



Sheffield Health
and Social Care
NHS Foundation Trust



Annual Report and Accounts 2017-2018



Sheffield Health and Social Care NHS
Foundation Trust

Annual Report and Accounts 2017/18

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

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Section 1.0 Welcome from the Chair and Chief Executive

Welcome to our Annual Report for 2017/18

As we reflect on yet another extremely busy year, we would like to take this opportunity to say thank you to our 2,405 dedicated staff, our 129 amazing volunteers, our committed Governors, much valued members and supporters as well as our many thousands of service users, their families and carers. It is the hard work, dedication and unstinting efforts of all these people which help us to achieve our vision to improve the mental, physical and social wellbeing of the people in our communities.

As for all NHS organisations, this has been a year of increasing challenge and considerable change. There are ever growing demands across all our services as well as mounting pressures on our staff and our finances. Over the past year we have refreshed our strategy which focuses on four key areas: quality and safety, value for money, future services and people while reinforcing our commitment to service user and carer engagement underpinning everything we do.

We have also made a number of changes to how we organise and deliver services which we fully appreciate has been challenging for both service users and staff. Change is never easy for anyone involved. However, we are confident that the changes we have made are making our services more accessible while also meeting the changing needs of the people of Sheffield.

We have a long and proud history of providing mental health, learning disability and dementia care, support and treatment services. However, we both firmly believe that neither mental health or physical health should be treated in isolation and we are passionate advocates for parity of esteem for mental health with physical health. We are encouraged to see that is now being reflected in developments taking place nationally, regionally and locally.

One such development is our new Improving Access to Psychological Therapies (IAPT) Health and Wellbeing Service which offers support and treatment to people with long term physical health problems who are often at greater risk of mental health problems such as depression and anxiety. It is heartening to see physical and mental health services becoming much more joined up. We are proud to be part of the South Yorkshire and Bassetlaw Integrated Care System which offers us a very real opportunity to work together with our NHS and social care partners across the region to adopt a whole person approach to care.

While we adapt and develop our clinical services, we have also focused on building resilience in our staff and supporting their health and wellbeing. Our staff are our most important asset and we are working hard to make sure they are supported to deliver the high quality, compassionate care we aspire to provide. With their help and support we are embedding our values in every service and at every level across the organisation.

We happily end this year in a strong financial position and as we move into the 70th year of the NHS we are looking forward to celebrating the achievements of this wonderful organisation of which we are proud to be a small part. We will also be celebrating another

milestone - our tenth anniversary as a Foundation Trust. Our members and Governors help us to understand what is important to them which directly informs our future plans and services.

We hope you find this annual report informative and interesting and we very much welcome your comments, suggestions or queries.

With best wishes

Handwritten signature of Jayne Brown in cursive script.

Jayne Brown OBE
Chair

Handwritten signature of Kevan Taylor in cursive script.

Kevan Taylor
Chief Executive

Section 2.0 Performance Report

2.1 Performance Overview

Statement from Kevan Taylor, Chief Executive Officer

This section is to help you understand more about our organisation, what we do, how we've performed over the last year and the challenges we face.

Kevan Taylor, Chief Executive

Some of the highlights of our year

We made changes to our adult community mental health services to make it easier for people to access services and make sure that everyone accessing a service has the same waiting time, regardless of where they live. We also wanted to make it clear what people can expect from our services and make sure that our services are able to respond flexibly as people's needs change.

Our amazing staff were placed centre stage at our Recognition and Achievement Awards in February 2018 – where we celebrated success and innovation across the organisation and were joined by our long service colleagues who have worked with us for more than 30 years.

We launched a new Single Point of Access (SPA) for adult community mental health services. The SPA provides responsive and accessible out-of-hours care for people in crisis 24 hours a day, 7 days a week, 365 days a year.

Our programme to promote and improve equality, diversity and inclusion for Black, Asian and Minority Ethnic staff won the 'most effective use of diversity to strengthen governance, recruitment or promotion' category at the Healthcare People Management Association (HPMA) Excellence in HRM Awards 2017.

We extended the hours of our Liaison Service which now provides 24/7 round the clock mental health and psychiatric assessments to patients on wards at Sheffield Teaching Hospitals following referral from a health professional. The service offers a high quality intervention, assessment and discharge process covering all aspects of mental health including drug and alcohol use and self-harming.

Our Brunsmeer Awareness mental health football project won the Performance Through Partnership award at the Yorkshire Academic Science Network Innovation, Improvement and Impact Awards 2018. The project began in 2012 as a weekly football group at one of our in-patient sites and through the development of partnerships with local community groups and charities has developed into a citywide project.

We launched a new Emotional Wellbeing Service which provides assessment and brief interventions to anyone who does not require ongoing support from mental health services. This service acts as a vital bridge between primary and secondary care services.

Two of our nursing homes - Woodland View and Buckwood View - were both rated as good in all five domains by the Care Quality Commission.

Four of our services and teams were highly commended in the national Positive Practice in Mental Health Awards 2017.

We launched a new IAPT Health and Wellbeing Service which offers specific support and treatment to people experiencing long term physical health conditions such as musculoskeletal conditions, diabetes, chronic obstructive pulmonary disease and many others. We firmly believe that neither physical health nor mental wellbeing should be treated in isolation and we are delighted to be able to offer these new services to the people of Sheffield.

We introduced free Wi-Fi across all our sites. We are proud to be one of 16 early adopters as part of NHS Digital's commitment to providing free Wi-Fi services in NHS locations. We also launched protected free Wi-Fi for all service users on our in-patient wards.

Our Chaplaincy Team launched a new support group for people caring for a loved one with serious mental health difficulties. The meetings are not religious or faith-based and provide a relaxed atmosphere for carers to meet and share their experiences. We also launched a Friends and Family Forum for families, friends, carers and service users of our mental health services to get together and discuss issues related to mental health recovery in a supportive environment.

We celebrated one year as a smoke free Trust. Over 100 staff are trained as Smoking Cessation Practitioners and free Nicotine Replacement Therapy is available to all in-patients. Staff are also offered six weeks of free Nicotine Replacement Therapy either to support a quit attempt or to help them explore how to abstain from smoking while at work - and over 70 have successfully quit since we became smoke free.

We created a Peer Recovery Team to support the development of a Personality Disorder Pathway. Together they have been instrumental in shaping and embedding recovery practice and values into the existing work of the community teams, with service users who have a diagnosis of Borderline Personality Disorder (BPD) or experience emotional sensitivity. They facilitate the BPD Education Groups in collaboration with the newly established Emotional Wellbeing Service, facilitate staff training around BPD and undertake one-to-one pieces of work with service users in the Recovery Service.

Our results for PLACE (Patient Led Assessment of the Care Environment) 2017 were above the national average in all but one domain and achieved five 100% outcomes. PLACE is a national self-assessment process for assessing the quality of the hospital environment and covers cleanliness, food and hydration, privacy, dignity and wellbeing, and condition, appearance and maintenance in areas which are accessible to service users and the public.

We held a series of staff and service user conferences to work on the most important issues facing the Trust – safer care, compassionate care, quality improvement and equality and diversity.

We were delighted when all our Primary Care Services, delivered in partnership with Primary Care Sheffield, were rated as good in all five domains by the Care Quality Commission.

A bit of background

We were initially established in 2003 as Sheffield Care Trust and on 01 July 2008, we were authorised to operate as Sheffield Health and Social Care NHS Foundation Trust. As a membership-based organisation our Board of Directors is accountable to the communities that we serve mainly through our Council of Governors, and directly to our members at our Annual Members' Meeting.

Did you know?

Our Memory Service is accredited as Excellent by the Royal College of Psychiatrists.

Our Council of Governors consists of people who use our services, their carers, representatives of members of the general public and our staff. They work alongside appointed Governors from other Sheffield-based organisations with whom we work in close partnership, for example, NHS Sheffield Clinical Commissioning Group, MENCAP Sheffield, Sheffield African and Caribbean Mental Health Association. The diversity of our Council's membership helps our Board of Directors to always ensure that our services are shaped by the people who live in the communities we serve.

As a Foundation Trust we have certain freedoms to develop and improve services and offer more choice to service users.

Our vision and values

Our vision is to improve the mental, physical and social wellbeing of the people in our communities.

We will do this by:

- Working with and advocating for the local population
- Refocusing our services towards prevention and early intervention
- Continuous improvement of our services
- Locating services as close to peoples' home as we can
- Developing a confident and skilled workforce
- Ensuring excellent and sustainable services.

Did you know?

Our Community Learning Disability Team Physiotherapists supported athletes at the Special Olympics in Sheffield in August 2017.

Our core values form the guiding principles and behaviours for the way we do our work:

- Respect
- Compassion
- Partnership
- Accountability
- Fairness
- Ambition.

Service user and carer engagement will continue to underpin everything we do. As we implement our strategy we are clear that service users' experiences and views, and those of their carers, are at the heart of our plans for service change and staff development.

To deliver our vision we have four strategic aims that provide the framework under which we deliver and develop our services. Our strategic aims are:

Quality and Safety Aim: We will provide high quality care and support as early as possible in order to improve physical, mental and social wellbeing.

People Aim: We will promote a culture of collaboration, supporting people to work together to make a difference.

Future Services Aim: We will develop excellent mental, physical and social wellbeing for the communities we serve through innovation, collaboration and sharing.

Value for Money Aim: We will provide sustainable services through ensuring value for money, reducing waste and unproductive time for our staff.

Did you know?

We employ around 2,400 staff including 540 nurses, 172 doctors, 695 support workers.

Our purpose and the services we provide

Our purpose is to improve people's health, wellbeing and social inclusion so they can live fulfilled lives in their community. We will achieve this by providing services aligned with primary care that meet people's health and social care needs, support recovery and improve health and wellbeing.

With an annual income of approximately £124.5 million and around 2,400 members of staff, we provide mental health, learning disability, substance misuse, community rehabilitation, and a range of primary care and specialist services to the people of Sheffield. We also provide some of our specialist services to people living outside of Sheffield.

Our integrated approach to service delivery enables us to meet people's mental, physical, psychological and social care needs.

Did you know?

Around 55,000 people used our services this year.

The wide range of our services includes:

- Primary care services for people of all ages which we deliver through our GP practices
- Rehabilitation services for people with brain injuries or those living with the consequences of a long-term neurological condition
- Services for adults with drug and alcohol misuse problems
- Psychological therapies for people with mild and moderate mental health problems
- Community-based mental health services for people with serious and enduring mental illness

- Services that support people with a learning disability, their families and carers
- Services that support people with dementia, their families and carers
- In-patient mental health services for adults and older people
- Specialist services including: eating disorders, adult autism, assertive outreach services for homeless people and members of the traveller community, perinatal mental health services and gender dysphoria services
- Supported employment and health promotion
- Teaching and research.

We accept referrals from the neighbouring South Yorkshire area and further afield for our specialist services. Sheffield residents make up about 94% of all service users we provide care and treatment for, and overall we provide services to just over 55,000 people a year. Our main commissioning partners are NHS Sheffield Clinical Commissioning Group and the Sheffield City Council who commission around 77% of our business.

Charlotte's* story

Charlotte is in her 30s and has a dual diagnosis which includes a mild learning disability. In the past she has had extensive hospital admissions as well as being detained in prison. When Charlotte came under the care of the Community Enhanced Recovery Team (CERT) she had very low self-esteem and confidence which restricted her from achieving things that she wanted to do. With CERT's support, Charlotte has built up the confidence, social skills and relationships needed to thrive in her local community. She now regularly travels independently on public transport, engages in various local groups and owns a pet. She has built herself a life outside of mental health services and hopes to start some voluntary work in the near future. She has been discharged to the Mental Health Recovery Service where she has built therapeutic relationships with her Care Co-ordinator and with workers from local mental health support groups.

*not her real name

How we provide our services

Our community-based services aim to provide care and treatment to individuals and their families close to their homes, and help them to maintain their independence and continue with their day-to-day lives as much as possible. We also provide a range of in-patient (stay in hospital at least one night) and residential services for individuals who cannot be appropriately helped within their community.

We deliver our services from around 40 sites across the city, which is mainly our own estate but many of our staff members also work from other organisations' premises. Our care and support is integrated around the needs of individuals and communities. We work closely with the Child and Adolescent Mental Health Services (CAMHS) within Sheffield Children's NHS Foundation Trust to ensure care is carefully co-ordinated as young people move into adulthood and need the ongoing support of services. We deliver integrated health and social care services for adults of a working age, with formal arrangements in place with Sheffield City Council to deliver their statutory responsibilities for assessment and care management.

As we reported in last year's Annual Report, our provision of social care support to people with learning disabilities and older people with dementia has reduced as new service models have been commissioned.

Did you know?

Our Respite and Recovery Service at Wainwright Crescent also provides a step-down service to support service users to make a successful transition from the wards to their local community, including support with housing and social care.

Our delivery of integrated health and social care is supported by integrated care pathways, teams, policies and information systems. We ensure care is integrated around people's mental and physical health needs. Our IAPT services are delivering innovative, evidenced based care for people with long term physical health care conditions. Support is provided individually and on a group basis from a range of community centres across the city and delivered alongside health staff from other organisations. Our Liaison Service delivers care and treatment for people with mental health needs who are general in-patients within Sheffield Teaching Hospitals NHS Foundation Trust. Alongside this our staff work remotely and across all of Sheffield in people's homes, alongside the third sector, within community centres, in courts or police stations.

We often see individuals for short periods of time, providing advice and treatment which helps resolve the person's problems. For those with more serious, longer-term difficulties, we will support and work with them for a number of years.

Did you know?

Our Liaison Service and our Home Treatment Team (South) are accredited by the Royal College of Psychiatrists.

How we've performed

Our services are rated as 'good' overall by the Care Quality Commission (CQC). Eight out of ten of our core services are rated as 'good' and all our services were 'good' or 'outstanding' in the caring and responsive categories. We know we still have more work to do, as you would expect of an organisation committed to continuous improvement, and we are committed to working closely with staff, service users, carers and partners to bring about further improvements.

We work closely with our service users to improve the care and support we provide and these improvements were formally recognised by the CQC. You can find out more about this in our Quality Report (Section 4).

Did you know?

Staff, service users and carers from our Neurological Enablement Service were involved in developing a prize winning website aimed at supporting people who are thinking about getting a feeding tube fitted and people who would like advice about using one. Visit <https://mytube.mymnd.org.uk/>

NHS Improvement periodically reviews our performance against the Single Oversight Framework and there are no undue concerns regarding the Trust's performance. We have an agreed plan in place to deliver sustainable improvements in our performance for Early Intervention Services, and all other national targets expected of us as a Foundation Trust are achieved on a recurring basis.

We end this year and begin next year in a strong financial position. We have a history of

achieving all our financial targets, a high cash balance and our Cost Improvement Programme (CIP) achievement is strong. In respect of the year 2017/18, we exceeded our planned forecast of a £1.529 million surplus and achieved a surplus of £6.830 million. This has been driven by predominantly non-recurrent measures including an unutilized provision and further non-recurrent income received from NHS Improvement and driven by national incentive and bonus payments totaling £5.306 million. These funds will support future capital investment in improving our clinical environments for service users. We have no private finance initiative (PFI) or debt to service other than public dividend capital interest payments.

As an NHS Foundation Trust, we are able to carry forward any financial surplus monies that we have generated. These surpluses have been used to maintain and, where appropriate, enhance the quality of the services that we provide including funding the capital investments planned for 2018/19 and beyond. The surpluses will also help us to invest in and secure our future financial stability, especially over the next few years. It will also help us to mitigate against the adverse impact of the continued current economic and financial climate.

Did you know?

We are a pilot site for the Doctors in Training streamlining programme and one of only two mental health Trusts taking part in the pilot. Doctors in training (DiT) are also known as junior doctors and include all Foundation Year, core, speciality, and GP training programme doctors in the UK.

The regulatory framework that evaluates our financial performance changed during 2016/17. We achieved a Use of Resources rating of 1 for the year, which provides us with assurance that our organisation is in good financial health. Although significant challenges remain financially for the Trust, and across the health and social care sector in Sheffield, we continue to remain in a better position than many other NHS organisations.

Challenges we face

While the targets of our Cost Improvement Plans have been met for 2017/18, some of this delivery (approximately £0.477m) was through non-recurrent measures. This is predominantly considered to be down to the timing of agreed plans being implemented and plans remain in place that will address this during 2018/19.

There is extensive change planned across health and social care services and this will impact on the way we deliver care and treatment to the communities we serve. The financial challenges remain significant - for us as a Foundation Trust, our main commissioners, the rest of the health and social care community in Sheffield and the broader South Yorkshire and Bassetlaw area. We continually review the risks that may impact on our ability to deliver our objectives. While we have identified challenges that need to be addressed, and these are being addressed, our assessment does not conclude that we are faced with significant risks that will impact on our capacity to deliver sustainable services over the coming years.

Did you know?

At the end of April we hosted Sheffield's first South Asian Mental Health Conference with the Pakistani Muslim Centre to raise awareness about mental health among Sheffield's South Asian communities, tackling the stigma that still so often surrounds mental health and providing information and advice.

Through joint work across Sheffield and the wider South Yorkshire and Bassetlaw region we have clear plans that will shape the changes we need to make to ensure services remain sustainable in respect of quality of care, effectiveness and affordability. We are part of the South Yorkshire and Bassetlaw Integrated Care System (ICS) and you can find out more about this in Section 3.1.21 and [here](#).

The social care landscape is highly competitive, with a diversity of care providers with a range of experience and skills. We are now providing less care in this area as our assessments have identified challenges in delivering competitive services and have changed our service models accordingly.

Hassan's story*

Hassan is in his 30s and experiences basal migraines. His migraines are unpredictable and can manifest as a dull ache all the way through to disorientation and a loss of speech. Hassan had to give up a very successful career due to his health condition. Hassan had previously accessed services for anxiety and low mood but had not found these to be helpful.

Our IAPT Health and Wellbeing Service explored what had worked in the past for Hassan and what had not, and used this to focus their intervention. Together Hassan and IAPT staff explored Hassan's values and which parts of his story prevented him from living a more fulfilling life, feelings such as guilt or selfishness. Hassan is now more able to make room for unwanted physical and emotional experiences in order to look after himself and to move forward towards what is important to him. His anxiety, depression and social adjustment issues have all fallen significantly during treatment.

*not his real name

We need to invest in our in-patient facilities, because while they all remain registered and adhere to the expected standards, we want to provide the best care we can in the best environments for our service users. To help us do this, we are continuing to invest in in-patient facilities while also improving our facilities throughout the Trust over the next five years.

Did you know?

We increased our staff flu vaccination rate by an amazing 129% - from 25% to 57.3%. This made us one of the top five most improved Trusts in the country in relation to the flu vaccination. Next year we aim to reach 75% with the help of our dedicated flu fighters and peer vaccinators.

Capacity to handle risk

The Trust has structures and systems in place to support the delivery of integrated risk management across the organisation. The standing committees of the Board of Directors ensure effective governance for the major operational and strategic processes and systems of the Trust, and also provide assurance that risk is effectively managed.

Operations for the Trust are managed through an organisational structure, with operations divided into clinical and corporate directorates, with governance committees in place for quality and performance and operational management.

The Annual Governance Statement (see 3.7) provides assurance that the Trust has a generally sound system of internal control that supports the achievement of its policies, aims and objectives.

Did you know?

We are committed to apprenticeships as a route into employment. In addition to our core programmes in health and social care and business administration we now have a number of degree level routes for an IT Digital Analyst and Estates Technical Officer.

Going concern

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

2.2 Performance Analysis

Performance relating to the quality of NHS services provided

The Trust's Quality Report in Section 4 provides comprehensive information on the Trust's performance in terms of the provision of quality services, including performance against mandated Core Indicators, Quality Indicators and the Trust's Quality Goals. The Quality Report also demonstrates how we improve, monitor and assure ourselves about the quality of the services and care we provide.

Detailed information about our performance in these areas can be found throughout this Annual Report. Key highlights that summarise our performance include:

Core standards about quality of care

- We achieved the core quality governance standards expected of us as an NHS Foundation Trust (see Section 3.1.18)
- The assessment of our services by the Care Quality Commission (CQC) highlights that overall as a Trust we are 'Good'. We have made good progress in addressing the issues raised by the CQC (see Quality Report, Section 4).

Did you know?

Our dedicated Facilities staff arranged for redundant NHS equipment to be donated to Serrekunda Hospital in The Gambia via a UNISON Yorkshire and Humber project.

Development plans and service strategies

- Our service plans and strategies were implemented successfully resulting in key changes that have transformed the experience of care for the people of Sheffield. These are summarised in Section 3.1.17 and Section 3.1.20 of this Annual Report
- Our investment plans continue to support a planned improvement in the quality of our ward environments as part of our modernisation programme.

Workforce

- Staff ill-health remains an area of concern across the Trust and we continue to develop our strategies to deliver improvement informed by the views of our staff and Staff Side representatives (see Section 3.3.2).

Did you know?

Our annual budget is £124.5 million.

Financial stability and sustainability

- We delivered a surplus of £6.830 million which was £5.301 million ahead of plan. See page nine for further details
- We effectively managed the risk associated with lost business and various disinvestment plans as a result of national tender exercises and increased competition from the private and voluntary sector, particularly in relation to learning disability services
- We continue to deliver the majority of our Cost Improvement Plans and we have confidence the majority of the non-recurrent backlog has been identified recurrently for the year ahead
- The work of the Audit Committee and the detailed assessment of the organisation remaining as a going concern supports the overall assessment that the Trust remains sustainable and resilient for the year ahead
- Overall, we remain confident we have the plans in place to remain resilient and sustainable despite these challenging financial times across the NHS.

Jim's* story

Jim is in his late 50s and was seen by the Liaison Service for crisis assessment in hospital following an overdose. The assessment identified low mood, social isolation and lack of vocation as the main issues affecting Jim. Supported discharge was put in place to address his social isolation and assist him to engage in voluntary work, something that Jim identified as a goal he was keen to accomplish. He was also assisted to engage in an appointment with his GP to review his medication needs.

Jim has had no further attendance at hospital and has reported positive outcomes from his involvement with the team. The supported discharge offered by the Liaison Service reduced Jim's length of stay in hospital and improved his wellbeing while also reintegrating him into his local community.

*not his real name

Social, Community and Human Rights

- We are committed to working with and within the local communities where we provide services
- As an NHS Foundation Trust, we are directly accountable to the local communities across Sheffield through our membership as represented by the Council of Governors. We hold regular members' meetings where people can raise topics with us (see Sections 3.1.27 and 3.1.28)
- We work closely with our partners in NHS Sheffield Clinical Commissioning Group and the local authority as well as other NHS organisations in the city. We also work closely with South Yorkshire Police through our Street Triage Service and our Liaison and Diversion Service (see Sections 3.1.21, 3.1.22 and 3.1.24)

- We are committed to working for equality and fairness in employment and in service delivery, and not to discriminate on the grounds of age, disability, race, nationality, ethnic or national origin, sex, gender, marital or family status, domestic circumstances, religious belief or similar philosophical belief, sexual orientation, social and employment status, HIV status, physical appearance, gender reassignment or non/trade union membership
- We deliver our commitment to human rights through our Equality Objectives and our Workforce Race Equality Standard. Progress is recorded in our Equality and Human Rights Annual Report, available separately, and through regular reports to the Board of Directors (see our Equality Report in Section 3.8).

