by March 2017; this is testament to the concerted efforts of many staff.

A Medical Recruitment Strategy has been developed this year with a multi-stranded approach over the short, medium and long term. Additionally it was acknowledged through the full business case for the merger with Hinchingsbrooke Health Care NHS Trust that focussed attention was required to recruit to our difficult to fill posts and ensure clinical sustainability for North West Anglia NHS Foundation Trust. To deliver this with the necessary pace, an Integrated Medical Recruitment and Sustainability Project team has been formed. The team is sourcing candidates through a variety of initiatives including working with international recruitment agencies and local targeted recruitment. To support this work a suite of marketing materials has been developed which will also be adaptable for all recruitment activities at the new Trust.

## Workforce Performance Indicators

As at 31 March 2017, the Trust achieved a sickness absence level of 3.92% (rolling average) compared with 3.37% for 2015/16. Although there has been an increase over the past 12 months, the trust is below the national average for our peers both regionally and nationally as set out in the table below.

Measure	Trust Rate	Regional Rate (12/16) Medium acute	National Rate (12/16) Medium acute	Definition
Absence rate	<b>3.92%</b>	4.16%	4.35%	Number of sickness days divided by the total FTE at the trust in the last month

Figures have also been produced by the Health and Social Care Information Centre (HSCIC) on a national basis from the Electronic Staff Record (ESR) system. These are estimates for the year based on the period January to December 2016 and cover all days of sickness regardless of whether these are working days or non-working days. The results are shown in the table below:

## Nationally calculated sickness absence days

	Figures Converted by DH to Best Estimates of Required Data Items		Statistics Produced by HSCIC from ESR Data Warehouse		
	Average FTE 2016	Adjusted FTE days lost to Cabinet Office definitions	FTE – Days Available	FTE – Days Lost to Sickness Absence	Average Sick Days per FTE
<b>Peterborough and Stamford Hospitals NHS FT</b>	3,595	33,952	1,345,572	53,561	9

## Staff turnover

Staff turnover levels have decreased from 11.48% for 2015/16 to 10.91% in 2016/17. The joiner rate is consistently higher than the leaver rate and the stability index is static at 88%. The national measures for reporting turnover of joiner rate, leaver rate and stability index are presented below. At 88% we are in the upper quartile for regional medium acute hospitals stability index which is 86.41%.

Measure	Trust Rate	Regional Rate (1/17) Medium acute	National Rate (1/17) Medium acute	Definition
Joiner rate	<b>13.85%</b>	18.05%	16.33%	Number of joiners divided by the average number of staff in the last 12 months
Leaver rate	<b>11.67%</b>	14.37%	14.24%	Number of leavers divided by the average number of staff in the last 12 months
Stability index	<b>88%</b>	85.36%	85.61%	Number of staff present at the start and the end of the 12 month period, divided by the number of staff present at the start of the period

## Culture

### 'Have Your Say' - Our Cultural Barometer Survey

The 'Have Your Say' - Our Cultural Barometer survey continues to take place quarterly. It is a short anonymous survey open to all Trust staff that incorporates the national 'Staff Friends and Family Test' questions. It provides opportunity for more timely response to staff feedback and as it is measured it becomes an iterative process. Since it was introduced in 2013, Our 'Staff Friends and Family Test' (SFF) results have steadily improved.



	2013/14			2014/15			2015/16			2016/17	
	Q2	Q3	Q4	Q1	Q2	Q4	Q1	Q2	Q4	Q1	Q2
How likely are you to recommend this organisation to friends and family if they needed care or treatment?	75%	76%	80%	78%	77%	78%	81%	81%	81%	88%	86%
How likely are you to recommend this organisation to friends and family as a place to work?	66%	56%	65%	59%	63%	64%	63%	66%	62%	72%	71%

**N.B. The National Staff Survey is conducted in Q3 therefore we are not required to conduct SFFT**



Lesley Crosby, Deputy Chief Nurse accepting the Carer's Charter for the Trust.

## 'Good to Outstanding' (G2O) Organisational Development Programme



From October to December 2015 we ran a series of 'Have MORE Say' listening events, in which more than 400 staff, from across all areas and professions in the Trust, gave approximately 4,500 comments and suggestions as to how they thought our Trust could further improve. By listening and paying attention to the arising themes, patterns and insights, staff also began to sense the links and connections to the topics they discussed:

- Patient care and experience
- Leadership
- Communications
- Values and behaviours
- Service improvement

Their feedback, suggestions and ideas were distilled into a 'Top 10' list of themes for each of the topics.

During February and March 2016 the feedback summaries were checked and verified with groups of staff to ensure we had captured the essence and priorities of what they had told us. These five key topics were then developed into the following workstreams;

- Outstanding Patient Care & Experience
- Outstanding Leadership
- Outstanding Conversations
- Outstanding People
- Outstanding Services

A member of staff suggested the name 'Good to Outstanding' (G2O) for the overall programme.

We produce regular special editions of our staff magazine 'The Pulse' to update staff on the programme's progress and promote the upcoming work and projects.

Our monthly and annual organisational staff awards are explicitly linked to our values, which are also linked to the above 'outstanding' categories.

Since the programme launch a huge amount of work has gone into improving the areas staff said we

needed to focus on. An unexpected benefit of the programme has been a shift change in our culture, with our staff feeling positive and more prepared for our forthcoming merger with Hinchingbrooke Health Care NHS Trust. G2O has really given us a solid foundation for the work we need to do to meet the challenges of the integration work ahead, and equipped to adapt with working in the constant flux and change of the NHS.

## Staff Council



Staff council members continually seek views from colleagues, which are brought for discussion. As well as incorporating a cross-section of staff, all the staff governors are also members of the Staff Council. Recommendations are made by the group to the Workforce Operational Committee and Trust Management Board.

The success of the Staff Council has encouraged most directorates and departments to set up their own local Staff Councils, which feed through to the main Council and help to improve communications throughout the Trust.



"On recent visits to the Breast Unit, the surgeon, breast nurses and staff were all outstanding and I wondered why on earth the NHS gets such bad press - all completely unfounded. I had the most fantastic surgery which I feel could not have been bettered anywhere in the world."

## NHS Staff Survey 2016/17

The decision was taken this year to survey all Trust staff (rather than the minimum sample size). We had a final response rate of 53%, above the national average for acute trusts in England of 44%.

	2015/16		2016/17		Trust Improvement/ deterioration
	Trust	National Average (Acute)	Trust	National Average (Acute)	
<b>Response Rate</b>	45%	42%	53%	<b>44%</b>	<b>8% improvement</b> <b>9% higher than the national average</b>

## Staff Engagement Score

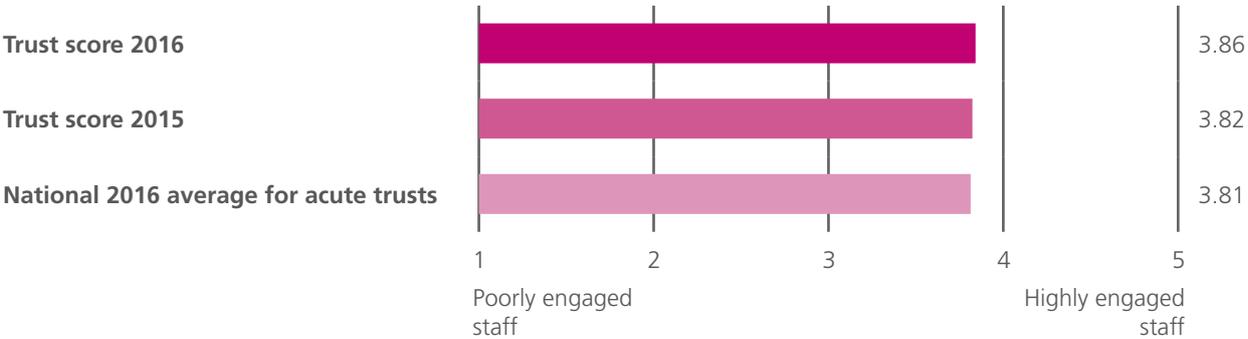
Since 2009, the Care Quality Commission has calculated a 'Staff Engagement Score'; this overall indicator of staff engagement has been calculated using the questions that make up 'Key Findings' 1, 4 and 7:

- Their willingness to recommend the trust as a place to work or receive treatment (KF1)
- The extent to which they feel motivated and engaged with their work (KF4)
- Staff members' perceived ability to contribute to improvements at work (KF7)

The Trust's engagement score was **3.86** (compared with 3.82 in 2015/16 and 3.68 in 2014/15) and higher than the average score for acute trusts of **3.81**.

(the higher the score the better)

Scale summary score



Engaging with staff is a key element of ensuring that services to patients are provided to a consistent standard and in line with the Trust's priorities. As well as the staff governors, who represent staff members, the Trust works with Staff Council members and local union representatives.

## Top and bottom ranking scores

The scores below show where the Trust compares most favourably with other acute trusts in England (top) and least favourably (bottom). The results from the 2016 Staff Survey were published in March 2017. Action plans are currently being created at directorate level within the Trust to ensure all areas of concern are addressed

<b>Top ranking scores</b>					
The five Key Findings for which PSHFT compares most favourably with other acute trusts in England					
	2015/16		2016/17		Difference
	Trust	National Average	Trust	National Average	
Percentage of staff/colleagues reporting most recent experiences of violence	58%	53%	76%	67%	<b>18% improvement</b>
Percentage of staff/colleagues reporting most recent experiences of harassment, bullying or abuse	52%	37%	53%	45%	<b>1% improvement</b>
Percentage of staff agreeing that their role makes a difference to patients/service users	91%	90%	92%	90%	<b>1% improvement</b>
Effective team working (the higher the score the better)	3.75	3.73	3.82	3.75	<b>0.07 improvement</b>
Staff satisfaction with resourcing and support (the higher the score the better)	3.38	3.30	3.42	3.33	<b>0.04 improvement</b>

### Bottom Ranking Scores

The five Key Findings for which PSHFT compares least favourably with other acute trusts in England

	2015/16		2016/17		Difference
	Trust	National Average	Trust	National Average	
Percentage of staff attending work in the last 3 months despite feeling unwell because they felt pressure from their manager, colleagues or themselves	61%	59%	64%	56%	<b>3% deterioration</b>
Percentage of staff experiencing harassment, bullying or abuse from patients, relatives or the public in the last 12 months	28%	28%	31%	27%	<b>3% deterioration</b>
Percentage of staff witnessing potentially harmful errors, near misses or incidents in the last month	31%	31%	32%	31%	<b>1% deterioration</b>
Percentage of staff experiencing physical violence from patients, relatives or the public in the last 12 months	14%	14%	16%	15%	<b>2% deterioration</b>
Percentage of staff experiencing harassment, bullying or abuse from staff in the last 12 months	29%	26%	26%	25%	<b>3% deterioration</b>

### Key findings where staff experiences have improved significantly since the 2015 survey:

	2015/16	2016/17	Difference
Staff satisfaction with the quality of work and care they are able to deliver (the higher the score the better)	3.93	4.04	<b>0.11 improvement</b>
Percentage of staff appraised in the last 12 months	84%	89%	<b>5% improvement</b>

There were no key findings where staff experiences have deteriorated since the 2015 survey.

### Areas where PSHFT are significantly above the national average

Question		Our 2016 Trust Score	National average for acute trusts
2a	I look forward to going to work	64%	59%
4f	I have adequate materials, supplies and equipment to do my work	65%	54%
4g	There are enough staff at this organisation for me to do my job properly	35%	30%
6c	I am able to deliver the care I aspire to	73%	68%
14d	The last time you experienced physical violence at work, did you or a colleague report it?	78%	70%
15d	The last time you experienced harassment, bullying or abuse at work, did you or a colleague report it?	56%	48%
21c	I would recommend my organisation as a place to work	66%	61%
22a	Is patient / service user experience feedback collected within your directorate / department? (e.g. Friends and Family Test, patient surveys etc.)	94%	89%
32c	I have the right equipment to do my job (agree)	78%	72%
32g	I have a place I can go for rest and recreation at work (agree)	53%	48%
38a	In the last 12 months have you had a conversation with your manager about fulfilling your potential at work?	60%	52%

## Trust employment and disability

As set out in our Equality and Diversity Policy, the Trust is committed to promoting equality of opportunity for all its employees. We believe individuals should be treated fairly in all aspects of their employment, including training, career development and promotion regardless of disability or any other protected characteristic. We aim to create a culture that respects and values individual differences and that encourages individuals to develop and maximise their true potential.

In accordance with the Sickness Absence Policy and Procedure and the Equality and Diversity Policy, the occupational health department advises managers and staff on appropriate working arrangements, which may include making reasonable adjustments or modifications to working hours to accommodate the medical condition. Reasonable adjustments are specific to individuals and might include making adjustments to premises, duties, working hours or acquiring or modifying equipment (eg hearing loop) under the guidance of specialist external agencies such as Access to Work.



## Health and Wellbeing

### Occupational Health statement

The main priority of the Occupational Health Department is to support and advise managers of the effects of health on work and work on health. Training is provided to Managers to enable them to support and manage their teams effectively and in line with Trust expectations.

The Department contributes to two CQUINS; seasonal flu vaccination for healthcare workers and Employee Health and Wellbeing. Last year over 2,800 members of staff received their annual flu vaccination, which is 68% of our total workforce.

Last year the Trust took part in the Global Corporate Challenge, a 100 day challenge to increase the number of steps walked daily and to improve health and well-being. The winning team walked a total of 2,999 miles. Small changes included taking the stairs instead of the lift, walking meetings and lunchtime walks, to increase daily steps and improve health. Plans are already underway to take part in the challenge again next year (during 2017).

Collaborative working with other teams will continue to raise the spotlight of various health education topics; and plans are currently underway to work with the Organisational Development Team for Mental Health Awareness Week in May 2017.

### Leadership, Education and Training

Leadership and management development remains a priority for the Trust and is one of the themes of the 'Good to Outstanding' (G2O) organisational development programme launched in 2016. This is based on staff feedback from 'listening events' held at the end of 2015. Our objective is to develop and equip our leaders with the behaviours, skills, experience and knowledge that they need to lead and manage autonomously to the highest standards. One of the main objectives is to develop, agree and implement a Leadership Behavioural Framework (LBF) which will supplement our existing behavioural framework for all employees.

We continue to offer a wide range of leadership, management and development programmes to all staff and, as part of the G2O initiative we are reviewing our Trust wide leadership development opportunities to ensure they reflect both national and local priorities, and incorporate the ethos of the NHS Leadership Academy's Healthcare Leadership model.

The bespoke version of the 'Learning to Lead' programme came to a conclusion in September 2016. The programme was commissioned with

Cambridge University Health Partners and the Judge Business School for senior clinical leaders, including 15 Trust medical consultants and proved to be highly successful. All delegates provided very encouraging feedback on the impact of the programme on the development of positive leadership behaviours and on their confidence as senior clinical leaders.

By working closely with the Subject Matter Experts who deliver mandatory training, along with other colleagues such as Human Resources Business Partners and General Managers, we have managed to continue to maintain and improve the Trust mandatory training compliance and reporting processes. For this reporting period the Trust's overall mandatory training compliance figure has remained at or above our target of 90% for the last his year. The current overall Trust mandatory training compliance figure is 93%.



"We are so grateful to the staff at A&E here who gave great care not only to our son as the patient but to us as worried onlookers."



Members of the Trust's Occupational Health team.

# Counter Fraud, Estates and Facilities

## Counter Fraud

The Trust acknowledges that it has a responsibility to ensure that public money is spent appropriately and that it has policies in place to counter fraud and corruption.

The Trust has in place a number of procedures for the prevention of bribery, including a clear whistleblowing policy and procedure called "raising concerns in a safe environment", and a counter-fraud specialist. In addition, the Trust maintains a publicly-available register of interests for directors, governors and staff, as well as a gifts and hospitality register.

The Business Conduct and Bribery Avoidance Policy sets out standards of business conduct in support of the Trust's Standing Orders and Standing Financial Instructions. The Trust works closely with organisations both within and outside the NHS to support a concerted effort to promote fair, honest and open working practices.

## Estates and Facilities

Over the past year the focus for the Estates and Facilities directorate has been to re-establish a senior management team in order to provide stability while the Trust prepared for its merger with Hinchingbrooke Health Care NHS Trust. Over the course of the year, the Trust has strengthened its management and understanding of the PFI Project Agreement; enhanced the quality and accuracy of the information it has about the physical estate portfolio; delivered cost improvement savings; delivered new facilities and introduced service improvements for the benefit of patient safety and experience.

Once again, achieving our Cost Improvement Programme (CIP) targets for the year has proved challenging because the largest savings were realised in previous years. This is borne out by the range of CIP initiatives progressed during the year, including the introduction of a cheaper offensive waste stream, reduced grid electricity availability charges, the introduction of disposable curtains, changes in the administration of the Carbon Reduction Commitment, removal of redundant gas supplies, increased income, and business rate refunds.

## Peterborough City Hospital

The Trust's Peterborough City Hospital was built and funded through a Private Finance Initiative arrangement. The Trust worked with the partners to review the management arrangements and value for money to ensure the Trust achieved best value out of the unitary payments made for the use of the facility.

A review of the Project Agreement service level specifications and operation of the Payment Mechanism led the Trust to challenge many facets of the historical interpretation and application of these elements by the service providers. Discussions are ongoing to resolve many of the infrastructure issues which include Fire Compartmentation and Electrical Systems, to name but a few.

## Facilities Management (FM)

- The service providers introduced mobile tablet technology for their porters, supervisors and engineers to facilitate real-time management of events in terms of response and rectification.
- The successful introduction of the deep clean programme, which incorporates UV, continues across the Trust. Our challenges are purely related to capacity and releasing bays.
- Medirest introduced tablets for food ordering, thus removing the need for paper.
- Medirest has struggled to keep up with the volume of requests for transfer cleans associated with patients moving from one bed to another within the hospital. The process of undertaking a transfer clean is time consuming and has stretched the available resource to its limit.
- In partnership with the Trust, Medirest is monitoring to PAS 5748, which is standard across the Trust, using 'fmfirst' software on the iPad. We are looking to roll this out across the Trust in May 2017.



"@psh\_nhstrust  
maternity services have  
blown me away, giving  
my daughter a very  
positive and healthy  
welcome to the world.  
#LoveOurNHS"

- Following a successful pilot study, the Trust rolled out the introduction of an offensive waste stream as part of its statutory obligations to properly segregate the waste it produces.
- We are currently putting the finishing touches to the Food and Drink Strategy.
- The annual Patient Led Assessment of the Care Environment (PLACE) assessment was carried out in late March and was viewed by all as a positive experience. The results are expected in August 2017.

## Westwood Farm Property

The Westwood Farm Property lies adjacent to Peterborough City Hospital and is largely formed of land previously occupied by the old farm buildings of Westwood Farm. The Trust renewed two existing leases on the property during the last year. Westwood Farm 1 lease was for a surface car park. The second lease was for the Medical Records (HRADS) warehouse. Following successful planning application, the Trust took out a third lease (Westwood Farm 2) on a 150 space surface car park to provide much needed additional capacity for the hospital site.

A fourth lease was taken out on a parcel of land next to the HRADS warehouse to accommodate a new Satellite Dialysis Unit for the University Hospitals of Leicester. The building, which was procured by the Trust, is operated under a Service Level Agreement, and opened for patients in January 2017.

## Capital Projects and Property Management

- Construction of two new bunkers to house Radiotherapy Linear Accelerator machines was completed in November 2016. One new machine was installed and commissioned by late March 2017. Following protracted negotiation involving multiple parties, the Deed of Variation to alter the Project Agreement, was finally signed by the Trust in late March, just prior to the first patient treatment episode.
- A new toilet was built in theatre recovery to fulfil privacy and dignity requirements.
- One of the X-ray machines in the Emergency Department was refreshed early due to poor performance.

- A Medical Records store was converted into a patient discharge Lounge. The project, from inception to completion, took only five working days, and involved the movement of over 20,000 X-ray film records.
- A further 12 extra inpatient beds were created at Peterborough City Hospital through the re-configuration of existing bed bays on four inpatient wards.
- Multiplex Construction remained on site carrying out the fire compartmentation remedial works.

## Stamford and Rutland Hospital

Stamford and Rutland Hospital is run as a more traditional hospital estate, with a small team of in-house staff and engineers maintaining the physical estate (and those buildings that sit outside the PFI agreement on the Edith Cavell Campus in Peterborough). Catering and cleaning at Stamford and Rutland Hospital has been outsourced to ISS Mediclean.

The hospital site is in the process of being re-developed by the Major Projects Team so that clinical services can be expanded and modernised, in order to facilitate more treatments delivered to patients closer to home. A further benefit of the work is an increase in space utilisation and a reduction in the non-clinical space requirement. The anticipated completion date for the three phases of work is the end of July 2017.



**"Absolutely fantastic care from ophthalmology staff at @psh\_nhstrust today. Always amaze me."**

## Facilities Management

Estates and Facilities staff turnover has been a real issue at Stamford and Rutland Hospital over the last year; however this, along with the hospital redevelopment, has also created opportunities to get to grips with some of the backlog issues on the site. In addition to those improvements described later:

- New HV generators and transformers were installed to facilitate the redevelopment
- New endoscopy decontamination washers were installed in the Greenwood Day Unit
- The Trust was able to decommission the central kitchen and sold off the surplus catering equipment

The introduction of car parking charges to Stamford and Rutland Hospitals has been deferred following

its alignment to the completion of the hospital redevelopment project.

## Projects and Property Management

The re-development of Stamford and Rutland Hospital, which started in December 2016, is well under way, with Phase one now complete. The capital works has seen:

- an expanded imaging department including installation of a new state-of-the-art MRI scanner
- expanded outpatients department with additional rooms for adults and children
- creation of a second ultrasound room (in anticipation of a new ultrasound machine)
- an improved physiotherapy gym
- moving the Pain Management department from the west end of the hospital into to a new suite that will be better for patients

The remaining two phases will see the complete refurbishment of the health clinic, the creation of an enlarged purpose-built Phlebotomy area, a new Chemotherapy and Lymphoedema suite, a reconfigured administration suite a new Imaging Booking Office and redecoration of corridors and reception areas.

The Friends of Stamford Hospital contributed £10,000 towards equipment to support the new MRI scanner, including trolleys and transport chairs, and has helped us revamp décor and facilities.

## Sustainability

The Trust incurs an annual expenditure in excess of £2.1m on energy and utilities, and is currently working with the PFI provider to reduce these costs for Peterborough City Hospital. The Trust has already implemented energy efficiency schemes and waste projects at Stamford Hospital.

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. The NHS has pledged, as part of its Carbon Reduction Strategy, to be more efficient with resources and also to take the lead in addressing sustainability issues. The Trust fully recognises that the environment has a direct impact on health and wellbeing. A challenge was therefore set in the Trust's Carbon Management plan to reduce carbon emissions by 15% by 2016.

The Trust has achieved a 14% reduction. For the Trust, this means an annual reduction in carbon emissions of 638.6 Tonnes CO<sup>2</sup>.

## Historical Performance and future progress

The Trust has a legal requirement to participate in the Carbon Reduction Commitment (CRC) Scheme. The table below indicates our annual consumption over the past six years since the scheme started.

Carbon Reduction Commitment Scheme

Year	Actual Emissions CO <sup>2</sup> (tonne)	Saved CO <sup>2</sup> (tonne)
2010/11	17,030	Baseline Year
2011/12	16,664	366
2012/13	15,662	1002
2013/14	13,880	1782
2014/15	14,811	931 (increase)
2015/16	14,378	435

Energy consumption and carbon emissions are monitored on a regular basis which enables the Trust to focus on both financial savings and carbon emission performance. These findings are discussed at Trust energy performance meetings with the PFI provider.

The Trust continues to explore energy efficiency opportunities.

## Looking forward

The focus looking forward to 2017/18 is to integrate the Estates and Facilities functions at Peterborough City Hospital, Stamford and Rutland Hospital and Hinchingbrooke Hospital, and to realise the cost saving opportunities identified as part of the business case proposals. In particular, there will be a strong focus on:

- reducing pay costs by reducing reliance on agency staff
- reducing reliance on external contractors
- bundling contracts together to realise cost savings
- harmonising car park management arrangements across all three hospital sites

Peterborough City Hospital will experience its first significant, multi million pound equipment refresh as part of the PFI lifecycle process. Planning is at an advanced stage, and extends to the refresh of

two Magnetic Resonance Imaging (MRI) machines, one interventional fluoroscopy machines, three Computerised Tomography (CT) machines in Imaging and Radiotherapy, two catheterisation laboratory machines, and an X-ray machine in the Emergency Department. Furthermore, all four Endoscopy Decontamination washers are scheduled to be replaced along with several anaesthetic machines in Theatres.

Many of the priorities for next year will guide the Trust towards compliance with the Estates and Facilities recommendations of the Lord Carter of Coles report. A priority for the new Trust will be to develop an Estate Strategy (Recommendation 1) which will ensure more than 97.5% of the estate buildings are utilised, and that no more than 35% of the estate buildings will be utilised for non-clinical space (Recommendation 2).

Other priorities are to align policies and procedures, provide the new Trust Board with assurance reports on Estates Compliance, and create a transformational change programme to merge the two organisations together in a seamless way.



*"Thank you to the NICU staff for looking after our daughter. She was born six weeks early and had to be transferred from Leicester to PCH because their NICU was full. Without their love, care and attention she wouldn't have got so strong. And for me personally the staff were a pillar of strength on days when I needed them the most. We won't ever forget you."*



Members of the Trust's Estates and Facilities team

# Board of Directors

The Trust Board of Directors comprises of Executive, Non-Executive Directors and Non-Voting Members and has overall responsibility for the Trust. The Board determines strategy and agrees the overall allocation of resources and ensures that adequate systems and processes are maintained to measure and monitor the Trust's effectiveness, efficiency and economy as well as the quality of its healthcare delivery. It is responsible for the design and implementation of agreed priorities, objectives and the overall strategy of the Trust. The Executive Directors are responsible for operational management of the Trust.

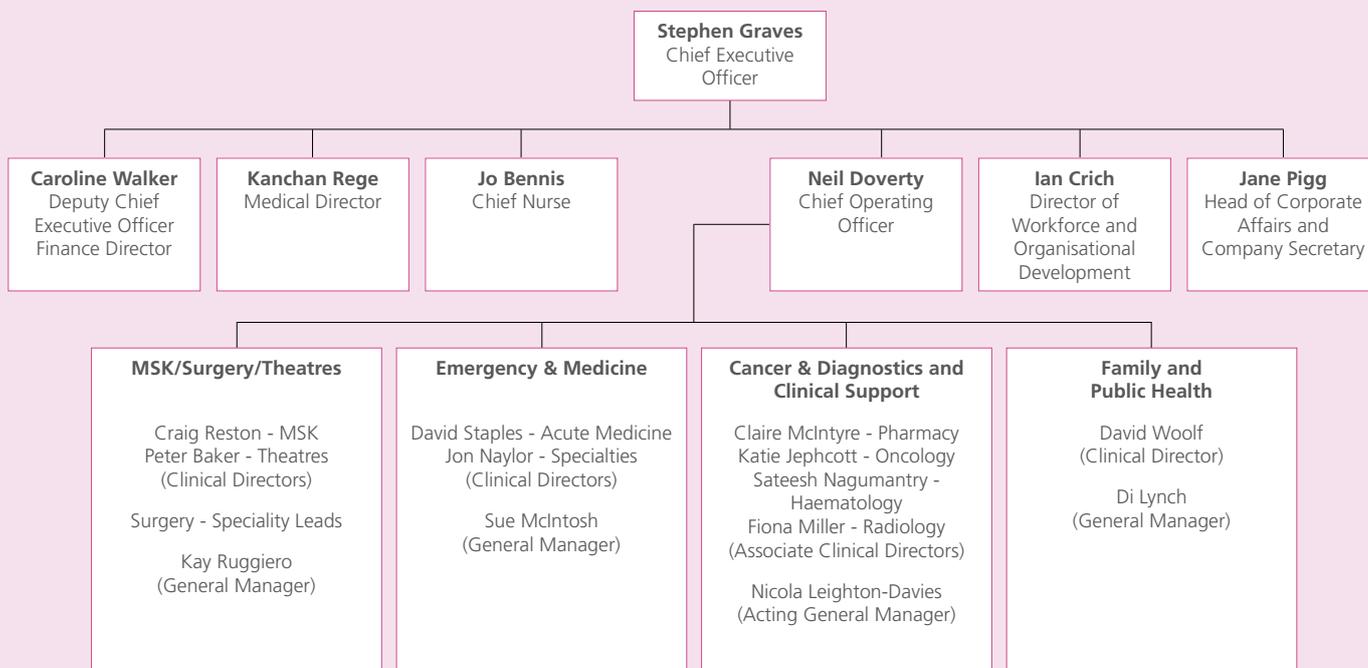
Strong governance is required to ensure the Trust is managed well and effectively and complies with regulations and national standards. Peterborough and Stamford Hospitals NHS Foundation Trust is committed to effective and comprehensive governance, which ensures organisational capacity and skills to deliver both commissioned and mandatory services. The following sections set out the Trust's governance arrangements, giving details

of the ways in which the Board of Directors and Council of Governors work, both separately and together, to provide cohesive and robust governance arrangements.

Directors have a responsibility to take account of governors' views in terms of the Trust's forward planning. The Board Assurance Framework enables continuous and comprehensive review of the performance of the Trust, against the agreed plans and objectives outlined on page 25.

In order to effectively deliver and develop patient care, the Trust is comprised of Clinical Directorates. Each Directorate is led by one or more Clinical Directors and a General Manager, who report to the Chief Operating Officer, with clinical leaders receiving professional support from the Medical Director. The Directorate structure is outlined below.

## Directorate Structure



## Composition of the Board

The Board has a complement of seven Non-Executive Directors (including the Chairman) and six Executive Directors (including the Chief Executive). The Board is also supported by the Company Secretary. The composition of the Board is three female and three male Executive Directors.

The appointment and reappointment of the Chairman and Non-Executive Directors is approved by the Council of Governors. The appointment of the Chief Executive and the Executive Directors is made by the Non-Executive Directors, with the Chief Executive subject to approval by the Council of Governors. The Non-Executive Directors are all considered to be independent appointees; this is maintained by a regular review and a usual six year maximum length of service, which can only be extended beyond this period in exceptional circumstances. None of the existing Non-Executive Directors have served more than five years. The removal of Non-Executive Directors is the responsibility of the governors on grounds of performance. However appointments can also be terminated with three months' notice by either party. In exceptional circumstances NHS Improvement can take regulatory action to remove Non-Executive Directors.

## Division of responsibilities

There is a clear division of responsibilities between the Chairman and Chief Executive.

The Chairman is responsible for:

- providing leadership to the Board of Directors and the Trust;
- facilitating the contribution of the Non-Executive Directors to the success of the Trust in the delivery of high-quality healthcare;
- ensuring effective communication with the Council of Governors;

- the annual evaluation of the performance of the Board and its committees and implementing any action required following such evaluation.

The Chief Executive is responsible for:

- working with the Chairman to ensure the development of strategy that is supported by the Board as a whole;
- overseeing operational implementation of the strategic objectives of the Trust;
- creating a framework of values and objectives to ensure the delivery of key targets, and allocating decision-making responsibilities accordingly;
- ensuring effective communication with employees and taking a leading role, with the Chairman, in building relationships with key external partners and agencies.

## Independence of Non-Executive Directors

The Non-Executive Directors bring wide and varied experience to the Board. They also play a crucial role via the assurance committees of the Board.

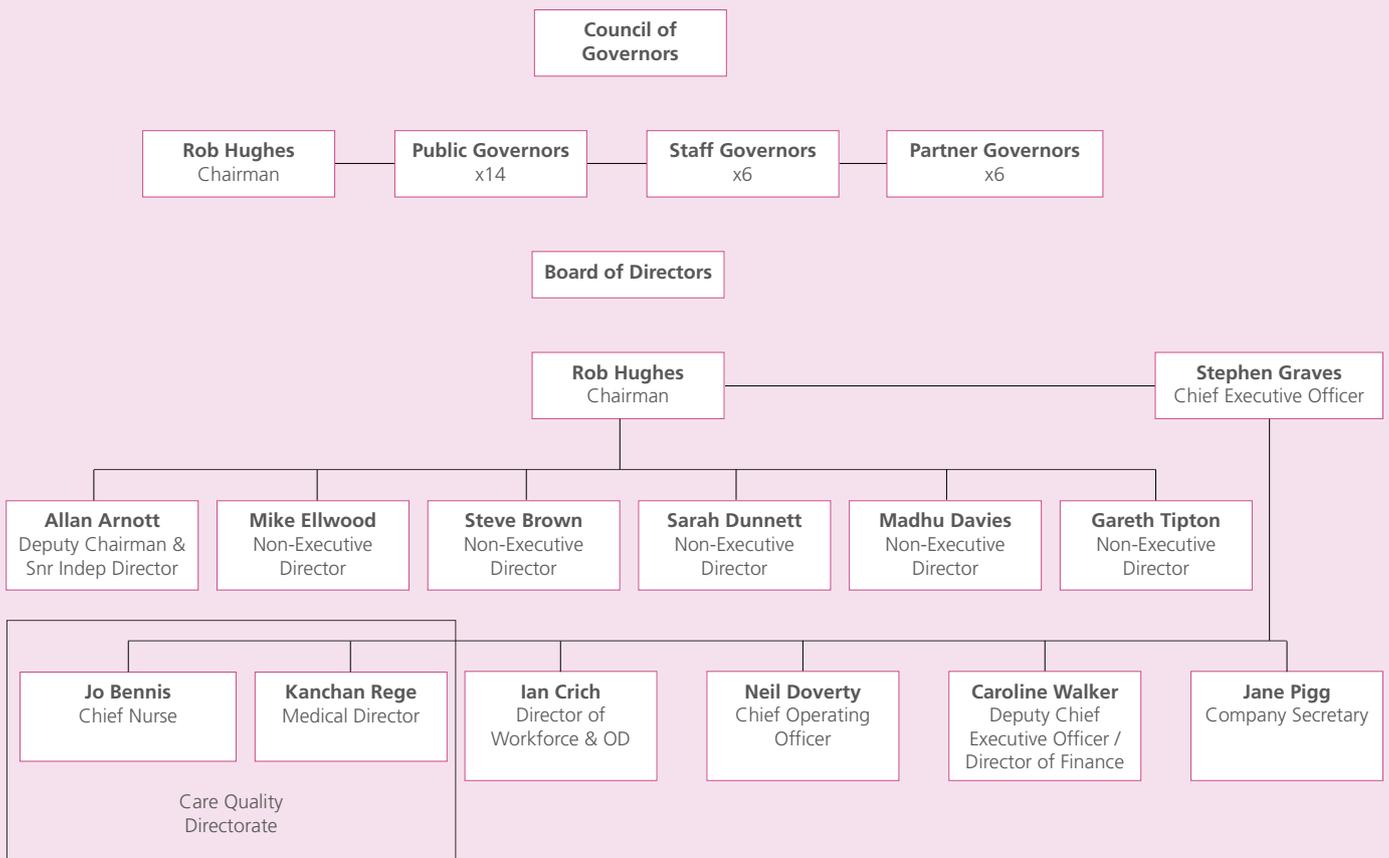
There is full disclosure of all Directors' interests in the Register of Directors' Interests. The Register is held by the Board Secretary and is publicly available on our website ([www.nwangliaft.nhs.uk](http://www.nwangliaft.nhs.uk)).

Any actual or potential conflicts of interest are dealt with in accordance with procedures set out in the Standing Orders for the Board of Directors.



Nursing teams from across the Trust gather to share best practice.

## Board Structure



## Performance evaluation

Executive Directors have an annual appraisal with the Chief Executive. The performance of Non-Executive Directors is evaluated annually by the Chairman. The annual appraisal of the Chairman involves collaboration between the Senior Independent Director and the Vice Chairman/Lead Governor of the Council of Governors, who seek the views of both directors and governors.

## Board meetings

The Board meets regularly once a month. The Board Agendas are formulated to ensure that time is devoted to strategic, operational and financial matters and there is a strong focus on the quality and safety of clinical services for patients. There are also additional Board seminars, including development sessions, as required. There were 12 public and 11 private meetings in 2016/17. The following table shows attendance.



Peterborough City Hospital

## Directors' attendance at Board meetings 2016/17

Non-Executive Directors	Board of Directors Attendance	Executive Directors	Board of Directors Attendance
Mr Rob Hughes	12/12	Mr Stephen Graves	12/12
Mr Allan Arnott	12/12	Mrs Joanne Bennis	12/12
Mr Ken Beeton <sup>3</sup>	2/2	Mr Ian Crich	10/12
Mr Steve Brown	7/12	Mr Neil Doverty	11/12
Mrs Sarah Dunnett	11/12	Dr Kanchan Rege	11/12
Dr Madhu Davies	9/12	Mrs Caroline Walker	11/12
Mr Mike Ellwood <sup>4</sup>	7/11	Mr Pete Oldfield <sup>2</sup>	3/3
Mr Gareth Tipton	10/12	Miss Jane Pigg <sup>1</sup>	12/12

<sup>1</sup> Miss Jane Pigg is a non-voting member of the Board of Directors

<sup>2</sup> Mr Pete Oldfield stood down as acting Finance Director in June 2016

<sup>3</sup> Mr Ken Beeton stood down as a Non-Executive Director in May 2016

<sup>4</sup> Mr Mike Ellwood was appointed as a Non-Executive Director in May 2016

## Access to the register of Directors interests

All directors are required to comply with the Trust's code of conduct and declare any interests that may result in a potential conflict of interest in their role as director of the Trust. The register of interests is available to view on the Trust's internet website ([www.nwangliaft.nhs.uk](http://www.nwangliaft.nhs.uk)). The details are also available from the office of the Company Secretary, who can be contacted on 01733 677926.



Our maternity team achieved the coveted UNICEF Baby Friendly accreditation in 2017

# Council of Governors

## How the Board of Directors and the Council of Governors operate

Peterborough and Stamford Hospitals NHS Foundation Trust is accountable to its members through a Council of Governors. The Council of Governors represents the interests of the local community – patients, public, staff, members and stakeholders – sharing information about key decisions. The Council of Governors is not responsible for the day-to-day management of the organisation, which is the responsibility of the Board of Directors.

Statutory responsibilities of the Council of Governors include:

- appointment (and removal) of the Chairman and Non-Executive Directors and determining their remuneration and allowances;
- approval of the appointment of the Chief Executive;
- appointment or removal of the Trust's external auditor;
- providing their view to the Board of Directors on the Trust's strategy;
- to seek the views of the membership;
- to respond to the Board of Directors when consulted and to undertake functions as requested by the Board of Directors;
- to make recommendations for the revision of the Trust's Constitution;
- hold the Non-Executive Directors individually and collectively to account for the performance of the Board of Directors;
- represent the interests of the members of the Trust as a whole and the interests of the public;
- approves significant transactions and applications for a merger, acquisition, separation or dissolution.

The Council of Governors has clear statutory duties and also actively contributes to the Trust's strategic planning, while holding the Board of Directors to account. There are a number of mechanisms to

understand the views of the governors and the members. Directors attend the Council of Governors meetings on a routine basis to discuss current performance and issues; governors attend the Board of Directors public meetings and, twice a year, the Board of Directors and Council of Governors have a joint meeting to discuss the development and achievement of strategy.

In addition to these meetings, there are also six seminar sessions a year at which topics are presented to the governors.

The Council of Governors plays a vital role in communicating the views and comments of the membership to the Board of Directors to ensure that members contribute to the forward plans of the organisation.

## Composition of the Council of Governors

There are 26 governors:

- 6 Staff (elected)
- 14 Public (elected)
- 6 Partner (appointed) - nominated from partnership organisations

The Council of Governors meets formally on a quarterly basis. There were four full and two extraordinary meetings in 2016/17. Executive and Non-Executive Directors are invited to attend. Details of Governors' attendance are shown on the following page.

Both elected and appointed Governors normally hold office for a period of three years and are eligible for re-election or reappointment at the end of that period for a maximum of nine years. Details of the governors are shown on the following pages.

## Changes during the year

The following Governors stood down in 2016/17:

- Mr Nick Foreman (Public Governor)
- Mr Michael Mills (Public Governor)
- Dr George Collins (Staff Governor)

## Governors' attendance at Council of Governors meetings 2016/17

### Public Governors

Name	Attendance
Mrs Margaret Anderson	4/6
Mrs Annette Beeton	6/6
Mr Mark Bush	4/6
Mr Christopher Chew	6/6
Mr David Cooke	5/6
Mr Nick Foreman	1/1
Mrs Ann Gilliatt	4/6
Mr Brian Hackman	3/6
Mrs Astrid Kuhn	5/6
Mr Duncan Lawson	6/6
Mr Michael Mills	2/3
Mr Tobias Payne	5/6
Dr Bill Proudlock	6/6
Mrs Sandra Woodhouse	5/6

### Staff Governors

Name	Attendance
Dr George Collins	2/2
Mr John Ellington	2/6
Ms Moira Johnston	6/6
Mr Asif Mahmood	5/6
Mrs Donna Phipps	2/6
Mrs Susan Thompson	1/6

### Partner Governors

Name	Attendance
Cllr Wayne Fitzgerald	3/6
Mrs Trish Mason	5/6
Cllr Ray Wootten	4/6

## Looking forward

As a Foundation Trust we remain firmly part of the NHS but we have more freedom and flexibility on how we run our services. The concept of a Foundation Trust rests on local accountability, which Governors perform a pivotal role in providing. The Council of Governors collectively binds a Trust to its patients, service users, staff and stakeholders. Influencing how our health services are shaped and provided is achieved through our public and staff

membership, to which the Trust is accountable through the Council of Governors.

Following the decision by the boards of both Trusts to merge in November 2016, it was agreed that the number of public, staff and appointed governors would be increased to reflect the addition of Huntingdonshire and Hinchingsbrooke Hospital. It was agreed that elections would be held across the following constituencies and staff classes:

### Public governors:

- 6 from the Huntingdonshire constituency
- 6 from the Greater Peterborough constituency
- 5 from the Stamford and South Lincolnshire constituency

### Staff governors:

- 3 from the Hinchingsbrooke class
- 3 from the Peterborough class
- 1 from the Stamford class

It was further agreed that governors should be appointed by the following organisations:

- 1 from Cambridgeshire County Council
- 1 from Peterborough Unitary Authority
- 1 from Lincolnshire County Council
- 1 from Healthwatch Cambridgeshire and Healthwatch Peterborough
- 1 from Cambridgeshire and Peterborough Clinical Commissioning Group
- 1 from South Lincolnshire Clinical Commissioning Group

Elections took place across all constituencies and classes between January and March 2017, with successful candidates notified in early April 2017. Full details will be included in the 2017/18 Annual Report and Accounts.

## Council of Governors 2016/17



**Chairman**  
**Mr Robert Hughes**

Term of office to 31 March 2018.  
Mr Hughes is a former Managing Director of Mars Food UK. He has wide experience in national and international strategic development

and all aspects of sales, marketing, manufacturing, logistics, financial management and mergers and acquisitions. He is currently a Trustee of Brain Tumour Research and was formerly involved in the NHS Strategic Review of Children's Neuro Surgery. He is Chairman of the charity Anna's Hope, a children's brain tumour charity.

### Public Governors



**Mrs Margaret Anderson**

Term of office to 31 March 2017.  
Mrs Anderson stood for election in September 2007 and was successfully re-elected in September 2010 and 2013. She is a Chartered Accountant and was Treasurer for the Lincolnshire

South Federation of Women's Institutes for many years. Mrs Anderson is a governor observer on the Audit Committee and is a Governor representative for the Family and Public Health Directorate.



**Mrs Annette Beeton**

Term of office to 31 March 2017.  
Mrs Beeton stood for election in September 2009 and was successfully re-elected in 2012 and 2015. Mrs Beeton worked for Peterborough and Stamford Hospitals as a theatre nurse and was theatre sister at the

Fitzwilliam Hospital in Peterborough. Mrs Beeton is a member of the Peterborough LINK (Local Involvement Network) – now Peterborough Healthwatch.



**Mr Mark Bush**  
**Lead Governor**

Term of office to 31 March 2017.  
Mr Bush was also elected as Vice Chairman of the Council of Governors at the meeting held on 13 January 2011. Mr Bush stood for election in September 2007 and

was successfully re-elected in September 2010 and September 2013. Mr Bush is retired from full-time employment after 34 years as an officer in the Royal

Navy and 11 years as a speechwriter in London local government. At present he is also chairman of his Parish Council. Mr Bush chairs the Non-Executive Directors Appointments and Terms of Service Committee.



**Mr Christopher Chew**

Term of office to 31 March 2017.

Mr Chew stood for election in September 2009 and was successfully re-elected in September 2012 and September 2015. Mr Chew has lengthy

experience in sales, marketing, public relations in both national and international trading. Mr Chew has held leadership positions in Rotary International and during his time at the hospital has been a liaison Governor with Medical, MSK Clinical Business Units and is at present with the Clinical Support Directorate the Trust's Strategic Planning Committee.



**Mr David Cooke**

Term of office to 31 March 2017.

Mr Cooke was successfully elected to the Trust's Council of Governors in September 2015 and brings to the role his 36 years' experience in a utility business, starting in the local laboratory and finishing as Operations Director for the regulated business. He has chaired the regional Wateraid Charity and, since retiring, serves as a trustee for a pension fund.



**Mr Nick Foreman**

Term of office to 7 July 2016.

Mr Foreman stood for election in September 2015. He has had a varied career in sales and management in the building industry as well as roles in communication, cable services and

the postal service. Since retiring, he has taken up a voluntary role at Peterborough City Hospital and also spends time volunteering for the Red Cross, Deaf Blind UK and The Salvation Army.



**Mrs Ann Gilliatt**

Term of office to 31 March 2017. Mrs Gilliatt stood for election in September 2012 and was re-elected in September 2015. She has spent her working life in a number of different nursing roles, including Macmillan

Nursing and midwifery. Mrs Gilliatt has gained varied experience from working in the health service and wanted to keep involved by supporting the Trust and its patients.



**Mr Michael Mills**

Term of office to 30 September 2016. Mr Mills stood for election August 2013. He is an economist with considerable global experience in health planning and management. Mr Mills served internationally for 28

years with the World Bank, advising on, designing and supervising human development programmes. He has also worked with churches in the Stamford area on their community and outreach activities.



**Mr Brian Hackman**

Term of office to 31 March 2017. Mr Hackman stood for election in September 2007 and was successfully re-elected in September 2010 and 2013. Mr Hackman worked at Peterborough and

Stamford Hospitals from 1972 as a consultant obstetrician and gynaecologist before retiring in 1998 to join the World Health Organisation. He was County Commander for St John Ambulance in Cambridgeshire for 12 years. He has been a member of the St John Council in London and a trustee of the charity. At present he works with St John Associations around the world on behalf of the Priory of England and the Islands.



**Mr Tobias Payne**

Term of office to 31 March 2017. Mr Payne stood for election in September 2010. He was re-elected for a further three years from September 2013. Mr Payne is a registered nurse, and has a wide-

ranging knowledge of the health and social care sector after working within the NHS for 39 years. He is the lay chair of the Trust's Organ Donation and Transplant Committee and is on the Trust's Quality Assurance Committee and Safeguarding Committee.



**Mrs Astrid Kuhn**

Term of office to 31 March 2017. Mrs Kuhn stood for election in August 2013. Mrs Kuhn has worked in both the financial and pharmaceutical fields, working for 11 years in the medical research division

of a multinational pharmaceutical company as their technical translator. Mrs Kuhn was the managing director for 21 years of a manufacturing company.



**Dr Bill Proudlock**

Term of office to 31 March 2017. Dr Proudlock stood for election in September 2007 and was successfully re-elected in September 2010 and 2013. Dr Proudlock was a non-executive director of Lincolnshire

Hospitals for five years and is also a former director of Glaxo Wellcome UK. He has extensive consultancy/lecturing experience in strategic change management. He is a Governor Observer on the Trust's Audit Committee and on the Governor Policy Board of NHS Providers.



**Mr Duncan Lawson**

Term of office to 31 March 2017. Mr Lawson was successfully elected to the Council of Governors in September 2015. He is the deputy chair of his local GP surgery patient participation group and sits on South

Lincolnshire Clinical Commissioning Group's Quality and Patient Experience Committee as an observer. Now retired, he has lived in the area since 1972 and has worked at director level in his career.



**Mrs Sandra Woodhouse**

Term of office to 31 March 2017. Mrs Woodhouse was originally elected as a governor in 2006, and after being unsuccessful in gaining re-election in 2009, was re-elected as a public governor in September 2010

and 2013. Mrs Woodhouse has been a member of the Trust since it became a Foundation Trust in 2004 and as a former nurse, worked at the Trust's hospitals for many years.

## Staff Governors



### **Dr George Collins**

Term of office to 31 July 2016.  
Dr Collins stood for election in 2015. After graduating in London, Dr Collins worked as a junior doctor in both Cambridge and Peterborough. Since starting at Peterborough

Hospital in August 2014 he has augmented his work in many clinical departments with his roles as Staff Governor, British Medical Association representative and Medical Trainee representative. He became a governor to represent frontline staff, to add a junior perspective and to gain assurance for staff that patients are at the centre of Board strategy.



### **Mr John Ellington**

Term of office to 31 March 2017.  
Mr Ellington stood for election in 2012 and was re-elected in 2015. Mr Ellington has worked in theatres in Peterborough for 37 years starting in the Trust in 1979 and is currently

the Equipment Manager for Theatres, Anaesthetics and Critical Care, Surgery, MSK, Emergency & Medicine. Prior to this, he was the relocation lead for Theatres, Day Treatment Unit, Pre Assessment and the Anaesthetic Department and co-ordinated the department's move to Peterborough City Hospital in 2010.



### **Ms Moira Johnston**

Term of office to 31 March 2017.  
Ms Johnston stood for election in 2015. She started her career with the NHS and after several years working in the private sector, she returned in 2011. She currently works as an IT

Project Manager at Peterborough City Hospital.



### **Mr Asif Mahmood**

Term of office to 31 March 2017.  
Mr Mahmood stood for election in 2015. He works in the pathology department at Peterborough City Hospital as specimen reception manager. He joined the NHS in 2002.



### **Mrs Donna Phipps**

Term of office to 31 March 2017.  
Mrs Phipps stood for election in 2012 and was re-elected in September 2015. She has worked in the NHS for all of her career since 1980. Mrs Phipps has held senior positions as a

ward sister, matron, lead nurse and project lead nurse for dementia CQUIN. Her current post is Safeguarding Adults Lead Nurse at Peterborough and Stamford Hospitals and she strives to ensure staff know what is expected of them in safeguarding adults at risk of abuse.



### **Mrs Susan Thompson**

Term of office to 31 March 2017. Mrs Thompson stood for election in 2013. She has worked as a nurse in our Trust in a variety of roles since 1999. Her current role is as a Urology Nurse Practitioner, which sees her work

across many departments of the Trust – giving her insight into how different areas work. Her focus is upon maintaining good standards of care for our patients.

## Partner Governors



**Councillor Wayne Fitzgerald,**  
Cabinet Member for Integrated  
Adult Social Care and Health,  
Peterborough City Council  
Term of office to 31 March 2017.  
Cllr Fitzgerald took over the position  
of representing Peterborough City

Council on the Trust Council of Governors from Cllr  
Diane Lamb in September 2015 following Cllr Lamb  
completing three full terms of service to the Trust.  
He is the deputy leader of Peterborough City Council  
as well as the Cabinet Member for Integrated Adult  
Social Care and Health.