Did you know?

Our amazing staff teamed up with Places for People Leisure to hold an activity day for people with dementia at Graves Health and Sports Centre as part of Sheffield Move More Month to promote the positive, beneficial impact of physical activity.

Environmental Impact and Sustainability Report

We pride ourselves on maintaining a clean environment for service users, visitors and staff.

Patient-Led Assessments of the Care Environment (PLACE) is the measure we use to monitor our cleanliness, food, privacy, dignity, wellbeing and condition, appearance and maintenance. The action plan arising from the latest PLACE assessments is available on our website: <https://shsc.nhs.uk/about-us/corporate-information/patient-led-assessments-of-the-care-environment-place/>.

We have developed a Sustainable Development Management Plan which outlines our longer-term strategic approach to sustainability and ensures the involvement of the entire organisation. For more information see the Sustainability Report in Section 3.9.

Did you know?

We offer weekly staff bootcamp sessions as well as various staff running groups to promote the benefits of physical activity.

Congratulations to the following award winners ...

HPMA Excellence in HRM Awards 2017

Winner – Most effective use of diversity to strengthen governance, recruitment or promotion – for our programme to promote and improve equality, diversity and inclusion for Black, Asian and Minority Ethnic staff

Finalist – University of Bradford Award for cross-sector working – Gulu Partnership

Yorkshire Academic Science Network, Innovation, Improvement and Impact Awards 2017

Winner - Performance Through Partnership – Brunsmeor Awareness Mental Health Football Project

Positive Practice in Mental Health Awards 2017

Highly commended – Partnership Working to Reduce Mental Health Inequalities – Community Enhancing Recovery Team (CERT)

Highly commended – Acute and Crisis Care – Wainwright Respite and Recovery Service

Highly commended – Acute and Crisis Care – Transforming Acute Care Programme

Highly commended – Quality Improvement – Quality Improvement Team

Haelo Awards 2017

Runner Up – film about the Narrative Masterclass (part of the undergraduate medical education course at the University of Sheffield in association with Storying Sheffield and the Trust)

Our Recognition and Achievement Award Winners 2017-18

Compassionate Care – Kim Bannister, Ward Manager, Maple Ward

Leadership – Stephen Day, Manager

Outstanding Achievement by an Individual – Helen Goodson, Peer Support Worker

Quality Improvement by a Team – Peer Recovery Team

Innovation and Research – Sarah Ellison, Estates and Facilities Officer

Learner of the Year – Dr Madalina Cosmulescu

People's Choice (Joint Winners) – Mark Thorpe and the Community Enhanced Recovery Team (CERT)

Volunteer of the Year – Steve Gascoyne

Chair's Special Recognition – Short Term Educational Programme (STEP)

Did you know?

We are proud to be part of the Zero Suicide Alliance – a collaborative of NHS Trusts, businesses and individuals who are all committed to suicide prevention in the UK and beyond.

Any important events since the end of the financial year affecting the Foundation Trust

At the time of finalising this Annual Report there are no important events that have happened between March 2018 and the report being issued in May 2018.

Details of any overseas operations

The Trust had no overseas operations during 2017/18 in respect of the provision of health care services.

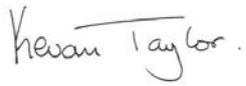
We are the main UK partner of the Gulu Sheffield Mental Health Partnership alongside other NHS Trusts in Sheffield, Manchester and London as well as the University of Sheffield. We have been working with a service user and carer group, Mental Health Uganda Gulu Branch (MHUGB) and Gulu Regional Referral Hospital (GRRH) since 2012. All of the funding for the work of the Partnership is external to the Trust.

Did you know?

We developed new carers resources which are available on our website:

<https://shsc.nhs.uk/need-help/help-for-carers-and-relatives/carers-resources/>. These were co-produced with Sheffield Young Carers, Carers in Sheffield and Chilypep.

This Performance Report has been approved by the Directors of Sheffield Health and Social Care NHS Foundation Trust.

A handwritten signature in black ink that reads "Kevan Taylor." The signature is written in a cursive style with a horizontal line above the name.

Kevan Taylor
Chief Executive
24 May 2018

Section 3.0 Accountability Report

3.1 Directors Report

3.1.1 The Board of Directors

The Board of Directors provide a wide range of experience and expertise which is essential to the effective governance of the Trust. Its members continue to demonstrate the visionary leadership and scrutiny that enables the organisation to fulfil its ambition.

At the end of 2017/18, the Board of Directors comprised of six Non-Executive Directors, including the Chair, and five Executive Directors, including the Chief Executive.

3.1.2 The Non-Executive Team

- Jayne Brown OBE (Chair)
- Susan Rogers MBE (Vice-Chair)
- Mervyn Thomas (Senior Independent Director)
- Councillor Olivia Blake
- Richard Mills
- Ann Stanley

3.1.3 The Executive Team

- Kevan Taylor (Chief Executive)
- Clive Clarke (Deputy Chief Executive)
- Dr Mike Hunter (Executive Medical Director)
- Liz Lightbown (Chief Nurse/Chief Operating Officer)
- Phillip Easthope (Executive Director of Finance)

The Associate Director of Human Resources and the Director of Corporate Governance/Board Secretary attend and support the Board but are not members.

All Board members use their expertise, experience and interest to help set the strategic direction of the Trust, as well as to monitor its management and performance.

Did you know?

Over 40 service users have returned to Sheffield from locked rehabilitation placements, with most living independently in their own homes. Bed night use for service users in our Community Enhanced Recovery Team (CERT) has been reduced by a stunning 99%, with no readmissions to out of city placements.

3.1.4 Directors' statement as to disclosure to the Auditors

For each individual who is a Director at the time that this Annual Report was approved, so far as the Directors are aware, there is no relevant audit information of which the Trust's Auditor is unaware. The Directors have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Trust's Auditor is aware of that information.

3.1.5 Accounting policies statement

Accounting policies for pensions and other retirement benefits are set out in the Annual Accounts in Section 6 (note 1) of this report and details of senior employees' remuneration can be found in the Remuneration Report in Section 3.2 of this report.

3.1.6 Our Auditors

Our External Audit function is carried out by KPMG. A full competitive tender process was carried out during 2014/15 to ensure compliance with regulatory requirements. The outcome of the tender process, following a detailed review process was the recommendation to the Council of Governors for the reappointment of KPMG as the Trust's External Auditors. This decision was approved on 13 March 2015, for an initial period of three years with an option to extend for a further two years. At its meeting on 14 December 2017, the Council of Governors agreed to a further two year extension to the Auditor's contract. Further details can be found in Section 3.1.10.1.

Did you know?

All staff in our Personality Disorder Team have undertaken Dialectical Behavioural Therapy (DBT) training. The team work with SPA and the Recovery Service to discuss and manage referrals as well as running DBT groups.

3.1.7 The role of the Board of Directors

The responsibility for exercising the powers of the Trust rests with the Board of Directors. These powers are set out in the National Health Service Act, 2006 and are subject to the restrictions set out in the Trust's terms of authorisation.

The Board is responsible for:

- Directing and supervising the organisation's affairs
- Providing proactive leadership of the Trust within a framework of prudent and effective controls which enable risk to be assessed and managed
- Setting the Trust's strategic aims and ensuring that the necessary financial and human resources are in place for the organisation to meet its objectives
- Overseeing the organisation's progress towards attaining its strategic goals
- Monitoring the operational performance of the organisation
- Promoting the success of the organisation so as to maximise the benefits for the members as a whole and for the public.

The Board may delegate any of the powers conferred upon it to any committee of Directors or to an Executive Director. The Standing Orders of the Board of Directors provide for the manner in which the Board may arrange the delegation of its powers. The 'Scheme of Reservation and Delegation of Powers' (which forms part of the Board of Directors' Standing Orders) sets out, in detail, those powers which the Board has reserved to itself and those it has delegated and to whom.

Did you know?

In October we held a career showcase for over 40 students from University Technical College Sheffield and Sheffield College with the aim of inspiring the next generation to consider a career in the NHS.

The Chair of the Trust presides over the meetings of the Board of Directors and the Council of Governors. The Chair is responsible for:

- Providing leadership to the Board of Directors and the Council of Governors
- Ensuring that the Board of Directors and the Council of Governors work effectively together

- Enabling all Board members to make a full contribution to the Board's affairs and ensuring that the Board acts as an effective team
- Leading the Non-Executive Directors through the Board of Directors' Remuneration and Nominations Committee in setting the remuneration of the Chief Executive and (with the Chief Executive's advice) the other Executive Directors.

The Senior Independent Director is responsible for leading the Non-Executive Directors in the performance evaluation of the Trust Chair. The Trust Chair is responsible for carrying out the performance evaluation of the Non-Executive Directors. Both processes are overseen by the Council of Governors' Nominations and Remunerations Committee.

During 2017/18, the Board met every month with the exception of August 2017 and January 2018 in which meetings were open (in part) to members of the public and the press. Elements of the Board's business that were of a confidential nature and/or commercially sensitive were transacted in private, and the Board has been very open about the need to do this.

The Board of Directors takes account of the NHS Constitution in its decisions and actions, as they relate to service users, the public and staff of Sheffield Health and Social Care NHS Foundation Trust. The principles and values set out in the Constitution are reflected in the organisation's strategy, objectives, vision and values. The Board of Directors is compliant with the principles, rights and pledges set out in the Constitution as they apply to mental health service providers.

Sam and Lisa's* story

Sam had a hypoxic brain injury several years ago following a cardiac arrest. His wife, Lisa, his main carer, had a brain haemorrhage two years later. At this time they had three children under 18 living at home. The Long Term Neurological Service provided an integrated pathway to support Sam and Lisa's individual needs, the family network, their community and the services required to effectively support them.

Sheffield Community Brain Injury and Rehabilitation Team (SCBIRT) focused their intervention on individual and family needs which centred on developing and supporting both Sam and Lisa's physical, cognitive and emotional abilities. SCBIRT also provided education and support to their carers to facilitate the highest level of independence possible for Sam and Lisa, and provided advice and support for the family to engage socially with their local community.

Meanwhile the Neurological Case Management Service (NCMS) focused on the change in circumstances experienced by the family, the risk of social isolation and access to the wider health and social care network. NCMS became the main co-ordinator for this network, recruiting and liaising with relevant services and making sure that there was a consistent approach between the nine different services involved in Sam and Lisa's care. NCMS delivered a clear plan of action for all involved which was regularly updated and shared with the family and the network. This assisted in streamlining care provision, increasing the responsiveness and effectiveness of the services involved while preventing any duplication. This allowed the family to concentrate on adjusting to their altered circumstances and supported their understanding of, and access to, the services involved in their support. This produced very positive outcomes for Sam, Lisa, their family and the wider health and social care network.

*not their real names

3.1.8 Attendance at Board of Directors meetings

A full list of all the Directors who have served on the Board during 2017/18, including their attendance at the Board's meetings, is set out below.

Name	Position	Term	Attendance
Jayne Brown OBE	Chair	4 year term ending 30 June 2020	10/10
Susan Rogers MBE	Non-Executive Director and Vice Chair	3 year term ending 30 November 2015, two 1 year extensions ending 30 November 2017, further extension to 31 March 2018	10/10
Mervyn Thomas	Non-Executive Director and Senior Independent Director	3 year term ending 30 November 2015, two 1 year extensions ending 30 November 2017, further extension to 31 March 2018	9/10
Councillor Leigh Bramall	Non-Executive Director	Term ended 30 June 2017	2/4
Richard Mills	Non-Executive Director	3 year term ending 30 November 2018	10/10
Ann Stanley	Non-Executive Director	3 year term ending 31 October 2017 with 13 month extension ending 30 November 2018	7/10
Councillor Olivia Blake	Non-Executive Director	3 year term ending 13 July 2020	5/6
Kevan Taylor	Chief Executive	N/A	10/10
Clive Clarke	Deputy Chief Executive/Executive Director of Operational	N/A	10/10
Phillip Easthope	Executive Director of Finance	N/A	10/10
Dr Mike Hunter	Executive Medical Director	N/A	10/10
Liz Lightbown	Executive Director of Nursing, Professions and Care Standards	N/A	10/10

3.1.9 The Management Team

The Board of Directors delegates the day-to-day management of the operational activities of the Trust to the Executive Directors' Group (EDG). The EDG comprises the Executive Directors, the Director of Human Resources and the Director of Corporate Governance/ Board Secretary. The EDG meets on a weekly basis to ensure that its delegated duties are appropriately discharged.

Did you know?

We increased the investment in our Functional Intensive Community Service (FICS) to support extended weekend provision. FICS, the Dementia Rapid Response and Home Treatment Team are working closely together to provide a more seamless service.

3.1.10 Board committees

The Board has several committees to whom it delegates authority to carry out some of its detailed work. The committees provide a Significant Issues report to the Board of Directors following each meeting; this ensures immediate escalation of any issues of concerns arising at the committee meeting as well as recording significant assurances received.

The Quality Assurance Committee is responsible for providing assurance to the Board on the effectiveness of the Trust's systems and processes for safeguarding and improving the quality of the Trust's services. The Finance and Investment Committee is responsible for ensuring that the Trust's finances are managed within the allocated resources in order to deliver an effective and efficient service. The Workforce and Organisation Development Committee is responsible for providing assurance to the Board on the effectiveness of the Trust's systems and processes for supporting employees in the provision and delivery of high quality, safe service user care and ensuring that the Trust is meeting its legal and regulatory duties in relation to its employees.

The Audit Committee and the Remuneration and Nominations Committee are described below.

Did you know?

We are leading the way nationally in eliminating the use of face down restraint on our in-patient wards. In the past two years there has been no use of face down restraint within the Trust.

3.1.10.1 Audit Committee

Membership of the Audit Committee is comprised of three independent Non-Executive Directors. The committee is chaired by Ms Ann Stanley who has recent and relevant financial experience, which fulfils the requirement for at least one Non-Executive member to have such experience.

The Audit Committee provides the Board of Directors with an independent and objective review of the system of internal control and overall assurance process associated with managing risk. It receives annual reports from each of the other Board Sub Committees; these reports in turn inform the annual report of the Audit Committee which is presented to the Board of Directors at the end of each financial year. This allows the Audit Committee to discharge its responsibility for providing assurance to the Trust Board in relation to all aspects of governance, risk management and internal control. These assurances and this oversight form the basis for the Chief Executive's Annual Governance Statement.

The committee is responsible for commissioning and reviewing work from independent external and internal audit services, counter fraud services and other bodies as required. The committee's work in undertaking these responsibilities is outlined in an annual report to the Board.

The committee's meetings are attended, in accordance with the agenda, by the Internal and External Auditors, local counter fraud specialist, the Trust's Executive Directors, the Director of Corporate Governance, Head of Clinical Governance and Deputy Director of Finance. Other Directors and senior managers attend when invited by the committee. The Chief Executive and the Trust Chair attend the meeting at which the annual accounts are presented.

Both the internal and external auditors have the opportunity to meet informally with Audit Committee members (without Executives present) to discuss any concerns or issues relating to the performance of management.

Copies of the terms of reference of the Audit Committee can be obtained from the Foundation Trust office and are published on the Trust’s website:

<https://shsc.nhs.uk/about-us/corporate-information/board-of-directors/board-of-directors-committees/>.

The committee has met on six occasions during 2017/18 and discharged its responsibilities as set out in the terms of reference. Details of members’ attendance at its meetings are as shown in the table below:

Name	Position	Attendance
Ann Stanley	Committee Chair and Non-Executive Director	4/6
Mervyn Thomas	Committee Member and Non-Executive Director	4/6
Cllr Leigh Bramall (until 30 June 2017)	Committee Member and Non-Executive Director	1/3
Cllr Olivia Blake (with effect from 14 July 2017)	Committee Member and Non-Executive Director	2/2
Susan Rogers	Temporary Committee Member 11 July 2017, 17 October 2017 and 23 January 2018. Non-Executive Director	3/3

Significant issues considered by the committee

The Audit Committee has an annual review cycle in place in relation to reviewing and considering the effectiveness and ongoing compliance.

The Audit Committee met on 24 May 2018 in part to consider the financial statements for the period 2017/18 and as part of the annual review cycle considered the following issues in relation to financial statements, operations and compliance:

- Accounting Policies review for inclusion in the Financial Statements and Annual Report, including the appropriate treatment for Charitable Funds
- The Going Concern status of the Trust. The committee agreed that the 2017/18 Annual Accounts be prepared on a ‘going concern’ basis
- Material Estimates pertinent to the financial statements, including Assets’ valuation endorsing the methodology and accounting treatment
- Due consideration of the organisation’s risks and controls, particularly the Board Assurance Framework and Corporate Risk Register
- Due consideration of the annual Internal Audit report and opinion, and, elements of risk and audit emphasis identified in the External Audit plan, such as the Trust’s income and
- Statutory Financial Statements and Annual Report and Accounts (including the Quality Report) received and approved by the Committee prior to being submitted to the Board of Directors for final approval prior to submission to NHS Improvement.

In relation to the risks and areas of emphasis in the External Audit Plan, KPMG consider the key areas of accounting judgement and disclosure. For each of these areas, the Committee critically reviews and assesses the judgements that have been applied, the

consistency of application from year to year and the appropriateness of the relevant disclosures made, together with the compliance with applicable accounting standards. The key areas considered by KPMG are in relation to valuation, the verification of land and building assets and recognition of NHS and non-NHS income.

Detail of the verification of land and building assets is contained in the material estimates paper considered by the committee.

The main source of income for the Trust is the provision of healthcare services to the public under contracts with NHS commissioners. These contracts make up 69% of the Trust's income from activities. The Trust also receives 23% of its income from non-patient care services to other bodies. In order to satisfy itself as to the validity of the income, the committee has confirmed that the Agreement of Balances exercise for NHS income and the confirmation of non-patient care income have been undertaken on a diligent and comprehensive basis. The committee has also confirmed that effective income cut-off procedures were applied around the year end.

In relation to the Trust's income the committee has been able to place reliance on work undertaken by the external auditors as part of the work that they have undertaken to enable them to develop their Audit Opinion.

In addition, the Audit Committee receives regular updates and feedback in relation to the progress against plan of Internal Audit and Counter Fraud.

Any issues arising were addressed by the Committee and any matter of governance will be incorporated into the Annual Governance Statement.

External Audit

The Trust's External Audit function is carried out by KPMG.

A full competitive tender process was carried out during 2014/15 to ensure compliance with regulatory requirements. The outcome of the tender process, following a detailed review process was the recommendation to the Council of Governors for the reappointment of KPMG as the Trust's external auditors. This arrangement is currently entering the third of three years with an option in place under the contract to extend for a further two years which was approved by the Council of Governors in December 2017.

The statutory audit fee for the 2017/18 audit was £48,000 plus VAT. A separate fee is charged in relation to the External Assurance on the quality report of £9,000 plus VAT.

The effectiveness of the external audit function is assessed annually by the members of the Audit Committee utilising the methodology provided for such an evaluation by The Audit Committee Institute. For 2017/18 this was carried out as part of the AC self-assessment questionnaire of members.

Provision of non-audit services by the external auditor; KPMG have carried out no other services for the Trust during the financial year 2017/18.

Internal Audit

The Trust's internal Audit function is performed by 360 Assurance. The annual audit plan is derived following an overarching risk assessment and is translated into the annual internal audit operational plan and three year strategic plan.

The internal audit plan was developed through discussion with members of the audit committee, the Executive Team and other Directors and a review of the Board Assurance Framework to identify a range of key risks, including those affecting the health sector generally. Reviews were identified across a range of areas including, financial management, information management and technology, performance, clinical quality, people management and governance and risk.

A report is taken to every Audit Committee meeting detailing progress against the plan and drawing attention to any concerns.

The Audit Committee reviewed the performance and value for money of the internal audit function during 2017/18.

Local Counter Fraud

Local Counter Fraud services were provided by 360 Assurance. The role of the Local Counter Fraud Service assists in creating an antifraud culture within the Trust: deterring, preventing and detecting fraud, investigating suspicions that arise, seeking to apply appropriate sanctions and redress in respect of monies obtained through fraud.

The Audit Committee receives regular progress reports from the Local Counter Fraud Service during the course of the year and also receives an annual report.

Did you know?

We undertook a peer review in our Perinatal Mental Health Service and received very positive feedback from service users.

3.1.10.2 Remuneration and Nominations Committee

The Remuneration and Nominations Committee of the Board of Directors comprises all the Non-Executive Directors. The committee is chaired by Jayne Brown OBE, the Trust Chair.

The Committee is responsible for determining the remuneration and terms and conditions of service of the Executive Directors (including the Chief Executive) in order to ensure that they are properly rewarded having regard to the Trust's circumstances.

Full details of the Remuneration and Nominations Committee are provided in Section 3.1.27 of this report.

Did you know?

We ran a resilience project to support newly qualified nurses working on our in-patient wards. This was delivered by our Cognitive Behavioural Psychotherapy Education Department providing workshops based on acceptance and commitment theories which have been proven to improve levels of resilience among staff.

3.1.11 Executive and Non-Executive Directors' qualifications and experience

Jayne Brown OBE, Chair

Jayne has more than 25 years' NHS experience, including 13 years as a Chief Executive. She is the director of two limited companies, the vice-chair of a community voluntary service and a carer.

Jayne has a BA (Hons) in Politics and Modern History as well as a Masters Degree in Public Health, a Diploma in Strategic Health Service Management and a Coaching Diploma. She is a graduate of the Institute of Personnel and Development. Jayne was awarded an OBE in 2004 for services to the NHS.

Tenure of office

01 July 2016 to 30 June 2020.

**Susan Rogers MBE, Non-Executive Director (Vice-Chair)
(Chair of the Workforce and Organisation Development Committee)**

Susan Rogers MBE has extensive experience in the teaching profession, as well as industrial relations. She has served at the highest level of NASUWT (National Association of Schoolmasters Union of Women Teachers), the largest teachers' trade union in the United Kingdom, both as President and Treasurer.

From 2005 to 2009, Susan served as the Chair of AQA (Assessment and Qualifications Alliance), the largest unitary awarding body for public examinations in the United Kingdom.

Susan was awarded an MBE for her services to the Trade Union movement. She previously served as a member of the Employment Tribunals and continues to work for international solidarity for trade union development in Iraq.

Tenure of office

01 December 2012 to 30 November 2015. Extended to 30 November 2016. Further extended to 30 November 2017. Further extended to 31 March 2018.

Councillor Olivia Blake, Non-Executive Director

Olivia Blake is Deputy Leader of Sheffield City Council and is the Cabinet Member for Finance and Resources. First elected in 2014 to represent Walkley Ward where she lives.

As a councillor she has previously held the role of Cabinet Assistant for Health and Social Care with a particular focus on carers and public health and was a member of the scrutiny committees for both this area and Childrens, Young People and Families.