**Mrs Trish Mason**  
Friends of Stamford Hospital  
Term of office to 31 March 2017.  
Mrs Mason is a former nurse having  
worked at various NHS hospitals  
including Stamford. Mrs Mason was  
the President of the British Ladies

Association in Madrid, an organised body of 200  
ladies who raised money for various Spanish charities.  
She is an active committee member of the Friends'  
of Stamford Hospital and is on the volunteer team of  
the hospital.



**Mrs Lynne Moody**  
Director of Quality and Executive  
Nurse, South Lincolnshire CCG  
Term of office to 20 September 2017.  
Mrs Moody is currently Director of  
Quality and Executive Nurse for South  
Lincolnshire CCG. She has worked

in the NHS for over 25 years and before joining the  
CCG worked as Deputy Director of Nursing, Quality  
and Engagement for NHS Lincolnshire. In previous  
roles Lynne has been responsible for the development  
of the Teaching PCT in Lincolnshire which had a  
mandate to lead and develop innovation in education,  
research and development and workforce solutions  
in primary health care. Lynne is committed to ensure  
that patients experience high quality, safe care,  
delivered with courtesy and kindness.



**Councillor Ray Wootten**  
Lincolnshire County Council Term  
of office to 31 March 2017. Cllr  
Wootten is currently Vice Chairman  
of South Kesteven District Council  
having been elected to the council  
in 2007 and again in 2011. He also

serves on Lincolnshire County Council and was  
elected in 2009 and again in 2013.

## Governor Advisors



**Councillor Diane Lamb,**  
Cabinet Member for Health  
and Adult Social Care,  
Peterborough City Council  
Cllr. Diane Lamb has represented  
Peterborough City Council on the  
Council of Governors since 2006.

In 2016 she became an Advisor to the Council  
of Governors.

Cllr. Lamb is a retired Healthcare Professional.  
Previously Cabinet Member for Health and Adult  
Social Care, she is currently the Cabinet Member for  
Public Health and leads on the City's public health  
agenda. Cllr. Lamb sits on the Health and Wellbeing  
Board, the Board of Inspire Peterborough and was  
recently elected Chairman of the Peterborough  
Dementia Action Alliance.



**Lady Victoria Leatham**

Lady Victoria is a long-time supporter  
of Stamford & Rutland Hospital where  
she has been a patient and received  
excellent care. She is a Past Master of  
The Draper's Company in the City of  
London and now sits on the Court.

She is on the Appeal Board of the newly-built Sue  
Ryder Hospice at Thorpe Hall, and sits on The Friends  
of Fotheringhay Church committee.

## Social, community and human rights issues

Good engagement with our patients and the wider  
community continues to be of utmost importance  
to the Trust, helping us understand what people  
need and expect from the services we provide.  
We continue to use a variety of ways to engage  
with these key groups.

## Foundation Trust membership

The planned merger with Hinchingbrooke Health Care Trust to form the North West Anglia NHS Foundation Trust from 1 April 2017, has seen some specific requirements regarding membership services.

A dedicated member recruitment programme was undertaken in late 2016 in readiness to run governor elections for the new Trust in early 2017. Members were recruited across three constituency areas which were defined by the local areas served by the three hospitals to be run by the new trust: Peterborough City Hospital, Hinchingbrooke Hospital and Stamford and Rutland Hospital.

As a result of this recruitment activity, which was undertaken for the Trust by Membership Engagement Services, membership across all three areas was boosted. 2,500 members were recruited to the new Huntingdonshire constituency.

### Who can be a member?

**Public** – Public membership of the Trust is open to anyone aged 16 or over who lives in the Trust's catchment area. All Non-Executive Directors and public governors are required to be public members of the organisation and staff governors are required to be staff members.

**Staff** - All permanent employees of the Trust are automatically made members upon commencement of employment, with the choice to opt out of the scheme if they wish. As well as permanent staff, those who are on short-term or temporary contracts lasting 12 months or more are also eligible for staff membership. Trust members are expected to adhere to the principles of NHS Foundation Trust status.

The Trust also expects members to be committed to the Trust's values.

### Membership services

Membership services are provided by the Trust's Communications Department, which is responsible for the recruitment, retention and engagement with Trust members, in collaboration with the Trust governors.

The Trust communicates with members on a regular basis, primarily through dedicated articles in the Trust's quarterly magazine, The Pulse, but also via direct contact by email to those members who have agreed they are happy to be contacted in this way.

In addition, the Trust holds members' meetings three times a year. This includes our Annual Public Meeting, usually held in July.

### Membership numbers

	31 March 2016	31 March 2017
Public membership	5,180	8,679
Staff membership	4,951	4,949
<b>Total</b>	<b>10,131</b>	<b>13,628</b>

### Current public membership statistics

		Public members 2016/17
<b>Age</b>	<b>16</b>	14
	<b>17-21</b>	235
	<b>22+</b>	6,285
	<b>Undisclosed</b>	2,145
<b>Ethnicity</b>	<b>White</b>	6,132
	<b>Mixed</b>	48
	<b>Asian or Asian British</b>	333
	<b>Black or Black British</b>	48
	<b>Other</b>	45
	<b>Undisclosed</b>	2,073
<b>Gender</b>	<b>Male</b>	3,316
	<b>Female</b>	5,051
	<b>Trans-gender</b>	*
	<b>Undisclosed</b>	312
<b>Recorded disability</b>		*

\* Data not available

## Developing our membership

Plans are in place to further develop membership of the new North West Anglia NHS Foundation Trust across all areas served by the combined trust in 2017/18. This includes plans to attract more people who are younger and members of ethnic communities, to ensure a more accurate representation of the communities the Trust serves.

## Contact details

Members can get in touch by:

**Telephone:**

01733 678024

**Email:**

[membership@pbh-tr.nhs.uk](mailto:membership@pbh-tr.nhs.uk)

**Website:**

[www.peterboroughandstamford.nhs.uk/joinourtrust](http://www.peterboroughandstamford.nhs.uk/joinourtrust)

**Facebook:**

[www.facebook.com/peterboroughandstamfordhospitals](http://www.facebook.com/peterboroughandstamfordhospitals)

Members can also contact the Council of Governors or Board of Directors, c/o Company Secretary, Department 404, Peterborough City Hospital, Edith Cavell Campus, Bretton Gate, Peterborough, PE3 9GZ, regarding general issues.

All members and patients are encouraged to use the Trust's standard procedures if they have any concerns or complaints regarding services that they, or a friend or relative, has received. Any initial queries received on individual treatment will be diverted through this route. This is to ensure a consistent, high-quality approach is taken to tackling individual patient care issues in line with best practice, Care Quality Commission registration requirements and to ensure that all issues are captured and reflected in figures for individual service areas.

The Trust's Patient Advice and Liaison Service can be contacted on **01733 673405**.



Stamford & Rutland Hospital

# Disclosures

## Annual Report and Accounts

The directors consider the annual report and accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for patients, regulators and stakeholders to assess the Trust's performance, business model and strategy.

## "Fit and Proper" Persons Test

Requirements are included in the eligibility criteria for directors and governors regarding the need to meet the "fit and proper" persons test described in the provider licence and incorporated into the Trust's constitution. Directors and governors are required to confirm that they meet these requirements on an annual basis.

## Accounts

The accounts have been prepared under the direction of NHS Improvement and in accordance with the requirements of the *National Health Service Act 2006*. The accounts show, and give, a true and fair

view of the NHS Foundation Trust's income and expenditure, gains and losses, cash flow and financial state at the end of the financial year, and meet, as directed by NHS Improvement, the requirements of the NHS Foundation Trust Annual Reporting Manual and comply with the cost allocation and charging guidance issued by HM Treasury.

A statement of the chief executive's responsibilities as the accounting officer and requirements in preparing the accounts is included at page 2 of the accounts; and a statement of directors' responsibilities in respect of the accounts is included at page 3 of the accounts (See Section 2).

## Accounting policies for pensions and other retirement benefits

Accounting policies for pensions and other retirement benefits are set out in note 1 to the accounts. Details of senior employees' remuneration can be found on page 120 of the remuneration report.



Stamford & Rutland Hospital celebrates Royal College of Nursing **100 year** event

# Regulatory Ratings

As a Foundation Trust, we are regulated by NHS Improvement, the sector regulator of health services in England. NHS Improvement's role is to protect and promote the interests of patients by ensuring that the whole sector works for their benefit. NHS Improvement promotes the provision of services which are effective, efficient and economical and which maintain or improve their quality.

## Duty of Candour

A statement regarding the duty of candour is included in the Quality Account on page 82.

## Freedom to speak up

A statement regarding the freedom to speak up is included in the Quality Account on page 83.

## Equality and diversity

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

## Governance standards

### Licence

Peterborough and Stamford Hospitals NHS Foundation Trust is a public benefit corporation formed on 1 April 2004 pursuant to Section 6 of the *Health and Social Care (Community Health and Standards) Act 2003*. NHS Improvement established the Trust under terms of authorisation as one of the first 10 NHS organisations to achieve NHS Foundation Trust status. The original enabling legislation has been superseded by Part 2, Chapter 5 of the *NHS Act 2006* and the regime was changed under the *Health and Social Care Act 2012* to replace the terms of authorisation with a licence.

The licence sets out a range of conditions that the Trust must meet so that it plays its part in continually improving the effectiveness and efficiency of NHS health care services, to meet the needs of patients and taxpayers today and in the future.

There are nine general conditions contained within the licence, covering areas such as the provision and publication of information, payment of fees, fit and proper persons requirements, and a requirement for providers to be registered with the Care Quality Commission.

Continuity of services conditions ensure that providers of key NHS-funded services required by local commissioners (Commissioner Requested Services) meet certain conditions, so that if they get into very serious financial difficulty NHS Improvement can step in and ensure the services can continue to be provided on a sustainable basis.

The Trust is required to act in accordance with the conditions of the licence, which includes:

- The Single Oversight Framework issued by NHS Improvement on 30 September 2016;
- The NHS Foundation Trust Code of Governance re-issued by Monitor (NHS Improvement) in December 2013;
- National standards of care as required by registration with the Care Quality Commission registration;
- The duty to cooperate with other NHS and local authority bodies;
- The need to meet Connecting for Health information governance standards;
- The need to participate in local and national emergency planning and provision;
- Terms and conditions of the contracts agreed for the provision of services with local Clinical Commissioning Groups (which incorporate requirements for national service targets).

### Single Oversight Framework

NHS Improvement published the revised version of the Single Oversight Framework on 13 September 2016. The framework focuses on five themes and is designed to help NHS providers attain, and maintain, Care Quality Commission ratings of 'Good' or 'Outstanding'. The five themes highlighted in the framework are:

- Quality of care (safe, effective, caring, responsive);
- Finance and use of resources;
- Operational performance;
- Strategic change;

- Leadership and improvement capability (well-led).

By focusing on the five themes NHSI aims to support providers to improve and/or maintain a CQC rating of 'good' or 'outstanding'.

The framework came into force on 1 October 2016, replacing the previous 'Monitor Risk Assessment Framework'. Reporting up to the quarter ending September 2016 is therefore against the current Monitor Risk Assessment Framework.

Within the Single Oversight Framework each provider is placed into one of four segments based on the information available, support needed, findings of investigations, consideration of the scale of issues and whether a provider is in breach of licence conditions. These four segments are as follows:

Segment	Description
1	<b>Providers with maximum autonomy</b> – no potential support needs identified across our five themes – lowest level of oversight and expectation that provider will support providers in other segments
2	<b>Providers offered targeted support</b> – potential support needed in one or more of the five themes, but not in breach of licence (or equivalent for NHS trusts) and/or formal action is not needed
3	<b>Providers receiving mandated support for significant concerns</b> – the provider is in actual/suspected breach of the licence (or equivalent for NHS trusts)
4	<b>Special measures</b> – the provider is in actual/suspected breach of its licence (or equivalent for NHS trusts) with very serious/complex issues that mean that they are in special measures

Under the NHSI Risk Assessment Framework the Trust had a Financial Sustainability Risk Rating of 2 at the beginning of the year. However, following the change to the new Single Oversight Framework, the Trust now has a Use of Resources rating of 3, with one being the highest available rating and 4 being the lowest, and falls into segment 3 outlined above.

## Risk Assessment Framework

The Risk Assessment Framework in place until October 2016 was a risk-based system of regulation designed to identify actual and potential financial and non-financial problems in a manner that allowed NHS Improvement to deal with issues effectively.

NHS Improvement used a number of methods to assess the Trust's compliance with its licence conditions. NHS Improvement's Risk Assessment Framework described in detail how NHS Improvement considered each Trust's compliance with:

- the **Financial Sustainability risk rating** (staying solvent and maintaining the continuity of services provided by the Trust); and
- the **NHS foundation trust governance condition** (being well governed from a financial, operational and quality perspective).

NHS Improvement's Quality Governance Framework measures the structures and processes in place to ensure effective, trust-wide, oversight and management of quality performance.

Where the Risk Assessment Framework indicated that a Trust was breaching, or potentially breaching, its continuity of services or governance conditions, NHS Improvement considered whether formal investigation was required in order to assess the scale and scope of the breach and what, if any, regulatory action was appropriate.

The application of the Risk Assessment Framework showed when there was:

- a significant risk to the financial sustainability of a provider of key NHS services which endangers the continuity of those services ; and/or
- poor governance at an NHS foundation trust.

Risks were assessed at each NHS foundation trust on an annual basis as part of the annual plan process and each quarter following the submission of quarterly declarations. While the continuity of services risk rating identified the level of risk to the ongoing availability of services through a consideration of finances, the governance indicator was based on performance against key national targets and Care Quality Commission indicators.

The financial sustainability risk rating was the level of financial risk a foundation trust faces and its overall financial efficiency. A rating of 1 indicated the most serious risk and 4 the least risk.

The Trust's risk ratings for the past two years are as follows and reflect the Trust's financial and performance position as noted in the current enforcement requirements.

## Regulatory Ratings 2015/16 and 2016/17

Risk Ratings	Annual Plan	Q1: Apr to Jun	Q2: Jul to Sep	Q3: Oct to Dec	Q4: Jan to Mar
<b>Financial Sustainability<sup>1</sup></b>					
2016/17	1	1	1		
2015/16	1	1	1	2	2
<b>Governance<sup>2</sup></b>					
2016/17	Red	Red	Red		
2015/16	Red	Red	Red	Red	Red

<sup>1</sup> Rated 1-4, where 1 represents the lowest risk and 4 the highest

<sup>2</sup> Rated Green, Amber/Green, Amber/Red, Red

## Regulatory Ratings 2016/17

Risk Ratings	Annual Plan	Q1: Apr to Jun	Q2: Jul to Sep	Q3: Oct to Dec	Q4: Jan to Mar
<b>Use of Resources<sup>1</sup></b>					
2016/17	See above	See above	See above	3	3 <sup>2</sup>

<sup>1</sup> Rated 1-4, where 1 represents the lowest risk and 4 the highest

<sup>2</sup> Expected rating

## Regulatory Action

The Trust currently has existing enforcement actions that demonstrate that it is not currently compliant with its Licence Conditions. These focus on the two areas below that are consistent with the Trust's own assessment:

- CoS7: whilst in a deficit position, the Trust works to ensure that it has available resources for the Trust through submission of a financial plan to NHS Improvement and receipt of central cash funding to ensure the required resources are available for the Trust;
- FT4: this is an area of the current enforcement notice related both to the Trust's financial deficit and to the delivery of performance standards, including breaches of the A&E four hour target.

The enforcement actions (agreed in July 2015) focus on financial sustainability part of which is to be addressed by the merger with Hinchingsbrooke Health Care NHS Trust, stretched cost improvement targets which have been met and ongoing work to improve and achieve the A&E four hour standard on an ongoing basis. These actions are monitored routinely within the Trust by directorate and for the organisation as a whole, and through monthly performance review meetings with the local NHSI team.

The Licence is available to view on NHS Improvement's website at <http://www.improvement.nhs.uk> and from the Trust's Company Secretary.

## Enhanced Quality Governance Reporting

Quality Governance is a combination of structures and processes at and below Board level to lead on Trust-wide quality performance including:

- ensuring required standards are achieved;
- investigating and taking action on sub-standard performance;
- planning and driving continuous improvement;
- identifying, sharing and ensuring delivery of best-practice; and
- identifying and managing risks to quality of care.

Arrangements are in place to ensure quality governance and quality are discussed in more detail within the annual governance statement (page 160 refers) and the quality report (page 78 refers).

## Code of Governance

The Code of Governance is best practice guidance and is designed to assist NHS foundation trust boards in improving their governance practices by bringing together the best practice of public and private sector corporate governance. The code sets out a common overarching framework for the corporate governance of NHS foundation trusts and complements their statutory and regulatory obligations. Peterborough and Stamford Hospitals 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.

It is the responsibility of the Board of Directors to confirm that the Trust complies with the provisions of the Code or, where it does not, to provide an explanation which justifies departure from the Code in the particular circumstances.

In 2016/17 Governance processes were consolidated through external reviews led by Deloitte LLP undertaken as part of the merger process with Hinchingbrooke Hospital. Whilst the external reviews confirmed the Trust was had appropriate procedures in place, there were recommendations made that are being implemented as part of the merger arrangements. In terms of the code, there are areas that could also be strengthened, and these are referenced below with the code provisions:

- A.5.6(a)** Council of Governors policy for engagement with Board of Directors when have concerns about directors or compliance with licence
- B.5.6(a)** Council of Governors should canvass members on forward plan
- E.1.1** Board of Directors to have public document regarding policy on stakeholder involvement including a description of kind of issues it will consult on
- E.1.6** Board of Directors to monitor effectiveness of membership and of engagement strategy

These will also be reviewed as part of the process for the enlarged Trust.

## Information Governance

The Trust is required to submit an annual Information Governance Toolkit declaration at the end of March 2017. The Trust is required to attain a minimum level 2 assessment (level 0 being the lowest with no evidence and level 3 the highest) for each standard and also have a supporting annual internal audit of IG Toolkit compliance.

For 2016/17, the Trust submitted a minimum level 2 attainment across the standards with some level 3 compliance, which provided a 68% satisfactory score. This is similar to other years. No recommendations were made for improvement in the internal audit.

The Information Governance Toolkit standards cover six areas:

- Information Governance Management
- Confidentiality and Data Protection Assurance
- Information Security Assurance
- Clinical Information Assurance
- Secondary Use Assurance
- Corporate Information Assurance

## Incidents

Internal incident and security risk monitoring is undertaken through the fortnightly Information Security Forum, using reporting from the Trust's Datix adverse events system, system security reports and through walkabouts. Staff are encouraged to report Datix incidents to ensure that lessons can be learned and actions targeted.

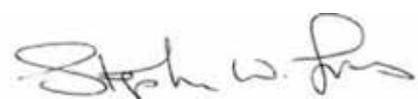
In the past year, five incidents have been reported at level 1, and one reported with a final outcome of a 'near-miss' as data was secured through the Trust's network controls.

The Information Security Forum also reviews cyber security events as reported through the Trust's firewall detection and internet and antivirus security software. While cyber events are numerous, processes and systems in place, including the protection of the Trust's firewall, enable the Trust to continue to operate safely; the biggest risk to the Trust is individual staff and their potential actions.

Areas for improvement are therefore ongoing staff education regarding their responsibilities for appropriate use of information and information systems, and requirements for due care when handling individuals' personal information.

While the submission demonstrates compliance with the required standards it also highlights areas for further work together with known developments from the coming year. The 2017/18 plan therefore includes:

- preparation for the adoption of the General Data Protection Regulation (that is to replace the Data Protection Act);
- adoption of a revised toolkit, with the expectation of enhanced cyber security requirements;
- integration of processes across the enlarged organisation (using the above as a framework);
- strengthening of Privacy Officer roles;
- ongoing enforcement of individual duties to protect and safeguard patient, staff and commercial data;
- protocols for local investigation and guidance for staff;
- in conjunction with corporate governance requirements to consider appropriate document management systems for IG related issues.



**Stephen Graves, Chief Executive**  
24 May 2017

# Annual Governance Statement

## Scope of responsibility

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

## The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of Peterborough and Stamford Hospitals NHS Foundation Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Peterborough and Stamford Hospitals NHS Foundation Trust for the year ended 31 March 2017 and up to the date of approval of the annual report and accounts.

## Capacity to handle risk

As Chief Executive, I have overall responsibility for risk. The responsibility for risk management processes is delegated to the Chief Nurse, with Clinical and Executive Directors taking responsibility for specific risk areas within their Directorates. The Audit Committee monitors assurance processes and seeks internal audit assurance on the risk management process in order to provide independent assurance to the Board of Directors that risks are being properly identified and appropriate controls are in place.

Executive directors personally and collectively review assurances against strategic objectives within their remit on a monthly basis as part of the Board Assurance Framework. They ensure action is taken

to address gaps in controls and proactively identify evidence of positive assurance.

The Trust employs a range of specialists to lead on the implementation of risk management including specialists in quality governance, information governance, corporate governance, health and safety, business and emergency planning.

During 2016/17 the Trust identified key strategic areas of concern and has commenced a process to ensure that actions in these areas are taken to reduce any aligned risks.

The responsibility for risk management is embedded across all levels in the Trust; from Board members, through Clinical Directors to all managers and staff. Named Directors have specific responsibilities and accountability for risk, and these are laid out in the Trust's Strategic Risk Management Framework which covers clinical and non-clinical risk, together with the responsibilities for all staff and management.

All new staff receive corporate induction, which includes risk management and incident reporting, alongside health and safety, manual handling and infection control training, as appropriate to their duties. In addition, staff are required to complete mandatory training annually.

All staff are required to be alert to risks as an integral part of their duties; this is detailed in their contracts of employment. Additionally, staff with management responsibilities are explicitly required to ensure the implementation of the Trust's health and safety and risk management policies, procedures and codes of practice through their directorate management structure, ensuring that communication pathways are clear and explicit at all levels of employment, in order to maintain the health, safety and welfare of employees or others who may be affected. Specific one-to-one training is provided to staff with particular responsibilities for maintaining their department/ directorate risk register.

## The risk and control framework

To ensure that risk is identified, evaluated and controlled there are formal structures within the Trust. The Trust's approach to risk management is continually reviewed and improved in line with the Strategic Risk Management Framework. While the Board has overall responsibility for risk management, I have delegated the operational overview to the Trust Management Board which scrutinises and challenges risk management, and the Audit Committee which checks that processes for risk management are effective.

Non-Executive Director, Mr Mike Ellwood, took over as the chair of the Audit Committee in June 2016 for Mr Ken Beeton. Mr Ellwood was appointed following a rigorous external recruitment process.

## Risk assessment

All Trust employees are responsible for identifying and managing risk. The Trust uses the National Patient Safety Agency (NPSA) 5 x 5 Risk Matrix for Managers to ensure risks are collectively scored objectively against the likelihood and the consequence of the risk materialising. This means the range of risk scores is from 0 to 25. The table below outlines this in more detail:

### Risk Assessment Matrices

The matrix below outlines the assessment system for scoring risks within the organisation.

CONSEQUENCES / SEVERITY	LIKELIHOOD					
	Impossible 0	Rare 1	Unlikely 2	Possible 3	Likely 4	Almost Certain 5
No adverse outcome - 0						
Insignificant - 1		1	2	3	4	5
Minor - 2		2	4	6	8	10
Moderate - 3		3	6	9	12	15
Major - 4		4	8	12	16	20
Catastrophic - 5		5	10	15	20	25

Key:

No risk	Low Risk	Moderate Risk	Significant Risk	High Risk
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## Risk Register

The risk register is a risk management tool whereby identified risks are described, scored, controls identified, mitigating actions planned and a narrative review is recorded. Data in the risk register is extractable into report format to provide an overall picture of risks to the Trust as well as thematic overviews.

The Trust has agreed that the most significant risks to the Trust, being those which score 12 and above, should be reviewed monthly at the Trust Management Board. A register containing 12+ risks is scrutinised and challenged by the Trust Management Board (to ensure risks are being managed). This high-level register is informed by those risks which score 12 and above in the Board Assurance Framework (top down) and risks identified from within the Directorates (bottom up). The Quality Assurance Committee and Finance Committee review all high and significant risks as sub-committees of the board.

A snapshot of high risks presented to the Trust Management Board is provided below:

Risk No.	Risk Description	Initial Risk Rating and Date	Last Month	Current Month	Target Rating	Mitigation
413	Information governance capacity processes and assurance – risk of non-compliance with requirements	10 9/3/10	16	16	8	Review of local processes
679	Increased number of delayed transfer of care patients in the Trust	20 16/2/11	20	20	8	Review meetings with local stakeholders

Further information relating to information governance can be found on page 166. Information relating to delayed transfer of care patients can be found in the performance report on page 30.

High level projects maintain project specific risk registers. Identified risks are maintained in line with the Trust risk register. Residual risks are transferred to the Trust risk register on completion of the project.

Throughout the year the Trust has led a merger with Hinchingsbrooke Health Care NHS Trust. This process has been supported by a separate project risk register fed from risks raised as part of due diligence from external advisors reports, and through the process of assimilation that has identified various differences in working practice. Risks were subject to review by the Project Implementation Board which included Non-Executive Directors and senior external representatives. These risks will be taken forward in a combined risk register for the enlarged organisation.



The Trust's Orthopaedic team members

## Board Assurance Framework

The Trust has in place a Board Assurance Framework (BAF), which is set and approved by the Trust Board annually in line with the annual planning process.

The BAF ensures the Trust's performance against its strategic objectives is monitored and managed; resulting in targets being met, objectives achieved, and good outcomes for patients. Where appropriate, objectives may be modified with agreement of the Trust Board to ensure objectives remain relevant to the ongoing requirements of the Trust throughout the year.

An internal audit undertaken in November 2016 provided the Trust with substantial assurance on the design and implementation of the Trust's risk management and assurance framework process.