She graduated from the University of Sheffield with a degree in Biomedical Sciences and continued to do research following this. She still maintains a passion for science and in particular health sciences.

Following this she moved into working in political communications, working for a local Member of Parliament on campaigns and communications.

Olivia has also represented young trade union members at a regional, national and European level on committees and at conferences. She has a strong interest in workforce development and wellbeing and has campaigned on issues including low pay, young people's rights and mental health.

Tenure of Office

14 July 2017 to 13 July 2020.

Councillor Leigh Bramall, Non-Executive Director

Leigh Bramall was Deputy Leader of Sheffield City Council, and Cabinet Member for Business and Economy, leading on economic development in England's fourth largest city.

Tenure of Office

04 January 2016 to 30 November 2018 – resigned and term ended 30 June 2017.

Richard Mills, Non-Executive Director (Chair of the Finance and Investment Committee)

Richard is a director with more than 35 years senior management experience in the NHS, charitable, independent and public sector organisations, including Board level positions in NHS organisations.

Richard was an NHS manager and director from 1979-2012, working in the London and Thames Valley Hospital, Health Authority and Primary Care Trust levels.

He was the Chief Executive of Intensive Care National Audit and Research Centre (ICNARC) 2014- 2015 and has been a management consultant since 2012.

Tenure of office

01 December 2015 to 30 November 2018.

Ann Stanley, Non-Executive Director (Chair of the Audit Committee)

Ann is a qualified accountant by profession and has served as a senior finance executive in the public, voluntary and commercial sectors. Her experience includes working in Brussels for the European Communities and in London for the BBC.

Ann has also worked as a Senior Finance Executive in Higher Education and as a Group Accountant for HM Prison Service. She is presently a Non-Executive Director for a leading housing association based in Lincolnshire.

She is a fellow of the Chartered Institute of Certified Accountants (FCCA). She is also a member of the Trust's Finance and Investment Committee and a member of the Workforce and Organisation Development Committee.

Tenure of office

01 November 2014 to 30 November 2018.

Mervyn Thomas, Non-Executive Director (Chair of the Quality Assurance Committee)

Mervyn has many years' experience in the health and social care sectors, serving as a Non-Executive Director in other health organisations and as Chairman of the South Yorkshire Probation Service.

He also has extensive past experience at senior managerial levels in local government. He is a Fellow of the Royal Society of the Arts.

Tenure of office

01 December 2012 to 30 November 2015. Extended to 30 November 2016. Further extended to 30 November 2017. Further extended to 31 March 2018.

Kevan Taylor, Chief Executive

Prior to his appointment as the Trust's Chief Executive in 2008, Kevan served as the Chief Executive of the predecessor Trust. He led the Trust through its achievement of both Care Trust and Foundation Trust status. He also served as Director of Commissioning of the Sheffield Health Authority.

Kevan has a background as a practitioner in social care and as a local authority manager. Kevan has a particular commitment to integrated care across Sheffield, previously leading the Right First Time Partnership and currently Chairing the Accountable Care Partnership (ACP) Executive Delivery Group. As a former social care practitioner he is keen to ensure strong integration with social care and increasing partnership with primary care.

Kevan established the partnership link between mental health services in Sheffield and services in Gulu, Northern Uganda. This link is now very well established and many colleagues from Uganda have spent time in Sheffield funded by the Commonwealth Fellowship programme. Sheffield and Gulu are keen to develop this partnership further and share the mutual lessons and benefits.

Clive Clarke, Deputy Chief Executive/Executive Director of Operations

Clive was appointed as an executive director of the Trust in 2008. A qualified nurse and social worker, Clive brings more than 29 years' experience in health and social care provision. He has served as Director of Adult Mental Health Services and as Head of Social Services in Sheffield Care Trust.

In November 2012 Clive took on the role of Deputy Chief Executive Designate with responsibility for Planning and Performance, Commercial Relations, Estates, IT (which includes information governance) and Clinical and Corporate Governance, a responsibility he shared at Board Level with Professor Tim Kendall.

Since March 2013 Clive has been the Deputy Chief Executive. In 2016 Clive became the Trust's Executive Director of Operations. Clive was a participant in the 2001 King's Fund Top Managers Leadership Programme.

Phillip Easthope, Executive Director of Finance

Phillip has been the Trust's Executive Director of Finance since January 2016, following a period as the Trust's Interim Executive Director of Finance from March 2015. Prior to his appointment, he was the Trust's Deputy Director of Finance since 2012 and has more than 15 years' experience in NHS finance.

Phillip is a Fellow of the Association of Chartered Certified Accountants and has completed the NHS Strategic Financial Leadership Programme.

Dr Mike Hunter, Executive Medical Director

Mike was appointed as the Trust's Executive Medical Director in October 2016. He has been a consultant psychiatrist for many years and was previously Clinical Director of Acute and In-patient Services and Community Services at the Trust. His responsibilities include quality improvement, patient safety, clinical governance, medical leadership, medical education and service user engagement.

Mike trained in Sheffield, first in medicine and then in psychiatry. He is a consultant psychiatrist with a background in Rehabilitation and Assertive Community Treatment. He

is particularly interested in the development of services that provide intensive support outside of the traditional hospital setting and in developing enhanced approaches for mental health within primary care.

Liz Lightbown, Executive Director of Nursing, Professions and Care Standards

Liz Lightbown joined the Trust in April 2010 on secondment and was appointed on a permanent basis in April 2011. She is a Registered Mental Health Nurse and holds a Bachelor of Science Degree in Behavioural Sciences, a Masters Degree in Health Planning and Financing, and a Diploma in Public Health. She was a participant on the King's Fund National Nursing Leadership Programme and is a Prince 2 qualified Project Manager.

Liz is the Trust's Executive Director of Infection Prevention and Control (DIPC) and the Executive Lead for Safeguarding Adults and Children and Mental Health Legislation (Mental Health Act and Mental Capacity Act).

Since April 2012 Liz has been the Executive Lead for the Trust's International Health Partnership with Gulu Regional Referral Hospital in Northern Uganda and was the Trust's Chief Operating Officer from November 2012 to 2016. In June 2016 Liz became the Trust's Executive Director for Care Standards.

Did you know?

We are piloting a two week placement programme for student police officers to spend time with our services to learn more about mental health while also broadening and strengthening our partnership working. During their placement students spend time on our Maple Ward and Stanage Ward as well as with the Liaison Service and the Community Enhanced Recovery Team (CERT).

3.1.12 Directors' interests

Members of the Board of Directors must declare any interests which might create, or be seen to create a conflict or potential conflict between their personal or private interests and those of the organisation or their duties as members of the Board of Directors. They are also required to declare any conflicts of interest that arise in the course of conducting Trust business, specifically at each meeting of the Board.

The [Register of Interests](#) is maintained by the Foundation Trust Board Secretary and is available for inspection by members of the public on request. Please submit any requests to Margaret Saunders, Director of Corporate Governance/Board Secretary, by ringing 0114 2716310 or email margaret.saunders@shsc.nhs.uk.

Did you know?

We held our second arts festival in September. This is a key objective of our Arts and Health Strategy and there was a range of events, including music, poetry, visual and creative arts across our sites and also at external venues. An online art gallery was also created which can be viewed at www.shsc.nhs.uk

3.1.13 Board evaluation

The Board of Directors assesses its own performance and effectiveness, ensuring that it complies fully with its statutory and regulatory functions and duties.

Development training for the Board of Directors during 2017/18 has included learning and monitoring progress against action plans following Care Quality Commission (CQC) inspections, and developing the Trust strategy and agreeing priorities for the Trust's Annual Plan for 2018/19. They also review the strategic direction of the Trust, develop and critique the Board Assurance Framework and Risk Management Strategy (including consideration of the Trust's risk appetite) and the wider issues of good governance and a well-led organisation.

All Executive and Non-Executive Director appointments are made in compliance with Condition G4 of the Provider Licence 'Fit and Proper Persons' requirements and these are reviewed on an annual basis.

Appraisals for those Non-Executive Directors who had been in post through the year took place. The Council of Governors were individually invited to comment on the performance of each Non-Executive Director. This information was fed into the appraisal process led by the Trust Chair with support from the Lead Governor. In addition, appraisal of the Trust Chair took place led by the Senior Independent Director and supported by the Lead Governor. All Governors and Board members were invited to provide feedback on the Chair's performance which fed into the appraisal process. The outcome was reported to the Council of Governors at its meeting of 14 December 2017.

The evaluation of the performance of the Executive Directors was carried out by the Chief Executive during his monthly one-to-one meetings and annual reviews with them.

As stated in Section 3.2 of this report, the evaluation of the Chief Executive's performance was carried out by the Trust Chair in their one-to-one meetings. The performance of the Chief Executive, Executive Directors and the Associate Director of Human Resources was also discussed by the Remuneration and Nominations Committee.

The Board is satisfied that the composition of its membership is balanced, complete and appropriate, and this can be seen in the biographical details of Board members as previously outlined.

Did you know?

Our Recovery College at based at the Forest Close and Forest Lodge site continues to expand the course it offers. The latest figures show 90% enrolment and good feedback from service users.

3.1.14 Overview of the arrangements in place to govern service quality

In order to ensure quality, the Trust's governance arrangements are summarised as follows:

- *Board of Directors.* See 3.1.7
- *Quality Assurance Committee.* The committee provides oversight of the Trust systems in respect of quality and performance
- *Audit Committee.* See 3.1.10.1
- *Executive Management Team.* See 3.1.3
- *Systems of Internal Control.* See 3.7.

The Trust triangulates service performance across a range of indicators relating to care standards, quality, workforce and finance at service, Directorate and Trustwide level. Further developments are to be made within 2018/19 to enhance our performance framework through effective business information systems. See the Quality Report (Section 4) and the Quality Assurance Framework (3.7) for more information.

The above framework ensures that the Board of Directors is able to monitor and evaluate the performance of the Trust and its services, and to initiate improvement actions where required. Information about our Quality Assurance and Improvement Strategy is provided in the Quality Report in Section 4.

Did you know?

Our 44 Governors and more than 12,500 members helped set our objectives for the year.

3.1.15 Information about the care we have provided

Our Quality Report, in Section 4, provides a range of information about:

- Our performance against key healthcare targets and other information about how we have performed in respect of safety and effectiveness
- The findings from the CQC inspection of our services and the actions we have taken
- Feedback received from other regulators or significant interested parties and actions we have taken
- Progress we have made in delivering targets we agreed with our main commissioners
- Our audit and research activities
- Improvements in information provided to service users or members of the public
- Information about complaints and how we have responded to complaints.

3.1.16 Using our Foundation Trust status to develop and improve our services

We are able to use our money more flexibly to support the priorities we have identified with our Governors and members. Key examples of this have been how we have built up our cash reserves in order to improve our estate and in-patient services. In our Annual Report 2015/16, we shared the opening of our new psychiatric intensive care unit, Endcliffe Ward, following a major capital investment programme. Over the next year we will commence a substantial investment programme to improve the environment and facilities of our in-patient services at the Longley Centre. The Board of Directors has also used the financial freedoms afforded to us as a Foundation Trust to invest in a range of improvements in community services, which are reported in this document.

Did you know?

On average more than 98% of people would recommend our services to their friends and family.

3.1.18 Performance against key health care targets

Our Quality Report, in Section 4, provides a detailed overview on how we have performed in respect of quality and targets across a range of services.

3.1.19 Arrangements for monitoring improvement in the quality of care

We have identified a range of areas in which we want to make improvements. These are outlined in our Quality Report in Section 4, where we state our objectives for improving quality and the progress we have made over the last two years. This section also summarises the objectives we agreed with our commissioners for improving quality under the Commissioning for Quality and Innovation scheme.

Did you know?

Our Clover Group of GP practices, delivered in partnership with Primary Care Sheffield, successfully piloted a diversified workforce, successfully employing Primary Care Paramedics, Physiotherapists and additional Clinical Pharmacist time which has improved access to services for patients and an early resolution for many illnesses and conditions.

3.1.20 Significant changes to the services we provide

During the year the following changes were agreed that resulted in a significant change to the services we provide.

Service improvements.

From December 2017 we extended our Liaison Mental Health Service within Sheffield Teaching Hospitals NHS Foundation Trust. The aim of this improvement was to ensure that services were available 24 hours a day, seven days a week, to support people with mental health needs who attend Accident and Emergency Department and to provide access to mental health assessment and advice for people receiving general in-patient care seven days a week. This was an important and much needed development and will ensure that people's physical and mental health care needs within general hospital are better provided for. This was supported by £536,000 recurrent investment in services.

We changed how we deliver our Community Mental Health Team services, introducing a new model from November 2017. The aim of the change was to improve access and deliver a more consistent service in relation to standards of care and being able to respond effectively to changes in demand across the city. The new model saw the establishment of city wide Early Intervention in Psychosis service, supported by additional £900,000 recurrent investment, a citywide Home Treatment service, a new Single Point of Access, as well as an Emotional Wellbeing Service to effectively screen, assess and triage referrals and provide short term support to people who previously wouldn't have accessed services. This has been a complex and challenging change programme and our focus during 2018/19 will be to support the staff in the new services to deliver the improvements that were behind the change.

Did you know?

We provided placements for 50 Physician Associates in conjunction with the University of Sheffield, Sheffield Hallam University and the University of Birmingham.

New services.

We launched a new IAPT Health and Wellbeing Service which offers specific support and treatment to people experiencing long term physical health conditions such as musculoskeletal conditions, diabetes, chronic obstructive pulmonary disease and many others. This innovative approach integrates psychological and physical health care support and treatment and ensures that people's physical health and mental wellbeing is not treated in isolation. This was supported by £1.6 million recurrent investment in services.

In partnership with South Yorkshire Housing Association we launched a new service, hosted within our community teams to support people to access employment. This service provides an Individual Placement Support approach, working with people serious mental illness, substance misuse problems or a learning disability, to support them to secure and sustain employment.

Services we no longer provide.

Due to changes in how learning disability supported living services are commissioned within the city, services that had been based Steven Close, Burngreave and Mansfield View have transferred to new providers. The majority of our affected staff have moved to work with the new service providers.

We no longer provide supported living services for people with a learning disability.

Did you know?

Our CERT Team are working with the Clinical Commissioning Group to trial the use of personal health budgets to support service users to improve their health and wellbeing.

3.1.21 Working with commissioners, partners and stakeholders

We work in partnership with the main organisations that commission our services, namely NHS Sheffield Clinical Commissioning Group and Sheffield City Council. This allows us to understand the health and social care needs of the wider population, to influence the commissioning approach taken and to develop new services for the benefit of the people of Sheffield.

In partnership with Primary Care Sheffield, the local organisation representing General Practice in Sheffield, we provide our GP services at the Clover Group of Practices (including Clover City Practice). This partnership supports our goals of developing new integrated models of care within a primary care setting.

We continued our partnership with South Yorkshire Housing Association who have been successful in securing funding over two years from the Big Lottery Fund and European Social Fund to deliver Building Better Opportunities, a person centred employment service for adults with mental health problems, learning disabilities and complex needs. It is based on Individual Placement Support, a 'place then train' approach that's shown to be twice as effective as traditional approaches. We also work in close partnership with South Yorkshire Housing Association on our intensive community rehabilitation service model - the Community Enhanced Recovery Team (CERT) also known as LivingWell.

We work in partnership with Sheffield Teaching Hospitals NHS Foundation Trust to provide occupational therapy and mental health services into the intermediate care services they provide.

Following a competitive tender process we awarded the contract for the Crisis House and 24 hour mental health helpline to Rethink Mental Illness Ltd.

Our primary care services work closely with Darnall Wellbeing, Assist, Ashiana and a variety of other third sector organisations to provide integrated care to patients. The relationship goes beyond core general practice and supports the advocacy of patients'

holistic needs. This has been further strengthened by the co-location of Darnall Citizens Advice in the surgery with weekly drop-ins and booked appointments.

South Yorkshire and Bassetlaw Integrated Care System - Sustainability and Transformation Plan

In June 2017 the South Yorkshire and Bassetlaw Sustainability and Transformation Partnership (STP) was named as one of the first Accountable Care Systems (ACS) in the country. Known as Health and Care Working Together in South Yorkshire and Bassetlaw, the ACS (or ICS as it is now known) is a partnership of 25 organisations responsible for looking after the health and care of the 1.5 million people living in Barnsley, Bassetlaw, Doncaster, Rotherham and Sheffield. More information about the ICS can be found [here](#).

Working together the local ambition is to be better able to join up GPs and hospitals, physical and mental healthcare, social care and the NHS to give patients seamless care. Through partnership working, the ICS aims to make real and long lasting improvements to the health of local people which individuals and organisations working alone would not be able to achieve.

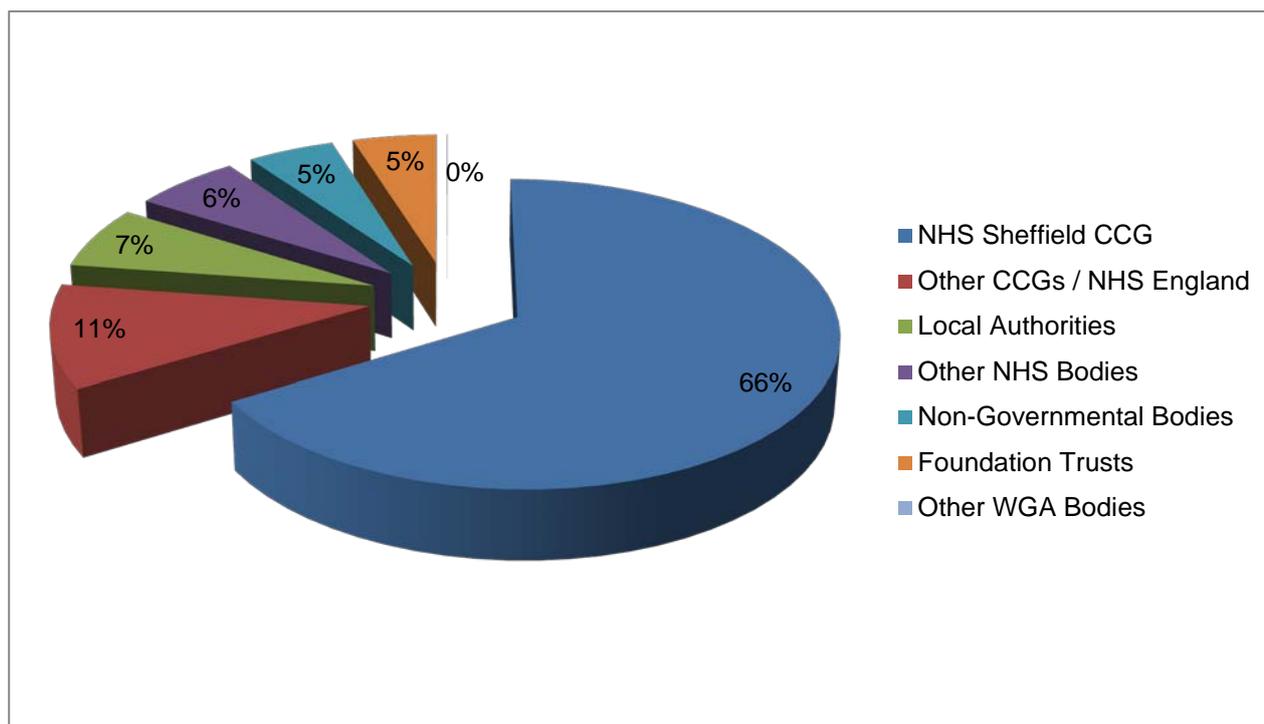
A number of workstreams have been identified as priorities for the ICS, they are: mental health and learning disabilities; urgent and emergency care; primary and community care; cancer; maternity and childrens; elective and diagnostic; and healthy lives, living well and prevention. In 2017-18 the workstreams have continued to work as networks, with key individuals from each partner organisation meeting on a regular basis to identify and develop opportunities to work together to improve health and care services. A number of schemes have commenced planning or early implementation in 2017-18 and are set for further development next year.

From April 2018 the ICS will begin to operate as a Shadow ICS, which means taking on additional responsibilities from NHS England and NHS Improvement around local system performance and transformation indicators.

Did you know?

Our contract to provide Opiate and Non-Opiate based substance misuse treatments via our Sheffield Treatment and Recovery Team (START) has been extended for a further two years. START provides highly responsive and focused treatment to individuals experiencing substance misuse related difficulties and was awarded a three year contract in October 2014. We will now continue to provide Opiate, Non-Opiate and Alcohol treatment pathways in Sheffield until 2019 and hopefully beyond.

3.1.22 Total income by commissioner



3.1.23 Consultations

We have not undertaken any formal public consultations during the year about proposed service changes and no consultations are in progress at the time of writing. In line with our established Annual Plan for 2018/19 we may consult on the development of our community mental health services.

3.1.24 Our broader public and service user involvement activities

Further information about our service user and public involvement activities can be found in the Quality Report in Section 4 and in Section 3.1.27.

Did you know?

We are moving towards a single site location for all our adult and older adult acute in-patient wards at the Longley Centre. We are working closely with service user, carers, staff and other partners to develop plans with the aim of having a modern, healing environment to support the wellbeing of service users and staff.

3.1.25 Improving services from complaints and concerns

We are committed to ensuring that all concerns and complaints are dealt with promptly and investigated thoroughly and fairly. We value the feedback we receive from service users and carers, and recognise the importance of using this feedback to develop and improve our services. Detailed information is provided in our comprehensive Annual Complaints report (which includes the complainant survey) and is available at: www.shsc.nhs.uk/about-us/complaints and in the Quality Report in Section 4.

3.1.27 Council of Governors

The role of the Council of Governors

Governors play a vital role in governance arrangements of the Trust. They primarily carry out their role through the meetings of the Council of Governors, of which there were five in

2017/18. Please see pages 34-35 for a breakdown of the number of meetings attended by each Governor.

All meetings of the Council of Governors are open to members of the public, except in instances where there are confidential matters which need to be discussed. In these circumstances members of the public are excluded for the confidential item only.

While responsibility for the Trust's management and performance rests with the Board of Directors, the Council of Governors has specific decision making powers conferred upon it by the Health and Social Care Act 2012 and the Trust's Constitution. These include:

- Holding the Non-Executive Directors both individually and collectively to account for the performance of the Board of Directors
- Holding the Board of Directors to account for the effective management and delivery of the organisation's strategic aims and objectives
- To be consulted by Directors on future plans, including any significant changes to the delivery of the Trust's business plan, and offer comment on those plans
- Receiving the annual accounts, any auditor report regarding the accounts, and annual report
- Deciding whether any private patient work undertaken by the Trust would significantly interfere with the Trust's principal purpose, which is to provide goods and services for the health service in England, or performing the Trust's other functions
- Approving any proposed increases in non-NHS income of 5% or more in any financial year. Approval means that at least half of the Governors taking part in the vote agree with the increase
- Approving 'significant transactions'
- Approving an application by the Trust to enter into a merger, acquisition, separation or dissolution. In this case, approval means at least half the Governors taking part in the vote agree with the amendments
- Approving amendments to the constitution.

The Council of Governors also plays an equally important role in the governance of the Trust by:

- Assisting the Board of Directors in setting the strategic direction of the Trust
- Monitoring the activities of the Trust with a view to ensuring these are being carried out in a manner that is consistent with the Trust's Constitution and its terms of authorisation
- Representing the interests of members and partner organisations
- Providing feedback to members
- Developing the Trust's membership strategy
- Contributing to constructive debate regarding the strategic development of the NHS Foundation Trust and any other material and significant issues facing the organisation
- Building and maintaining close relations between the Foundation Trust's constituencies and stakeholder groups to promote the effective operation of the Trust's activities.

In undertaking the above, the Council of Governors ensures that the Board of Directors is held to account by the Trust's key stakeholders.

The Engagement Policy which defines the relationship between the Board and Council sets out clearly the roles and responsibilities of each including that of the Chair, Chief Executive, Lead Governor, Senior Independent Director and Governors. Any disputes are

resolved in accordance with the Trust's Constitution. The Engagement Policy provides further guidance on action to take dependent upon the nature of the dispute.

Did you know?

We have maintained our commitment to the Armed Forces Corporate Covenant to support current and former members of the Armed Forces.

Composition of the Council of Governors

The Council of Governors comprises 44 seats, 33 of which are elected from the membership. Governors are elected for a three year term and can hold this position for a total of three terms. Eleven of the seats are for organisations with whom the Trust works or stakeholder organisations as they are called. These positions also have a three year term.

The Council of Governors is chaired by Jayne Brown OBE who is also the Chair of the Board of Directors. It is her responsibility to ensure that Governors' views are represented at the Board of Directors and that information from the Board is fed back to the Council. She fulfils this responsibility through regular communication with Governors as well as providing updates at each Council meeting. The Chair also gives Governors the opportunity to meet with her.

It is a requirement of the regulator, NHS Improvement, that all Foundation Trusts have a Lead Governor. Jules Jones, Public South East Governor, was elected current Lead Governor in June 2015 and re-elected to the position in 2017 for a further two years.

Five Council of Governors meetings took place during 2017/18. The individual attendance of each Governor is shown on pages 34-35, which also shows a breakdown of seats on the Council and associated Governors as at 31 March 2018, including their term of office.

Name	Constituency	Date Appointed	Term Ends	Meetings attended over total number of meetings eligible to attend
Jules Jones	Public South East	01.07.2011 01.07.2014 01.07.2017	30.06.2014 30.06.2017 30.06.2020	4/5
Liz Donaghy	Public South East	01.07.2017	30.06.2020	2/4
David Houlston	Public South West	01.07.2016	30.06.2019	2/5
Rosemary De Ville	Public South West	07.08.2014 01.07.2016	30.06.2016 13.12.2017	0/3
Mohammed Khawja Ziauddin	Public North East	01.05.2016	30.04.2019	2/5
Lorraine Ricketts	Public North East	01.07.2014	30.06.2017	1/1
Sylvia Hartley	Public North West	01.07.2014 01.07.2017	30.06.2017 30.06.2020	2/5
John Buston	Public North West	22.09.2014 01.07.2017	30.06.2017 30.06.2020	4/5
Barbara Bell	Public Rest of England	30.04.2015	30.06.2017	1/1
Joan Green	Public Rest of England	26.07.2017	30.06.2018	1/3

Name	Constituency	Date Appointed	Term Ends	Meetings attended over total number of meetings eligible to attend
Steven Dexter	Service User	01.07.2016	20.10.2017	0/2
Richard Fletcher	Service User	01.07.2016	23.05.2017	1/1
Russell Shepherd	Service User	01.07.2014	30.06.2017	0/1
Debjani Chatterjee	Service User	11.08.2014	10.08.2017	2/2
Pat Molloy	Service User	01.07.2013 01.07.2016	30.06.2016 26.01.2017	1/4
Adam Butcher	Service User	01.07.2016	30.06.2019	5/5
Tyrone Colley	Service User	01.07.2011 01.07.2014 01.07.2017	30.06.2014 30.06.2017 30.06.2020	4/5
Toby Morgan	Service User	24.03.2015	23.03.2018	4/5
Julian Payne	Service User	01.07.2017	30.06.2020	2/4
Terry Proudfoot	Service User	01.07.2016	30.06.2019	5/5
Tammy Raines	Service User	01.07.2017	30.06.2020	1/4
Joan Toy	Service User	01.07.2016	30.06.2019	2/5
Michael Thomas	Young Service User/ Carer	01.05.2016	30.04.2019	3/5
Rivka Smith	Young Service User/ Carer	01.07.2017	30.06.2020	2/4
Angela Barney	Carer	24.03.2015	23.03.2018	2/5
Billie Critchlow	Carer	01.07.2016	30.06.2019	5/5
Sue Roe	Carer	01.07.2013 01.07.2016	30.06.2016 30.06.2019	4/5
Dani Hydes	Central Support Staff	08.07.2014	07.07.2017	0/1
Dan Creber	Social Work Staff	01.07.2014	30.06.2017	1/1
Paul Miller	Medical & Clinical Staff	01.07.2011 01.07.2014	30.06.2014 30.06.2017	1/1
Mark Thorpe	Support Work Staff	07.12.2015	30.06.2017	0/1
Elaine Hall	Allied Health Professional Staff	01.07.2011 01.07.2014	30.06.2014 30.06.2017	0/1
Deborah Gamsu	Psychology Staff	01.05.2016	29.06.2017	1/1
Maggie Young	Allied Health Professional Staff	01.07.2017	30.06.2020	4/4
Adam Rogers	Clinical Support Staff	01.07.2017	30.06.2020	4/4
Vin Lewin	Nursing Staff	01.04.2013 01.05.2016	31.03.2016 30.04.2019	2/5
Jonathan Sibbring	Psychology Staff	30.06.2017	23.03.2018	4/4
Antony Sharp	Support Work Staff	01.07.2017	30.06.2020	3/4
Sue Highton	Appointed: Staffside	01.07.2011 01.07.2014 01.07.2017	30.06.2014 30.06.2017 30.06.2020	1/5
Cllr Steve Ayris	Appointed: Local Authority	05.07.2017	04.07.2020	4/4
Cllr Adam Hirst	Appointed: Local Authority	05.09.2014 05.09.2017	04.09.2017 04.09.2020	2/5

Name	Constituency	Date Appointed	Term Ends	Meetings attended over total number of meetings eligible to attend
Cllr Josie Paszek	Appointed: Local Authority	04.02.2015 04.02.2018	03.02.2018 03.02.2021	2/5
Cllr Robert Pullin	Appointed: Local Authority	03.10.2016	05.07.2017	0/1
Janet Sullivan	Appointed: Sheffield Mencap	01.07.2011 01.07.2014 01.07.2017	30.06.2014 30.06.2017 30.06.2020	2/5
Celia Jackson-Chambers	Appointed: SACMHA Health & Social Care	23.02.2015	22.02.2018	3/5
David Bussue	Appointed: SACMHA Health & Social Care	23.02.2018	22.02.2021	0/0
Professor Scott Weich	Appointed: University of Sheffield	05.09.2017	04.09.2020	2/3
Susan Wakefield	Appointed: Sheffield Hallam University	08.09.2016	07.09.2019	5/5
Mark Gamsu	Appointed: NHS Sheffield CCG	15.05.2017	14.05.2020	2/4

Changes to the Council of Governors

In 2017/18 elections were held for vacancies in seven constituencies. Five constituencies were uncontested.

Constituency	Number of Candidates	Successful Candidates	Declaration Date	Term Start Date
Allied Health Professional Staff	2	Maggie Young	26.05.2017	01.07.2017
Clinical Support Staff	1	Adam Rodgers	11.04.2017	01.07.2017
Public North East	2	Liz Donaghy Jules Jones	11.04.2017	01.07.2017
Public North West	1	Sylvia Hartley	11.04.2017	01.07.2017
Service User	5	Tyrone Colley Steven Dexter Julian Payne Tammy Raines	26.05.2017	01.07.2017
Support Work Staff	1	Antony Sharp	11.04.2017	01.07.2017
Young Service User/ Carer	1	Rivka Smith	11.04.2017	01.07.2017

Did you know?

Our primary care services work closely with five neighbourhoods in the city. This year they have established a virtual ward to identify and provide additional support to patients at risk of admission to hospital. This involves primary care, third sector voluntary organisation partners and community nursing services.

Governor Activities in 2017/18

Holding to Account

Throughout the year Governors have undertaken a number of activities which have enabled them to fulfil their statutory duties, represent members and the public and hold the Trust to account. The foundation of their success is dependent upon their relationship with the Board. The Board takes specific steps to cement its relationship with the Council of Governors in addition to the action it takes throughout the year to ensure that it fully understands the views of Governors. Non-Executive Directors meet with the Governors prior to each Council meeting where a sharing of information takes place and where Non-Executive Directors agree to pursue any issues with the Board that Governors' raise.

Along with the Chief Executive and Non-Executive Directors, other Board members attend Council meetings when appropriate.

Did you know?

We have 129 amazing volunteers supporting us. You can find out how to join them at www.shsc.nhs.uk/about-us/get-involved/volunteering

According to the Health and Social Care Act 2012, it is the role of the Council of Governors to ensure that the Trust operates within its terms of authorisation. The Trust must furnish Governors with sufficient information to give assurance on the safety, quality and cost effectiveness of its services. This is undertaken through a variety of methods including performance reports to every Council meeting, annual reviews with the Board of Directors and through regular dialogue with Non-Executive Directors.

To further strengthen the Board's accountability and increase its scrutiny, Governors are invited to ask questions of the Board at each meeting. The responses to these are formalised in the minutes of Council meetings. Governors have used this mechanism to question the Trust on a range of matters including winter pressures, carers strategies, cyber security, patient safety, in-patient environments, psychiatric decisions unit, substance misuse services, reconfiguration of services and the impact on users and carers, consultation with service users and carers, numbers of psychiatrists, individual placements and support, implementation of NICE guidelines and waiting times.

The Forward Plans

Governor's views on the Trust's forward plans are sought each year along with the views of staff, service users and other stakeholders. These views help to shape the Trust's objectives. In addition the Board held two development sessions with the Council of Governors in 2017/18 in order to ensure that the Council of Governors is able to contribute to the debate and discussion about the Trust's future direction within the new and evolving external environment.

Other activities

Governors received a comprehensive Trust induction in 2017/18 which aligns with the good practice guidance from NHS Providers. In addition a bespoke training programme was provided, delivered by NHS Providers as part of the GovernWell programme, which enabled an enhanced understanding of the role and statutory duties.

Several Governors also attended the Governor Focus Conference in London providing an opportunity to network with other governors and receive an update from national bodies about key issues for Foundation Trusts. The Trust's Council of Governors was identified at

the conference as a beacon of good practice in relation to the appointment of the Trust Chair.

In addition to their statutory duties, Governors were involved in a number of other areas of the Trust. Through their wider interests, the Governors were able to bring a broader spectrum of views to Council.

Governors are required to declare any material or financial interests in the Trust. For a copy of the register of interests, please email governors@shsc.nhs.uk.

The Nominations and Remuneration Committee of the Council of Governors

The appointment of the Trust Chair and other Non-Executive Directors is the responsibility of the Council of Governors. The process of selecting suitable candidates to be recommended for appointment by the Council is delegated to a Committee of the Council of Governors known as the Nominations and Remuneration Committee (NRC). In addition, the committee has responsibility for monitoring the performance evaluation of the Trust Chair and the Non-Executive Directors.

The Trust's Chair presides over the meetings of the NRC, except in circumstances where there would be a conflict of interest in which case the Reserve Chair (who is a member of the Council and Lead Governor) presides. For the appointment of the Trust Chair, the Senior Independent Director presides over the meeting.

It is the responsibility of the Council of Governors to both appoint and remove Non-Executive Directors. Termination requires the approval of three-quarters of the members of the whole Council of Governors pending a formal process involving a number of rigorous elements and culminating in a vote requiring the approval of three-quarters of the members of the whole Council of Governors.

Following the resignation of Cllr Leigh Bramall the Committee oversaw the appointment of Cllr Olivia Blake as Cllr Bramall's replacement. Cllr Blake's appointment was approved by the Council of Governors on 14 July 2017.

The NRC also oversaw the appointment process of two Non-Executive Directors in 2017/18. This began in January 2017 when the Committee reviewed and agreed the appointment process, job description and person specification, approved by the Council of Governors at meeting in February and July of 2018. This culminated in the successful appointment of two new Non-Executive Directors from 1 April 2018 each for four years.

Discussion between NRC members continued throughout the year and the Committee recommended to the Council of Governors in October 2017 that the terms of office for Mervyn Thomas and Susan Rogers be extended to 31 March 2018 in order to ensure sufficient knowledge, experience and organisational memory on the Board during a period of significant transformation within the organisation. This was agreed by the Council of Governors.

Membership of the Nomination and Remuneration Committee is as follows:

Name	Position
Jayne Brown OBE	Chair
Jules Jones	Lead and Public Governor
Angela Barney	Carer Governor – term ended 23.03.18
Barbara Bell	Public Rest of England Governor - term ended 30.06.17
Elaine Hall	Staff Governor – term ended 30.06.17
Maggie Young	Staff Governor – committee member from November 2017
Sylvia Hartley	Public Governor
Cllr Adam Hurst	Appointed Governor
Michael Thomas	Young Service User/Carer Governor
Pat Molloy	Service User Governor

3.1.28 Membership

Foundation Trust status gives us the advantage of being closely influenced by the people who live in the communities that we serve. This is reflected in the diversity of the constituencies into which our membership base is divided.

Constituencies, eligibility criteria and membership numbers

There are three elected membership constituencies, each of which has a number of classes within. The table details each one and its eligibility criteria and where applicable, the number of members in the class as at 31 March 2018.

Constituency	Class	Number of members	Criteria
Public	South West	2945	Must live in the following electoral wards: Gladless Valley, Dore and Totley, Fulwood, Graves Park, Nether Edge, Ecclesall, Beauchief and Greenhill or Crookes.
Public	South East	2511	Must live in the following electoral wards: Darnall, Manor Castle, Arbourthorne, Richmond, Birley, Mosborough, Beighton or Woodhouse.
Public	North West	2224	Must live in the following electoral wards: Stocksbridge and Upper Don, Stannington, Hillsborough, Walkley, Broomhill or Central.
Public	North East	2505	Must live in the following electoral wards: West Ecclesfield, East Ecclesfield, Southey, Firth Park, Burngreave or Shiregreen and Brightside.
Public	Rest of England	605	Any area within England outside of the Sheffield electoral wards.
Service User	Service User	1006	Must have received a service or services from the Trust within the last five years.
Service User	Carer	649	Must have cared for someone who has received a service from the Trust in the last five years.
Service User	Young Service	102	A service user or carer, but must be 35

Constituency	Class	Number of members	Criteria
	User/ Carer		years old or younger.
Staff	Allied Health Professional	119	Must have either worked for the Trust continuously for at least 12 months or have a contract of no fixed term
Staff	Central Support	239	
Staff	Clinical Support	381	
Staff	Medical and Clinical	120	
Staff	Nursing	483	
Staff	Psychology	227	
Staff	Social Work	73	
Staff	Support Work	491	
Appointed	Stakeholder Organisation: PMC	N/A	
Appointed	Stakeholder Organisation: SACMHA Health & Social Care		
Appointed	Stakeholder Organisation x 2		
Appointed	Local Councillors x 3		
Appointed	Staffside		
Appointed	Sheffield Hallam University		
Appointed	University of Sheffield		
Appointed	NHS Sheffield Clinical Commissioning Group		

At the end of March 2018 there were 12,548 members (excluding staff).

Did you know?

The Postgraduate Diploma in Cognitive Behavioural Therapy we provide in partnership with Sheffield Hallam University was awarded Course Accreditation (Level 2) by the British Association for Behavioural and Cognitive Psychotherapies (BABCP). This is the gold-standard award for the training of CBT therapists in the UK.

Developing a representative membership

As a successful Foundation Trust, it is our aim to maintain and further develop a membership that involves and reflects a wide representation of our local communities. We have set out how we intend to do this through our membership strategy. As well as defining the membership, this strategy outlines how we plan to:

- Benefit from being a membership-based organisation
- Communicate with and support the development of its membership
- Make sure that the membership is reflective of Sheffield's diversity
- Provide opportunities for our members to become involved with the Trust in ways that suit their needs and wishes.

Some of the actions identified to achieve these four points are:

- Publicising widely the opportunities and benefits of membership
- Recruiting members from across the whole community
- Targeting hard to reach groups specifically
- Developing and supporting effective channels of communication and engagement between Governors and members
- Ensuring membership is a worthwhile experience for individuals by engaging with individuals in a manner of their choice.

Membership recruitment and engagement

In line with the Trust's membership strategy to both recruit and engage members from across Sheffield, Governors and staff participated in a number of community events, specifically targeting ones in areas of the city with a high ethnicity and also targeting specific groups such as people with a learning disability.

The Trust held a very successful Annual Members' Meeting in 2017 which more than 200 staff and members attended. The event provided an opportunity for members to learn more about the Trust and its services. Governors presented a report on their activities to members.

A very successful Wellbeing Festival was held in July 2017 in which wellbeing organisations from across the city participated. Governors attended and engaged with members of public, helping to recruit over 70 new members.

The Trust maintains a public profile, with the primary focus of communication via *Involve*, membership magazine. Governors and staff sit on the editorial group and ensure the focus remains on issues important to members and provision of information regarding all aspects of the Trust's services.

Did you know?

Our Short Term Educational Programme (STEP) secured funding for the next two years and moved to a more accessible, city centre location.

The Trust website provides members with updated information and with ease of access in communicating with both the Trust and Governors. There is also a Trust presence on Facebook and Twitter and makes use of these social media platforms to promote, inform and engage members and the public.

If you want to contact your Governor, you can telephone (0114) 2718768, email governors@shsc.nhs.uk or write to:

The Council of Governors
FREEPOST
SHSC NHS FOUNDATION TRUST

3.1.29 Political or charitable donations we have made

The Trust has not made any political or charitable donations during the year 2017/18 as it is not lawful for an NHS Foundation Trust to make such donations.

3.1.30 Cost allocation and charging guidance

The Trust complies with the cost allocation and charging guidance issued by HM Treasury in 'Managing Public Money', in that we seek to set charges that recover full costs, calculating costs on an accruals basis, including overheads, depreciation and the cost of capital.

3.1.31 Income disclosures

In 2017/18, we met the requirement that 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 as defined under section 43(2A) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012).

All net income from the provision of goods and services for other purposes has been reinvested back into frontline healthcare for the benefit of service users.

3.1.32 The Better Payments Practice Code

The Better Payments Practice Code target is to pay all non-NHS trade creditors within 30 days of receipt of goods or a valid invoice (whichever is later) unless other payment terms have been agreed. The disclosure is completed on the basis of total bills paid. The calculations are carried out excluding invoices in dispute.

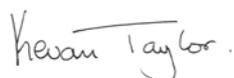
The Trust pays very few NHS bodies, making percentage compliance for NHS bodies challenging. However, we achieved 100% compliance throughout 2017/18 by both number and value.

Performance for non-NHS bodies is 99% by both number and value and is improving.

The Trust is also signed up to the Prompt Payment Code administered by the Chartered Institute of Credit Management on behalf of the Department for Business Innovation and Skills. Code signatories undertake to pay suppliers on time within the terms agreed, give clear guidance to suppliers and encourage good practice through their supply chains. Signatories also undertake to pay suppliers within a maximum of 60 days and to work towards adopting 30 days as the norm.

Did you know?

Our Care Quality Commission provider rating is 'Good'.



Chief Executive
24 May 2018

3.2 Remuneration Report

Executive Directors' remuneration

The Remuneration and Nominations Committee of the Board of Directors comprises of the Non-Executive Directors. The committee is chaired by Jayne Brown OBE, the Trust Chair.

The committee is responsible for determining the remuneration and terms and conditions of service of the Executive Directors (including the Chief Executive) in order to ensure that they are properly rewarded having regard to the Trust's circumstances.

The Chief Executive attends the committee's meetings in an advisory capacity. The Director of Human Resources and the Director of Corporate Governance/Board Secretary attend the committee's meetings to provide advice and professional support to its members.

The committee met on one occasion during 2017/18 and committee members' attendance is as shown in the table below:

Name	Position	Attendance
Jayne Brown OBE	Committee Chair	1/1
Councillor Olivia Blake (wef 14 July 2017)	Committee Member and Non-Executive Director	1/1
Councillor Leigh Bramall (until 30 June 2017)	Committee Member and Non-Executive Director	0/0
Richard Mills	Committee Member and Non-Executive Director	1/1
Susan Rogers MBE	Committee Member and Non-Executive Director	1/1
Ann Stanley	Committee Member and Non-Executive Director	1/1
Mervyn Thomas	Committee Member and Non-Executive Director	1/1

The committee meets at least once a year to decide on the appropriate remuneration and terms and conditions of service of the Executive Directors. These terms and conditions are determined by the committee and include all aspects of remuneration, provisions for other benefits (such as pensions and cars) and arrangements for termination of employment or other contractual terms.

The committee is responsible for monitoring the performance of the Chief Executive, based on an annual review provided by the Trust Chair, and of all the other Executive Directors based on an annual report provided by the Chief Executive.

The Executive Directors are on permanent contracts, and six months' notice is required by either party to terminate the contract. The only contractual liability on the Trust's termination of an Executive's contract is six months' notice. Any other liability, such as unfair dismissal compensation, would depend on the circumstances of the case. The table overleaf provides details of Executive Directors' contracts:

Executive Director	Date of contract	Unexpired terms (years to age 65)
Kevan Taylor	February 2003	8
Clive Clarke	April 2003	11
Liz Lightbown	April 2011	14
Dr Mike Hunter	October 2016	19
Phillip Easthope	January 2016	26

The Chief Executive undertakes annual appraisals with all Executive Directors, and progress on objectives is assessed at monthly one-to-one meetings with each Executive Director.

The Chief Executive reports the outcomes of these appraisals to the Board's Remuneration and Nominations Committee. The Chief Executive's own performance is monitored by the Chair at regular one-to-one meetings, and he is subject to annual appraisal by the Chair who reports the outcome of his appraisal to the Board's Remuneration and Nominations Committee.

The Board's Remuneration and Nominations Committee reviews the remuneration of Executive Directors annually, taking into account information on remuneration rates for comparable jobs in the National Health Service.

The Executive Directors' remuneration levels are referenced to the Chief Executive's level of remuneration and any increases determined for the Chief Executive. Performance-related pay is not applied under current arrangements.

It was determined that the same increase be awarded to the Executive Team as applied to staff on the relevant Agenda for Change pay bands. As staff at the higher bandings did not receive any increases under Agenda for Change, then no increase applied to the Executives.

The salary of the Chief Executive is benchmarked annually for review alongside other similar roles across the NHS and specifically both regionally, and against other Mental Health Trusts. The current remuneration level is below average when this comparison is made.