All high and significant risks associated with the quality of care delivery are reviewed by the Quality Assurance Committee, with specialist committee meetings, such as information security, also reviewing relevant risks. Key external stakeholders are engaged with the risk management and control framework, with local Clinical Commissioning Group and Healthwatch reviews and links to Care Quality Commission assessment and assurance through the reporting framework to NHS Improvement.

A DATIX risk management system is used to capture adverse events. Outcomes of adverse event reporting includes immediate action(s) that may need to be taken; consideration of any inherent risks that need to be addressed; and the engagement of key stakeholders involved in the adverse event process. This also includes adopting the duty of candour to inform patients; ensuring appropriate feedback is given; and that lessons learned are shared.

The Trust's Quality Strategy and Quality Governance Framework set the direction through which quality is managed and assured in the Trust. Risk management is a key element of this framework, which brings together the Trust's vision for quality (right care; first time; every time) with national and Trust roles and responsibilities, Trust strategic objectives, risk management, capabilities and structures and processes.

The Assistant Director Nursing and Care Quality (Effectiveness) and the Deputy Company Secretary support the directorates by providing specialist advice on identifying and assessing risks and work with them to facilitate risk mitigation plans through training, education and other individual support.

Risk management is a key item covered in Trust reports, including the Trust financial report and operational management report. The principles of

risk management are also embedded in the Trust's approach to business continuity planning, the Trust's internal and external audit reviews, local counter fraud services and security management.

Further detailed assurance (if required) can be provided through the Trust's Risk Register or an Exception Report, which includes a recovery plan setting out the action taken, planned actions and their anticipated impact on delivery.

## Care Quality Commission

The Trust is fully compliant with the registration requirements of the Care Quality Commission. Following inspection in May 2015, the Trust was awarded a rating of good for both Stamford and Peterborough City Hospital sites across all the domains of safe; effective; caring; responsive and well-led.

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

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

The Foundation 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.

The Trust's Procurement Team work to best practice requirements for purchasing and supplies and with local and national procurement hubs to ensure that products meet required standards.

## Modern Slavery and Human Trafficking Act 2015

The Trust's approach in meeting the requirements of the above Act has been the development of a Board statement. This statement has been developed in conjunction with the Trust's Head of Procurement.

The provision of the statement is considered to be an element of the Trust's commitment and demonstration of the need to be aware of this requirement, and associated values relating to equality, diversity and community relations.

### NHS Foundation Trust licence condition FT4 (FT governance)

The Trust has a provider licence and condition FT4 relates to the Trust's governance arrangements. This condition requires the Trust to:

- have an effective committee structure;
- have clear responsibilities for the Board, the Board committees and staff reporting to the Board and the Board committees;
- have clear reporting lines and accountabilities;
- ensure compliance with the requirement to operate efficiently, economically and effectively;
- have timely and effective scrutiny and oversight by the Board of the Trust's operations;
- ensure compliance with health care standards;
- have effective financial decision-making, management and control;
- obtain and disseminate accurate, comprehensive, timely and up to date information for Board and Committee decision-making;
- identify and manage material risks to compliance with the Licence conditions;
- generate and monitor delivery of business plans;
- ensure compliance with applicable legal requirements;
- ensure appropriate personnel on the Board and reporting to the Board;
- submit a corporate governance statement confirming compliance and a statement from the external auditor regarding compliance with the statement.

Each year the Audit Committee requires assurance on Board committee working, including compliance with their terms of reference. These committees meet routinely, covering the breadth of the Trust's quality, finance and performance requirements, whilst providing scrutiny prior to each monthly Board meeting. This process is reviewed on an annual basis, together with the process for Board appointments, as part of the internal audit of corporate governance. For the current year, this area of activity received substantial assurance. All financial management system audits have received substantial assurance.

The Trust was found in breach of licence conditions in April 2013, which required actions for accident and emergency performance, financial planning, cost improvement programme delivery, finance function delivery and Board effectiveness. The Trust has been subject to a monthly monitoring process and received revised enforcement undertakings in July 2015, which removed previous undertakings but continue to require appropriate financial plan and A&E delivery submissions, together with compliance with Department of Health financing requirements. The Trust continues to be in breach of the requirement to operate effectively, efficiently and economically.

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

The Trust has arrangements in place for agreeing targets and actions to deliver its strategic objectives. Each year the Trust produces an Annual Plan, which sets out planned action for the year and risks against achieving those actions. The Trust aims to ensure that its Annual Plan is challenging but realistic and achievable, ensuring quality of care is at the forefront of the Trust's business planning, whilst reducing costs, driving efficiencies, promoting good clinical outcomes, a good patient experience and patient safety.

Detailed financial planning is part of the Trust's enforcement requirements, with challenging cost improvement plans and an acknowledged financial deficit plan, and with actions being taken across the wider Cambridgeshire and Peterborough local health economy to ensure the clinical and overall long-term financial sustainability of providers.

Structured below the Annual Plan are directorate plans, and capacity plans which detail specific objectives and milestones to deliver actions. To ensure delivery of planned actions, there is continual review of progress against plans within directorates, and plans for cost savings are scrutinised by Executive Directors independently and at performance meetings. The Finance and Investment Committee and the Quality Assurance Committee monitors the achievement of plans (whilst maintaining and improving quality and safety).

Procedures are in place to ensure all strategic decisions are considered at Executive and Board level and that there is wider consultation with governors and stakeholders.

A key issue of concern both locally and nationally is the need for effective recruitment of substantive staff and a reduction in agency usage and associated costs. This would ensure reduced financial pressures, whilst increasing quality. This concern is being addressed by a specific recruitment taskforce and through quality reviews and performance meetings.

The emphasis in Internal Audit work is on providing assurances to the Audit Committee, and to the Board on internal controls, risk management and governance systems. The Head of Internal Audit has provided an opinion of significant assurance for the year, with six domains (governance and risk, finance, quality and clinical, performance operations, HR workforce and information technology receiving substantial assurance. There were four audit reviews that received a limited assurance opinion. These four audits have each been scrutinised at the Audit Committee and agreed actions are being undertaken by the Trust to address the control weaknesses identified.

The external audit review of the two mandated indicators in the Quality Account (four hour A&E journey from initial attendance to admission or discharge and the 18 week referral to treatment pathway) has raised concerns regarding the exact operational recording of the data, to the extent that within their terms of reference the auditors were unable to give a limited assurance opinion on these indicators. These are complex indicators due to the need to reflect precise individual patient interactions, often in real time. The Trust operates using manual casualty cards and an electronic patient pathway system (e-track) which means the timings are not automatically aligned. As a result of these findings an action plan has been agreed to reflect the concerns raised.

The Trust has received an 'emphasis of matter' opinion from its external auditors reflecting going concern issues. This is driven by the Trust's continuing financial deficit. Due to the size of this deficit, external support continues to be required to achieve financial sustainability.

In May 2016, the Trust Board considered an Outline Business Case for the formal merger and acquisition of Hinchingsbrooke Health Care NHS Trust (HHCT) by Peterborough and Stamford Hospitals NHS Foundation Trust (PSHFT). Both Boards supported the recommendation to proceed to a Full Business Case (FBC) on the basis that the creation of a single organisation was the preferred option as it delivered notable clinical and service benefits for patients and

saved the taxpayer more than £9m per annum recurrently.

We commenced a programme of 30 engagement events with patients, members of the public, staff and other key stakeholders in July to help inform the identification and development of the clinical and financial benefits, and address any concerns or misconceptions people may have about our hospitals working together for the future. Both Trusts presented and discussed the case in public and at Overview and Scrutiny Committees in Huntingdonshire, Cambridgeshire, Peterborough and Lincolnshire.

In September 2016, the FBC was approved by both the HHCT and PSHFT Boards for the formal acquisition of HHCT by PSHFT with effect from 1 April 2017.

Organisational Change consultations with 1,500 staff across both Trusts began in January. This has now concluded for some staff, while for others, who are more significantly affected by proposed changes, the consultation continues to allow more time for discussions to take place between affected staff and the Board members to whom their team reports. Following the conclusion of these discussions, we will consider all feedback and determine any changes to proposed structures before making final proposals shortly after 1 April.

At their November 2016 Board meetings, both Boards ratified the decision to merge and following approval by the Secretary of State in March 2017 the North West Anglia NHS Foundation Trust became a legal entity. The merger of both organisations will ensure the continuation of sustainable local services in the longer term, with the initial challenge of an increased deficit due to an unexpectedly high financial year end position from Hinchingsbrooke Health Care NHS Trust.

The Trust is therefore expecting to incur a deficit during the next 12 months and, as a result, will require significant additional external funding from the Department of Health. In 2016/17, the Trust received external funding support from the Department of Health and it expects to receive further funding in 2017/18. As outlined in the Trust's going concern statement provided on page 18 of the Annual Accounts, the Trust is working with a structural deficit and is therefore operating under enforcement undertakings issued by NHS Improvement. Cost improvement plans have been set to deliver at least another £16.2m in 2017/18.

## Information governance

The Board is aware of the importance of maintaining high standards of information governance and securing the confidentiality of patients' information. The management of information governance and data security risks is seen as part of the quality governance agenda. Risks to information, including data confidentiality, integrity and availability, are being managed and controlled. A system of monitoring and reporting on data security risks is established under the delegated authority of the Trust Board through the Health Records and Information Governance Committee. Responsibility for Information Governance in the Trust rests with the Company Secretary, who acts as the Senior Information Risk Owner. She is supported by the Trust's Information Governance Manager, who provides bi-annual reports to the Trust Board.

The Information Risk Policy defines an overall structured approach to the management of information risk, in line with the Risk Management Strategy. A register of Information Assets is maintained. The business ownership of those assets is the responsibility of senior managers within the Trust, supported by staff with responsibility for operational management of the assets. These 'owners' ensure that the principal risks are identified, assessed and regularly reviewed, and that annual assurance reports are provided on the satisfactory operation and security of the key information assets.

Where assessed as appropriate, risks are actioned, additional controls are implemented, and prioritised risks are escalated through the Risk Register. As Accounting Officer, I am committed to ensuring that immediate actions are taken where significant risks have been highlighted.

A range of measures is used to manage and mitigate information risks, including: staff training, physical security, data encryption, access controls, penetration testing, audit trail monitoring and spot checks. In addition, a comprehensive assessment of information security is undertaken annually as part of the Information Governance Toolkit.

The Trust has self-assessed against the Information Governance Toolkit, which reviews performance with Department of Health information governance policies and standards. The Trust achieved a satisfactory overall compliance of Level 2 and above for the Information Governance Toolkit, with some criteria achieving Level 3.

Information security incidents are managed as part of the Trust's information governance processes. All incidents that have a data protection element are investigated, with lessons learnt shared through the Information Security Forum.

There were no serious breaches of the Data Protection Act (level 2 reportable) in 2016/17, which required reporting to the Information Commissioner's Office. However five incidents were reported at Level 1 and one reported which was a 'near-miss' as data was secured through the Trust's network controls.

The Trust manages its risks to data security through a number of different approaches. The Trust has a Board level Senior Information Risk Owner (SIRO). As already noted, the SIRO chairs the Health Records and Information Governance Committee, in conjunction with the clinical lead for Health Records. The Trust's Caldicott Guardian is also a member of this Committee.

A key part of the Health Records and Information Governance Committee's work is to review compliance against the Information Governance Toolkit and to ensure that evidence submitted is assured. The Audit Committee receives an annual assurance report on the application of the toolkit, which is reported in summary to the Board, alongside two updates per year from the Trust SIRO.

## Annual Quality Report

The directors are required under the *Health Act 2009* and the National Health Service (Quality Accounts) Regulations 2010 (as amended) to prepare Quality Accounts for each financial year. NHS Improvement (in exercise of the powers conferred on Monitor) has issued guidance to NHS foundation Trust Boards on the form and content of annual Quality Reports which incorporate the above legal requirements in the NHS Foundation Trust Annual Reporting Manual.

The Trust has robust data quality procedures in place that ensure the robustness of data used in the Quality Account. These data quality procedures range from ensuring data are input into transactional systems correctly, information is extracted and interpreted accurately and that it is reported in a way that is meaningful and precise. All staff that have a responsibility for inputting data are trained fully in both the use of the systems and in how the information will be used.

The Trust's annual Quality Account is an integral part of the Trust's Annual Report and Accounts process. This builds on work with key partners and reflects the work that is undertaken and reported monthly to the Board of Directors, and quarterly to the Council of Governors, through the Chief Nurse's monthly Quality Report.

Steps which have been put in place to assure the Board that the Quality Report presents a balanced view and that there are appropriate controls in place to ensure the accuracy of data include the following:

- the Chief Nurse is the Executive lead for the Quality Account with designated personal responsibility for patient safety and quality on behalf of the Trust Board;
- the Annual Quality Account Report 2016/17 provides a narrative of progress toward achieving the quality improvement indicators agreed by the Trust Board;
- the Trust has a robust process for scrutinising and revising local policies and monitoring compliance with NICE and other best practice guidelines. Annual audit programmes include the assessment of compliance with best practice guidance at both local and national level. This provides assurances to the Board that the quality of clinical care is based on the best clinical practice recognised nationally and that policies are up to date, appropriate and meet legislative obligations;
- the Quality Account is compiled following internal and external consultation, in order to inform the improvement indicators. Data are provided by nominated Trust leads. These leads are responsible for scrutinising the data they provide to ensure accuracy. The Chief Nurse is ultimately accountable to the Trust Board and its committees for the accuracy of the Quality Account Report;
- the Quality Account is subject to robust challenge at the Quality Assurance Committee on both substantive issues and data quality. Where variance against targets is identified, the leads for individual measures are held to account. Following scrutiny at this Committee, the Quality Account is reported to the Audit Committee and the Trust Board. The Board is required both to attest to the accuracy of the data and ensure that improvements against the targets are maintained. The Quality Account is further reviewed by the Trust governors, local HealthWatch and the Care Quality Commission;
- the Quality Account Report has been prepared in accordance with NHS Improvement's annual reporting guidance, as well as the standards to support data quality for the preparation of the Quality Report;
- the Trust has a Data Quality Group which is responsible for reviewing the way data are captured and recorded, in order to ensure accuracy and robustness. Internal and external data audits are undertaken, focusing on data quality and associated process and procedures.



The quality reporting process is led by the Chief Nurse. The Quality Assurance Committee reports directly to the Board on quality issues. It is working to ensure that appropriate assurance on quality governance is provided, in order to enable the Board and the Audit Committee to be satisfied on this area of internal control. The Quality Assurance Committee is chaired by a Non-Executive Director and includes external representatives from local Clinical Commissioning Groups and Healthwatch as well as governor observation.

At an operational level, the Trust's Quality Governance Operational Committee is chaired by the Medical Director, and provides leadership and support for the clinical directorates in meeting quality governance requirements. It acts as a multi-disciplinary forum for clinical matters relating to the safety and quality of patient experience and ensures adequate processes are in place to deliver robust risk assessment and management activities. The Committee works within a framework set in the Trust's Quality Strategy and Quality Governance Framework.

Quality reviews are carried out on a monthly and quarterly basis at a Directorate and Trust level, which enable the monitoring of clinical quality improvements and provide assurance on compliance with the best practice standards at all levels of service, as well as the recruitment, support and development of staff.

The Trust's Board of Directors, Quality Assurance Committee and Quality Governance Operational Committee receive data from a number of different sources so that the quality information can be triangulated and reviewed from a number of different perspectives. The quality of data is audited through specific governance indicator reviews and directorate deep dives by the quality assurance committee monthly and rotated. Local data, including the Matrons' Balanced Scorecard, are referenced against complaints, litigation, adverse events and PALS data, clinical benchmarking from Dr Foster, the Quality Risk Profiles/Intelligent Monitoring Tool produced by the CQC, peer review and regulatory visits.

The Trust has been supported throughout the year by visits from both Cambridgeshire & Peterborough CCG, South Lincolnshire CCG and independent reviews, which included ENT and endoscopy.

## 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 including:

- Internal Audit Reports
- Head of Internal Audit Opinion
- External Audit Reports
- Internal and External Peer Reviews
- Clinical Audit Reports
- Patient Surveys
- Staff Survey
- Care Quality Commission Intelligent Monitoring
- Senior Leadership Walk-rounds
- Care Quality Commission - registration and reports
- Equality and Diversity Reports
- General Medical Council Reports

I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board and the Audit Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place. The Board of Directors also works with increased assurance from the Board sub-committees: Quality Assurance Committee, Finance and Investment Committee, Remuneration and Nominations Committee, Strategic Planning Committee and PCH PFI Assurance Committee. The work of these committees, together with the Audit Committee, is kept under review to ensure that there is complete oversight from the Audit Committee on the Trust's system of internal control.

While the Trust has known financial constraints, the Board of Directors has been clear in its commitment and support for the continuous improvement in

the quality of care. Patients are at the centre of everything we do, and the Board routinely receives a patient story at the start of each public meeting. This ensures that the experience of our patients is seen and treated as a priority. Also, it delivers the important message that getting quality right first time has a synergy with the efficient use of resources, and enables the Trust to balance both quality and financial performance.

Work continued during the year to ensure that the Trust had a Board Assurance Framework that provides a framework against which the strategic objectives of the Trust can be continually reviewed and the likelihood of their achievement assessed. Risks are tracked through operational committees and summarised, as required, in directors' reports to the Board or to Board sub-committees. The Trust continues to work with internal audit to review recommendations so that internal systems of control are improved.

## Conclusion

While there are strong mechanisms for ensuring the quality of care received by the Trust's patients is maintained and improved, there are internal control issues identified in the Trust's ability to work effectively, efficiently and economically. This is linked to the on-going financial risk rating and breach of Licence with NHS Improvement, and the associated enforcement notice.

Cambridgeshire and Peterborough health system faces a significant financial challenge, both now and in the longer term. Local health and social care organisations have been working together in recent months to identify ways in which we can collaborate to meet this challenge. The Local Health Economy work continues to deliver the Sustainability and Transformation Plan (STP). Partners across the local health and care system have agreed to work together to deliver the STP. This includes the Trust working with commissioners in Lincolnshire to deliver its STP.

The plan for Peterborough and Cambridgeshire covers hospital services, community healthcare, mental health, social care and GP services. It has been developed by all local NHS organisations, including ours, and addresses the issues highlighted in the Evidence For Change report (March 2016) which showed that local needs are growing and changing, demand on health services is increasing, the current system does not meet the standards of care we aspire to as a health system and our collective financial challenge is significant and growing. The merger with Hinchingsbrooke Health Care NHS Trust formed part of this plan.

I am pleased with the interest shown by local people to serve on our combined Trust's Council of Governors. Elections have taken place to appoint Governors to represent the three constituencies served by the three hospitals in the new North West Anglia NHS Foundation Trust. All results were announced on 5 April 2017.

The combining of two large organisations that serve hundreds of thousands of people will not be complete overnight. Therefore, we have scoped what is safely achievable for day one of our new Trust and what will be delivered in the subsequent weeks, months or, in some cases, years. Constraints on IT infrastructure means that we will not all be working to the same systems by 1 April 2017. For example, our project to install a single Patient Administration System across all three hospitals will begin in April and is not expected to be complete for 15 months. However there are other systems and practices that will be aligned across all our hospitals sooner.

Patients and visitors will not see any changes to services from 1 April 2017. Although the Trust name will change to North West Anglia NHS Foundation Trust, the three hospitals will operate under the same names as before. Over the coming months, as clinical teams progress with joint working rota arrangements, we will begin to benefit by reducing reliance on agency colleagues to fill staffing gaps and have greater opportunities for staff to gain better training and experience across our three hospital sites.

I would like to commend staff for their professionalism at this time of organisational change, in continuing to keep their focus on our patients and managing the smooth running of services, despite the fact that, for some, the future has been uncertain.

Our new MRI scanner was put into action at Stamford Hospital with a full list of patients on 6 February and has been very busy ever since. The imaging team are delivering the service on Monday to Friday from 7.30 am to 8 pm and will move to a seven-day service in the coming months.

The Trust completed the first phase of redevelopment work at this hospital site on 20 March 2017. This included creating new phlebotomy, lymphoedema and chemotherapy suites, moving the pain management team to a new department and moving Therapy Services back in to their new, upgraded department.

Stamford Hospital patients provided good feedback about a new optical scanner installed in the outpatients department. The Optical Coherence Tomography (OCT) scanner examines the retina and optic disc in great detail. It is an essential requirement for diagnosis and monitoring patients with a range of retina and glaucoma-related eye conditions.

Previously, patients in the Stamford area had to travel to Peterborough City Hospital to receive this type of scan. The equipment means that approximately 50 patients per week can now be scanned closer to home at Stamford Hospital. We are planning the number of scans delivered at Stamford Hospital as the service develops further.

The radiotherapy department at Peterborough City Hospital was built and resourced based upon evidence that the Trust would need to deliver 7,000 treatments a year. Once in operation, the demand for this service was greater than anticipated. In the first year of operation in 2011/12, 13,000 treatments were delivered. The department has been running to full capacity ever since. It has been estimated that this year the number of treatments required could grow to more than 16,000.

As a result, in 2013 a business case was approved to build two new bunkers onsite and purchase one additional linear accelerator machine. I am delighted to say that the expansion work was completed with the service operational in March 2017.

Work required to rectify defects within the hospital's fire separation infrastructure have been ongoing since mid-2015. Progress against a very detailed remedial action plan is on track.

There have been significant challenges during the year.

Attendances at our Emergency Department at PCH continued to be higher than levels we would normally expect. Colleagues at neighbouring hospitals reported similar peaks in urgent care demand. In addition to high numbers of emergency patients the Trust has seen an unprecedented number of patients who were medically fit to leave hospital but required additional community support, which was not always available.

Attendances of more than 300 patients per day in the Emergency Department (ED), has become the norm, compared to a 2015 average of 250-270 patients per day.

New processes in our Medical Assessment Unit have contributed to an improved flow of emergency patients at Peterborough City Hospital. This has helped teams ensure that an increased number of emergency patients are being seen, treated and admitted or discharged within the standard four hour waiting time.

The pressure on A&E and staffing nationally is an issue and this locally has been highlighted by the decision by United Hospitals Lincolnshire to reduce the opening hours of their A&E department at Grantham to concentrate staff at their other two sites.

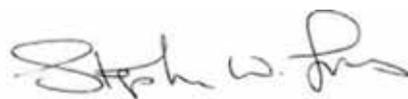
This year we have received a 13% increase in A&E attendances, an increase in ambulance journeys and in particular a shift in the number of higher risk patients, as designated by the ambulance dispatch process.

To counter this increase in activity, the Trust has developed its ambulatory care service. This is now regularly diverting 20% or more potential admissions. As a result, we have actually reduced our emergency admissions this year in line with the STP.

The Trust, working closely with our commissioners, has been implementing a series of actions to help improve the service patients receive and to reduce the pressure on the hospital. Amongst the initiatives has been the opening of a discharge lounge thus increasing the use of ambulatory care, reintroduction of trolleys in the Medical Assessment Unit, earlier assessment in A&E, and reduction of the number of patients with delayed discharge dates.

The combination of these initiatives has led to a real improvement and whilst there is a lot more to do, I would like to pass on my thanks to all those involved across the Trust and beyond.

Operationally, the Trust is working with its local health and social care partners to further focus on emergency care and the need to achieve the four hour waiting time standard, reduce the level of delayed transfers of patient to other providers of care and improve the effectiveness of its elective care pathway.



**Stephen Graves, Chief Executive**  
**24 May 2017**

## **SECTION 2** | Annual Accounts for the Financial Year Ended 31 March 2017

# Statement of the Chief Executive's Responsibilities as the Accounting Officer of Peterborough and Stamford Hospitals NHS Foundation Trust

The *National Health Service 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 Accounting Officer Memorandum issued by NHS Improvement (the joint operating name for Monitor and NHS Trust Development Authority TDA) which is referenced simply as 'NHSI' throughout this document.

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

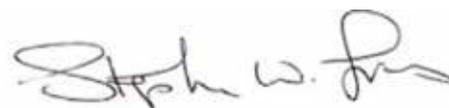
In preparing the accounts, the Accounting Officer is required to comply with the requirements of the NHS Foundation Trust Annual Reporting Manual and the DH Group Accounting Manual and in particular to:

- Observe the Accounts Direction issued by NHSI, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;

- state whether applicable accounting standards as set out in the DH Group Accounting Manual have been followed, and disclose and explain any material departures in the financial statements;
- ensure that the use of public funds complies with the relevant legislation, delegated authorities and guidance; and
- prepare the financial statements on a going concern basis.

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

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in the DH Group Accounting Manual Accounting Officer Memorandum.



**S Graves, Chief Executive**  
**24 May 2017**



# Independent auditor's report

## to the Council of Governors of North West Anglia NHS Foundation Trust in respect of Peterborough and Stamford Hospitals NHS Foundation Trust

### Opinions and conclusions arising from our audit

#### 1. Our opinion on the financial statements is modified

We have audited the financial statements of Peterborough and Stamford Hospitals NHS Foundation Trust for the year ended 31 March 2017 set out on pages 10 to 51. In our opinion:

- the financial statements give a true and fair view of the state of the Trust's affairs as at 31 March 2017 and of the Trust's income and expenditure for the year then ended; and
- the Trust's financial statements have been properly prepared in accordance with the Department of Health's Group Accounting Manual 2016/17.

#### 2. Emphasis of matter – going concern

In forming our opinion, which is not qualified, we have considered the adequacy of the disclosure made in Note 1.2 to the financial statements concerning the ability of the Trust to continue as a going concern.

The Trust has incurred a significant total deficit of £33.7m at 31 March 2017, after technical adjustments £17.7m, against a planned deficit of £20.2m.

We recognise that from 1 April 2017 the Trust merged with Hinchingsbrooke Health Care NHS Trust to become North West Anglia NHS Foundation Trust. The newly merged Trust, which takes over responsibility for the financial, operational and clinical delivery of performance from Peterborough and Stamford Hospitals NHS Foundation Trust has submitted a 2017/18 financial plan to NHS Improvement with a planned deficit of £40.3 million.