The salary component for Executives supports the short and long term strategic objectives of the Trust as it assists us in attracting and retaining senior managers who have the necessary skills and experience to lead the Trust and take forward the identified objectives. The salary is paid through our normal payroll processes. There is no specified maximum on the level of remuneration which could be paid but account would be taken of available benchmarking information and the relationship with the salaries available to other staff. There is provision, on termination of the contract, for the non-payment of salary in lieu of outstanding leave.

Non-Executive Directors' remuneration

There is a Nominations and Remuneration Committee of the Council of Governors whose responsibility, among others, is to make recommendations to the Council of Governors on the remuneration, allowances and other terms and conditions of office of the Chair and all Non-Executive Directors. It is for the Council of Governors, in general meeting, to

determine the remuneration, allowances and other terms and conditions of office of the Chair and the Non-Executive Directors, taking into account the recommendations made to it by the Nominations and Remuneration Committee.

It is the responsibility of the Council of Governors' Nominations and Remuneration Committee to monitor the performance of the Trust Chair and Non-Executive Directors. The committee may, in appropriate cases, or, if specifically requested by the Council of Governors to do so, report its findings to the Council. Details of the activities of the Nominations and Remuneration Committee for the past year are reported on in Section 3.1.27 of this report.

Details of the remuneration paid to all of the Directors during 2017/18 are shown in Table A on the following page. The Non-Executive Directors' duration of office is reported in Section 3.1.8 of this report.

Directors' remuneration and pension entitlements

All Executive Directors are contributing members of the NHS-defined benefit pension scheme and are eligible for a pension of up to half of final salary on retirement. The scheme provides a lump sum of three times the final salary on retirement. Executive Directors in the scheme receive the same benefits as other staff members. The 'Pension Benefits' Table C provides details of the current pension and lump sum position for each Director.

Table A: Salaries and allowances

Name and title	Period 1.4.17 to 31.3.18							Period 1.4.16 to 31.3.17						
	Salary and Fees (bands of £5,000)	Other Remuneration (bands of £5,000)	Taxable Benefits (rounded to the nearest £00)	Annual Performance Related Bonuses (bands of £5,000)	Long-Term Performance Related Bonuses (bands of £5,000)	Pension Related Benefits (bands of £2,500)	Total (bands of £5,000)	Salary and Fees (bands of £5,000)	Other Remuneration (bands of £5,000)	Taxable Benefits (rounded to the nearest £00)	Annual Performance Related Bonuses (bands of £5,000)	Long-Term Performance Related Bonuses (bands of £5,000)	Pension Related Benefits (bands of £2,500)	Total (bands of £5,000)
J. Brown OBE Chair	35 - 40	0					35 - 40	25-30						25-30
P. A. Stanley Non-Executive Director	10 - 15	0					10 - 15	10-15						10-15
M. Thomas, Non-Executive Director	10 - 15	0					10 - 15	10-15						10-15
S. Rogers MBE, Non-Executive Director	10 - 15	0					10 - 15	10-15						10-15
Councillor. L. Bramall Non-Executive Director (until 30 June 2017)	0 - 5	0					0 - 5	10-15						10-15
Councillor O. Blake Non-Executive Director (wef 14 July 2017)	5 - 10	0					5 - 10	-						-
R. Mills Non-Executive Director	10 - 15	0					10 - 15	10-15						10-15

Name and title	Period 1.4.16 to 31.3.17							Period 1.4.16 to 31.3.17						
	Salary and Fees (bands of £5,000)	Other Remuneration (bands of £5,000)	Taxable Benefits (rounded to the nearest £00)	Annual Performance Related Bonuses (bands of £5,000)	Long-Term Performance Related Bonuses (bands of £5,000)	Pension Related Benefits (bands of £2,500)	Total (bands of £5,000)	Salary and Fees (bands of £5,000)	Other Remuneration (bands of £5,000)	Taxable Benefits (rounded to the nearest £00)	Annual Performance Related Bonuses (bands of £5,000)	Long-Term Performance Related Bonuses (bands of £5,000)	Pension Related Benefits (bands of £2,500)	Total (bands of £5,000)
K. Taylor, Chief Executive	145-150	0				5-7.5	150-155	145-150	0				32.5-35	175-180
C. Clarke, Deputy Chief Executive and Social Care Lead	120-125	0				10-12.5	135-140	120-125	0				22.5-25	145-150
P. Easthope, Executive Director of Finance	110-115	0				22.5-25	135-140	110-115	0				107.5-110	220-225
Dr M. Hunter, Executive Medical Director	170-175	0				17.5-20	190-195	80-85	0				92.5-95	175-180
E. Lightbown, Chief Nurse/Chief Operating Officer	105-110	0				37.5-40	145-150	105-110	0				55-57.5	160-165

Paragraph 4-16 inclusive of Part 3 of Schedule 8 to the Regulations requires the disclosure of the remuneration figures detailed above and includes a single remuneration for each senior manager who served during the year in tabular form as shown above.

Cllr. L. Bramall stepped down as Non-Executive Director on 30 June 2017. He was succeeded by Cllr. O. Blake with effect from 14 July 2017.

Table B: Senior managers' remuneration

Component	Description
Salary and fees	The salary component for Executives supports the short and long term strategic objectives of the Trust as it assists the Trust in attracting and retaining senior managers who have the necessary skills and experience to lead the Trust and take forward the identified objectives. The salary is paid through our normal payroll processes. There is no specified maximum on the level of remuneration which could be paid, but account would be taken of available benchmarking information and the relationship with the salaries available to other staff. There is provision, on termination of the contract, for the non-payment of salary in lieu of outstanding leave.
Other remuneration	No Executive currently receives payment under this component.
Taxable benefits	No Executive currently receives payment under this component.
Annual performance related bonuses	Performance-related pay is not applied under current arrangements.
Long-term performance related bonuses	Performance-related pay is not applied under current arrangements.
Pension related benefits	There is nothing in addition to the normal NHS pension employer contributions for all staff.

Notes: There are no new components of the remuneration package. There have been no changes made to existing components of the remuneration package. The Executive Directors' remuneration levels are referenced to the Chief Executive's level of remuneration and any increases determined by the Remunerations and Nominations Committee. The remuneration levels for employees are set by Agenda for Change or other relevant agreed contractual arrangements.

The Hutton Disclosure

	1.4.17 to 31.3.18	1.4.16 to 31.3.17
Band of highest paid Director's total (remuneration £000)	170 – 175	145 - 150
Median total remuneration	22,128	19,726
Ratio of median remuneration to midpoint of the highest paid Director's band	7.9	7.5

In accordance with the Hutton Review of Fair Pay, reporting bodies are required to disclose the relationship between the remuneration of the highest paid Director in their organisation and the median remuneration of the organisation's workforce.

The median remuneration is based on full time equivalent directly employed staff as at 31 March, excluding the highest paid Director (as per the guidance).

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

The median is the middle number in a sorted list of numbers. The ratio is the number of times the median can be divided into the highest paid Director's total remuneration.

Directors and Governors expenses

	2017/18	2016/17
	£00	£00
Expenses shown in £00s		
Aggregate sum of expenses paid to Governors	0	0
Aggregate sum of expenses paid to Directors	28	17
Total	28	17

	Number in office		Number receiving expenses	
	2017/18	2016/17	2017/18	2016/17
Governors	28	39	0	0
Directors (excluding the Chair and Non-Executive Directors)	5	5	5	5

Table C: Pension benefits

As Non-Executive members do not receive pensionable remuneration, there will be no entries in respect of pensions for Non-Executive members.

Name and title	Real increase in pension at pension age (bands of £2,500) £000	Real increase in pension lump sum at pension age (bands of £2,500) £000	Total accrued pension at pension at 31 March 2018 (bands of £5,000) £000	Lump sum at pension age related to accrued pension at 31 March 2018 (bands of £5,000) £000	Cash equivalent transfer value at 31 March 2018 £000	Cash equivalent transfer value at 31 March 2017 £000	Real increase in cash equivalent transfer value £000	Employer's contribution to stakeholder pension £000
K. Taylor, Chief Executive	0 – 2.5	2.5 - 5	55 - 60	170 - 175	1,317	1,216	89	0
C. Clarke, Deputy Chief Executive and Social Care Lead	0 – 2.5	2.5 - 5	25 – 30	80 – 85	577	515	56	0
P. Easthope, Executive Director of Finance	0 – 2.5	0	20 – 25	50 – 55	285	249	33	0
Dr M. Hunter, Executive Medical Director	0 – 2.5	0	35 – 40	95 – 100	593	533	54	0
E. Lightbown, Chief Nurse/Chief Operating Officer	0 – 2.5	5 – 7.5	40 - 45	120 - 125	800	706	88	0

Notes

The majority of employees are covered by the provisions of the NHS Pensions Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, general practitioners and other bodies under the direction of the Secretary of State, in England and Wales. As a consequence it is not possible for the Trust to identify its share of the underlying scheme assets and liabilities. A small number of staff are, however, members of South Yorkshire Pensions scheme. Further details can be found in the Annual Accounts at note 1.11 and note 29.

Service contract obligations

There is a requirement to notify of any outside business interests and/or contracts/proposed contracts where there is a financial interest. Prior written consent is required for engaging in any other business, profession, trade or occupation.

The intellectual property created during the course of employment belongs to the Trust and there is provision for payment to Trust for any remuneration which arises from such intellectual property.

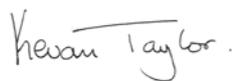
Policy on payment for loss of office

There is a requirement on each side to provide six months' written notice. The principles for approaching payment for loss of office will be those arising from the legal obligations of the Trust under normal contractual or statutory provisions.

The Trust reserves the right to terminate the contract forthwith for offences of gross misconduct and other similar situations such as serious breach of the contract, becoming bankrupt, being convicted of a criminal offence, becoming permanently incapacitated and/or becoming disqualified from holding office as an Executive Director.

Statement of consideration of employment conditions elsewhere in the Trust

The committee took explicit account of the Agenda for Change pay award which was effective from 01 April 2017 and, this year, applied the same increase to Executive Directors. There was no consultation with staff regarding this increase.



Chief Executive
24 May 2018

3.3 Staff report

3.3.1 Staff numbers and staff costs

Overall, the workforce has remained stable. There has been a slight decrease in substantive employment and a decrease in the use of agency staff.

Average number of people employed (whole time equivalent basis)	2017/18 Number	2016/17 Number
Medical and dental	147	164
Administration and estates	446	480
Healthcare assistants and other support staff	745	736
Nursing, midwifery and health visiting staff	665	718
Scientific, therapeutic and technical staff	255	406
Social care staff	77	88
Other	6	6
	2,341	2,598

As at 31 March 2018 the gender ratio of staff is 74% female, 26% male. Of the Trust's Directors five are female and six are male. Of the Trust's other senior managers, 26 are female and 22 are male.

	Permanent £000	Other £000	2017/18 Total £000	2016/17 Total £000
Salaries and wages	70,151	1,090	71,241	76,954
Social security costs	6,953	-	6,953	7,292
Apprenticeship levy	345	-	345	-
Employer's contributions to NHS pensions	8,675	-	8,675	9,015
Pension cost – other	-	623	623	439
Other post employment benefits	-	-	-	-
Other employment benefits	-	-	-	-
Termination benefits	486	-	486	1,666
Temporary staff	-	3,354	3,354	3,667
Total gross staff costs	86,610	5,067	91,677	99,033
Recoveries in respect of seconded staff	-	-	-	-
Total staff costs	86,610	5,067	91,677	99,033
Of which	207	21	228	254
Costs capitalised as part of assets				

Did you know?

Two members of our support staff have started a four year apprenticeship to undertake the new Registered Nurse Degree Apprenticeship with the Open University. We will be recruiting two more apprentices from our current support staff to commence training later in 2018 and will offer this opportunity to two support staff each year.

3.3.2 Sickness absence

To help ensure staff have an improved understanding of the causes of sickness, and the actions which are available and appropriate to improve and promote attendance, an annual Conference takes place which is open to all staff. The Agenda for these events are developed through the work of our Joint Staff Working Party on promoting attendance and managing sickness absence.

The level of sickness absence continues to be a focus for action as it remains higher than our organisational target of 5.1%. Our actions to date have included a continuous plan for raising awareness of the importance of the issue (including our conferences), and the development of an action plan. Our Attendance and Sickness Absence Case Manager reviews, in detail, those individuals whose level of sickness absence has given cause for concern, and provides managers with dedicated support and guidance in managing situations where triggers within the policy have been met. Recently we have undertaken a process of reviewing the existing sickness absence policy with a view to simplifying the language and the various stages contained within it. To support this, we are refreshing our management training and offering additional training sessions to support awareness and promote staff health and wellbeing. The aim of the policy review is to ensure it continues to support the reduction of sickness absence and we continue to work closely with Staff Side colleagues in a partnership approach.

Did you know?

We are the project lead to supply free NHS Wi-Fi to GP practices in the five Clinical Commissioning Groups in the South Yorkshire and Bassetlaw region.

In managing sickness cases we recognise the importance of good quality medical advice and information to support staff during their absence, and in facilitating a supportive return to work at the earliest opportunity. We have, therefore, begun to review the specification for our Occupational Health provision with a view to making improvements. Furthermore, in addition to the confidential staff counselling service we offer, we have put in place 'fast track' triage processes to support staff with physical (musculo-skeletal) and mental health issues.

We have continued to develop the 'Support for Staff' section of our intranet which includes advice and support on a range of topics including personal support, work, available support groups within the Trust, health and wellbeing, and personal and professional development as well as information on staff benefits.

More detailed information on sickness absence is given below:

Staff sickness absence	2017/18	2016/17
Total days lost	28,485	30,902
Total staff years	2,204	2,348
Average working days lost	13	13

3.3.3 Supporting disabled employees



We are currently on level two of the Disability Confident Employer scheme and we continue to work towards level three – 'Disability Confident Leader'.

During the year we were a pilot site for testing the new metrics proposed for the new NHS workforce standard due to be introduced in the NHS in 2018/19. We also introduced a new disabled staff policy.

Did you know

We secured funding for two leadership fellow posts as part of the Health Education England Yorkshire and Humber's Future Leaders Programme for 2018/19.

3.3.4 Staff engagement and involvement

The Trust has a range of methods for keeping staff informed on matters of concern to them as employees. These include

- A monthly letter from the Chief Executive
- Regular team briefings
- A weekly e-bulletin and regular updates on our staff intranet
- Engagement with various groups of staff through regular forums on specific areas of concern.

Supervision is a key mechanism for ensuring staff concerns are addressed systematically and we have taken forward our work on improving supervision. This builds on the previous work which has been undertaken to improve the take-up of Personal Development Reviews (PDR) by embedding a PDR three month focal point 'window' (April to June) for all employees.

Elleanor's story

Elleanor was working in a nursing home when she applied to the Trust to be a business and administrative apprentice, and she continued to do so part time throughout the apprenticeship.

Elleanor was responsible for providing administrative support to two clinical services – the Gender Identity Service and the Relationship and Sexual Health Service. The role included managing email, diaries and filing systems. As well as studying as part of her apprenticeship, Elleanor attended training sessions where possible, which has helped her to develop her career.

Following successful completion of her apprenticeship Elleanor has been supported by the Trust to complete her Level 3 NVQ in Business Administration. Elleanor is now working as a medical secretary and administrator within the team where she undertook her apprenticeship.

Support mechanisms for staff are already well established within the Trust which encourage staff to get involved with the Trust's performance and development. These include:

- Visits to teams from Non-Executive Directors and Executive Directors of the Board, including the Chief Executive
- Microsystems coaching (the quality improvement technique we use to drive service improvement)
- Crucial Conversations training (where leaders learn to tackle the difficult conversations which need to take place at work)
- Staff surveys on specific topics such as sickness and smoking

- Our coaching service (we have more than 20 staff trained as coaches who are available for one-to-one coaching)
- Schwartz Rounds (a monthly forum where all staff are invited to come and think about the emotional and social dilemmas that arise in our work)
- Mindfulness and Mindful Leadership training
- Staff Conferences including 'Compassionate Care' and 'Promoting Attendance and Managing Sickness Absence'.

This year we have introduced an additional initiative to strengthen staff engagement and support by introducing a Leadership Engagement Network which is led by the Chief Executive. We have continued to develop our mentoring course.

As a Foundation Trust, all staff are automatically members of the Trust unless they specifically choose to opt out. We have eight dedicated Staff Governors who ensure that the voices and concerns of staff are represented at the Council of Governors.

Did you know?

We support the Royal College of Psychiatrists' national campaign to encourage more medical students and foundation doctors to #choosepsychiatry

3.3.5 Staff consultation

We engage with Staff Side on a continuing basis. This includes the established mechanisms such as the Joint Consultative Forum, Joint Policy Group and, for medical staff, the Joint Local Negotiating Committee. In addition, there are specific arrangements put in place in relation to particular issues or topics.

Did you know?

We are proud to pay the Real Living Wage to our staff – this is part of our commitment to fairness.

The continuing and extensive organisational change agenda has also required close working between the Trust and Staff Side in order to assist staff as much as possible. This has included a number of service re-organisations, service closures and the transfer of staff both from and to the Trust. It has also included one further round of our Mutually Agreed Resignation Scheme (MARS) which enables posts to be available, where practicable, for staff on redeployment. We operate the scheme in conjunction with Staff Side representatives through our MARS Vacancy Panel. Eleven employees have had their applications approved under this scheme in early 2018.

During 2017/18 we have secured alternative work within the Trust for over 50 of our staff affected by change. This has helped us retain skills and experience of valuable staff and reduce the amount of agency spend.

Did you know?

We've launched a service user group for older adults who experience mental health issues – the Helping One Another Group meets every month and is open to anyone who uses (or has used) the older adults mental health services.

3.3.6 Education, training and development

We have a dedicated education, training and development department which commissions and delivers core mandatory, clinical skills and specialist training for our staff to ensure that they meet the essential training requirements for their roles. Our aim is to ensure we always have the staff with the right skills at the right time to provide high quality, safe care to our services users.

We have seen an even greater increase in compliance with all our essential core mandatory training subjects during 2017/18. The priority for next year is to sustain these levels and work with staff and managers to make sure that update training sessions are booked in advance to maintain compliance. The department continually reviews all training courses to make sure they reflect changes and developments within the NHS and society.

Did you know?

We introduced a new service model in our Gender Identity Clinic. The waiting time continues to be higher than we would like due to high demand but is the lowest waiting time in England for this specialist service (51 weeks).

We continue to review and develop training that supports multi-disciplinary learning and the application of learning in to practice. In January we launched the new Electronic Staff Record (ESR) portal. Through the ESR portal staff are able to access not only their e-learning and training compliance information but also payslips, pension information, sickness data as well as their personal data. We are currently undertaking a pilot of 'supervisor self-service' which allows supervisors and team managers to access real time information regarding their teams' attendance, compliance with mandatory training and PDR/appraisal data. We plan to roll this out across the Trust next year.

We remain committed to apprenticeships as a route into employment and have seen an increase in the numbers and diversity of training routes we offer. In addition to our core programmes in health and social care and business administration we now have a number of degree level routes for an IT Digital Analyst and Estates Technical Officer. The apprenticeship levy spending plan for 2018-19 will focus on our priority workforce needs such as nursing and the development of new roles for higher level support staff including trainee Nursing Associates. In collaboration with seven local health care providers and Sheffield College, we are proud to be part a pilot to train and introduce the role of Band 4 Assistant Practitioner to the workforce. Four members of staff based at Woodland View Nursing Home are now 12 months into their 18 month training programme. They are all progressing well and have recently received distinctions for their work.

We have a long tradition of supporting staff to undertake their nurse training. There are currently three staff studying with the Open University and another five due to qualify with Sheffield Hallam University in March. This year two support staff have started a four year apprenticeship to undertake the new Registered Nurse Degree Apprenticeship with the Open University. We will be recruiting two support staff to this apprenticeship each year.

We have been able to maintain our capacity to support both nurse and Allied Health Profession pre-registration students. Post placement evaluations demonstrate our placements are of a high quality, with 92% of responses to questions on the Practice Placement Quality Assurance evaluation being positive. As health care education develops to meet the changing workforce needs of the NHS the Placement Quality Team are working with Sheffield Hallam University to explore alternative ways of supporting learning in the workplace. To this aim we will be trialling a version of the Collaborative

Learning in Practice model – CliP. The model adopts a whole team approach to supporting learning through coaching.

Did you know?

Our Transport Services and Estates staff are trialling alternative fleet vehicles including 100% electric vehicles.

During the year, the Recovery Education Unit (REU) undertook a postgraduate validation process with Sheffield Hallam University. This allowed for the development of new modules to be integrated into the Postgraduate Diploma in Mental Health Recovery and reflects new ideas in relation to recovery based practice.

With a team that draws on both academic and service user expertise, the REU continues to offer a wide variety of learning opportunities. In addition to the postgraduate course, it also offers workshops on specialist recovery practice skills. This involves a five-day value based practice course alongside a short introductory course for recovery focused family work. Recognising the variable learning requirements of students, the REU offers online courses which include mental health awareness and a more detailed recovery course.

The REU is committed to staff development and training, with one lecturer recently obtaining his MSc. Another member of staff has also recently embarked on systemic family therapy training, while another two members of staff are training to become Mental Health First Aid Trainers. This contributes to the quality of teaching and student learning, as well as providing the assurance that both the courses, and the staff who present them, are at the cutting edge of practice development and innovation.

The Cognitive Behavioural Psychotherapy Training Department achieved accreditation with the British Association for Behavioural and Cognitive Psychotherapies, as well as revalidation of the Postgraduate Diploma in Cognitive Behavioural Psychotherapy with Sheffield Hallam University. Both the accreditation and the validation process required close scrutiny of the team's work and are a real testament to the hard work and commitment of staff. The team continues to deliver courses on Cognitive Behavioural Therapy at introductory and advanced levels, as well as specialising in training in Acceptance and Commitment Therapy and Mindfulness. The department also hosted a workshop presented by an international expert in treating personality disorders.

Sam's story

Sam joined the Trust as a health and social care apprentice after leaving school. He wanted paid work while also having the opportunity to gain a qualification and develop his skills.

Sam was responsible for supporting people experiencing mental ill health on our acute in-patient wards, providing emotional and practical support. This included being a sympathetic listener as well as escorting service users on leave and helping them to engage with their hobbies and interests. As well as studying as part of his apprenticeship, Sam attended training sessions to help him develop his career.

Sam is now employed as a full time support worker on one of the wards where he completed his apprenticeship. His goal is to work in occupational therapy, as an assistant initially, and maybe qualify in the future.

We have a well-established relationship with the University of Sheffield's Medical School, leading on teaching in psychiatry to undergraduate medical students across the five year course (240 students per year) and as the lead organisation for clinical placements in the region. This year we are also providing placements for approximately 50 Physician Associates in conjunction with the University of Sheffield, Sheffield Hallam University and the University of Birmingham.

Additionally, we run several recruitment initiatives to encourage students and doctors to consider psychiatry as a career and offer selected student-selected components, Masterclasses and electives to interested students from Sheffield and beyond. We have two undergraduate Clinical Tutors and a Nurse Educator to support the development and improvement of undergraduate medical and physician associated education. We have also recruited six undergraduate Medical Placement Leads from across the breadth of the Trust to ensure students get a broad and supported learning experience on placement.

The quality visit undertaken by the University of Sheffield in relation to our lead role in both Sheffield and regionally commended the team on "the range of activities offered across the MBChB course" and said that there were "good, thriving groups, which helped to raise the profile of psychiatry in South Yorkshire".

Did you know?

We have introduced new understanding stress and building resilience workshops for staff.

We are a lead employer for the postgraduate psychiatry training scheme in South Yorkshire and have a dedicated team to ensure a high quality and varied training experience. We have 13 foundation posts, 14 core posts and 14 higher training posts (in old age and general adult specialities).

Psychiatry is considered a hard to fill training specialty and we have recruited three Clinical Fellows to be able to overcome the challenges of low recruitment.

We have a robust teaching programme which includes regular Continuing Professional Development sessions and we also hold teaching and events hosted by service users. We offer varied special interest opportunities in medical education (including medical student teaching) and research/quality improvement. At a recent Health Education England quality visit, foundation and core trainees reported feeling well supported with sufficient learning opportunities.

Following the publication of "Supported and Valued" by the Royal College of Psychiatrists, we host a quarterly Enhanced Junior Doctor Forum led by higher trainees to improve communication between trainees and senior management.

We work closely with the University of Leeds to deliver the Core Psychiatry Training Course to help prepare core trainees for college exams and life as a higher trainee. We host guest lecturers and use videoconferencing facilities to take advantage of clinical expertise in the region.

3.3.7 Health and safety

We place a strong focus on health, safety and wellbeing. We aim to maintain an environment and practices which are safe and supportive for service users, staff and visitors.

The Trust has a well-established Health and Safety Group comprising management and Staff Side representatives, which is chaired by an Executive Director. The role of the group is to monitor and maintain effective health and safety management systems that are proportionate to the level of risk to be managed and ensure compliance with legislation, regulations and codes of practice.

Health and safety inspections are regularly undertaken at all sites by local staff. Inspections are also completed by the Trust's Health, Safety and Risk Advisor to measure health and safety performance at each service or department and for the Trust as a whole. In-patient areas are audited every 12 months and community based services and non-clinical services, every 18 months, in line with a risk based approach.

Did you know?

We introduced an employee physiotherapy service to provide advice, support and treatment to staff experiencing musculoskeletal problems.

3.3.8 Occupational health

We provide an occupational health service via a contract with Sheffield Teaching Hospitals NHS Foundation Trust. Our occupational health provider has representation on the Joint Sickness Working Party and presented at our recent conference on Promoting Attendance at Work.

We also provide a free, confidential staff counselling and consultation service (Workplace Wellbeing) which is available to both individuals and groups of staff.

3.3.10 Countering fraud and corruption

We follow best practice as recommended by the NHS Counter Fraud and Security Management Service. Staff are trained in fraud awareness and we actively promote the mechanisms for staff to report any concerns about potential fraud or corruption. All concerns are investigated by the local Counter Fraud and Security Management Specialist and the outcome of all investigations are reported to the Audit Committee. Local Counter Fraud services are provided by 360 Assurance.

Did you know?

Our Research Development Unit has been involved in conducting 60 clinical research projects aimed at improving the quality of services, increasing service user safety and delivering effective outcomes.

3.3.11 Staff survey

The national staff survey is carried out annually on behalf of all Trusts. At a local level the survey itself is conducted independently by an approved sub-contractor and the results are then collated and benchmarked at national level. A summary of the 32 key findings for the Trust has been presented and discussed at Board and a synopsis of the main conclusions given.

Response rate	2017/18		2016/17		Trust improvement/ deterioration
	Trust	National average	Trust	National average	
	35.4%	45%	40%	44%	Deterioration

Top five ranking scores	2017/18		2016/17		Trust improvement/ deterioration
	Trust	National Average	Trust	National Average	
% of staff appraised in the last 12 months	95%	89%	95%	89%	No change
% of staff able to contribute towards improvements at work	75%	73%	73%	70%	Improvement
% of staff experiencing physical violence from staff in last 12 months	2%	3%	4%	2%	Improvement
% of staff/colleagues reporting most recent experience of violence	94%	93%	95%	73%	Deterioration
% of staff working extra hours (lower score is good)	70%	72%	64%	72%	Deterioration

Bottom five ranking scores	2017/18		2016/17		Trust improvement/ deterioration
	Trust	National average	Trust	National average	
% of staff experiencing harassment, bullying or abuse from patients, relatives or the public in last 12 months	38%	32%	26%	28%	Deterioration
% of staff agreeing that their role makes a difference to patients/service users	82%	88%	87%	90%	Deterioration
% of staff witnessing potentially harmful errors, near misses or incidents in last month	34%	27%	29%	28%	Deterioration
Effective use of patient/service user feedback	3.41	3.72	3.53	3.67	Deterioration
Staff feeling motivated at work	3.71	3.91	3.79	3.92	Deterioration

The response rate for the 2017 survey was 35.4% which is below the response rate for last year. The 2017 survey was of all eligible staff and there were over 830 completed responses.

Our staff engagement score has slightly reduced from 2016 (3.74 to 3.64) although it is still below the sector average and has seen a steady downward trend over the last three years. The national position at 3.78 is marginally higher although the national score has also decreased in the past year.

The most significant positive change has been identified as relating to the percentage of staff experiencing harassment, bullying or abuse from staff in the last 12 months. We also score much better than the national average for the number of appraisals undertaken.

The score which has deteriorated most relates to the percentage of staff working extra hours which has been a positive indicator over the past four years. We also continue to score worse than average for percentage of staff attending work in the last three months despite feeling unwell because they felt pressure from their manager, colleagues or themselves.

The Trust has developed an action plan to address the areas identified as needing attention in the tables overleaf. Progress is being monitored by the Board of Directors' Workforce and Organisational Development Committee.

Did you know?

We removed the cap on bank pay to improve fairness and reduce the use of agency staff across the Trust.

Health and wellbeing of staff

Of particular note here is the number of staff attending work in the last three months despite feeling unwell because they felt pressure from their manager, colleagues or themselves where we score worse than average. Our sickness absence rate has historically been a cause for concern as it has been higher than many other organisations. We have, therefore, undertaken various initiatives to address this including revisions to the sickness absence procedure and focusing on promoting staff health and wellbeing. Our Staff Health and Wellbeing Group leads on this work. It is noteworthy that our score for organisational and management interest in, and action on health and wellbeing is slightly better than the national average.

Did you know?

We ran a staff cyber security awareness campaign and achieved significant assurance in a cyber security audit.

Equality and diversity

Our scores for staff experiencing discrimination at work in the last 12 months, and staff believing that we provide equal opportunities for career progression or promotion have significantly decreased. Nationally there is a similar trend for these findings. We will continue to work with our BME Staff Network Group to address these issues.

The features from this staff survey will feed into the People Plans which are intended to underpin the Directorate Business Plans. The survey results are also discussed with Staff Side colleagues in order that their views on priorities and actions can be taken into account.

The response to the staff survey is monitored through the project groups in place to take action, as well as the Joint Consultative Forum (with Staff Side), and also through the Workforce and Organisational Development Board sub-committee.

James' story

James left school with few qualifications and worked in a care home at weekends while at college. The care home supported him to do his NVQ Level 2 and he came to work for the Trust on the old Edgedale Ward at the Michael Carlisle Centre.

While James was on Edgedale Ward he was supported first to undertake an Access to Nursing course and then his nursing training. After successfully completing his nurse training he chose to focus on supporting older adults, spending a year working on G1, our specialist dementia ward.

James then moved to our Dementia Rapid Response and Home Treatment Team where he was later promoted to a Band 6 nursing post. Two years ago he was offered the opportunity to join the team at Woodland View Nursing Home as a Band 7 Senior Practitioner. James is deeply committed to providing compassionate care to the very frail and vulnerable service users at Woodland View.

3.3.12 Expenditure on consultancy

In 2017/18 we spent £497,000 on consultancy. This largely relates to support for various estates and IT business cases, as well as the introduction of new services, computer software and other efficiency and reporting systems.

Did you know?

In 2017 we signed up to be a Dementia Friend.

3.3.13 Off-payroll engagements

As part of the Review of Tax arrangements of Public Section Appointees published by the Chief Secretary of the Treasury on 23 May 2012, NHS Foundation Trusts are required to present data in respect of off-payroll arrangements.

Table 1: For all off-payroll engagements as of 31 March 2018, for more than £220 per day and that last for longer than six months

Number of existing engagements as of 31 March 2018	1
Of which:	
Number that have existed for less than one year at time of reporting	0
Number that have existed between one and two years at time of reporting	0
Number that have existed between two and three years at time of reporting	1
Number that have existed between three and four years at time of reporting	0
Number that have existed for four or more years at time of reporting	0

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

Table 2: For all new off-payroll engagements, or those that reached six months in duration, between 01 April 2017 and 31 March 2018, for more than £220 per day and that last longer than six months.

Number of new engagements, or those that reached six months in duration, between 1 April 2017 and 31 March 2018	1
Number of the above which include contractual clauses giving the department the right to request assurance in relation to income tax and National Insurance obligations	0
Number for whom assurance has been requested	1
Of which:	
Number for whom assurance has been received	1
Number for whom assurance has not been received	0
Number that have been terminated as a result of assurance not being received	0

Table 3: For any off-payroll engagements of Board members, and/or, senior officials with significant financial responsibility, between 01 April 2017 and 31 March 2018.

Number of off-payroll engagements of Board members, and/or, senior officials with significant financial responsibility, during the financial year	0
Number of individuals that have been deemed 'Board members, and/or, senior officials with significant financial responsibility', during the financial year. This figures should include both off-payroll and on-payroll engagements.	5

3.3.14 Exit packages

Staff exit packages

The table below summarises the total number of exit packages agreed during the year. Included within these are compulsory redundancies and other schemes including MARS (Mutually Agreed Resignation Scheme) applications. The note shows packages agreed in year, irrespective of the actual date of accrual or payment.

Exit package cost band	Number of compulsory redundancies		Number of other departures agreed		Total number of exit packages by cost band	
	2017/18	2016/17	2017/18	2016/17	2017/18	2016/17
<£10,000	1	1	13	26	14	27
£10,000-£25,000	2	4	6	13	8	17
£25,001-£50,000	3	2	1	6	4	8
£50,001-£100,000	2	0	0	0	2	0
£100,001-£150,000	0	0	0	0	0	0
Total number of exit packages by type	8	7	20	45	28	52
Total resource cost £000s	294	140	192	523	486	663

Analysis of non-compulsory departure payments

The table below discloses non-compulsory departures and values of associated payments by individual type. The note shows packages agreed in year, irrespective of

the actual date of accrual or payment. As a single exit package can be made up of several components, each of which will be counted separately in this note, the total number above will not necessarily match the total numbers in exit packages note above which will be the number of individuals.

	Number of agreements		Total Value of agreements £000	
	2017/18	2016/17	2017/18	2016/17
Voluntary redundancies including early retirement contractual costs	0	0	0	0
Mutually agreed resignations (MARS) contractual costs	11	28	159	460
Early retirement in the efficiency of the service contractual costs	0	0	0	0
Contractual payments in lieu of notice	9	14	33	41
Exit payments following Employment Tribunals or Court orders	0	3	0	22
Non-contractual payments requiring HMT* approval	0	0	0	0
Total	20	45	192	523
Of which: non-contractual payments requiring HMT approval made to individuals where the payment value was more than 12 months of their annual salary	0	0	0	0

* Includes any non-contractual severance payment following judicial medication, and amounts relating to non-contractual payments in lieu of notice. The Remuneration Report provides details of exit payments payable to individuals name in that report.

3.4 Code of Governance Disclosures

Our commitment to good governance

The Board of Directors recognises the importance of the principles of good corporate governance and is committed to improving the standards of corporate governance followed by all those who play a part in the conduct of the Trust's business.

The Board recognises that the purpose of the NHS Foundation Trust Code of Governance (the Code) which is published by NHS Improvement, the independent Regulator of NHS Foundation Trusts, is to assist NHS Foundation Trust Boards and their Governors to improve their governance practices by bringing together the best practices from the public and private sectors.

Sheffield Health and Social Care 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 Code issues in 2012.

Application of the main and supporting principles of the Code of Governance

The Board implements the main and supporting principles of the Code through a number of key governance documents, policies and procedures, including:

- The Trust's Constitution
- The Standing Orders of the Board of Directors and the Council of Governors
- The Scheme of Reservation and Delegation of Powers of the Board of Directors
- The Standing Financial Instructions
- The Annual Governance Statement
- Codes of Conduct and Standards of Business Conduct
- The Annual Plan and the Annual Report
- Authority structures and terms of reference for the committees of the Board of Directors and Council of Governors.

Compliance with the provisions of the Code

In 2017/18 the Trust complied with all relevant requirements of the Code with the exception of two provisions.

In relation to provision A.1.9 'having a single code of conduct for Board members'. Although the Trust does not have a single code, the conduct of Board members is governed for Non-Executive Directors by their terms and conditions of office and for Executive Directors their contract of employment. In addition, the Constitution, Standing Financial Instructions and Managing Conflicts of Interest in the NHS Policy all specify the standards of conduct to which all Board members are expected to adhere.

In relation to provision B.7.4 relating to the terms of office of Non-Executive Directors, a comprehensive review of the Trust's constitution was undertaken and it was decided by the Board of Directors and Council of Governors that terms of office of four years, rather than three stated in the Code, would provide a greater degree of stability and continuity without compromising independence.

Disclosure of corporate governance arrangements

In accordance with the disclosure requirements of the Code, the Board of Directors makes the following disclosures:

- A.1.1 Statements on how the Board of Directors and the Council of Governors operate, including high level statements of which types of decisions are to be taken by each one of them and which are to be delegated to the management by the Board of Directors, are contained in Sections 3.1.8 and 3.1.27 of this report. A statement describing how any disagreements between the Council of Governors and the Board of Directors will be resolved is contained in Section 3.1.27.
- A.1.2 The names of the Chair, the Vice-Chair, the Chief Executive, the Senior Independent Director, Chairs and members of the Board of Directors' Remunerations and Nominations Committee, the Council of Governors' Nominations and Remuneration Committee and the Audit Committee are contained Sections 3.1.8, 3.1.10 and 3.1.27 of this report. The number of meetings of the Board of Directors, its Committees and the attendance by individual Directors are shown in Sections 3.1.8 and 3.1.10 of this report.
- A.5.3 The names of the Governors, details of their constituencies, whether they are elected or appointed, the duration of their appointment and details of the nominated Lead Governor are contained in Section 3.1.27 of this report. The number of meetings of the Council of Governors and the individual attendance by Governors and Directors is also contained in Section 3.1.27.
- B.1.1 The Board considers the following Non-Executive Directors to be independent in character and judgement:
- i. Jayne Brown OBE (Chair)
 - ii. Ann Stanley
 - iii. Mervyn Thomas
 - iv. Susan Rogers MBE
 - v. Richard Mills
 - vi. Councillor Olivia Blake.

The Board holds this view in relation to all of the above-mentioned Directors for the following reasons:

- o None of them is employed by the Trust or has been in the last five years
- o None of them has, or has had, within the last three years, a material business relationship with the Trust, either directly or as a partner, shareholder, Director or senior employee of a body that has such a relationship with the Trust
- o None of them has received or receives additional remuneration from the Trust apart from their Director's fee. They do not participate in any performance-related pay as no such scheme is run by the Trust nor are they a member of the Trust's pension scheme
- o None of them has close family ties with any of the Trust's advisers, Directors or senior employees
- o None of them holds cross-directorships or has significant links with other Directors through involvement (with those other Directors) in other companies or bodies
- o None of them is a member of the Council of Governors

- None of them has served on the Board of this NHS Foundation Trust for more than 10 years.

B.1.4 Contained in Sections 3.1.11 and 3.1.13 of this report is a description of each Director's expertise and experience and a statement on the Board of Directors' balance, completeness and appropriateness. In addition, it also contains information about the length of appointments of the Non-Executive Directors and how those appointments may be terminated.

B.2.10 An explanation of the work of the Remuneration and Nomination Committee which oversees the appointment process of executive members of the Board can be found in Sections 3.1.10.4 and 3.1.27 of this report. The work of the Nominations and Remunerations Committee of the Council of Governors, including the process it used in relation to Board appointments together with an explanation of whether a search consultancy was used in the appointment of the Chair or the Non-Executive Directors, is contained in Section 3.1.27 of this report.

B.3.1 The Trust Chair's other significant commitments and any changes to them during the year are contained in the Directors' Register of Interests referred to in Section 3.1.12 of this report.

B.5.6 A statement about how the Governors have canvassed the opinion of the Trust's members and the public, and for appointed Governors the body they represent, on the Trust's forward plan, including its objectives, priorities and strategy, and how their views were communicated to the Board of Directors is contained in Section 3.1.27 of this report.

B.6.1 A statement on how the performance of the Board, its Committees and individual Directors was evaluated is contained in Section 3.1.13 of this report;

B.6.2 Relating to external evaluation of the Trust Board and governance of the Trust a number of activities have taken place.

A Care Quality Commission (CQC) Well-led inspection was conducted in May 2016 and reported in August 2016. The findings supported the ratings from the last inspection in November 2014 which were assessed a "good" in the Well-led domain. A further comprehensive CQC inspection was undertaken in November 2016 with an overall rating of good and a Well-led rating of good, with an outstanding rating identified in one domain in two service areas.

In addition, during 2017/18 360 Assurance, the Trust's internal auditors conducted a number of governance reviews including cyber security governance, directorate financial governance, quality governance, Trust committee governance and compliance with the Trust's Provider Licence. Following each review detailed actions plans have been completed and monitored by relevant committees and the Trust Board.

C.1.1 An explanation from the Directors of their responsibility for preparing the accounts and a statement by the auditors about their reporting responsibilities is contained in Sections 3.1.4 and 3.6 of this report and the approach taken to quality governance is detailed in the Governance Statement (Section 3.7).

- C.2.1 A report that the Board has conducted a review of the effectiveness of the Trust's system of internal controls is contained in Section 3.1.10.1 of this report.
- C.2.2 The Trust has an Internal Audit function. Information on how the function is structured and what role it performs is included in Section 3.1.10.1 of this report.
- C.3.5 The Council of Governors has not refused to accept the recommendation of the Audit Committee on the appointment or re-appointment of an external auditor, and this matter is therefore not reported on.
- C.3.9 An explanation of the work of the Audit Committee can be found in Section 3.1.10.1 which includes any significant statements the committee considered in relation to financial statements, operations and compliance, and how these issues were addressed, an explanation of how it has assessed the effectiveness of the Trust's external audit process and details of the Trust's external audit contract as well as information about any non-audit work that may have been commissioned.
- E.1.4 Members who wish to communicate with Governors or Directors may do so by contacting the Deputy Board Secretary.
- E.1.5 Board members and in particular Non-Executive Directors develop an understanding of the views of Governors and Members through their attendance at meetings of the Council of Governors. They are further informed of the activities of the Council of Governors at monthly Trust Board meetings as updates on the affairs of the Council of Governors and the Trust's Members are a standing item on the Board's agenda. Further details on how the Board canvass the views of Governors and Members can be found in Sections 3.1.27 and 3.1.28 of this report.
- E.1.6 The Board monitors membership and engagement monthly through its performance management processes. Information on monitoring how representative the Trust's membership is and the level and effectiveness of member engagement is contained in Section 3.1.28 of this report.

Detailed information regarding the Trust's membership constituencies and their eligibility, membership numbers, the Membership Strategy and steps taken in year to ensure a representative membership are detailed in Section 3.1.28.

The Council of Governors has not exercised their power under paragraph 10c of Schedule 7 of the NHS Act 2006, and this matter is therefore not reported on.

A statement from the Directors that the business is a going concern, together with supporting assumptions or qualifications as necessary, is contained in Section 2.1 of this report.

3.5 NHS Improvement’s Single Oversight Framework

Single Oversight Framework

NHS Improvement’s Single Oversight Framework provides the framework for overseeing providers and identifying potential support needs. The framework looks at five themes:

- Quality of care;
- Finance and use of resources;
- Operational performance;
- Strategic change;
- Leadership and improvement capability (well-led).

Based on information from these themes, providers are segmented from 1 to 4, where ‘4’ reflects providers receiving the most support, and ‘1’ reflects providers with maximum autonomy. A Foundation Trust will only be in segments 3 or 4 where it has been found to be in breach or suspected breach of its licence.

The Single Oversight Framework applied from Quarter 3 of 2016/17. Prior to this, Monitor’s *Risk Assessment Framework* (RAF) was in place. Information for the prior year and first two quarters of 2016/17 relating to the RAF has not been presented as the basis of accountability was different. This is in line with NHS Improvement’s guidance for annual reports.

Segmentation

NHS Improvement has reviewed the Trust’s performance and information available to it and placed the Trust in Segment 2. This segmentation information is the Trust’s position as at March 2018. Current segmentation information for NHS Trusts and Foundation Trusts is published on the NHS Improvement website.

Finance and use of resources

The finance and use of resources theme is based on the scoring of five measures from ‘1’ to ‘4’, where ‘1’ reflects the strongest performance. These scores are then weighted to give an overall score. Given that finance and use of resources is only one of the five themes feeding into the Single Oversight Framework, the segmentation of the Trust disclosed above might not be the same as the overall finance score here.

Area	Metric	2017/18 scores				2016/17 scores	
		Q4	Q3	Q2	Q1	Q4	Q3
Financial sustainability	Capital service capacity	1	1	1	2	1	1
	Liquidity	1	1	1	1	1	1
Financial efficiency	I&E margin	1	1	1	2	1	1
Financial controls	Distance from financial plan	1	1	1	1	1	1
	Agency spend	1	1	1	1	2	2
Overall Scoring		1	1	1	1	1	1

3.6 Statement of the Chief Executive's responsibilities as the Accounting Officer of Sheffield Health and Social Care NHS Foundation Trust

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

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

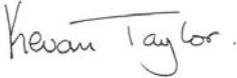
In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Department of Health Group Accounting Manual and the NHS Foundation Trust Annual Reporting Manual and, in particular to:

- Observe the Accounts Direction issued by NHS Improvement, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- Make judgements and estimates on a reasonable basis
- State whether applicable accounting standards as set out in the NHS Foundation Trust Annual Reporting Manual (and the Department of Health Group Accounting Manual) have been followed, and disclose and explain any material departures in the financial statements
- Assess the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and
- Use the going concern basis of accounting unless they have been informed by the relevant national body of the intention to dissolve the Trust without the transfer of its services to another public sector entity.¹

The Accounting Officer is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the NHS Foundation Trust and to enable them to ensure that the accounts comply with requirements outlined in the above mentioned Act. The Accounting Officer is also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and for safeguarding the assets of the NHS Foundation Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The accounting officer is also responsible for ensuring that the use of public funds complies with the relevant legislation, delegated authorities and guidance.

¹ The standard wording of the last bullet is "use the going concern basis of accounting unless they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so". The only circumstance under which an Accounting Officer would prepare the accounts on a non-going concern basis is if they have been informed by the relevant national body of the intention to dissolve the Trust without the transfer of its services to another public sector entity.