The plan includes a cost improvement programme of £16.2 million. The Trust will also require a significant injection of revenue and capital loan support of approximately £42m to fund its revenue and capital plans for 2017/18.

We have therefore considered, in forming our opinion, the ability of North West Anglia NHS Foundation Trust, as the organisation that has taken responsibility for the services that were delivered in the year to 31 March 2017 by Peterborough and Stamford Hospitals NHS Foundation Trust to continue as a going concern.

These matters, along with other matters, explained in Note 1.2 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt on the ability of North West Anglia NHS Foundation Trust to continue as a going concern.

#### Overview

<b>Materiality:</b> Financial statements as a whole	£4.5m (2015/16:£4.5m) 1.5% (2015/16: 1.7%) of total income from operations
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#### Risks of material misstatement vs 2015/16

Recurring risks		
Going concern		◀▶
Recognition of NHS income		◀▶
Valuation of land, buildings and dwellings		◀▶

#### Event Driven

New: Key areas of judgement, including accruals and provisions	▲
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### 3. Our assessment of risks of material misstatement

In arriving at our audit opinion above on the financial statements, the risks of material misstatement that had the greatest effect on our audit, in decreasing order of audit significance, were as follows:

	The risk	Our response
<p><b>Other significant matter</b></p> <p><i>Refer to page 10 (Annual Accounts), pages 27-29 (accounting policy).</i></p>	<p><b>Going concern</b></p> <p>The Trust has incurred a significant deficit at 31 March 2017 of £17.7m (after technical adjustments), against a planned deficit of £20.2m. In addition, the merged Trust has submitted a 2017/18 financial plan to NHS Improvement with a planned deficit of £40.3 million. The plan includes a cost improvement programme of £16.2 million.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> <li>— <b>Review of Going Concern disclosures:</b> We assessed the disclosures and representations made by the Trust Board in note 1.2 and considered the supporting evidence;</li> <li>— <b>Review of Going Concern Paper:</b> We read and considered the going concern paper and supporting evidence that was reported to the Trust's Audit Committee in March 2017;</li> <li>— <b>Financial Review:</b> We assessed the Trust's future financial and cost improvement plans for 2017/18 and future years and considered the key assumptions these are based upon;</li> <li>— <b>Consideration of guidance:</b> We considered the Treasury Financial Reporting Manual 2016/17 and the guidance on interpretation of going concern in a public sector context and its application to the Trust; and</li> <li>— <b>Confirmation of no application for dissolution:</b> We considered Trust Board minutes and sought written confirmations from the Trust Board. We also undertook correspondence with NHS Improvement that no application had been made, or was intended to be made, to the Secretary of State to dissolve the Trust.</li> </ul>
<p><b>Valuation and existence of income and receivables</b></p> <p>Clinical income: £250 million; (2015/16: £ 230 million)</p> <p><i>Refer to page 10 (Annual Accounts), page 16 (accounting policy) and page 31 (financial disclosures).</i></p> <p>NHS Receivables: £20.5 million; (2015/16: £12.0 million)</p> <p><i>Refer to page 10 (Audit Committee Report), page 16 (accounting policy) and page 41 (financial disclosures).</i></p>	<p><b>Recognition of NHS and Non NHS Income and the provision for doubtful debts</b></p> <p>Of the Trust's reported total income, 85% came from the Trust's commissioners (Clinical Commissioning Groups (CCG) and NHS England representing £248.9 million (2015/16, £211.1m). 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.</p> <p>For 2016/17, the Trust's income of £250 million demonstrates continued revenue growth driven by tariff uplifts.</p> <p>The achievement of financial targets resulted in the Trust receiving Sustainability and Transformation Fund (STF) income of £12.6 million against an allocation of £10.8 million, including a bonus of £1.8 million. The STF is however contingent on the Trust delivering against its financial plan and performance against national targets.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> <li>— <b>Contract agreement:</b> We tested key controls in relation to NHS income contracts by, investigating a sample of contract variations and sought explanations from management. For six contracts we confirmed that signed contracts were in place;</li> <li>— <b>Income billing:</b> We tested that invoices had been issued in line with the signed contracts with 16 of the Trust's commissioners.</li> <li>— <b>Contract monitoring:</b> We obtained evidence about the agreements reached between the Trust and its commissioners at the end of the year of actual activity.</li> <li>— <b>Agreement of activity:</b> We agreed the levels of over and under performance reported, to the records held on the Trust's activity system</li> <li>— <b>Agreement of Balances (AoB):</b> We assessed the outcome of the agreement of balances exercise with other NHS bodies. Where there were mismatches over £225,000 we obtained evidence to support the Trust's reported income figure;</li> </ul> <p>Procedures continue on next page.</p>

### 3. Our assessment of risks of material misstatement (Continued)

The risk	Our response
<p><b>Valuation and existence of income and receivables</b></p> <p>Clinical income: £250 million; (2015/16: £ 230 million)</p> <p><i>Refer to page 10 (Annual Accounts), page 16 (accounting policy) and page 31 (financial disclosures).</i></p> <p>NHS Receivables: £20.5 million; (2015/16: £12.0 million)</p> <p><i>Refer to page 10 (Annual Accounts), page 16 (accounting policy) and page 41 (financial disclosures).</i></p>	<ul style="list-style-type: none"> <li>— <b>Income recognition:</b> We tested a sample of income items to year-end bank statements to support the work we have undertaken on completeness of income balances recorded in the financial statements and confirming that income has been recorded in the correct accounting period;</li> <li>— <b>Sustainability and Transformation Fund:</b> Assessing the Trust's reporting and accounting for STF income received from the Department of Health, and agreed bonus amounts to correspondence from NHSI; and</li> <li>— <b>Credit note provision:</b> We assessed how credit note provisions had been recorded to ensure that they were accounted for against NHS bodies for the Department of Health consolidated accounts.</li> </ul>
<p><b>Valuation of land, buildings and dwellings</b></p> <p>Land, Buildings and Dwellings: £293 million; (2015/16: £376 million)</p> <p><i>Refer to page 10 (Annual Accounts), page 18 (accounting policy) and page 39 (financial disclosures).</i></p>	<p><b>Revaluation of land, building and dwellings</b></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.</p> <p>Valuation is completed by an external expert engaged by the Trust using construction indices and so accurate records of the current estate are required. Full valuations are completed every five years, with interim desktop valuations completed in interim periods. Valuations are inherently judgmental, therefore our work focused on whether the valuer's methodology, assumptions and underlying data, are appropriate and correctly applied.</p> <p>In 2016/17 Gerald Eve (GE) was engaged to complete a full revaluation of the land, buildings and dwellings of the Trust as at 31 March 2017. GE have valued the assets on a Depreciated Replacement Cost (Modern Equivalent Asset) basis in line with the Group Accounting Manual 2016/17. This resulted in a decrease in the value of land, buildings and dwellings from £ 376 million to £293 million; a 22% reduction in value from last year.</p> <p>Our procedures included:</p> <ul style="list-style-type: none"> <li>— <b>Review of asset records:</b> We agreed through testing a sample the accuracy of the estate base data provided to the valuer to complete the valuation to ensure it accurately reflected the Trust estate;</li> <li>— <b>Review of valuation:</b> Using input from our valuation specialists, we critically assessed the assumptions used in preparing the valuation completed of the Trust's land and buildings to ensure they were appropriate;</li> <li>— <b>Assessment of valuer:</b> We have assessed the scope, qualification and experience of GE as the Trust's valuer and the overall methodology of the valuation performed to identify whether the approach was in line with industry practice and the valuer was appropriately experienced and qualified to undertake the valuation;</li> <li>— <b>Review of information flow:</b> We considered the source of the information provided to, and used by GE, and agreed it to the Trust's fixed asset register (FAR) to ensure both its completeness and accuracy, inclusive of works undertaken in the year. We discussed with management the appropriateness of the amendments made by management to the information received from the valuer before being incorporated into the financial statements.</li> <li>— <b>Impairment review:</b> We obtained evidence on how management had assessed the need for an impairment across its asset base either due to loss of value or reduction in future benefits that would be achieved; and;</li> </ul> <p>— Procedures continue on next page</p>

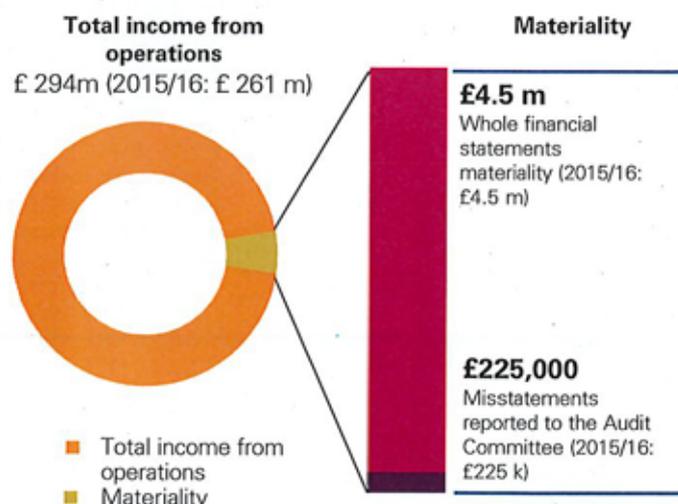
### 3. Our assessment of risks of material misstatement (Continued)

In arriving at our audit opinion above on the financial statements, the risks of material misstatement that had the greatest effect on our audit, in decreasing order of audit significance, were as follows:

The risk	Our response	
<p><b>Valuation of land, buildings and dwellings</b></p> <p>— Land, Buildings and Dwellings: £293 million; (2015/16: £376 million)</p> <p><i>Refer to page 10 (Annual Accounts), page 18 (accounting policy) and page 39 (financial disclosures).</i></p>	<p>— <b>Additions to and disposals from assets:</b> For a sample of five 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. For disposals we obtained evidence that an appropriate value had been calculated and accounted for when disposing of the assets.</p>	
<p><b>Key areas of judgment, including completeness of accruals and provisions</b></p> <p>Provisions: £3.7 million; (2015/16: £ 2.5 million)</p> <p><i>Refer to page 11 (Annual Accounts), page 21 (accounting policy) and page 46 (financial disclosures Note 17).</i></p> <p>Accruals: £7.4 million; (2015/16: £10.1 million)</p> <p><i>Refer to page 11 (Annual Accounts), page 17 (accounting policy) and page 43 (financial disclosures Note 14).</i></p>	<p><b>Key areas of judgment, including accruals and provisions</b></p> <p>The review of provisions was one of a number of areas where judgement and management estimation were required, that formed part of Monitor’s 2015/16 guidance for ‘Financial Improvement in 2015/16 Quarter 4’. The other areas included accruals with unnecessary prudence in estimates, deferred income where conditions for its release have been met, estimates for Injury Cost Recovery (formerly RTA) scheme bad debts, estimates of income for partially completed spells and annual leave provisions.</p> <p>Since 2012/13 the Trust’s level of provisions have remained consistent, however in light of the merger with Hinchingsbrooke there is an increased risk of unrecorded liabilities relating to merger costs in 2016/17 e.g. redundancy or legal claims.</p> <p>The Trust’s level of year-end expenditure accruals steadily increased over the period from 2012/13 to 2015/16, which we would expect in line with the overall increase in the level of operating expenditure. However there was a drop of £2.7m from the prior year.</p>	<p>Our procedures included:</p> <p>— <b>Expenditure cut off:</b> We selected a sample of invoices paid items paid from the bank statement immediately before and after 31 March 2017 and tested the accounting of these to ensure that these have been correctly classified in right period;</p> <p>— <b>Accruals testing:</b> We considered the accuracy of the prior year accruals by testing a sample of accruals made at the year ended 31 March 2016 to the invoices received post year end. For the current year end we tested the accuracy and completeness by testing a sample to supporting documentation and performing recalculations;</p> <p>— <b>Review of provisions:</b> We considered potential areas of provisions, arising, utilised and reversed amounts disclosed in year. Specifically we considered the adequacy of the provisions and accruals as a result of the merger with Hinchingsbrooke; and</p> <p>— <b>Completeness of provisions:</b> We considered the completeness of provisions from our discussions with management, review of Trust Board and sub-committee papers, and legal expense during the year.</p>

### 4. Our application of materiality and an overview of the scope of our audit

The materiality for the financial statements was set at £4.5 million (2015/16: 4.5 million), determined with reference to a benchmark of income from operations (of which it represents approximately 1.5%). We consider income from operations to be more stable than a surplus-related benchmark. We report to the Audit Committee any corrected and uncorrected identified misstatements exceeding £ 225,000 (2015/16: £ 225,000), in addition to other identified misstatements that warrant reporting on qualitative grounds.



**5. Our opinion on other matters prescribed by the Code of Audit Practice is unmodified**

In our opinion:

- the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2016/17; and
- the information given in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**6. We have nothing to report in respect of the matters on which we are required to report by exception**

We are required to report to you if, based on the knowledge we acquired during our audit, we have identified information in the Annual Report that contains a material inconsistency with either that knowledge or the financial statements, a material misstatement of fact, or that is otherwise misleading.

In particular, we are required to report to you if:

- we have identified material inconsistencies between the knowledge we acquired during our audit and the directors' statement that they consider that the Annual Report and financial statements taken as a whole is fair, balanced and understandable; or
- the Audit Committee's commentary on the Annual Report does not appropriately address matters communicated by us to the Audit Committee.

Under the Code of Audit Practice we are required to report to you if, in our opinion:

- the Annual Governance Statement does not reflect the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual 2016/17, 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.

In addition we are required to report to you if:

- any reports to the regulator have been made under Schedule 10(6) of the National Health Service Act 2006.
- any matters have been reported in the public interest under Schedule 10(3) of the National Health Service Act 2006 in the course of, or at the end of the audit.

We have nothing to report in respect of the above responsibilities.

**7. Other matters on which we report by exception - adequacy of arrangements to secure value for money**

Under the Code of Audit Practice we are required to report by exception if we conclude that we are not satisfied that the Trust has put in place proper arrangements to secure value for money in the use of resources for the relevant period.

In October 2011, Monitor notified the Trust that it was in significant breach of its terms of authorisation. This was due to concerns around the Trust's future financial viability and governance arrangements. Since that date the Trust has remained in breach of its terms of license, has been subject to enforcement actions and has had a red governance risk rating throughout 2016/17.

The most recent enforcement actions, issued on 29 July 2015, focused on delivery of long-term strategic plan and short term financial plans, cost savings of £13m per annum and implementation of an A&E action plan.

In 2016/17 the Trust remained in breach of the terms of its provider license. There remain a number of financial challenges which indicate the existence of a material uncertainty which may cast doubt over the Trust's ability to continue as a going concern in its current form.

In response on 1 April 2017 the Trust entered into a transaction with Hinchingsbrooke Health Care Trust (HHCT) to combine services in order deliver long term financial and clinical sustainability in the form of North West Anglia NHS Foundation Trust (NWAFT). HHCT returned a deficit for 2016/17 of £21 million against a planned deficit of £9.9 million and NWAFT has an 'allocated planned deficit target' of £52.6m resulting in the submission of an Operational Plan forecasting a deficit of £40.3m. Note 1.2 (pages 27-29) and Note 21 (page 47).

However the license breaches and the enforcement actions demonstrate a failure by the Trust to establish and effectively implement systems and processes necessary to operate efficiently, economically and effectively in the year ended 31 March 2017. The actions taken by the Trust to address the weaknesses identified are set out throughout the Annual Report.

As a result of these matters, we are unable to satisfy ourselves that the Trust put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2017.

**8. We have completed our audit**

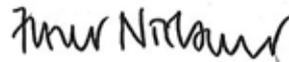
We certify that we have completed the audit of the accounts of Peterborough and Stamford Hospitals NHS Foundation Trust in accordance with the requirements of Schedule 10 of the National Health Service Act 2006 and the Code of Audit Practice issued by the National Audit Office.

## Scope and responsibilities

As described more fully in the Statement of Accounting Officer's Responsibilities on page 8 the accounting officer is responsible for the preparation of financial statements that give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the UK Ethical Standards for Auditors. A description of the scope of an audit of financial statements is provided on our website at [www.kpmg.com/uk/auditscopeother2014](http://www.kpmg.com/uk/auditscopeother2014). This report is made subject to important explanations regarding our responsibilities, as published on that website, which are incorporated into this report as if set out in full and should be read to provide an understanding of the purpose of this report, the work we have undertaken and the basis of our opinions.

The Trust is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its 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 its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively. 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, as to whether the Trust has proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary.

This report is made solely to the Council of Governors of the Trust, as a body, in accordance with Schedule 10 of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Council of Governors of the Trust, as a body, those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors of the Trust as a body, for our audit work, for this report or for the opinions we have formed.



**Fleur Nieboer for and on behalf of KPMG LLP**  
*Chartered Accountants and Statutory Auditor*  
15 Canada Square, Canary Wharf, London, E14 5GL  
30 May 2017

## Statement of Directors' Responsibilities in Respect of the Accounts

The Directors are required under the *National Health Service Act 2006*, as directed by NHSI, to prepare accounts for each financial year.

NHSI, with the approval of HM Treasury, directs that these accounts shall show, and give a true and fair view of the NHS Foundation Trust's income and expenditure, gains and losses, cash flow and financial state at the end of the financial year. NHSI further directs that the accounts shall meet the requirements of the DH Group Accounting Manual that is in force for the relevant financial year, which shall be agreed by HM Treasury.

In preparing these Accounts, the Directors are required to:

- apply on a consistent basis, for all items considered material in relation to the accounts, accounting policies contained in the DH Group Accounting Manual;
- make judgements and estimates which are reasonable and prudent; and
- ensure the application of all relevant accounting standards, and adherence to International Financial Reporting Standards for companies to the extent that they are meaningful and appropriate to the NHS, subject to any material departures being disclosed and explained in the accounts.

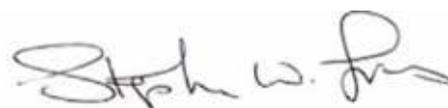
The Directors are responsible for keeping proper accounting records which disclose, with reasonable accuracy, at any time the financial position of the Trust.

This is to ensure proper financial procedures are followed, and that accounting records are maintained in a form suited to the requirements of effective management, as well as in the form prescribed for the published accounts.

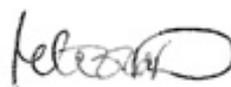
The Directors are also responsible for safeguarding all assets of the Trust, including taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors confirm to the best of their knowledge and belief, that they have complied with the above requirement in preparing the Accounts.

By Order of the Board of Directors



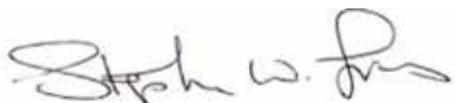
**S Graves, Chief Executive**  
24 May 2017



**C Walker, Deputy Chief Executive /  
Finance Director**  
24 May 2017

## Foreword to the Accounts Peterborough and Stamford Hospitals NHS Foundation Trust

These accounts for the year ended 31 March 2017, have been prepared by the Board of Directors of Peterborough and Stamford Hospitals NHS Foundation Trust in accordance with paragraphs 24 and 25 of schedule 7 of the *National Health Service Act 2006*.



**S Graves, Chief Executive**  
24 May 2017

## Statement of Comprehensive Income for the Year Ended 31 March 2017

	Note	2016/17 £000	2015/16 £000
<b>Income from patient care activities</b>	<b>3</b>	<b>250,192</b>	230,656
<b>Other operating income</b>	<b>4</b>	<b>44,246</b>	30,374
<b>Total operating income from continuing operations</b>		<b>294,438</b>	261,030
<b>Operating expenses</b>	<b>5</b>	<b>(313,471)</b>	(284,374)
<b>Deficit from continuing operations</b>		<b>(19,033)</b>	(23,344)
<b>Finance costs:</b>			
Finance income		29	31
Finance expense - financial liabilities	<b>8</b>	<b>(14,717)</b>	(13,794)
<b>Net finance costs</b>		<b>(14,688)</b>	(13,763)
Deficit from continuing operations and for the year *		<b>(33,721)</b>	(37,107)
<b>Other comprehensive income</b>			
Revaluations	<b>19</b>	<b>(64,330)</b>	59,742
<b>Total comprehensive income/(expenditure) for the year</b>		<b>(98,051)</b>	22,635

\* The underlying normalised deficit position for the Trust is (£17.7m); (£33.7m less £15.9m for the impairment of the Trust's buildings charged to operating expenses (as shown under note 5 on page 34), following the revaluation of the estate as at 31 March 2017 and £0.1m other minor technical transactions.) It is this figure of (£17.7m) that NHS Improvement will use as part of its assessment of the financial disposition of the Trust.

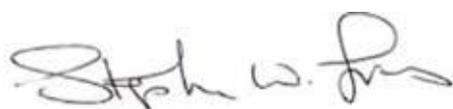
The notes on pages 20 to 40 form part of these accounts.

All operations are continuing activities.

## Statement of Financial Position as at 31 March 2017

	Note	31 March 2017 £000	31 March 2016 £000
<b>Non-current assets</b>			
Property, plant and equipment	10	318,838	400,542
Trade and other receivables	12	27,437	23,456
<b>Total non current assets</b>		<b>346,275</b>	423,998
<b>Current assets</b>			
Inventories	11	3,659	3,597
Trade and other receivables	12	33,649	26,023
Cash and cash equivalents	13	12,199	957
<b>Total current assets</b>		<b>49,507</b>	30,577
<b>Total assets</b>		<b>395,782</b>	454,575
<b>Current liabilities</b>			
Trade and other payables	14	(21,826)	(28,365)
Borrowings	15	(10,698)	(10,290)
Provisions	17	(2,330)	(749)
Taxes payable	14	(153)	(3,360)
Other liabilities	18	(1,922)	(1,713)
<b>Total current liabilities</b>		<b>(36,929)</b>	(44,477)
<b>Total assets less current liabilities</b>		<b>358,853</b>	410,098
<b>Non-current liabilities</b>			
Trade and other payables	14	(198)	(254)
Borrowings	15	(422,597)	(375,505)
Provisions	17	(1,378)	(1,762)
<b>Total non-current liabilities</b>		<b>(424,173)</b>	(377,521)
<b>Total assets employed</b>		<b>(65,320)</b>	32,577
<b>Financed by taxpayers' equity:</b>			
Public dividend capital	19	264,345	264,191
Revaluation reserve	19	30,953	95,283
Income and expenditure reserve	19	(360,618)	(326,897)
<b>Total taxpayers' equity</b>		<b>(65,320)</b>	32,577

The financial statements on pages 10 to 14 were approved by the Board on 18 May 2017 and signed on its behalf by:



S Graves, Chief Executive  
24 May 2017

## Statement of Changes in Taxpayers' Equity as at 31 March 2017

	Public Dividend Capital (PDC) £000	Revaluation reserve £000	Income and expenditure reserve £000	Total £000
<b>Balance at 1 April 2016</b>	<b>264,191</b>	<b>95,283</b>	<b>(326,897)</b>	<b>32,577</b>
<b>Changes in taxpayers' equity for 2016/17</b>				
Total comprehensive income for the year:				
Retained deficit for the year	0	0	(33,721)	(33,721)
Revaluations - property, plant and equipment	0	(64,330)	0	(64,330)
Public dividend capital received	154	0	0	154
Public dividend capital repaid	0	0	0	0
<b>Balance at 31 March 2017</b>	<b>264,345</b>	<b>30,953</b>	<b>(360,618)</b>	<b>(65,320)</b>

## Statement of Changes in Taxpayers' Equity Comparative information for 31 March 2016

	Public Dividend Capital (PDC) £000	Revaluation reserve £000	Income and expenditure reserve £000	Total £000
<b>Balance at 1 April 2015</b>	243,776	35,541	(289,790)	(10,473)
<b>Changes in taxpayers' equity for 2015/16</b>				
Total comprehensive income for the year:				
Retained deficit for the year	0	0	(37,107)	(37,107)
Revaluations - property, plant and equipment	0	59,742	0	59,742
Public dividend capital received	21,215	0	0	21,215
Public dividend capital repaid	(800)	0	0	(800)
Transfers between reserves	0	0	0	0
<b>Balance at 31 March 2016</b>	264,191	95,283	(326,897)	32,577

## Statement of Cash Flows for the Year Ended 31 March 2017

	Note	2016-17 £000	2015-16 £000
<b>Cash flows from operating activities</b>			
Operating deficit		(19,033)	(23,344)
Depreciation and amortisation	10	13,621	13,463
Impairments and reversals	10	15,892	88
Loss on disposal	7	52	71
Non-cash donations		(41)	(21)
Increase in inventories	11	(62)	(249)
Increase in trade and other receivables	12	(10,615)	(7,112)
(Decrease)/Increase in trade and other payables	14	(12,475)	5,525
Increase in other liabilities	18	209	411
Increase/(decrease) in provisions	17	1,197	(111)
<b>Net cash generated from operating activities</b>		<b>(11,256)</b>	<b>(11,279)</b>
<b>Cash flows from investing activities</b>			
Interest received		29	31
Payments for property, plant and equipment		(13,614)	(5,918)
Receipt of cash donations to purchase capital assets		41	21
Disposal of plant, property and equipment		16	0
Prepayment of PFI capital contributions (cash)		(320)	(942)
<b>Net cash used in investing activities</b>		<b>(13,848)</b>	<b>(6,808)</b>
<b>Net cash generated before financing activities</b>		<b>(25,104)</b>	<b>(18,087)</b>
<b>Cash flows from financing activities</b>			
Public dividend capital received		154	21,215
Public dividend capital repaid		0	(800)
Loans received from the Department of Health		80,300	36,240
Loans repaid to the Department of Health		(22,924)	(17,500)
Capital element of finance lease rental payments (non PFI)		(144)	(147)
Capital element of Private Finance Initiative obligations		(9,730)	(9,488)
Interest paid		(641)	(303)
Interest element of finance lease rental payments (non PFI)		(25)	(29)
Interest element of Private Finance Initiative obligations		(13,567)	(13,403)
PDC dividend paid		(304)	0
Cash flows from other financing activities		3,226	1,633
<b>Net cash used in financing activities</b>		<b>36,345</b>	<b>17,418</b>
<b>Net increase in cash and cash equivalents</b>		<b>11,241</b>	<b>(669)</b>
<b>Cash and cash equivalents at the beginning of the financial year</b>		<b>957</b>	<b>1,626</b>
<b>Cash and cash equivalents at the end of the financial year</b>	<b>13</b>	<b>12,199</b>	<b>957</b>

# Accounting Policies

## 1.1 Accounting Policies

NHS Improvement, in exercising the statutory functions conferred on Monitor, is responsible for issuing an accounts direction to NHS foundation trusts under the *NHS Acts 2006*. NHS Improvement 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. Consequently, the following financial statements have been prepared in accordance with the DH GAM 2016/17 issued by the Department of Health. The accounting policies contained in that manual follow International Financial Reporting Standards (IFRS) and HM Treasury's Financial Reporting Manual 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.

### Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, inventories and certain financial assets and liabilities.

### Critical accounting judgements and key sources of estimation uncertainty

In the application of the Trust's accounting policies, management is required to make judgements, estimates and assumptions about carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates and the estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

### Critical judgements in applying accounting policies

The following are judgements, apart from those involving estimations (see below) that management has made in the process of applying the Trust's accounting policies, that have the most significant effect on the amounts recognised in the financial statements.

An assessment of the Trust's Private Finance Initiative (PFI) scheme has been made, and it has been determined that the PFI scheme in respect of the main hospital building should be accounted for as an On Statement of Financial Position asset under IFRIC 12. This requires a judgement to be made around how to model the scheme in order to determine the required accounting entries. The key judgements were to initially value the hospital at the cost of construction, to attribute asset lives up to 90 years on certain components and to identify the components of the hospital subject to lifecycle maintenance, which should be accounted for separately.

### Key sources of judgement and estimation uncertainty

No key assumptions concerning the future have had to be made and there are no key sources of estimation uncertainty at the end of the reporting period. Therefore there is no significant risk of a material adjustment to the carrying amount of assets and liabilities within the next financial year other than those specified below:

The Trust's land and building assets are valued on the basis explained on page 16 and Note 10 to the accounts. Gerald Eve LLP provided a valuation of land and building assets (estimated fair value and remaining useful life) as at 31 March 2017. The valuation, based on estimates provided by a suitably qualified professional in accordance with HM Treasury Guidance, leads to revaluation adjustments as described in Note 10. Future revaluations of Peterborough and Stamford Hospitals NHS Foundation Trust's property may result in further changes to the carrying values of non-current assets.

An estimate has also been used to determine total future obligations under PFI contracts as disclosed in note 16, in relation to future rates of inflation. The estimate does not affect the carrying value of liabilities in the Statement of Financial Position at 31 March 2017 or 31 March 2016, or the amounts charged through the Statement of Comprehensive Income.

## Acquisition and discontinued operations

Activities are considered to be 'discontinued' where they meet all of the following conditions:

- a. The sale (this may be at nil consideration for activities transferred to another public sector body) or termination is completed either in the period or before the earlier of three months after the commencement of the subsequent period and the date on which the financial statements are approved.
- b. If a termination, the former activities have ceased permanently.
- c. The sale or termination has a material effect on the nature and focus of the reporting NHS foundation trust's operations and represents a material reduction in its operating facilities resulting either from its withdrawal from a particular activity or from a material reduction in income in the NHS foundation trust's continuing operations.
- d. The assets, liabilities, results of operations and activities are clearly distinguishable, physically, operationally and for financial reporting purposes.

Operations not satisfying all these conditions are classified as continuing. Activities are considered to be 'acquired' whether or not they are acquired from outside the public sector.

## Consolidation

Following Treasury's agreement to apply IAS 27 to NHS Charities from 1 April 2013, the Trust has established that as the Trust is the corporate trustee of the linked NHS Charity Peterborough and Stamford Hospitals NHS Foundation Trust Charitable Funds, it effectively has the power to exercise control so as to obtain economic benefits. However the transactions are immaterial in the context of the group and transactions have not been consolidated. Details of the transactions with the charity are included in note 23.

## Income

Income is accounted for using the accruals convention. The main source of income for the Trust is under contracts from commissioners in respect of healthcare services. Income is recognised in the period in which services are provided.

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. Where income is received for a specific activity which is to be delivered in the following financial year, that income is deferred. Income relating to partially completed spells is accrued based on the number of patients being cared for in the hospitals' beds at midnight on 31 March 2017, and whose spell of care was therefore still in progress. It is valued at an average price per spell.

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 contract.

## Expenditure on employee benefits

Expenditure is accounted for applying the accruals convention.

## 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 into the following period. Expenditure relating to the untaken leave entitlement for Trust staff has been accrued based on a sample which was then applied pro rata to the whole workforce.

## Pensions 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](http://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 HM Treasury Financial Reporting Manual (FRM) requires that “the period between formal valuations shall be four years, with approximate assessments in intervening years”. An outline of these follows:

## Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary’s Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of scheme liability as at 31 March 2017 is based on valuation data as at 31 March 2016, updated to 31 March 2017 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FRM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the scheme actuary report, which forms part of the annual NHS Pension Scheme (England and Wales) Pension Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

## 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 their 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 ended 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. 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 Sector 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.

## 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.

## Property, plant and equipment

### Recognition

Property, plant and equipment is capitalised where:

- it is held for use in delivering services or for administrative purposes;
- it is probable that future economic benefits will flow to, or service potential be provided to the Trust;
- it is expected to be used for more than one financial year;
- the cost of the item can be measured reliably; and
- the item has a cost of at least £5,000; or
- collectively a number of items have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, they have 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.

All assets are measured subsequently at valuation. Fair value being on initial recognition measured at cost including any costs such as installation directly attributable to bringing them into working condition. The carrying values of property, plant and equipment assets are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable. In addition, all land and buildings are restated to current value using professional valuations every five years. A three yearly interim valuation is also carried out. An item of property, plant and equipment which is surplus with no plan to bring it into use, is valued at fair value under IFRS 13, if it does not meet the requirement of IAS 40 or IFRS 5.

Professional valuations are carried out by Gerald Eve LLP, a firm of international property consultants. The valuations are carried out in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual insofar as these terms are consistent with the agreed requirements of the Department of Health and HM Treasury. The previous full set of valuations were undertaken in 2015 with a valuation date of 31 December 2015. A full valuation was undertaken as at 31 March 2017.

Specialised assets (property, plant and facilities used for the provision of healthcare services continue to be valued using the Modern Equivalent Asset (MEA) method. These are buildings and plant in use.

Non-specialised assets (land and dwellings) have been valued using the Modern Equivalent Asset method. Equipment is valued using the Depreciated Replacement Cost (DRC) method, with equipment surplus to requirements being valued at the net recoverable amount.

Non-operational assets, including surplus land, have been valued on the basis of market value.

### Subsequent expenditure

Subsequent expenditure relating to an item of property, plant and equipment is recognised as an increase in the carrying amount of the asset when it is probable that additional future economic benefits or service potential deriving from the cost incurred to replace the component of such item will flow to the enterprise and the cost of the item can be determined reliably.

Where a component of an asset is replaced, the cost of the replacement is capitalised if it meets the criteria for recognition shown above. The carrying amount of the part replaced is de-recognised. Other expenditure that does not generate additional future economic benefits or service potential, such as repairs and maintenance, is charged to the Statement of Comprehensive Income in the period in which it is incurred.

### Depreciation

Buildings, installations and fittings are depreciated on their current value of the estimated remaining life of the asset as advised by Gerald Eve LLP. These lives range from 20-90 years, 5-35 years and 5-50 years respectively. Equipment is depreciated on current cost, less residual value, evenly over the estimated life. The estimated life of equipment assets is between 3 and 15 years.

Freehold land is considered to have an infinite life and is not depreciated.

Depreciation is charged to write off costs or valuation of property, plant and equipment, less residual value, over their estimated useful lives, in a manner that reflects the consumption of economic benefits or service potential of the assets.

Property, plant and equipment which has been reclassified as 'Held for Sale' ceases to be depreciated upon the reclassification. Assets in the course of construction are not depreciated until the asset is brought into use or reverts to the Trust, respectively.

### Revaluation gains and losses

Revaluation gains are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease that has previously been recognised in operating expenses, in which case they are recognised in operating income.

Revaluation losses are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses.

Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

### Impairments

In accordance with the DH GAM, impairments that arise due to a clear consumption of economic benefits or service potential in the asset are charged to expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of (i) the impairment charged to operating expenses; and (ii) the

balance in the revaluation reserve attributable to that asset before the impairment.

An impairment that arises from a clear consumption of economic benefit or service potential is reversed when, and to the extent that, the circumstances that give rise to the loss is reversed. Reversals are recognised in operating expenditure to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised.

Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

## Derecognition

Assets intended for disposal are reclassified as 'Held for Sale' once all of the following criteria are met:

- the asset is available for immediate sale in its present condition subject only to terms which are usual and customary for such sales;
- 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 cost 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 and Government Grant funded assets

Donated and grant funded property, plant and equipment assets are capitalised at their fair value on receipt. The donation/grant is credited to income at the same time, unless the donor has imposed a condition that the future economic benefits embodied in the 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 and grant funded assets are subsequently accounted for in the same manner as other items of property, plant and equipment.

## 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.

## Provisions

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. Should the effect of the time value of money be judged to be so significant that it would materially misstate the accounts, the estimated risk-adjusted cash flows would be discounted using the discount rates published and mandated by HM Treasury.

## Clinical negligence costs

The NHS Litigation Authority (NHSLA) operates a risk pooling scheme under which the NHS foundation trust pays an annual contribution to the NHSLA, which, in return, settles all clinical negligence claims. Although the NHSLA is administratively responsible for all clinical negligence cases, the legal liability remains with the NHS foundation trust. The total value of clinical negligence provisions carried by the NHSLA on behalf of the Trust is disclosed in note 17 but is not recognised in the Trust's accounts.

## Non-clinical risk pooling

The Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the Trust pays an annual contribution to the NHSLA 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.

## Value added tax (VAT)

Most of the activities of the Trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input tax is recoverable, the amounts are stated net of VAT.

## 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.

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 the income and expenses in the period in which they arise.

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

## Third party assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the Trust has no beneficial interest in them. However, they are disclosed in a separate note (note 25) to the accounts in accordance with the requirements of HM Treasury's Financial Reporting Manual.

## Leases

### Finance leases

Where substantially all risks and rewards of ownership of a leased asset are borne by the NHS foundation 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, 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 the 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.

## Private Finance Initiative (PFI) transactions - On Statement of Financial Position transactions

HM Treasury has determined that government bodies shall account for infrastructure PFI schemes where the government body controls the use of the infrastructure and the residual interest in the infrastructure at the end of the arrangement as service concession arrangements, following the principles of IFRIC 12. The Trust therefore recognises the PFI asset as an item of property, plant and equipment together with a liability to pay for it. The services received under the contract are recorded as operating expenses.

The annual unitary payment is separated into the following component parts, using appropriate estimation techniques where necessary:

- a Payment for the fair value of services received;
- b Payment for the PFI asset, including finance costs; and
- c Payment for the replacement of components of the asset during the contract 'lifecycle replacement'.

## Services received

The fair value of services received in the year is recorded under the relevant expenditure headings within 'operating expenses'.

## PFI assets

The PFI assets are recognised as property, plant and equipment, when they come into use. The assets are measured initially at fair value in accordance with the principles of IAS 17. Subsequently, the assets are measured at fair value, which is kept up to date in accordance with the Trust's approach for each relevant class of asset in accordance with the principles of IAS 16.

## PFI liability

A PFI liability is recognised at the same time as the PFI assets are recognised. It is measured initially at the same amount as the fair value of the PFI assets and is subsequently measured as a finance lease liability in accordance with IAS 17.

The annual finance cost is calculated by applying the implicit interest rate in the lease to the opening lease liability for the period, and is charged to 'Finance Costs' within the Statement of Comprehensive Income.

The element of the unitary payment that is allocated as a finance lease rental is applied to meet the annual finance cost and to repay the lease liability over the contract term.

An element of the annual unitary payment increases due to cumulative indexation is allocated to the finance lease. In accordance with IAS 17, this amount is not included in the minimum lease payments, but is instead treated as contingent rent and is expensed as incurred. In substance, this amount is a finance cost in respect of the liability and the expense is presented as a contingent finance cost in the Statement of Comprehensive Income. This is detailed in note 16.

## Lifecycle replacement

Components of the asset replaced by the operator during the contract ('lifecycle replacement') are capitalised where they meet the Trust's criteria for capital expenditure. They are capitalised at the time they are provided by the operator and are measured initially at fair value.

The element of the annual unitary payment allocated to lifecycle replacement is pre-determined for each year of the contract from the operator's planned programme of lifecycle replacement.

This charge is used to establish a prepayment to fund future replacement.

## Assets contributed by the Trust to the operator for use in the scheme

Assets contributed for use in the scheme continue to be recognised as items of property, plant and equipment in the Trust's Statement of Financial Position.

## Public dividend capital

Public dividend capital (PDC) is a type of public sector equity finance. It has origins in the assessment of the excess of assets over liabilities - net assets - at the point when a trust is first established. This Trust took on, at its inception as an NHS foundation trust or public benefit corporation on 1 April 2004, the public dividend capital vested in the preceding NHS trust at 31 March 2004. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

A charge, reflecting the forecast cost of capital used by an NHS foundation trust is paid over to the Department of Health as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the forecast average relevant net assets of an NHS foundation trust. Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for donated assets and cash held with the Government Banking Service (GBS), excluding average daily cash balances held in GBS accounts that relate to a short-term working capital facility. Average relevant net assets are calculated as a simple mean of the opening and closing net relevant assets.

## 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 Trust's control) are not recognised as assets, but are disclosed in note 22 where an inflow of economic benefit is possible.

Liabilities that only have a possible chance of crystallising and do not meet the provisions criteria are disclosed as contingent liabilities in note 22, no adjustment to the financial statements is made. 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 Trust's control; or present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.'

## Corporation tax

The main rate of Corporation Tax applies when profits on trading activities exceed £1.5M at a rate of 20% (value and rate set for 2015/16 by HM Revenue and Customs).

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 is not treated as a commercial activity and is therefore tax exempt. Trading activities undertaken in house, which are ancillary to core healthcare, are not subject to tax.

As trading activities do not include provision of NHS healthcare services provided by the Trust, Peterborough and Stamford Hospitals NHS Foundation Trust had no Corporation Tax liability in 2016/17 according to current legislation.

## Financial instruments

### Recognition

Financial assets and financial liabilities which arise from contracts for the purchase or sale of non financial items (such as goods and services), which are entered into in accordance with the Trust's normal purchase, sale or usage requirements, are recognised when, and to the extent which, performance occurs i.e. when receipt or delivery of the goods or services is made.

All financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the instrument. All financial instruments are considered as 'held for trading'.

### Derecognition

All financial assets are derecognised 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 derecognised when the obligation is discharged, cancelled or expires.

### Classification and measurement

The Trust's financial assets are all within 'Fair value through income and expenditure, loans and receivables'.

The Trust's financial liabilities are all within 'Fair value through income and expenditure, other 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 as current assets.

The Trust's loans and receivables comprise: cash and cash equivalents, NHS receivables (debtors), accrued income and 'other receivables' (debtors).

Loans and receivables are recognised initially at fair value, net of transaction costs, and are measured subsequently at amortised cost, using the effective interest rate 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.

### Loans from the Department of Health

Loans from the Department of Health are not held for trading purposes and are measured at historic cost, with any unpaid interest accrued separately.

### Financial liabilities

All financial liabilities are recognised initially at fair value, net of transaction costs incurred, and measured subsequently at amortised cost using the effective interest rate method. The effective interest rate is the rate that discounts exactly future cash payments through the expected life of the financial liability or, when appropriate, a shorter period, to the net carrying amount of the financial liability.

They are included in current liabilities except for amounts payable more than 12 months after the balance sheet date, which are classified as non-current liabilities.

Interest on financial liabilities carried at amortised cost is calculated using the effective interest method and charged to Finance Costs. Interest of financial liabilities taken out to finance property, plant and equipment or intangible assets is not capitalised as part of those assets.

### Impairment of financial assets

At the Statement of Financial Position date, the Trust assessed whether any financial assets other than those held at 'fair value through income and expenditure' were 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.

The Trust considers all outstanding receivable accounts past their due date resulting in an impairment assessment being made of those not likely to result in settlement following implementation of, and adherence to, the Trust's credit control process. Amongst other action, this could involve the use of debt collection agencies and/or pursuing debts via court proceedings if the Trust feels these are appropriate avenues. If the Trust is still unable to recover the monies it is owed after all these options have been pursued, it will consider a write down of the value against an allowance account.

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.

### Losses and special payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had NHS foundation trusts not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure).

However the losses and special payments note is compiled directly from the losses and special payments register which reports on an accruals basis with the exception of provisions for future losses.

### Gifts

Gifts are items that are voluntarily donated, with no preconditions and without the expectation of any return. Gifts include all transactions economically equivalent to free and unremunerated transfers, such as the loan of an asset for its expected useful life, and the sale or lease of assets at below market value.

## 1.2 Going Concern Statement

**These accounts have been prepared on a going concern basis.** International Accounting Standard (IAS) 1 requires management to assess, as part of the accounts preparation process, the Trust's ability to continue as a going concern. The financial statements should be prepared on a going concern basis unless management either intends to apply to the Secretary of State for the dissolution of the NHS Foundation Trust without the transfer of services to another entity, or has no realistic alternative but to do so.

HM Treasury Financial Reporting Manual (FRM) states that "The anticipated continuation of the provision of a service in future, as evidenced by inclusion of financial provision for that service in published documents, is normally sufficient evidence of going concern".

The Trust continues to operate with a structural deficit. Therefore, Peterborough and Stamford Hospitals NHS Foundation Trust's Board of Directors has carefully considered the principle of 'Going Concern' and the requirement to provide continuity of service. The Directors have concluded that the combination of the circumstances outlined in this note represents a material uncertainty that casts significant doubt upon the Trust's ability to continue as a going concern. This is also set out in the Annual Governance Statement in the Trust's Strategic Annual Report. Nevertheless, after making enquiries, and considering the uncertainties described in the following paragraphs, the Directors have a reasonable expectation that the Trust will have access to adequate resources to continue in operational existence for the foreseeable future and continue to provide services to our patients. For this reason, they continue to adopt the going concern basis in preparing the accounts.

### During 2016/17:

- The Trust had an NHS Improvement (NHSI) governance rating of red (lowest level of assurance);
- The Trust has been subject to pre-existing legal enforcements (imposed since 2013) linked to sustainability plans.
- The Trust remains concerned about its A&E performance.
- The Trust remains a distressed Trust operating with a deficit.
- The Trust had an NHSI risk rating for Capital Service Capacity of 4 and a Liquidity Metric of 3;

- For the year ended 31 March 2017, the Trust recorded a financial operating deficit of £17.7m (against a control total deficit of £20.2m). The total deficit for the financial year is £33.7m. The operating deficit of £17.7m is arrived at after deducting the permitted technical adjustments of £16.0m (being the impairment of the Trust's estate of £15.9m in the main), as explained in the Statement of Comprehensive Income asterixed narrative note on page 5;
- The Trust delivered cost improvements of £15.2m (against a target of £13.0m);
- During the year, the Trust's performance has been reviewed by NHSI at monthly meetings
- The Trust had identified, in advance of the year starting, a cash funding requirement for 2016/17 in line with its long term plans. Accordingly, the Trust received £0.2m of Public Dividend Capital (PDC), £44.8m of Revenue Loan and £13.2m of Capital Loan from the Department of Health (DH) ;
- The Trust had a Working Capital Facility (short term overdraft of £22.3m) which was converted to a revenue loan during the year, so was no longer required as at 31 March 2017.

## Looking forward to 2017/18

On 28 March 2017, the Secretary of State granted the Statutory Instrument confirming the acquisition of Hinchingbrooke Health Care NHS Trust by Peterborough and Stamford Hospitals NHS Foundation Trust with effect from 1 April 2017, following submission of a Full Business Case approved by both Trust Boards in November 2016. As at 1 April 2017, the new enlarged trust is known as North West Anglia NHS Foundation Trust.

The Trust is working with NHSI and other stakeholders to develop plans to return it to financial sustainability whilst also working closely with the local Sustainability and Transformation Plan to deliver long term clinical and financial sustainability.

The Financial Plan for 2017/18 has been agreed by the Board following a robust budget setting process. Cost Improvement targets have been set to deliver £16.2m in year, and contracts with commissioners have been set on a Payment By Results basis for a fourth year with realistic activity plans agreed but with additional risk share. The budget is in line with an 'allocated Control Total target' of £52.6m which NHSI has set the Trust (excluding Sustainability and Transformation Funding.) This has resulted in the Trust submitting an Operational Plan forecasting a deficit of £40.3m. The key operating risks within the Financial Plan are in

relation to cost improvement delivery, cost reduction linked to operational performance and premium staff costs. Financial risks particularly pertinent to the first year for North West Anglia NHS Foundation Trust centre around controlling the costs of the acquisition (for year one, projected to be £4.1m revenue and £4.1m capital) and ensuring delivery of identified savings of £2.3m. The Plan has benefited from confirmed recurrent income support for the Trust's premium PFI costs of £10m annually in addition to £12.2m of Sustainability and Transformation Funding.

The Trust's financial plans identify the requirement for significant additional cash assistance from the Department of Health again in 2017/18. This requirement has been acknowledged with assurance it will be supported by NHSI. The funding arrangements for cash support to distressed trusts is now in the form of capital and/or revenue loans.

## Summary

During the next twelve months, the Trust will continue to focus on providing excellent patient care and services within its hospitals. The Trust's financial plans identify the requirement for significant additional external cash funding from the Department of Health, which is estimated to be circa £62m. Confirmation of the final amount of cash support from NHSI is awaiting approval.

After making enquiries and considering the uncertainties, the Directors have a reasonable expectation that the Trust will have access to adequate resources for the continuation of services for the future. For this reason, they continue to adopt the going concern basis in preparing the accounts, taking into account best estimates of future activity and cash flows.

## 2 Operating Segments

Segmental reporting is required to reflect the content and form of information that is supplied to the Chief Operating Decision Maker. In the case of Peterborough and Stamford Hospitals NHS Foundation Trust, this has been determined to be the Board of Directors.

The Board of Directors receive segmental reporting information in the format below. Segments are defined as the Trust's Clinical Directorates (CDs), as identified in the following table, which also

describes the service that each provides. This information does not represent Service Line Reporting or Patient Level Costing.

The Corporate Support Directorate deals with areas such as Finance, Human Resources and Information Technology. The costs of this directorate, as well as Facilities Services, are not allocated across the CDs they support.

Assets and liabilities are not reported by CD and so are not analysed in the data below.

	Income** £m	Expenditure £m	Net profit/ (loss) £m
<b>Directorate</b>			
Cancer Diagnostics & Support Services	43.4	(60.2)	(16.8)
Emergency & Medicine	75.0	(62.6)	12.4
Family & Public Health	47.7	(28.1)	19.6
MSK & Surgery & Theatres	89.2	(71.3)	17.9
Facilities Services	3.1	(30.7)	(27.6)
Corporate Support*	35.8	(75.0)	(39.2)
<b>Total</b>	<b>294.2</b>	<b>(327.9)</b>	<b>(33.7)</b>

\* - Includes depreciation, loss on sale of assets, impairments and interest paid.

\*\* The income and expenditure shown for operating segments includes transactions related to the Trust Charitable Funds (Charitable Funds are not consolidated, see note 30 on page 40).

## 3 Operating Income

### 3.1 Income from patient care activities

	2016/17 £000	2015/16 £000
Elective care	39,462	37,885
Non-elective care	61,680	43,154
Outpatient care	51,658	44,924
Accident and emergency department services	11,681	9,801
Other types of activity and services	84,427	75,373
Income from Clinical Commissioning Groups #	248,908	211,137
Additional income for delivery of healthcare services	0	800
Private patients	478	545
Overseas patients (non-reciprocal)	116	143
Compensation Recovery Unit (NHS Injury Benefit Scheme)*	487	714
Other clinical income**	203	1,848
Non-CCG non-elective care **	0	15,469
	1,284	19,519
	250,192	230,656

# - Income earned by providing NHS services to Clinical Commissioning Groups (CCGs), mainly through contracts with CCGs and also including non-contractual activity.

\* - Income assessed as due from the Compensation Recovery Unit is subject to a provision for doubtful debts of 22.94% (2015/16 22.0%) to reflect expected rates of actual collection. This is the recommended level as advised by the Compensation Recovery Unit.

\*\* - Other clinical income includes the Older People's contract which in 2015/16 was with United Care Partnership (UCP)(£17.2m). For 2016/17, the income returns to Clinical Commissioning Groups.

### 3.2 Overseas visitors (non reciprocal)

	2016/17 £000	2015/16 £000
Income recognised this year	116	143
Cash payments received in-year (relating to invoices raised in current and previous years)	114	105
Amounts added to provision for impairment of receivables (relating to invoices raised in current and prior years)	26	95
Amounts written off in-year (relating to invoices raised in current and previous years)	62	7

### 3.3 Income from requested and non-requested Commissioner services

	2016/17 £000	2015/16 £000
Commissioner Requested	248,551	228,898
Non-Commissioner Requested	1,641	1,758
	250,192	230,656

The Trust is working with its Commissioners to determine the level of Commissioner Requested Services currently provided. The value of £1,641k for Non Commissioner Requested Services includes NHS Injury Benefit Scheme, private patient and non contractual activity income for planned work. All other income received for patient care activities has been treated as Commissioner Requested.

## 4 Other Operating Income

	2016/17 £000	2015/16 £000
Research and development	947	1,020
Education, training and research	6,969	6,865
Charitable and other contributions to expenditure	347	256
Non-patient care services to other bodies	140	945
Service Level Agreements (SLA) with Cambridgeshire and Peterborough NHS Foundation Trust	870	1,143
Other income*	<b>34,973</b>	20,145
	<b>44,246</b>	30,374
* Other income detail:		
Sustainability and Transformation Fund	12,561	0
PFI support	10,000	10,000
Pharmacy sales	3,181	2,427
Other	2,084	1,807
Car parking	1,983	1,816
Salary sacrifice	1,456	1,241
Community services	689	603
Staff accommodation rentals	683	542
Leicestershire Renal Unit SLA	634	610
Pathology	525	0
Medico legal charges	412	453
Bowel Screening	349	0
Ambulance Recharges	206	324
Mortuary charges	120	169
Property rentals	90	90
Sterile supply department packs	0	63
	<b>34,973</b>	20,145

Under section 43 (2A) of the *NHS Act 2006* (as amended by the *Health and Social Care Act 2012*), the Trust is required to confirm the income from the provision of goods and services for the purposes of the health service in England must be greater than its income from the provision of goods and services for any other purposes. Peterborough and Stamford Hospitals NHS Foundation Trust confirms it has met this requirement.

## 5 Operating Expenses

### 5.1 Operating expenses comprise:

	2016/17 £000	2015/16 £000
Services from NHS bodies	2,629	3,219
Purchase of healthcare from non NHS bodies	3,485	4,414
Directors' costs*	1,215	1,244
Staff costs	177,302	169,594
Drug costs	32,264	29,212
Supplies and services		
- clinical	18,393	18,644
- general	1,506	1,644
Establishment	5,337	3,018
Transport	852	664
Premises **	28,315	27,712
(Decrease)/Increase in provision for impairment of receivables	(66)	264
Depreciation and amortisation	13,621	13,463
Audit services		
- statutory audit	81	81
- audit-related assurance services	86	13
- internal audit	126	67
Clinical negligence	6,557	5,649
Loss/(Profit) on disposal other property, plant and equipment	52	71
Impairments of property, plant and equipment	15,892	88
Payments under operating leases	1,144	736
Legal and professional fees	981	717
Consultancy costs ***	2,294	1,566
Training, courses and conferences	547	563
Patient travel	25	28
Car parking and security	13	164
Early retirements	94	86
Insurance	49	51
Other services (eg external payroll)	354	344
Staff exit costs	0	694
Carbon reduction commitment	254	291
Other	69	73
	<b>313,471</b>	284,374

\* As required by the *Companies Act 2006*, the Trust confirms the directors' cost figure quoted represents gross remuneration; no benefit payments were made to any of the directors (including no payments to non-NHS pension schemes).

\*\* Premises costs in 2016/17 include costs of facilities services provided by commercial contractors amounting to £17,816,000 (2015/16: £17,506,000), which form part of the Private Finance Initiative (PFI) contract.

\*\*\* Consultancy cost includes £845,000 (£944,000 2015/16) (gross) for fire stopping works; a contribution towards these costs has been agreed with relevant parties.

During 2016/17 the Trust incurred £2.4m expenditure in relation to project costs preparing for the acquisition of Hinchingbrooke Health Care NHS Trust, with effect from 1 April 2017. These costs are included in the values disclosed above, over the appropriate various headings.

## 5.2 Operating leases

### 5.2.1 Arrangements containing an operating lease

	2016/17 £000	2015/16 £000
Minimum lease payments	1,144	736

### 5.2.2 Arrangements containing an operating lease

	31 March 2017 £000	31 March 2016 £000
<b>Future minimum lease payments due:</b>		
Not later than one year	1,144	714
Later than one year and not later than five years	1,016	15
Later than five years	392	0
	<b>2,552</b>	729

## 6 Staff Costs and Numbers

### 6.1 Staff costs

	2016/17 £000	2015/16 £000
Salaries and wages	134,150	130,870
Social security costs	13,556	9,587
Employer contributions to NHSBSA #	15,700	15,261
Other pension costs	109	100
Agency, contract and seconded-in staff	15,243	18,663
	<b>178,758</b>	174,481

# NHSBSA is the NHS Business Services Authority which manages NHS pensions.

### 6.2 Average number of persons employed

	2016/17 Number	Permanently Employed Staff (including Bank staff) Number	Agency and Contract Staff (including Locum staff) Number	2015/16 Number
Medical and dental	451	409	42	469
Administration, clerical and estates	785	760	25	770
Healthcare assistants and other support staff	735	705	30	724
Nursing, midwifery and health visiting staff	1,314	1,247	67	1,283
Scientific, therapeutic and technical staff	581	569	12	571
Other	127	127	0	110
	<b>3,993</b>	3,817	176	3,927

The above numbers include staff directly employed by Peterborough and Stamford Hospitals NHS Foundation Trust, plus an estimate for an aggregate number for staff employed through agency arrangements. The numbers exclude Ministry of Defence personnel working at the Trust and covered through the contract between the Ministry of Defence and the Trust.

## 6 Staff Costs and Numbers (Continued)

### 6.3 Employee benefits

The Trust had no expenditure in relation to employee benefits.

### 6.4 Directors' pay - Greenbury

Details of Directors' pay is disclosed in the Trust's Annual Report.

### 6.5 Remuneration report

Details of the Remuneration report is disclosed in the Trust's Annual Report.

### 6.6 Staff exit packages

During 2016/17 there were no Staff Exit Packages (as disclosed in the Trust's Annual Report).

### 6.7 Retirements due to ill health

This note shows the number and additional pension costs during the year for individuals who retired early on ill-health grounds.

There were 6 retirements (8 in 2015/16) at an additional cost of £331,000 (2015/16 £537,000). This information has been provided by NHS Business Services Authority (NHS Pensions).

### 6.8 National Employment Savings Trust (NEST)

NEST is a Workplace Pension Scheme operated by the Government; it is an alternative pension scheme (to the Superannuation Scheme) which is not NHS specific. It is a defined contribution, off statement of financial position scheme (as it is not exclusively NHS). The number of employees opting in, and the value of contributions, have been negligible. The cost in 2016/17 was £8,000 (2015/16 £7,000).

## 7 Loss on Disposal of Property, Plant and Equipment

Loss on disposal of fixed assets is made up as follows:

	2016/17 £000	Protected £000	Unprotected £000	2015/16 £000
Loss/(Profit) on disposal	52	0	52	71
	52	0	52	71

Under its Licence, the Trust is not permitted to sell any fixed assets which are necessary for the provision of commissioner requested healthcare activities. The Trust conformed with this requirement.

## 8 Finance Expenses

### 8.1 Financial Liabilities

	2016/17 £000	2015/16 £000
Loan interest (DH)	790	363
Finance lease (non PFI)	25	29
Interest of PFI deduction*	335	0
Finance costs in PFI obligations		
- Main finance cost	9,516	9,758
- Contingent finance costs	4,051	3,644
	14,717	13,794

\* Interest paid on fire stopping element (withheld from the Unitary Payment under the Trust's PFI contract) from date of invoice to date of settlement.

### 8.2 Better Payment Practice Code

	Year Ended 31 March 2017		Year Ended 31 March 2016	
	Number	£000	Number	£000
Total trade bills paid in the year	58,340	172,434	60,825	151,079
Trade bills paid within target	48,065	141,482	50,813	132,657
Percentage of trade bills paid within target	82.4%	82.0%	83.3%	87.8%

The Better Payment Practice Code requires the Trust to aim to pay all undisputed invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later.

### 8.3

The Trust incurred no costs under the *Late Payment of Commercial Debts (Interest Act 1998)* for 2016/17 or 2015/16.

## 9 Public Dividend Capital Dividend

The dividend paid to the government in 2016/17 was £Nil (2015/16 £Nil). The Trust has not paid any Public Dividend Capital dividend relating to 2016/17 as although the Trust had a positive Statement of Financial Position as at 31 March 2016, this became a negative position as at 31 March 2017 (due to the impairment of buildings), resulting in the average of the opening and closing balances excluding allowable items, being negative. Dividend is based on a forecast rate of 3.5% on average relevant net assets for 2016/17. The actual dividend rate is the dividend paid expressed as a percentage of the simple mean of the opening and closing relevant net assets for the year. The actual dividend rate is 0% (0% for 2015/16). The difference between the actual rate and the forecast rate is £Nil.

## 10 Property, Plant and Equipment

### 10.1 Analysis by type

	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction and payments on account £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture and fittings £000	Total £000
<b>2015/16:</b>									
Cost or valuation at 1 April 2016	20,696	351,426	7,490	6,625	35,423	350	12,264	1,813	436,087
Valuation adjustment									
Additions purchased	0	0	0	11,846	0	0	0	0	11,846
Additions leased	0	0	0	0	320	0	0	0	320
Additions donated	0	0	0	0	41	0	0	0	41
Impairments	0	0	0	0	0	0	0	0	0
Reclassifications	0	5,034	29	(8,191)	2,801	0	302	25	0
Revaluations *	(7,026)	(83,336)	(758)	0	0	0	0	(4)	(91,124)
Disposals / Derecognition	0	0	0	0	(1,209)	(17)	(1,332)	(19)	(2,577)
<b>At 31 March 2017</b>	<b>13,670</b>	<b>273,124</b>	<b>6,761</b>	<b>10,280</b>	<b>37,376</b>	<b>333</b>	<b>11,234</b>	<b>1,815</b>	<b>354,593</b>
Depreciation at 1 April 2016	0	3,114	48	N/A	22,456	181	8,773	973	35,545
Valuation adjustment									
Charged during the year	0	8,412	190	N/A	3,675	35	1,153	156	13,621
Impairments	0	15,892	0	N/A	0	0	0	0	15,892
Revaluations *	0	(26,557)	(237)	N/A	0	0	0	0	(26,794)
Disposals	0	0	0	N/A	(1,168)	(14)	(1,308)	(19)	(2,509)
<b>Depreciation at 31 March 2017</b>	<b>0</b>	<b>861</b>	<b>1</b>	<b>N/A</b>	<b>24,963</b>	<b>202</b>	<b>8,618</b>	<b>1,110</b>	<b>35,755</b>
<b>Net book value</b>									
Purchased at 31 March 2017	13,670	9,174	6,760	10,280	6,127	0	2,536	683	49,230
Finance lease at 31 March 2017	0	0	0	0	112	131	0	0	243
PFI at 31 March 2017	0	261,152	0	0	5,933	0	71	0	267,156
Donated at 31 March 2017	0	1,937	0	0	241	0	9	22	2,209
<b>Total at 31 March 2017</b>	<b>13,670</b>	<b>272,263</b>	<b>6,760</b>	<b>10,280</b>	<b>12,413</b>	<b>131</b>	<b>2,616</b>	<b>705</b>	<b>318,838</b>

\* The net downward revaluation in the year of (£64,330k) ((£91,124k) less (£26,794k)) relates to land and buildings. A full revaluation was undertaken as at 31 March 2017 in preparation for the acquisition of Hinchingsbrooke Health Care NHS Trust on 1 April 2017, to allow realignment during 2017/18 to a consistent valuer and methodology (Gerald Eve LLP with space valued at the purpose it is used for rather than all space as an acute hospital. PFI assets are valued excluding VAT).

## 10 Property, Plant and Equipment (Continued)

### 10.2 Analysis by type - comparative information

	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction and payments on account £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture and fittings £000	Total £000
<b>2015/16:</b>									
Cost or valuation at 1 April 2015	20,028	306,137	7,549	4,129	35,415	350	10,275	1,827	385,710
Valuation adjustment									
Additions purchased	0	0	0	5,966	0	0	0	0	5,966
Additions leased	0	0	0	0	942	0	0	0	942
Additions donated	0	0	0	0	21	0	0	0	21
Impairments	0	88	(88)	0	0	0	0	0	0
Reclassifications	0	202	60	(3,432)	1,046	0	2,112	12	0
Revaluations*	668	44,999	(31)	0	0	0	0	(26)	45,610
Disposals	0	0	0	(38)	(2,001)	0	(123)	0	(2,162)
<b>At 31 March 2016</b>	<b>20,696</b>	<b>351,426</b>	<b>7,490</b>	<b>6,625</b>	<b>35,423</b>	<b>350</b>	<b>12,264</b>	<b>1,813</b>	<b>436,087</b>
Depreciation at 1 April 2015	0	9,202	91	N/A	20,582	145	7,320	839	38,179
Valuation adjustment									
Charged during the year	0	7,696	190	N/A	3,804	36	1,576	161	13,463
Impairments	0	88	0	N/A	0	0	0	0	88
Revaluations*	0	(13,872)	(233)	N/A	0	0	0	(27)	(14,132)
Disposals	0	0	0	N/A	(1,930)	0	(123)	0	(2,053)
<b>Depreciation at 31 March 2016</b>	<b>0</b>	<b>3,114</b>	<b>48</b>	<b>N/A</b>	<b>22,456</b>	<b>181</b>	<b>8,773</b>	<b>973</b>	<b>35,545</b>
<b>Net book value</b>									
Purchased at 31 March 2016	20,696	7,386	7,442	6,625	9,193	6	3,479	810	55,637
Finance lease at 31 March 2016	0	0	0	0	224	163	0	0	387
PFI at 31 March 2016	0	339,126	0	0	3,264	0	0	0	342,390
Donated at 31 March 2016	0	1,800	0	0	286	0	12	30	2,128
<b>Total at 31 March 2016</b>	<b>20,696</b>	<b>348,312</b>	<b>7,442</b>	<b>6,625</b>	<b>12,967</b>	<b>169</b>	<b>3,491</b>	<b>840</b>	<b>400,542</b>

\* The revaluations in the year of £59,742k (£45,610k + £14,132k) relate to land and buildings.

## 11 Inventories

	<b>31 March 2017 £000</b>	31 March 2016 £000
Raw materials and consumables	<b>3,659</b>	3,597

## 12 Trade and Other Receivables

### 12.1 Analysis of trade and other receivables

	<b>31 March 2017 £000</b>	31 March 2016 £000
<b>Current</b>		
NHS receivables (including prepayments)	<b>20,515</b>	11,995
Other receivables with related parties	<b>2,299</b>	2,340
Provision for impaired receivables	<b>(1,943)</b>	<b>(2,129)</b>
Prepayments	<b>6,223</b>	3,853
Prepayments - Unitary Payment	<b>3,846</b>	3,846
Accrued income	<b>1,305</b>	1,064
Other receivables *	<b>1,404</b>	5,054
	<b>33,649</b>	26,023
<b>Non-current</b>		
Prepayments - lifecycle replacements	<b>26,424</b>	22,176
Accrued income	<b>1,013</b>	1,280
	<b>27,437</b>	23,456
	<b>61,086</b>	49,479

\* Included in other receivables (current) for 2015/16 is the final outstanding amount related to the PDH site sale of £3,560,000 which moved from non-current to current. As this debt was settled during 2016/17, there is no comparator for 2016/17.

### 12.2 Reconciliation of provision for impairment of receivables

	<b>31 March 2017 £000</b>	31 March 2016 £000
At 1 April	<b>2,129</b>	1,969
New provision raised in the year	<b>1,778</b>	1,493
Amounts utilised	<b>(120)</b>	<b>(104)</b>
Unused amounts reversed	<b>(1,844)</b>	<b>(1,229)</b>
	<b>1,943</b>	2,129

Peterborough and Stamford Hospitals NHS Foundation Trust does not impair all outstanding debts, even if they are past their due date. These debtors undergo a detailed review resulting in an impairment assessment being made of those not likely to result in settlement, following implementation of, and adherence to, the Trust's credit control process. This could involve the use of debt collection agencies and/or pursuing debts via court proceedings if the Trust feels these are appropriate avenues to enable it to recover legitimate and enforceable monies due to it, thereby enabling reinvestment in the provision of healthcare.

## 12 Trade and Other Receivables (Continued)

### 12.3 Analysis of impaired receivables

	31 March 2017 £000	31 March 2016 £000
<b>Ageing of impaired receivables</b>		
0 - 30 days	75	85
30 - 60 days	153	49
60 - 90 days	818	196
90 - 180 days	195	600
180 - 360 days	702	1,199
<b>Total</b>	<b>1,943</b>	2,129
<b>Ageing of non impaired receivables past their due date</b>		
0 - 30 days	3,616	3,433
30 - 60 days	531	1,501
60 - 90 days	(32)	138
90 - 180 days	963	1,062
180 - 360 days	1,134	1,280
<b>Total</b>	<b>6,212</b>	7,414

## 13 Cash and Cash Equivalents

	31 March 2017 £000	31 March 2016 £000
Balance at 1 April	957	1,626
Net change in year	11,242	(669)
<b>Balance at 31 March</b>	<b>12,199</b>	957
<b>Made up of</b>		
Cash with Government Banking Service	12,160	910
Commercial banks and cash in hand	39	47
	<b>12,199</b>	957

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Account balances are only set off where a formal agreement has been made with the bank to do so. In all other cases, bank overdrafts are shown within borrowings in 'current liabilities' on the Statement of Financial Position. In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts, which are repayable on demand and form an integral part of the Trust's bank accounts. The same applies for any balances being held for patients. See note 25 for third party assets.

## 14 Trade and Other Payables

	31 March 2017 £000	31 March 2016 £000
<b>Current</b>		
NHS payables	3,228	3,186
Amounts due to other related parties *	2,601	3,023
Trade payables - capital	3,012	644
Taxes payable	153	3,360
Accruals	7,372	10,061
Other payables	5,613	11,451
	<b>21,979</b>	31,725
<b>Non-current</b>		
Other payables	198	254
	<b>198</b>	254

\*Amounts due to other related parties include outstanding pension contributions of £2,167,000 at 31 March 2017 (31 March 2016 £2,112,000).

## 15 Borrowings

### 15.1

	31 March 2017 £000	31 March 2016 £000
<b>Current</b>		
Capital loan, payable within 1 year (DH)	624	416
Obligations under finance leases (non PFI)	95	144
Obligations under Private Finance Initiative Contracts	9,979	9,730
	<b>10,698</b>	10,290
<b>Non-current</b>		
Long term capital loan (DH)	6,852	4,984
Long term revenue loan (DH)	68,640	13,340
Obligations under finance leases (non PFI)	127	223
Obligations under Private Finance Initiative Contracts	346,978	356,958
	<b>422,597</b>	375,505

### 15.2

	31 March 2017 £000	31 March 2016 £000
<b>Gross (non PFI) finance lease liabilities</b>	<b>271</b>	439
of which liabilities are due:		
- not later than one year	148	167
- later than one year and not later than five years	123	191
- later than five years	0	81
Finance charges allocated to future periods	(49)	(72)
<b>Net (non PFI) finance lease liabilities</b>	<b>222</b>	367
Falling due:		
- not later than one year	95	144
- later than one year and not later than five years	127	160
- later than five years	0	63
	<b>222</b>	367

## 16 Private Finance Initiative Contracts

### 16.1 PFI schemes On Statement of Financial Position

On 4 July 2007 the Trust concluded contracts under the Private Finance Initiative (PFI) with Peterborough (Progress Health) PLC for the construction of a new 611 bed hospital and the provision of hospital related services.

The PFI scheme was approved by the NHS Executive and HM Treasury as being better value for money than the public sector comparator. Under IFRIC 12, the PFI scheme is deemed to be On Statement of Financial Position, meaning that the hospital is treated as an asset of the Trust, being acquired through a finance lease. The payments to Progress Health in respect of the new facility (Peterborough City Hospital) have therefore been analysed into finance lease charges and service charges. The accounting treatment of the PFI scheme is detailed in the accounting policies note.

The service element of the contract was £17,816,000 (2015/16 £17,505,863) with contingent rent amounting to £4,051,000 (2015/16 £43,644,294). The new hospital was handed over to the Trust on 2 October 2010. The PFI contract ends in November 2042. The Trust has the right to use the Hospital up to that date. On that date ownership reverts back to Trust. The current contract does not provide an option for extension or early termination.

The estimated value of the scheme at inception was £416,038,000.

### 16.2

	<b>31 March 2017 £000</b>	31 March 2016 £000
<b>Gross PFI finance lease liabilities</b>	<b>803,715</b>	798,806
of which liabilities are due:		
- not later than one year;	<b>23,970</b>	23,270
- later than one year and not later than five years	<b>103,106</b>	100,554
- later than five years	<b>679,639</b>	674,982
Finance charges allocated to future periods	<b>(446,758)</b>	<b>(432,118)</b>
<b>Net PFI liabilities</b>	<b>356,957</b>	366,688
Falling due:		
- not later than one year;	<b>9,979</b>	9,730
- later than one year and not later than five years	<b>42,539</b>	41,476
- later than five years	<b>304,439</b>	315,482
	<b>356,957</b>	366,688
<b>Total Future payments committed</b>		
of which due:		
- not later than one year;	<b>47,000</b>	45,626
- later than one year and not later than five years	<b>202,169</b>	197,165
- later than five years	<b>1,326,744</b>	1,323,494
	<b>1,575,913</b>	1,566,285

Lifecycle maintenance expenditure is payment to replace components of the hospital infrastructure throughout the course of the PFI agreement.

Finance charges include both interest payable and contingent rent payable. Contingent rent is variable dependent of the future rate of inflation using the Retail Price Index (RPI). The Trust has assessed the future rate of RPI with regards to historical trends and current forward-looking estimates.

## 16.3

The Trust is committed to make the following payments in respect of the service element of the PFI contract:

	<b>31 March 2017 £000</b>	31 March 2016 £000
Within one year	<b>18,330</b>	17,794
2nd to 5th years (inclusive)	<b>78,846</b>	76,894
Later than five years (to 2042)	<b>517,430</b>	516,162
	<b>614,606</b>	610,850

## 16.4

Unitary payment payable to service concession operator.

Consisting of:

	<b>2016/17 £000</b>	2015/16 £000
- Interest charge	<b>9,516</b>	9,758
- Repayment of finance lease liability	<b>9,730</b>	9,488
- Service element	<b>17,816</b>	17,506
- Contingent rent	<b>4,051</b>	3,644
- Addition to lifecycle prepayment	<b>4,568</b>	4,488
	<b>45,681</b>	44,884

## 17 Provisions

	Current		Non-current	
	31 March 2017 £000	31 March 2016 £000	31 March 2017 £000	31 March 2016 £000
Pensions relating to other staff	47	49	561	732
Legal claims	130	120	817	1,030
Redundancy	444	0	0	0
Other	1,709	580	0	0
<b>Total</b>	<b>2,330</b>	<b>749</b>	<b>1,378</b>	<b>1,762</b>

	Pensions relating to other staff £000	Legal claims £000	Redundancy £000	Other £000	Total £000
At 1 April 2016	781	1,150	0	580	2,511
Arising during the year	0	34	444	2,037	2,515
Utilised during the year	0	0	0	(317)	(317)
Reversed unused	(173)	(237)	0	(204)	(614)
Change in discount rate	0	0	0	(387)	(387)
<b>At 31 March 2016</b>	<b>608</b>	<b>947</b>	<b>444</b>	<b>1,709</b>	<b>3,708</b>
<b>Expected timing of cash flows:</b>					
Within one year	47	130	444	1,709	2,330
One to five years	561	815	0	0	1,376
Over five years	0	2	0	0	2
	608	947	444	1,709	3,708

Aside from the provisions recorded in the Trust's accounts, £117,200,000 is included as a provision in the accounts of the NHS Litigation Authority at 31 March 2017 in respect of clinical negligence liabilities of the Trust (£102,282,000 at 31 March 2016).

The total 'legal claims' provision of £947,000 at 31 March 2017 (£1,150,000 at 31 March 2016) is intended to cover the estimated payments expected to become due in future years in respect of injury benefit claims, mainly payable to NHS Business Services Authority (Pensions Division).

Other provisions include an amount of £263,000 (2015/16 £252,000) with regards to a cost for the Trust's Carbon Reduction Commitment.

## 18 Other Liabilities

	31 March 2017 £000	31 March 2016 £000
Deferred income	1,922	1,713

## 19 Reserves

	Public Dividend Capital reserve £000	Revaluation reserve £000	Income and expenditure reserve £000	Total £000	31 March 2016 £000
At 1 April 2016	264,191	95,283	(326,897)	(32,577)	(10,473)
Retained deficit for the year	0	0	(33,721)	(33,721)	(37,107)
Revaluations - property, plant and equipment	0	(64,330)	0	(64,330)	59,742
Public Dividend Capital received	154	0	0	154	21,215
Public Dividend Capital repaid	0	0	0	0	(800)
<b>At 31 March 2017</b>	<b>264,345</b>	<b>30,953</b>	<b>(360,618)</b>	<b>(65,320)</b>	<b>32,577</b>

Public Dividend Capital of £0.154m has been received in the year from the Department of Health to assist with the purchase of capital assets and for specific projects.

## 20 Capital Commitments

Commitments under capital expenditure contracts at the Statement of Financial Position date were £5,167,000 (2015/16 £5,155,000).

## 21 Post Statement of Financial Position Events

On 1 April 2017, the Trust acquired Hinchingsbrooke Health Care NHS Trust to form North West Anglia NHS Foundation Trust. The financial statements were authorised for issue on 18 May 2017 by Mr Stephen Graves, Chief Executive Officer of the new trust. There were no other events arising after the end of the reporting period up to this date which qualifies for disclosure.

## 22 Contingent Assets and Liabilities

There were no contingent assets or liabilities at the Statement of Financial Position date.

## 23 Related Party Transactions

Peterborough and Stamford Hospitals NHS Foundation Trust is a body corporate established by the Secretary of State for Health.

The Department of Health is regarded as a related party. During the year, the Trust has had a significant number of material transactions with the Department, and with other entities for which the Department is considered the parent Department, namely:

Cambridgeshire Community Services	NHS Business Services Authority
Cambridgeshire and Peterborough CCG	NHS Commissioning Board
Cambridgeshire and Peterborough NHS Foundation Trust	NHS Litigation Authority
Cambridge University Hospitals NHS Foundation Trust	United Lincolnshire Hospitals NHS Trust
East Leicestershire and Rutland CCG	University Hospitals Leicester NHS Trust
East of England Ambulance NHS Trust	West Suffolk Hospitals NHS Foundation Trust
Health Protection Agency	Oxford Health NHS Foundation Trust
Hinchingbrooke Health Care NHS Trust	South Lincolnshire CCG
Lincolnshire East CCG	South West Lincolnshire CCG
NHS Blood and Transplant Agency	West Midlands Ambulance NHS Trust

During the year, the Trust employed Ministry of Defence (MoD) staff for £292,404 (2015/16 £422,292).