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

A handwritten signature in black ink that reads "Kevan Taylor." The signature is written in a cursive style with a horizontal line above the name.

Kevan Taylor
Chief Executive
24 May 2018

3.7 Annual Governance Statement

1. Scope of responsibility

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

2. The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of Sheffield Health and Social Care 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 Sheffield Health and Social Care NHS Foundation Trust for the year ended 31 March 2018 and up to the date of approval of the Annual Report and Accounts.

3. Capacity to handle risk

3.1 Risk management leadership and structure

I am ultimately responsible and accountable for the Trust's provision of safe services and for ensuring that the systems on which the Board of Directors relies to govern the organisation are effective. I am supported in these duties by:

- The Deputy Chief Executive/Executive Director of Operations who is responsible for safe delivery of operational service and is the Caldicott Guardian;
- The Executive Director of Nursing, Professions and Care Standards who is responsible for the management of risk across these three portfolios;
- The Executive Medical Director who is responsible for clinical governance, clinical risk management and clinical effectiveness, service user experience and medical practice and medical advice on risk and safety issues;
- The Executive Director of Finance who is responsible for managing financial risk and who is also the Senior Information Risk Owner (SIRO), and has responsibility for information governance and performance management;
- The Associate Director of Human Resources who is responsible for health and safety, training and risk management associate with the Trust's employment processes;
- The Director of Corporate Governance (Board Secretary) who is responsible for the management of the Corporate Risk Register and the Board Assurance Framework.

The Trust's Corporate and Clinical Governance Teams provide leadership, support, guidance and advice for all matters relating to risk management and corporate and clinical governance. Specific roles and responsibilities for risk management are detailed within the Trust's Risk Management Strategy, and include:

- All Directors are operationally responsible for safety and the effective management of risk within their areas of responsibility
- All managers including team managers/leaders and heads of departments are responsible for health and safety and the effective management of risks within their teams, services or departments
- All Trust staff, including those on temporary contracts, placements or secondments, and contractors must keep themselves and others safe. All staff have a duty of care to provide safe services and do no harm. All health and social care staff working directly with service users and carers are responsible for ensuring that their work is safe and that they use systematic clinical risk assessment and management processes in the delivery of care and treatment.

3.2 Staff training and development

Staff training and development needs with regard to risk management and safety are described in the Trust's Mandatory Training Policy. Staff receive appropriate training, relevant to their post requirements. All staff receive an introduction to the organisation and core training (risk management, health and safety, equality and human rights, information governance, safeguarding, infection control etc.). More specific training is provided, dependent upon the individual's job role, and includes incident reporting and investigation, Mental Health Act, Mental Capacity Act, first aid and life support (including resuscitation), clinical risk assessment and management, medicines management and Respect (managing violence and aggression).

During the year, the Trust has achieved significant improvement in its' mandatory training achievement. Almost all training subjects are now in excess of their set target levels, and those which are not yet at target level are on track to achieve during the calendar year. This has resulted in the risk being removed from the Corporate Risk Register and Board Assurance Framework, as well as satisfying our commissioners regarding compliance levels. The action plan and monitoring remain in place to ensure consistent achievement. The training provided is regularly reviewed to incorporate learning from good practice, lessons learnt as well as ensuring legislative and policy changes are incorporated. A variety of delivery methods are incorporated into the mandatory training programme to enhance delivery and learning, with a real focus on the application of learning into practice.

The Trust employs a range of suitably qualified and experienced personnel who are accessible to all staff to advise on risk issues, such as clinical risk, infection control, risk assessment, health and safety, litigation, liability, fire and security, environmental, estate management, medicines management, safeguarding, human resources, data protection, corporate, information governance and financial.

Development training for the Board of Directors during 2017/18 has included learning and monitoring progress against action plans following Care Quality Commission (CQC) inspections, developing the Trust strategy and agreeing priorities for the Trust's Annual Plan for 2018/19, reviewing the strategic direction for the Trust, developing and critiquing the Board Assurance Framework and Risk Management Strategy (including consideration of the Trust's risk appetite) and the wider issues of good governance and a well-led organisation.

3.3 Learning from good practice

The Trust uses a variety of mechanisms for ensuring that good practice and lessons learned are shared across the services. These include:

- Quality Assurance Committee reports
- Quality Improvement Group presentations and reports
- Clinical audit and clinical effectiveness reports
- Serious incident briefings
- Compliment and complaint reports
- Quality improvement and sharing good practice events
- Team /Directorate governance reports and events
- In-patient Forum
- Community Care Forum
- Service User Safety Group
- Service User Engagement Group
- Risk register links forums.

4.0 The Risk and Control Framework

4.1 Risk Management Strategy

The Trust recognises that positive and managed risk taking is essential for growth, development and innovation. 'Risks' are not seen as barriers to change and improvement; instead they are recognised, considered and managed effectively as part of service improvements. The Trust's Risk Management Strategy was reviewed and revised in 2017 and describes the Trust's strategic approach to safety and risk management; it also sets out the Trust's structure and governance arrangements, together with defining levels of authority, accountability and responsibility for risk management.

All risks are assessed using a stepped approach which identifies and analyses the risk, identifies the control measures in place and how effective these are and the actions that need to be taken to reduce/mitigate/remove the risk. Risks are graded according to their severity and likelihood of recurrence, using a 5 x 5 risk grading matrix based upon guidance produced by the former National Patient Safety Agency.

Moderate and high level risks rated 12 or above as well as risks which affect more than one directorate are entered onto the Corporate Risk Register. Risks are recorded on an electronic risk management database (Ulysses Risk Management System), which is separated into teams, departments and directorates. All recorded risks have an accountable individual and are reviewed and monitored by the appropriate operational governance group. Risk registers are held at corporate, directorate and team/local level. Each directorate has a risk register lead responsible for managing and maintaining their risk register. The Corporate Risk Register is administered by the Director of Corporate Governance (Board Secretary), supported by the Clinical Governance Department, which also provides advice, support and guidance for the directorate risk register leads.

Risks on the Corporate Risk Register are reported to the Executive Directors' Group every month. The Corporate Risk Register is reviewed and reported to the Board and its committees on a quarterly basis. As at 31 March 2018 the Trust had nine identified risks on the Corporate Risk Register. Of these risks eight were rated with a risk score of 12 (moderate) and 1 with a risk score of 15 (high).

During 2017/18 the Trust's Community Mental Health Services went through a significant transformation programme. The potential risks to quality of care and patient safety during this period of change have been included on the Trust's

Corporate Risk Register and managed closely by operational staff via the Community Mental Health Team Reconfiguration Programme Board. This provides assurance on patient safety measures. In addition, a weekly Mobilisation Board records and monitors all risks associated with the transformation programme. A Quality Impact Assessment was undertaken to monitor the impact of the change (see paragraph 4.4) and a full review will be undertaken in 2018 to assess the outcomes of the transformation programme. The Executive Directors' Group has monitored the risks on a monthly basis and the Board and its relevant committees have reviewed the risks via the Corporate Risk Register on a quarterly basis.

Trust Board members attended a workshop in May 2017 to consider the Board's approach to risk appetite. The Trust Board determines whether an individual risk, or a specific category of risks are considered acceptable or unacceptable based upon the circumstances/situation facing the Trust. The Trust's approach is to minimise exposure to risk that impacts on patient safety and the quality of our services. However, the Trust accepts and encourages an increased degree of risk in the objective relating to innovation provided the innovation is consistent with the achievement of patient safety and quality improvements. The Risk Management Strategy details the risk scoring system related to risk appetite in more detail.

Risks are also highlighted via incidents, including serious incidents, complaints, concerns, safeguarding issues, claims and other queries. The Quality Assurance Committee of the Board of Directors receives quarterly reports on incidents, complaints, infection prevention and control, safeguarding, service user experience and clinical audit.

The Trust has a strong incident reporting culture and staff are actively encouraged to report all incidents and near misses to enable the Trust to learn from such events and improve service user safety.

During 2017/18 risk management training was provided to Executives and Senior Managers of the Trust to further embed the use of the electronic risk management system. An Internal Audit report of operational risk management published in January 2018 provided a limited opinion for the period under review. However the two high level risks identified were actioned and completed by the end of March 2018. An action plan is in place to address all remaining risks and embed risk management governance arrangements throughout the organisation. Assurance is provided to the Audit Committee every quarter that risks are being addressed and actions completed via amendments to the Corporate Risk Register and Board Assurance Framework.

4.2 Board Assurance Framework (BAF)

The Board Assurance Framework is a document which is based on the Trust's strategic aims as described in the Annual Operating Plan, and the Corporate Objectives derived from those strategic aims. The Board Assurance Framework records the key risks which may inhibit the delivery of those objectives and gives assurance regarding the robustness of the Trust's system of internal controls which mitigate against those risks.

A substantial refresh of the Board Assurance Framework took place in 2017/18. The Board Assurance Framework was reviewed quarterly by the Audit Committee in conjunction with the Corporate Risk Register. Each Board committee also received the element of the BAF relevant to their remit on a quarterly basis. Following

Committee reviews, the BAF was received by the Trust Board in May, July, November and February 2017/18. In 2017-18, of those control areas identified for improvement, none were deemed to pose a serious risk to the overall system of internal control or delivery of the Trust's strategic objectives.

During 2017/18 further work was undertaken on the BAF to improve use and functionality through its integration and embedding into the Trust's Ulysses Risk Management System. There was also a review of information provided to committees and the Board, requiring a clear link between papers and the BAF in order to demonstrate how they provide assurance to Board and its committees that risks are being managed and mitigated.

At the end of each financial year, the Board receives and approves the final Board Assurance Framework and any residual risks and outstanding actions are carried forward onto the refreshed BAF. Any underlying risks are similarly updated on the Corporate Risk Register.

4.3 Public stakeholder involvement in managing risks

It is a key organisational ambition of the Trust to continuously improve our approach to engaging service users, carers, governors and partners, both voluntary and statutory, to learn from individuals' experiences and enable continuous quality improvements in all areas of our business.

This year has seen a revision to the structure of Service User Engagement Group (SUSEG) meetings in order to ensure relevance and accessibility for service users from all directorates and all geographical locations. SUSEG meetings are now held at Fulwood House in alternate months, with road show style meetings organised at different venues across the locality in between, with the aim of encouraging open and honest dialogues to take place between staff, service users and carers.

Service users and carers are members of the service governance structures of the Trust and actively take part in groups across the organisation to contribute to planning and service improvement such as the In-patient Forum, Service User Safety Group, Restrictive Interventions Project Group, Clinical Effectiveness Group and the Smoke Free Implementation Group. Service users and carers have also been involved in assisting the Trust to undertake various site visits in relation to our 15 steps challenge, checking compliance against the Care Quality Commission's (CQC) Fundamental Standards and the Patient-Led Assessments of the Care Environment (PLACE) visits. One "Enter and View" visit from Healthwatch Sheffield has taken place this year at the Limbrick Centre. These visits include service users/carers and volunteers and are used by Healthwatch to find out how services are being run and make recommendations where there are areas for improvement. Furthermore, an increasing number of Microsystem improvement groups have regular service user membership, with programmes in place to continue to enhance such involvement.

The number of service user and carer networks, led by service users, has continued to flourish, enabling services to improve their care in line with service user and carer experience and feedback. Service users also volunteer in many of our services and undertake focussed work to strengthen our engagement and facilitate quality improvements.

Our partnership working has continued to develop over the last twelve months, strengthening relationships in particular with Sheffield Teaching Hospitals, Sheffield Children's and the Local Authority through the regular Board to Board meetings. The creation of the regional Sustainability and Transformation Plan (STP) has consolidated the joint working with stakeholders across the locality through the development of a joint vision and associated work priorities, aiming to improve the health and wellbeing of our collective population. Members of the public have been invited to engage in the process through the engagement of Healthwatch and local voluntary sector organisations.

As a Foundation Trust Sheffield Health and Social Care has public members and a Council of Governors. The overall role of the Council of Governors is to assist the Trust in the drive to raise standards by providing services of the highest possible quality that meet the needs of the people of Sheffield. The Council of Governors receives updates on the Trust's compliance against regulations and standards and helps plan and steer the Trust and assists in setting priorities for improvements and changes. Governors are also members of key governance meetings where they can represent the interests of the local community, service users and carers and make sure that the Trust does what it says it will do.

4.4 Quality governance arrangements

The Trust triangulates service performance across a range of indicators relating to care standards, quality, workforce and finance at service, Directorate and Trustwide level. Further developments were during 2017/18 to enhance performance management frameworks through effective business information systems. The Board of Directors' monthly and annual performance reporting processes ensure that the Executive Directors' Group is able to scrutinise and manage the operational performance of services and the Board of Directors to maintain overall oversight on the performance of the Trust.

On an established quarterly cycle, the performance of all services is reviewed through Directorate-level Service Reviews. The Executive Management Team reviews with each operational Directorate their performance against planned objectives.

Sheffield Health and Social Care NHS Foundation Trust reports progress on the Trust's Quality Objectives to the Quality Assurance Committee of the Board of Directors quarterly and also regularly monitors progress against the quality indicators contained within the Quality Schedule that is agreed with our commissioners, NHS Sheffield Clinical Commissioning Group.

Quality Impact Assessments are undertaken on all cost improvement plans contained within the Trust's Annual Plan, Directorate level business plans and business case development, production and implementation. The vast majority of plans were assessed as very low or low risk in respect of their impact on the quality of services. One exception was the Reconfiguration of Community Mental Health Services which was increased from 10 to 12 (moderate) at the end of quarter 2 and maintained this level throughout quarter 3. The increased risk related to the critical stage of implementation of the reconfiguration. To provide assurance, reviews were undertaken at the end of each quarter to ensure regular appraisal of the impact on quality was undertaken and reported to the Executive Directors' Group on a monthly basis and the Quality Assurance Committee on a quarterly basis.

The Trust has arrangements in place to ensure that assessments of the impact on service quality is integral in the production of its forward and future plans. Ongoing and routine monitoring of quality impact assessments take place, which provide assurance through the Trust's Quality Assurance Committee to the Board of Directors.

The governance framework outlined in Section 7 of this statement ensures that the Board of Directors is able to monitor and evaluate the performance of the Trust and its services and to initiate improvement actions where required.

The Trust reviewed and revised its Quality Improvement and Assurance Strategy implementation plan during 2017/18. The Quality Improvement and Assurance Strategy ensures a range of improvements are made to further strengthen the Trust's approach to quality governance. The Quality Assurance Committee requested a further review of the strategy to be undertaken in 2018 to incorporate any learning or improvements required from CQC inspections.

The Foundation Trust is fully compliant with the registration requirements of the Care Quality Commission. It regularly reviews ongoing compliance with the CQC's Fundamental Standards of Quality and Safety which is assessed throughout the year by individual teams within their internal governance processes.

In addition, the Trust has established a compliance review process involving staff members and experts by experience, to test and assess compliance against the CQC's domains. Where contractual arrangements are in place, stakeholders also assess compliance with CQC standards and monitor progress where improvements are identified. The Trust's Non-Executive Directors have undertaken a number of site visits to further assure the Trust of the quality of care provision.

4.5 Information governance and data security

The Trust has an Information Governance Policy which provides a framework that incorporates a range of policies relating to the creation, use, safe handling and storage of all records and information. The management and monitoring of information risks is the responsibility of the Trust's Senior Information Risk Owner (the Executive Director of Finance) and information risks and incidents are reviewed and monitored through the Data and Information Governance Board, which is a sub-group of the Digital Transformation Board and also reports to the Quality Assurance Committee.

The Trust continues to adhere to the Information Governance Toolkit. The Trust submitted the Information Governance Toolkit in March 2018 and has met the required level on all items. A work programme will be developed to ensure further progress over the following year once the new version of the Toolkit has been released.

Information Governance training is included as part of the core training for new starters and other training sessions have been provided for staff. Information Governance is also covered in the Trust's local induction checklist for all new staff. Reminders are presented to staff when accessing the Trust's main patient information system, and all staff are expected to complete annual online information governance training.

Information governance and data security incidents and risks are recorded and reported through the Trust's risk management processes, as described above.

Between 1 April 2017 and 31 March 2018 the Trust had no incidents rated level 2 or above, reportable to the Information Commissioners Office (ICO).

4.6 Foundation Trust compliance

The Board of Directors receives regular information on various aspects of the Trust's performance, to assure itself that it is fulfilling the requirements and responsibilities as established within the Provider Licence, Code of Governance and Quality Governance Framework. Further information on this is provided within Section 3.4 of the Trust's Annual Report.

4.7 NHS Pensions Scheme regulations

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

4.8 Equality, diversity and human rights

Control measures are in place to ensure that all the organisation's obligations under equality, diversity and human rights legislation are complied with. Equality Analysis is required of all trust written policies and Equality Analysis is also undertaken through processes set out in the Trust Project Management Documentation Suite. Information and reports related to compliance with obligations under the Equality Act 2010 is published through the Trust's internet.

4.9 Carbon reduction plans

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 UKCIP2009 weather projects, to ensure that this organisation's obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

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

The Trust has a robust committee governance structure including the Audit Committee, Remuneration and Nomination Committee, Finance and Investment Committee, the Workforce and Organisation Development Committee and the Quality Assurance Committee, together with various operational groups. This committee governance structure, together with the Board of Directors', is the foundation of effective governance within the Trust. During 2017/18 the Trust has implemented a number of actions to strengthen its governance procedures including refreshing all committee terms of reference, reviewing committee structures and reviewing assurance processes. In addition, the Trust is committed to undertake a longer term piece of work to review the robustness of the assurance that is received at each committee in terms of its content and documentation.

The Executive Directors Group provides strategic and operational governance for all plans to develop new or reconfigured services, supported by the Business Planning Group.

The Trust has continued to review a number of operational efficiency metrics throughout the year, including the results of benchmarking exercises. This has enabled the Trust to focus on service elements that can be considered in terms of the delivery of the Trust's Cost Improvement Programme (CIP) targets. The Trust has also carried out productivity analysis of its clinical services to drive further improvements in efficiency and help realise further efficiency savings, without impacting on quality standards of care.

The Trust has continued to take a Quality, Innovation, Prevention and Productivity (QIPP) approach to the delivery of Cost Improvement Plans and Cash Releasing Efficiency Scheme (CIP/CRES) targets. All CIP schemes are quality impact assessed to ensure the effectiveness. Detailed plans have been presented to the Board of Directors and regular reports are provided to the Board regarding delivery against these targets.

The organisation has strong leadership through its Directorates, including joint Service and Clinical Directors where appropriate. Each Director has received budget training and is responsible for ensuring that the resources they manage are done so effectively and efficiently and demonstrate value for money. Financial sign off of budgets is undertaken by Directors and is performance managed by the respective Executive Directors. Budget managers are provided with monthly budget reports and activity statements for their areas of responsibility to assist them in undertaking this role. The Director of Finance meets with Directorates forecasting an overspend greater than 2% of plan to ensure mitigation plans are in place. A service review, including financial matters is undertaken, however due to significant organisational change these have been limited to annual reviews for 2017/18 (usually six monthly).

6. 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*.

During the year the Board of Directors has continued to review performance against its quality indicators and designated quality objectives. The Board does this through the reports and reviews to the Quality Assurance Committee (a formal committee of the Board of Directors) and to the Directors directly. This has enabled the Board to remain apprised of our current performance in respect of quality. Additionally, joint meetings of the Board of Directors' and Council of Governors have reviewed areas of importance to be progressed in the future.

In preparing the Quality Report, Directors satisfied themselves that the report presents a balanced view and that there are appropriate controls in place to ensure the accuracy of the data taken from the Trust's systems for patient records (Insight) and risk management (Ulysses Safeguard) and public websites, e.g. the CQC. Service user feedback and information collected through team governance has also been used in the production of the report.

National reviews and guidance reports on Quality Accounts from NHS Improvement were reviewed as well as the External Auditors' assurance report on Sheffield Health and Social Care NHS Foundation Trust's Quality Accounts from last year.

The Trust has consulted Sheffield City Council's Healthier Communities and Adult Social Care Scrutiny Committee, Healthwatch Sheffield and NHS Sheffield Clinical Commissioning Group on our Quality Account. Once complete these will be received and considered by the Board of Directors, Quality Assurance Committee and Audit Committee.

In reviewing and confirming its quality objectives, the Trust was supported by the Governors who are a representative body of the Trust's membership.

Our Quality Report is contained in Section 4 of the Annual Report.

7. Review of effectiveness

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

I have drawn on the content of the Quality Report attached to this Annual Report and other performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board of Directors, the Audit Committee, the Quality Assurance Committee, the Workforce and Organisation Development Committee, the Finance and Investment Committee, the Information Governance Steering Group, the Trust Management Group, the Transformational Operational Group and the Executive Directors' Group and a plan to address weaknesses and ensure continuous improvement of the system is in place.

These Committees/Groups and their accountability are described more fully below and in the Trust's Operational Plan and Annual Report. Each Board committee also provides a Significant Issues Report to the Trust Board highlighting significant issues arising in the meeting and any changes to the level of assurance received. This report is in addition to the minutes received from each of those committees.

The Head of Internal Audit provides me with an opinion based on an assessment of the design and operation of the underpinning Assurance Framework and supporting processes and an assessment of the individual opinions arising from risk-based audit assignments contained within the internal audit risk based plan that have been reported throughout the year. This assessment has taken into account the relative materiality of these areas and management's progress in respect of addressing control weaknesses.

The overall opinion of the Head of Internal Audit is that of moderate assurance of a generally sound framework of governance, risk management and control. However, inconsistent application of controls puts the achievement of the organisation's objectives at risk. This Opinion is based on a review of the Trust's systems of internal control, primarily through the operation of the Board Assurance Framework

in the year to date, the outcome of individual assignments completed and Trust responses to audit recommendations. In providing this opinion, the Head of Internal Audit recognised the progress that has been made in developing and embedding the Board Assurance Framework and the significant progress made to improve the response to Internal Audit recommendations. The Trust recognises the need to ensure there is sufficient capacity and resource to ensure continued development of governance and risk management arrangements. The opinion recognises that the Trust's system of internal control is designed to manage risk to a reasonable level, rather than eliminate all risk of failure to the achievement of strategic objectives.

I note the comments in the Head of Internal Audit Opinion, noting particularly the areas for improvement and follow up highlighted in the Opinion, which will help the Trust shape its governance systems and culture in 2018-19. This work will be closely monitored by the Audit Committee, who will provide assurance or highlight risks to the Trust Board.

Executive managers within the organisation, who have responsibility for the development and maintenance of the system of internal control, provide me with assurance. The Assurance Framework itself provides me with evidence that the effectiveness of controls that manage the risks to the organisation achieving its principal objectives have been reviewed.

My review is also informed by:

- Reports from the Board of Directors and the Board Committees
- Reports from External Audit
- Reports from Internal Audit
- External assessments by the CQC, including Mental Health Act Commissioners
- Full registration with the CQC across all locations
- Clinical Audit Programme
- Quality improvement systems in health care – Microsystems
- Patient-Led Assessments of the Care Environment (PLACE)
- Service User Surveys
- Information Governance Toolkit assessment.