Other entities include NHS Professionals, Peterborough City Council, South Kesteven District Council, HMP Whitemoor, HM Coroner and HM Revenue and Customs.

The Trust's Board of Directors is also the Corporate Trustee for Peterborough and Stamford Hospitals NHS Foundation Trust Charitable Fund, registered charity number 1050601, which the Trust manages. During 2016/17, £306,000 (2015/16 £235,000) was taken to both the Trust's income and expenditure figures (see notes 3 to 7).

Past and present employees of the Trust are covered by the provisions of the NHS Pension Scheme. In the year to 31 March 2017, the Trust contributed £15,700,000 to the scheme (2015/16 £15,262,000).

## 24 Financial Instruments

International Financial Reporting Standard (IFRS) 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks an entity faces in undertaking its activities. Financial Instruments play a much more limited role in creating or changing risk within the NHS than would be typical of commercial business entities. The Trust has limited powers to borrow or invest surplus funds. Financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the Trust in undertaking its activities.

Peterborough and Stamford Hospitals NHS Foundation Trust mitigates financial risks by investing surplus cash in short term deposit investment accounts, in accordance with the Trust's Standing Financial Instructions and in line with Monitor guidance on managing working capital.

### 24.1 Financial risk

#### Credit risk

Due to the continuing service provider relationship that the Trust has with local Clinical Commissioning Groups (CCGs) and the way those CCGs are financed, the Trust is not exposed to the same degree of credit risk faced by some entities. Those items in dispute or under query have been assessed and a provision for impairment made, if deemed appropriate. Totals are included in the trade and other receivables in note 12.

#### Liquidity risk

The Trust's net operating costs are incurred mainly in respect of delivering on legally-binding long term contracts with CCGs. CCGs themselves are financed by resources voted annually by Parliament. As noted above, this means that the Trust is not exposed to quite the same level of risk as some other business entities, but as has been evidenced during the year, if the Trust experiences liquidity issues, provided certain criteria can be evidenced, Department of Health Public Dividend Capital (not categorised as a Financial Instrument) may become eligible for drawdown to ensure the Trust can continue to meet its liabilities as they fall due. As noted in the 'Going Concern' disclosure in note 1.2, the Board has reasonable expectation that the Trust will have access to adequate resources in the next 12 months.

#### Market risk

Except for cash balances held at bank, none of the Trust's financial assets or financial liabilities are exposed to interest rates, the financial liabilities which are subject to interest rates have a fixed interest rate for the Duration. Cash at bank attracts a market rate of interest. The Trust is not, therefore, exposed to significant interest rate risk. All of the Trust's financial assets and liabilities are denominated in sterling and so the Trust is not exposed to currency rate fluctuations.

### 24.2 Financial assets and liabilities by category

	<b>31 March 2017 £000</b>	31 March 2016 £000
<b>Assets per the Statement of Financial Position</b>		
Non financial assets	<b>22,700</b>	19,604
Cash and cash equivalents	<b>12,199</b>	957
	<b>34,899</b>	20,561
<b>Liabilities per the Statement of Financial Position</b>		
Borrowings excluding finance leases	<b>76,116</b>	18,740
Finance leases	<b>222</b>	367
Obligations under Private Finance Initiative contracts	<b>356,957</b>	366,688
Trade and other payables excluding non financial liabilities	<b>22,022</b>	27,763
Provisions	<b>2,261</b>	2,186
	<b>457,578</b>	415,744

## 25 Third Party Assets

The Trust held £76 cash and cash equivalents at 31 March 2017 (£1,095 at 31 March 2016), which related to monies held by Peterborough and Stamford Hospitals NHS Foundation Trust on behalf of patients. This has been excluded from the cash and cash equivalents figure reported in the financial statements as the Trust has no beneficial interest in this money.

## 26 Limitation of Auditor's Liability and Other Auditor Remuneration

The Trust uses KPMG LLP to provide external audit services. KPMG LLP has a £500,000 restriction on its liability as auditors.

Net total expenditure with KPMG LLP during the year was:	2016/17 £0	2015/16 £0
Statutory audit services	67,530	67,530
Audit of accounts of any associate of the Trust (charitable funds)	4,925	4,925
Audit-related assurance services (Quality Accounts)	11,250	11,250
Corporate finance transaction services not falling under other categories (Hinchingbrooke Health Care NHS Trust transaction advisory review)	59,750	
<b>Total</b>	<b>143,455</b>	<b>83,705</b>

This information differs to the amount detailed in note 5 as VAT has been excluded above as per guidance contained in a technical release from the ICAEW that audit fees should be presented net of VAT. It states that, 'amounts disclosed should exclude VAT, whether it is reclaimed or not'. This is because the focus of the Regulations is on what is receivable by the auditor. The following link refers: <https://www.icaew.com/-/media/corporate/files/technical/technical-releases/financial-reporting/tech14-13frf-disclosure-of-auditor-remuneration-updated.ashx>

Additionally, charitable fund audit costs are not reflected at note 5.

## 27 Losses and Special Payments

The Trust made 211 payments totalling £135,000 under this category during 2016/17 (2015/16 145 totalling £49,000). Within this total, there were 8 personal injury payments totalling £45,000 (6 payments totalling £19,000 in 2015/16) and 14 ex-gratia payments for loss of personal effects by patients, which amounted to £1,000 (8 payments totalling £1,000 in 2015/16). Also included in the overall totals were write-offs of 145 debtor accounts, which came to £89,000 (72 totalling £29,000 in 2015/16) and 44 other cases with a value of £Nil (59 cases with a value of £Nil in 2015/16).

These amounts are reported on an accruals basis excluding provisions for future losses.

## 28 Legal Dispute

There remain outstanding legal disputes with the Trust's PFI partner, covering various issues.

## 29 Future Changes in Accounting Policy

The HM Treasury FReM does not require the following Standards and Interpretations to be applied in 2016-17. These standards are still subject to HM Treasury FReM interpretation, with IFRS 9 and IFRS 15 being for implementation in 2018-19, and the government implementation date for IFRS 16 still subject to HM Treasury consideration.

Change Published	Published by IASB	Financial year for which the change first applies
IFRS 9 Financial Instruments	July 2014	Application required for accounting periods beginning on or after 1 January 2018, but not yet adopted by HM Treasury FReM: early adoption is not therefore permitted
IFRS15 Revenue from contracts with customers	May 2014	Application required for accounting periods beginning on or after 1 January 2018, but not yet adopted by HM Treasury FReM: early adoption is not therefore permitted
IFRS 16 Leases	January 2016	Application required for accounting periods beginning on or after 1 January 2018, but not yet adopted by HM Treasury FReM: early adoption is not therefore permitted

Whilst not a change in IASB accounting policies, as the Trust acquired Hinchingsbrooke Health Care NHS Trust 1 April 2017, North West Anglia NHS Foundation Trust will have additional accounting policies; the main one of which is 'Transfers of functions from other NHS bodies'.

For functions transferred to the trust from another NHS body, the assets and liabilities transferred are recognised in the accounts as at the date of transfer. The assets and liabilities are not adjusted to fair value prior to recognition. The net loss corresponding to the net liabilities to be transferred will be recognised within expenses, but not within operating activities.

## 30 Charitable Funds Consolidation

The foundation trust is the corporate trustee to Peterborough and Stamford Hospitals NHS Foundation Trust Charitable Fund. The foundation trust has assessed its relationship to the charitable fund and determined it to be a subsidiary because the Foundation Trust has the power to govern the financial and operating policies of the charitable fund so as to obtain benefits from its activities.

The Trust Board believe that the transactions involving the charitable fund are not material to the foundation trust accounts and have chosen not to consolidate the accounts on this basis.

The table below summarises the financial position of the charitable fund at 31 March 2017:

	2016/17 £000	2015/16 £000
Income	379	240
Expenditure	(344)	(301)
<b>Reserves</b>		
Unrestricted funds	1,119	967
Restricted funds	320	300
Endowments	72	73
<b>Total reserves</b>	<b>1,511</b>	<b>1,340</b>

The charitable fund accounts are prepared under FRS102.

Peterborough and Stamford Hospitals NHS Foundation Trust Charitable Fund will be renamed to North West Anglia NHS Foundation Trust (Peterborough and Stamford Hospitals) with effect from 1 April 2017 but will continue to be governed by the foundation trust's Corporate Trustee.

The comparative 2015/16 figures above have been adjusted (from those published in the Trust's 2015/16 audited accounts) to reflect audit adjustments identified during the 2015/16 charitable fund audit in June 2016.

## **SECTION 2 | Glossary**

## Glossary of Definitions

The following abbreviations are provided to help those not used to the acronyms used in the NHS. They are not necessarily all included in this report.

<b>A</b>	A&E	Accident and Emergency	CID	Cardiac Investigations Department	
	ACU	Ambulatory Care Unit	CIP	Cost Improvement Programme	
	ANP	Advanced Nurse Practitioner	CIPFA	Chartered Institute of Public Finance and Accountancy	
<b>B</b>	B of D	Board of Directors	CLAEP	Complaints, Litigation, Adverse Events and PALS	
	B of G	Board of Governors (now renamed Council of Governors)	CMO	Chief Medical Officer	
	BCP	Business Continuity Plan	CNS	Clinical Nurse Specialist	
	BMA	British Medical Association	CNST	Clinical Negligence Scheme for Trusts	
	BME	Black and Minority Ethnic	COO	Chief Operating Officer	
	BSU	Breast Screening Unit	COPD	Chronic Obstructive Pulmonary Disease	
	BtC	Breaking the Cycle	CORP	Clinical Outcomes Review Programme	
<b>C</b>	C Diff	Clostridium Difficile	CQC	Care Quality Commission	
	C of G	Council of Governors	CQD	Care Quality Directorate	
	CAB	Choose and Book system	CQR	Clinical Quality Review	
	CAG	Clinical Advisory Group	CQUIN	Commissioning for Quality and Innovation	
	CCG	Clinical Commissioning Group	CVD	Cardiovascular Disease	
	CCS	Critical Care Services	CWP	Cold Weather Plan	
	CCTPG	Clinical Commissioning	<b>D</b>	DDoF	Deputy Director of Finance
	CD	Clinical Directorate/Clinical Directors	DFI	Dr Foster Intelligence	
	CDAD	Clostridium Difficile Associated Disease	DNA	Did Not Attend	
	CEO	Chief Executive's Office	DoC	Duty of Candour	
	CFC	Charitable Funds Committee	DoF	Director of Finance	
	CGC	Clinical Governance Committee	DoH	Department of Health	
	CHD	Coronary Heart Disease	DPA	Data Protection Act	
			DRC	Depreciated Replacement Cost	
			DSG	Documentation Steering Group	
			DSU	Day Surgery Unit	

	DTOC	Delayed Transfer of Care		EPR	Electronic Patient Record
	DTU	Day Treatment Unit		EPRR	Emergency Preparedness Resilience and Response
	DVT	Deep Vein Thrombosis		EQA	External Quality Assessment
	DWOD	Director of Workforce and Organisational Development		ERG	Expert Reference Group
<b>E</b>	EAG	Expert Advisory Group		ERIC	Estates return information collection
	EBITDA	Earnings before interest taxes depreciation and amortisation		ESR	Electronic Staff Record
	ECC	Ethics and Confidentiality Committee		ESS	Emergency Short Stay
	ECC	Emergency and Critical Care		ETO	Enhanced Tariff Option
	ECIP	Emergency Care Improvement Programme		EWS	Early Warning Score
	ECIST	Emergency Care Intensive Support Team	<b>F</b>	FACE	Financial Accounts Core Evaluation implementation team
	ED	Emergency Department		FBC	Full Business Case
	EDC	Equality and Diversity Council		FBP	Finance Business Partner
	EDD	Estimated Date of Discharge		FCF	Free Cash Flow
	EDM	Electronic Document Management		FEU	Frail Elderly Unit
	EDRMS	Electronic Document and Records Management System		FIC	Finance and Investment Committee
	EFL	External Finance Limit		FIP	Financial Improvement Programme
	EHIC	European Health Insurance Card		FM	Facilities Management
	EHRC	Equality and Human Rights Commission		FOI	Freedom Of Information
	EIR	Environmental Information Regulations		FOIA	Freedom Of Information Act
	Eol	Expression of Interest		FOMI	False or Misleading Information
	EMAS	East Midlands Ambulance Service		FPH	Faculty of Public Health
	ENP	Emergency Nurse Practitioner		FPH	Family and Public health
	ENT	Ear Nose and Throat		FRR	Financial Risk Rating
	EPC	Emergency Planning Committee		FT	Foundation Trust
	EPP	Expert Patients Programme		FTGA	Foundation Trust Governors Association
				FTN	Foundation Trust Network

	FTSU	Freedom to Speak Up	HIA	High Impact Assessment
	FYE	Financial Year End	HICC	Hospital Infection Control Committee
	FYE	Fiscal Year End	HMIMMS	Hospital Major Incident Medical Management and Support
<b>G</b>	GAM	Group Accounting Manual	HMRC	HM Revenue & Customs
	GDPR	General Data Protection Regulation	HoM	Head of Midwifery
	GIRFT	Getting It Right First Time	HoT	Heads of Terms
	GMC	General Medical Council	HQIP	Healthcare Quality Improvement Partnership
	GP	General Practitioner	HQS	Health Quality Services
	GPB	Governor Policy Board	HRA	Health Research Authority
	GPC	Government Procurement Card	HRIGC	Health Records and Information Governance Committee
	GPhC	General Pharmaceutical Council	HS & DR	Health Services and Delivery Research
	GPHIP	Greater Peterborough Health Investment Plan	HSC	Health Select Committee
	GPM Referral	Urgent 2 week GP referral	HSE	Health & Safety Executive
	GS	Government Statement	HSIB	Healthcare Safety Investigation Branch
<b>H</b>	Hard FM	Facilities Management - building maintenance etc	HSMR	Hospital Standardised Mortality Rate
	HCA	Healthcare Assistant	HSSEC	Health Safety Security and Environment Committee
	HCD	High Cost Drug	HWE	Healthwatch England
	HCHS	Hospital and Community Health Services	IAO	Information Asset Owner
	HCT	Hospital Control Team	IAS	International Accounting Standards
	HCW	Healthcare worker	ICAS	Independent Complaints Advocacy Services
	HDAS	Healthcare Database Services	ICU	Intensive Care Unit
	HDU	High Dependency Unit	ICE	Integrated Clinical Environment
	HEE	Health Education England	ICNARC	Intensive Care National Audit and Research Centre
	HES	Hospital Episode Statistics	ICO	Information Commissioner's Office
	HFMA	Healthcare Financial Management Association		
	HHCT	Hinchingbrooke Health Care Trust		

ICR	Injury Costs Recovery	IQAP	Information Quality Assurance Programme
ICT	Information and Communications Technology	ISAP	Integrated Support and Assurance Process
IFR	Individual Funding Request	ISB	Information Standards Board
IFRIC	International Financial Reporting Interpretation Committee	ISFS	Invitation to Submit Final Solutions
IFRS	International Financial Reporting Standards	ISN	Information Standards Notice
IG	Information Governance	ISOS	Invitation to Submit Outline Solutions
IGA	Information Governance Alliance	ISP	Information Service for Patients
IGC	Information Governance Committee	ISTV	Information Sharing to Tackle Violence
IGG	Information Governance Groups	ITCD	Invitation To Continue Dialogue
IGMF	Information Governance Management Framework	ITU	Intensive Treatment Unit
IGSIRI	Information Governance Serious Incident Requiring Investigation	IYSD	In Year Service Development (Specialised Services)
IGTT	Information Governance Training Tool	<b>J</b> JAG	Joint Advisory Group (endoscopy)
IHI	Institute of Healthcare Improvement	JET	Joint Emergency Teams
IHM	Institute of Healthcare Management	JHWS	Joint Health and Well-being Strategy
IIGOP	Independent Information Governance Oversight Panel	JRD	Joint Review and Development
IIM	Integrated Identity Management	IPC	Institute of Public Care
IIP	Investors in People	JSNA	Joint Strategic Needs Assessment
IM&T	Information Management and Technology	JVG	John Van Geest Ward (Stamford Hospital)
IM&TSC	Information Management and Technology Steering Committee	<b>K</b> KPI	Key performance indicator
IMG	Investment Management Group	KPMG	Audit Consultancy
IOG	Improving Outcomes Guidance	KSF	Key Skills Framework
IPC	Infection Prevention and Control	<b>L</b> LAA	Local Area Agreement
IPC	Institute of Public Care	LAPH	Local Authority Public Health
IPSIS	Independent Patient Safety Investigation Service	LCG	Local Commissioning Group

LHE	Local Healthcare Economy	MfOP	Medicine for Older People
LHO	London Health Observatory	MH	Mental Health
LHRP	Local Health Resilience Partnership	MHRA	Medicines and Healthcare Products Regulatory Agency
LINK	Local Involvement Network	MIA	Master Indemnity Agreement
LLP	Limited Liability Partnership	MIIU	Minor Illness and Injuries Unit
LNC	Local Negotiating Committee	MIU	Minor Injuries Unit
LoS	Length of Stay	MOU	Memorandum Of Understanding
LOXANG	London Oxfordshire and Anglia Healthcare Health	MPA	My Performance Appraisal
LRO	Lincolnshire Research Observatory	MRC	Medical Research Council
LRQA	Lloyds Register Quality Assurance (an audit of Sterile Services)	MRET	Marginal rate emergency tariff
LSCB	Local Safeguarding Children's Board	MRI	Magnetic Resonance Imaging
LSMS	Local Security Management Specialist	MRPQ	Mutual Recognition of Professional Qualifications
LTA	Long Term Agreement	MRSA	methicillin-resistant staphylococcus aureus
LTC	Long Term Condition	MSCP	Multi Storey Car Park
		MSS	Medical Short Stay
		MTPAS	Mobile Telecommunication Privileged Access Scheme
<b>M</b> MAC	Migration Advisory Committee		
MADE	Multi-Disciplinary Accelerated Discharge Event	<b>N</b> NADPO	National Association of Data Protection and Freedom of Information Officers
MAQS	Material and Quality Score (costing)		
MAR	Mutually Agreed Resignation	NAMDET	National Association of Medical Device Educators and Trainers
MASH	Multi Agency Safeguarding Hub	NAO	National Audit Office
MAU	Medical Assessment Unit	NAPC	National Association of Primary Care
MBSC	Matron's Balanced Scorecard	NAPP	National Association for Patient Participation
MDHU	Ministry of Defence Hospital Unit		
MDT	Multidisciplinary team	NatSSIPs	National Safety Standards for Invasive Procedures
MEA	Modern Equivalent Asset		
MEWS	Modified Early Warning System	NBOCAP	National Bowel Cancer Audit Programme
MFD	Multi Functional Device	NCAPOP	National Clinical Audit and Patient Outcomes Programme

NCAS	National Clinical Assessment Service	NNU	Neonatal Unit
NGO	Non-governmental Organisation	NPPCT	North Peterborough Primary Care Trust
NHS Peterborough	Peterborough Primary Care Trust	NPSA	National Patient Safety Agency
NHSBSA	NHS Business Services Authority	NQB	National Quality Board
NHSCB	NHS Commissioning Board	NRLS	National Reporting and Learning System
NHSIQ	NHS Improving Quality	NTA	National Treatment Agency for Substance Misuse
NHSPRB	NHS Pay Review Body	NTDA	NHS Trust Development Authority
NHSI	NHS Improvement the National Health Service Regulator	NUH	Nottingham University Hospitals
NHSII	NHS Institute for Innovation and Improvement	NWAFT	North West Anglia NHS Foundation Trust
NHSLA	NHS Litigation Authority	NVQ	National Vocational Qualifications
NHSRB	NHS Remuneration Body	<b>O</b> O & G	Obstetrics & Gynaecology
NIA	NHS Innovation Accelerator	OBC	Outline Business Case
NIB	National Information Board	Obs	Obstetrics
NICE	National Institute for Health and Clinical Excellence	OH	Occupational Health
NICU	Neonatal Intensive Care Unit	OHE	Office of Health Economics
NIHB	National Inclusion Health Board	ONP	Overseas Nursing Programme
NIHR	National Institute for Health Research	ONS	Office for National Statistics
NJR	National Joint Registry	OP	Operational Plan
NLCA	National Lung Cancer Audit	OP	Outpatients
NMAG	Nursing and Midwifery Advisory Group	OPA	Outpatients Administration
NMC	Nursing and Midwifery Council	OPD	Outpatients Department
NMET	Non-Medical Education and Training	OSC	Overview and Scrutiny Committee
NMRI	Nuclear Medical Resonance Imaging	OSV	Overseas Visitor
NNAP	National Neonatal Audit Programme	<b>P</b> PAC	Public Accounts Committee
NNRU	National Nursing Research Unit	PALS	Patient Advice and Liaison Service
		PAM	Premises Assurance Model

PAS	Patient Access Scheme	PLACE	Patient Led Assessments of the Care Environment	
PAS	Patient Administration System	PMETB	Postgraduate Medical Education and Training Board	
PBL	Public Borrowing Limit	PMO	Programme Management Office	
PBR	Payment By Results	PPRS	Pharmaceutical Price Regulation Scheme	
PCD	Personal Confidential Data	PPV	Patient and Public Voice	
PCH	Peterborough City Hospital	PQQ	Prequalification Questionnaire	
PCI	Percutaneous Coronary Intervention	PREM	Patient Reported Experience Measure	
PCN	Parking Charge Notice	PROMS	Patient Reported Outcome Measures	
PCS	Peterborough Community Services	PRUCOMM	Policy Research Unit on Commissioning and the Healthcare System	
PCT	Primary Care Trust	PSA	Professional Standards Authority (formerly CHRE)	
PDC	Public Dividend Capital	PSC	Personal Service Company	
PDH	Peterborough District Hospital	PSED	Public Sector Equality Duty	
PDT	Practice Development Team	PSHFT	Peterborough & Stamford Hospitals NHS Foundation Trust	
PEAT	Patient Environment Action Team	PSIAS	Public Sector Internal Audit Standards	
PECR	Privacy and Electronic Communications Regulations	PSN	Public Services Network	
PET	Patient Experience Tracker	PYE	Prior Year Ending	
PFI	Private Finance Initiative	Q	QAC	Quality Assurance Committee
PHE	Public Health England	QARC	Quality Assurance Reference Centre	
PHIN	Private Healthcare Information Network	QGO	Quality Governance Operational Committee	
PHO	Public Health Observatory	QIPF	Quality Improvement Performance Framework	
PHOF	Public Health Outcomes Framework	QIPP	Quality Innovation Productivity and Prevention	
PHSKF	Public Health Skills and Knowledge Framework	QMAE	Quarterly Monitoring Accident and Emergency	
PHSO	Parliamentary & Health Service Ombudsman			
PICU	Paediatric Intensive Care Unit			
PID	Personal Identifiable Data			
PID	Project Initiation Document			

QMCO	Quarterly Monitoring Cancelled Operations	RST	Revalidation Support Team
QMS	Quality Management System	RT	Radiotherapy
QOF	Quality and Outcomes Framework	RTA	Road Traffic Accident
QPR	Quality and Performance Review	RTT	Referral to Treatment
QSG	Quality Surveillance Group	<b>S</b> SBS	Shared Business Services
<b>R</b> RAG	Red Amber Green (project management status reporting codes)	SCU	Special Care Unit
RAF	Risk Assessment Framework	SDMP	Sustainable Development Management Plan
RCA	Root Cause Analysis	SFIs	Standing Financial Instructions
RCGP	Royal College of General Practitioners	SI	Serious Incident
RCoA	Royal College of Anaesthetists	SIC	Standard of internal control
RCOG	Royal College of Obstetricians and Gynaecologists	SIFT	Service Increment
RCM	Royal College of Midwives	SII	Significant Internal Incident
RCN	Royal College of Nursing	SLA	Service Level Agreement
RCP	Royal College of Physicians	SoFP	Statement of Financial Position
RCR	Royal College of Radiologists	SOP	Standard operating procedure
RCPCH	Royal College of Paediatrics and Child Health	SPPCT	South Peterborough Primary Care Trust
RCS	Royal College of Surgeons	SSRB	Senior Salaries Review Body
REF	Race Equality Foundation	STF	Sustainability and Transformation Funding
RGN	Registered General Nurse	STP	Sustainability and Transformation Plan
RO	Responsible Officer	<b>T</b> TCDB	Transforming Care Delivery Board
ROE	Retention Of Employment (for staff transfers)	TDA	Trust Development Authority
RPSGB	Royal Pharmaceutical Society of Great Britain	TJCC	Trust Joint Consultative Committee
RPSI	Re-use of Public Sector Information	TMB	Trust Management Board
RRL	Revenue Resource Limit	TOB	Trust Operational Board (a Trust committee which no longer meets)
RSPH	Royal Society for Public Health	TOR	Terms of Reference

TSA	Trust Special Administrator
<b>U</b> U&EC	Urgent and Emergency Care
UHL	University Hospitals Leicester
UK GAAP	UK Generally Accepted Accounting Practice
UKAS	UK Accreditation Service
UTI	Urinary Tract Infection
<b>V</b> VAT	Value Added Tax
VFM	Value for Money
VS	Voluntary Severance
<b>W</b> WHO	World Health Organisation
WOC	Workforce Operational Committee
WOD	Workforce and Organisational Development
WRES	Workforce Race Equality Standard
WTD	Working Time Directive
WTE	Whole time equivalent
<b>Y</b> YTD	Year to Date
<b>Z</b> ZBB	Zero Based Budgeting



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