7.1 Board of Directors

The Board of Directors is responsible for ensuring that the organisation has robust clinical, corporate and financial governance systems in place. This includes the development of systems and processes for financial control, organisational control and risk management. The Board of Directors receives and scrutinises detailed information and assurances on all aspects of the Trust's performance and business. It assesses its own performance and effectiveness, ensuring that it complies fully with its statutory and regulatory functions and duties. Further information on the Board of Directors can be found in Section 3 of the Trust's Annual Report. Further information on the Board of Directors' committees (as given below) can be found in Section 3.1.10 of the Trust's Annual Report.

7.2 Audit Committee

The Audit Committee provides assurance to the Board of Directors through objective review and monitoring of the Trust's internal control mechanisms, such as financial systems, financial information, compliance with the law, governance processes, among others. It monitors the effectiveness of the systems in place for the management of risk and governance, and delivery of the Board Assurance Framework.

7.3 Quality Assurance Committee

The Quality Assurance Committee provides assurance to the Board of Directors on the quality of care and treatment provided across the Trust by ensuring there are efficient and effective systems for quality assessment, improvement and assurance and that service user and carer perspectives are at the centre of the Trust's quality assurance framework.

A number of committees/groups report to the Quality Assurance Committee including the Medicines Management Committee, Infection Control Committee, Safeguarding Adults and Children and Psychological Therapies Governance Committee, among others. These groups regularly meet to discuss risks in their specific areas. The Service User Safety Group has a particular role in reviewing risks to the safety of service users, staff and the public.

7.4 Finance and Investment Committee

The Finance and Investment Committee provides assurance to the Board of Directors on the management of the Trust's finances and financial risks.

7.5 Remuneration and Nominations Committee

The Remuneration and Nominations Committee makes recommendations to the Board of Directors on the composition, balance, skill mix and succession planning of the Board, as well as advising on appropriate remuneration and terms and conditions of service of the Chief Executive, Executive Directors and Directors.

7.6 Workforce and Organisation Development Committee

This committee provides assurance to the Board of Directors on the human resource structures, systems and processes that support employees in the delivery of high quality, safe patient care and to ensure the Trust meets its legal and regulatory duties in relation to its employees.

7.7 Executive Directors' Group

The role of the Executive Directors' Group is to ensure the operational and performance delivery of services in line with Trust strategic and business objectives.

The Executive Directors' Group is the key team which manages strategic and operational risk issues, and receives frequent reports on risk and governance.

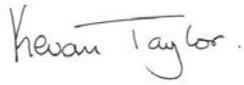
7.8 Operational Governance Groups

A number of operational governance groups are established across the Trust, together with a series of professional advisory groups and committees, which report to the Executive Directors' Group. These groups provide operational, clinical and professional advice and assurance on the Trust's business.

From the reports and information provided across the organisation to the various governance groups, I am satisfied that the system of internal control is effective and supports the achievement of the Trust's policies, aims and objectives, while safeguarding the public funds and departmental assets.

Conclusion

In my opinion no significant internal control issues have been identified for the period 01 April 2017 to 31 March 2018.

A handwritten signature in black ink that reads "Kevan Taylor". The signature is written in a cursive style with a horizontal line above the name.

Kevan Taylor
Chief Executive
24 May 2018

3.8 Equality Report Equal Opportunity and Dignity Statement



Sheffield Health and Social Care is committed to eliminating discrimination, promoting equal opportunity and doing all that we can to foster good relations in the communities in which we provide services and within our services. We aim to recognise and promote the diversity of our organisation with respect to gender, race, ethnicity, ethnic or national origin, citizenship, religion, disability, mental health, age, domestic circumstances, social class, sexual orientation, marriage or civil partnership status and beliefs, and recognise and support trade union membership.

We believe in fairness and equality and aim to value diversity and promote inclusion in all that we do. This is reflected in our values which form the guiding principles and behaviours for the way we do our work.

Our values are:

- Respect
- Compassion
- Partnership
- Accountability
- Fairness
- Ambition

These values are at the heart of celebrating and promoting the diversity of our organisation. Prioritising equal opportunity is essential to living these values.

We are committed to ensuring that all employees achieve their full potential in an environment characterised by dignity and mutual respect. Within our teams valuing difference is fundamental; it enables staff to create respectful work environments and to deliver high quality care and services while giving service users the opportunity to reach their full potential.

If unlawful discrimination occurs it will be taken very seriously and may result in formal action being taken against individual members of staff, including disciplinary action.

Equality and diversity

This year we have continued to develop a number of areas including our Board mentoring project, development workshops and BME Staff Network Group. In July we were awarded the Healthcare People Management Association Award for the most effective use of diversity to strength governance, recruitment or promotion.

We continued to progress our Equality Objectives and a full report on progress can be found in our 2016/17 Annual Equality and Human Rights Report <http://shsc.nhs.uk/wp-content/uploads/2014/05/Equality-and-Human-Rights-Report-2016-17.pdf>

We continue to make progress on improving our Workforce Race Equality Standard (WRES) targets. Full details can be found in our 2017 WRES Report and Action Plan on our website:

<http://shsc.nhs.uk/wp-content/uploads/2014/05/WRES-REPORT-ACTION-PLAN-2017.pdf>

Our 2017 Workforce Race Equality Standard Report can also be found on our website:

<http://shsc.nhs.uk/wp-content/uploads/2014/05/WRES-REPORT-2017.pdf>

During the year we introduced a new policy, the Disabled Staff Policy. This policy was introduced to support our aim to embrace a 'social model of disability' and move away from aligning areas such as providing reasonable adjustments with our policies, for example, managing sickness absence. Considering disabled staff within the context of this social model is empowering, positive and allows us to demonstrate a clear commitment to our staff. It is also in line with our values.

We responded to the new NHS standard on recording sexual orientation. Our system was reviewed and it was confirmed that we meet this standard. Recording sexual orientation is also one of our Equality Objectives.

In March 2018 we published our first gender pay gap report which is available on our website: <https://shsc.nhs.uk/about-us/equality/meeting-our-equality-duties/>.

We have also been focusing on widening participation, working in close partnership with Sheffield University Technical College (UTC). In October we held our first career showcase event for young people from the College and also provided workshops and mentoring at UTC.

Did you know?

We work with South Yorkshire Housing Association on Building Better Opportunities - an employment service for adults with mental health problems, learning disabilities and complex needs – and Working Win – a health led employment pilot to enable people with physical and mental health needs to fulfil their employment ambitions.

3.9 Sustainability Report

Our Trust vision demonstrates our commitment to ensuring our services are sustainable, resilient and flexible to adapt to change. Although challenging at times, it is important we embed the value of sustainable development action within our operational activities and within our interaction with our service users, suppliers and local communities. Our objectives, as guided by the NHS Sustainable Development Unit (SDU) continue to evolve with changing demands and can be aligned to our Trust values as detailed on the next page.

As an NHS organisation, and as a spender of public funds, we have an obligation to work in a way that has a positive effect on the communities we serve. Sustainability means spending public money well, the smart and efficient use of natural resources and building healthy, resilient communities. By making the most of social, environmental and economic assets we can improve health both in the immediate and long term even in the context of rising cost of natural resources. Demonstrating that we consider the social and environmental impacts ensures that the legal requirements in the Public Services (Social Value) Act (2012) are met.

We continue to focus on the objectives of our approved Sustainable Development Management Plan (SDMP). It is now, more than ever, essential that we ensure the organisation is fit for the future and we gain commitment to the values of sustainable development throughout the organisation. We are dedicated to recognising opportunities to ensure we are reducing inefficiencies, reducing our consumption of energy and resources, and ensuring we promote wellbeing both at work and at home. We challenge every pound we spend, making sure that we get the best possible value for money.

Our objectives:

- Promote active travel
- Carry out staff travel survey
- Produce, monitor and report on sustainability key performance indicators
- Create a healthy workforce plan
- Clear engagement strategy for staff and service users
- Review the Trust's Business Continuity Plan to include adaptation
- Introduce sustainability clauses into all job descriptions
- Create a framework for more partnership working on sustainability.

As a part of the NHS, public health and social care system, it is our duty to contribute towards the level of ambition set in 2014 of reducing the carbon footprint of the NHS, public health and social care system by 34% (from a 1990 baseline) equivalent to a 28% reduction from a 2013 baseline, by 2020. It is our aim to exceed this target by reducing our carbon emissions 15% by 2017/18, using 2013/14 as the baseline year.

Did you know?

We held a very successful 'Why Use Digital?' event for staff, service users and carers to look at and consider both the opportunities and barriers digital technology offers in terms of healthcare support.

Our Estates Strategy

We launched a new Estates Strategy which sets ambitious targets to create a smaller fit for purpose portfolio of buildings. The strategy will enable further cost and carbon saving by utilising properties that are more efficient, accessible, improve quality and are environments that promote wellbeing for both our service users and our staff. A key part of this strategy is the relocation of Trust Headquarters and the disposal of the Fulwood site. We are aware that the closure and disposal of some of our sites will increase our waste production and we are committed to reducing the environmental impact of this as much as possible.

Policies

In order to embed sustainability within our business it is important to explain where in our process and procedures sustainability features.

Area	Is sustainability considered?
Travel	No
Business cases	No
Procurement (environmental and social aspects)	No
Suppliers' impact	No

One of the ways in which an organisation can embed sustainability is through the use of an SDMP. An update to our SDMP is required because it has not been approved by the Board of Directors in the last 12 months. Our SDMP is available on our website at: <http://shsc.nhs.uk/wp-content/uploads/2015/08/Sustainable-Development-Management-Plan.pdf>

We will relaunch our Sustainability Business Management Group and renew the membership list to ensure we have representation from all parts of the Trust to ensure our progress is aligned to the UN's Sustainable Development Goals.

We will self-assess our progress against NHS Sustainable Development Strategy (2014-2020) using the new Sustainable Development Assessment Tool (SDAT) developed by the NHS Sustainable Development Unit (SDU) to replace the previously used Good Corporate Citizen (GCC) score. As an organisation which acknowledges its responsibility towards creating a sustainable future, we help to achieve that goal by running awareness campaigns that promote the benefits of sustainability to our staff.

We make sure modern slavery or human trafficking is not taking place within our supply chain. Our statement on Modern Slavery is available on our website at: <https://shsc.nhs.uk/about-us/statements-and-reporting/modern-slavery-act-annual-statement/>

Adaptation

Climate change brings new challenges to our business both in direct effects to the healthcare estates, but also to patient health.

Events such as heatwaves, cold snaps and flooding are expected to increase as a result of climate change. To ensure that our services continue to meet the needs of our local population, during such events we have developed and implemented a number of policies and protocols with other local agencies, these include:

- Adverse Weather and Other Emergency Conditions Policy
- Major or Critical Incident Policy
- Heat Wave Plan
- Fuel Disruption Plan
- Formation of the Trust Emergency Planning Group (TPEG) - a group who will declare and manage the Trust's response to any citywide emergency that affects our ability to meet statutory obligations.

We have identified the need for the development of a Board approved plan for future climate change risks affecting our area.

Partnerships

The NHS policy framework already sets the scene for commissioners and providers to operate in a sustainable manner. Crucially for us as a provider, evidence of this commitment will need to be provided in part through contracting mechanisms.

We have not currently established any strategic partnerships. For commissioned services here is the sustainability comparator for our Clinical Commissioning Group:

Organisation Name	SDMP	GCC	SD reporting score
NHS Sheffield CCG	No	No	Minimum

More information on these measures is available at: www.sduhealth.org.uk/policy-strategy/reporting/organisational-summaries.aspx

Performance

Organisation

Since the 2007 baseline year, the NHS has undergone a significant restructuring process and one which is still ongoing. Therefore, in order to provide some organisational context, the following table may help explain how both the organisation and its performance on sustainability has changed over time.

Context info	2014/15	2015/16	2016/17	2017/18
Floor Space (m ²)	50,074	49,204	49,204	52,029*
Number of Staff	2,833	2,730	2,642	2,405

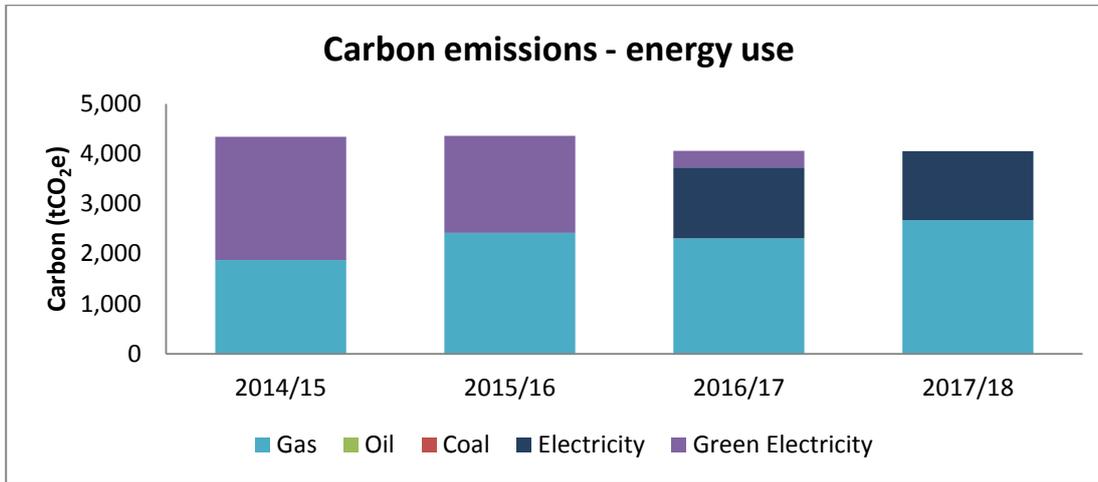
*The area of the Trust is affected by tenant occupancy. The figure returned for 2017/18 includes non-NHS tenants but discounts space occupied by other NHS organisations.

In 2014 the Sustainable Development Strategy outlined an ambition to reduce the carbon footprint of the NHS by 28% (from a 2013 baseline) by 2020. We have supported this ambition as follows:

- We take part in NHS Sustainability Day – this is a national day of recognition, information sharing and the promotion of sustainable practices
- Dedicated Sustainability Champions across the Trust continue to promote sustainable practices within their work area
- We have established a Sustainability Business Management Group and a Sustainability Champions Group to lead and drive the sustainability agenda;
- We are committed to seeking opportunities to enhance staff training to promote sustainable behaviour. Examples include: refreshed waste signage and guidance documents. We are continuing to work towards an e-learning package to be assessed and implemented
- A dedicated Sustainability page has been developed on the staff intranet, containing helpful and informative documents, links and information.

Energy

We spent £681,793 on energy in 2017/18, which is a 16.7% increase on energy spend from last year.



Resource		2014/15	2015/16	2016/17	2017/18
Gas	Use (kWh)	8,936,166	11,568,423	11,045,984	12,611,519
	tCO ₂ e	1,875	2,421	2,308	2,674
Oil	Use (kWh)	0	0	0	0
	tCO ₂ e	0	0	0	0
Coal	Use (kWh)	0	0	0	0
	tCO ₂ e	0	0	0	0
Electricity	Use (kWh)	0	0	2,752,448	3,092,177
	tCO ₂ e	0	0	1,422	1,378
Green Electricity	Use (kWh)	3,988,068	3,372,493	636,275	0
	tCO ₂ e	2,470	1,939	329	0
Total Energy CO ₂ e		4,345	4,360	4,060	4,052
Total Energy Spend		£714,189	£620,038	£584,434	£681,793

Performance

0% of our electricity use came from renewable sources in 2017/18.

Commentary

Lighting upgrades continue across the Trust's property portfolio with the introduction of LEDs (Light Emitting Diodes). LED lighting is installed on the in-patient wards and in car parks across the Trust.

Energy monitoring and targeting will continue including charge validation and usage monitoring as well as hints and tips for staff to reduce the energy we consume.

Paper

The movement to a Paperless NHS can be supported by staff reducing the use of paper at all levels. This reduces the environmental impact of paper, reducing cost of paper to the NHS and can help improve data security. Data on paper usage and carbon emissions is only available for 2017/18.

Paper		2014/15	2015/16	2016/17	2017/18
Volume used	Tonnes	-*	-*	-*	1,530
Carbon emissions	tCO ₂ e	-*	-*	-*	1,463

*figure not available

Travel

We can improve local air quality and improve the health of our community by promoting active travel – to our staff and to the service users and public who use our services.

Every action counts and we are a lean organisation trying to realise efficiencies across the board for cost and carbon (CO₂e) reductions. We support a culture for active travel to improve staff wellbeing and reduce sickness. Air pollution, accidents and noise all cause health problems for our local population, service users, staff and visitors and are caused by cars, as well as other forms of transport.

Category	Mode	2014/15	2015/16	2016/17	2017/18
Service user and visitor travel	miles	45,745	52,956	43,371	38,740
	tCO ₂ e	16.81	19.15	15.67	13.80
Staff commute	miles	2,721,430	2,622,486	2,538,962	2,310,285
	tCO ₂ e	999.93	948.38	917.61	823.21
Business travel and fleet	miles	969,474	217,811	245,196	1,046,885
	tCO ₂ e	356.21	0*	88.62	373.03
Total cost of business miles	£	-*	-*	-*	41,834.79

*figure not available

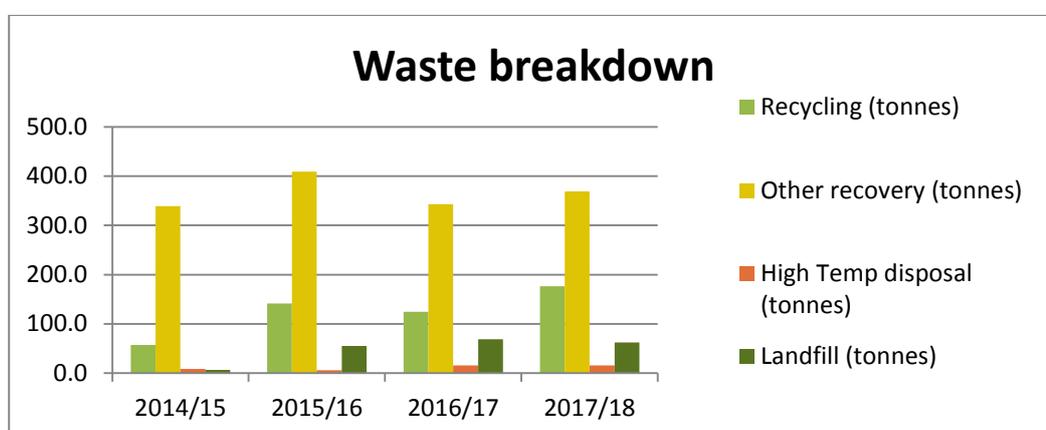
Performance

Our Transport Services and Estates will continue to trial alternative fleet vehicles with a view to introducing 'dual fuel' or similar if proven to meet service needs and deliver value for money.

We will continue to develop an active travel plan to promote and enable increased opportunities for our staff, service users and visitors to access our services via low carbon transport. We plan to deliver a Green Travel Plan, ensuring strategies are in place for our travel activities to have a reduced carbon impact, as well as offering convenience and safety, and also saving time and money. We plan to do this by revisiting and refreshing data previously gathered on our fleet carbon emissions, including business mileage; undertaking a staff travel survey to determine current staff travel behaviour and the scope and potential impact for positive change in the future; revitalising and promoting the Staff Cycle Scheme; and continuing to review how we can make smarter travel choices. This will involve promoting and supporting more sustainable forms of travel to our sites (for example, public transport, cycling and car sharing), promoting the benefits to staff of increased physical activity and its impact on mental wellbeing, promoting tele/video conferencing for meetings to reduce the amount of staff travel as well as collaborating with local authorities, transport providers and our communities to develop sustainable travel solutions.

Waste

Waste		2014/15	2015/16	2016/17	2017/18
Recycling	(tonnes)	57.00	141.70	124.71	176.36
	tCO ₂ e	1.20	2.83	2.62	3.84
Other recovery	(tonnes)	339.00	409.05	343.23	368.62
	tCO ₂ e	7.12	8.18	7.21	8.02
High temp disposal	(tonnes)	9.00	6.46	16.14	16.03
	tCO ₂ e	1.98	1.41	3.55	3.53
Landfill	(tonnes)	7.00	55.06	68.91	62.74
	tCO ₂ e	1.71	13.46	21.36	21.61
Total waste (tonnes)		412.00	612.27	552.99	623.75
% recycled or re-used		14%	23%	23%	28%
Total waste tCO ₂ e		12.01	25.89	34.74	37.00



Performance

We have a dedicated managed space to store surplus furniture and equipment. This has allowed the Facilities Directorate, in partnership with the Procurement Team, to promote reuse of our assets; reducing the cost of supplying new goods and the indirect cost of removal and disposal of equipment.

This year we subscribed to an online software service called Warp It. This provides a simple way to divert surplus resources away from landfill to be recycled either within the Trust or with other NHS or third party organisations (for example, schools, charities and community groups). In the first eight months of use, the system has supported us to save just under £30,000 in new procurement costs, waste disposal costs and administrative costs. In terms of the impact on our carbon footprint this is the equivalent to taking twelve cars off the road.

We implemented a process with Revive IT to securely destroy and destroy redundant IT equipment. Revive IT provide a full auditable trail of where our waste items go to when they leave our sites and have a zero waste to landfill policy which means that 100% of the IT equipment disposed of via Revive IT is either reused (as spares or as a whole) or recycled once it has been securely wiped of any confidential data.

A segregation process has been established for the safe and secure disposal of hazardous waste substances such as paints, solvents, pesticides and cleaning

chemicals. These are collected by Veolia who segregate any hazardous liquid wastes that cannot be recycled and blend them to create an alternative fuel, which can be used instead of fossil fuel in industrial processes. This is known as secondary liquid fuel and is another example of how we are continually seeking opportunities to divert as much of our waste as possible from landfill.

A process for the safe and legally compliant storage, transportation and disposal of fluorescent light tubes and lamps is in place. The service can be accessed free of charge through one of our suppliers based on the same industrial estate as our Facilities Directorate, thus reducing travel costs and time.

A process is in place for the cleaning of external, as well as internal, waste hold healthcare waste wheelie bins with Healthcare Environmental (HE), our waste management contractor. HE visit all relevant Trust sites twice a year to exchange healthcare waste wheelie bins in situ for clean bins. Wheelie bins are then cleaned off site at the supplier premises.

Commentary

We are partnering with Sheffield Children’s NHS Foundation Trust and Sheffield Teaching Hospitals NHS Foundation Trust to tender for all confidential waste collections at all our sites. This should result in cost and time efficiencies for all three Trusts.

We are working on the development of a Sustainable Procurement Strategy.

We are also reviewing current food wastage and considering options for alternative disposal to meet any revised legislative requirements which may be implemented.

We donated equipment surplus to our requirements (and which is no longer suitable for use in the UK) to Serrekunda Hospital in The Gambia. Serrekunda is one of only three hospitals in the country and the equipment was donated as part of a project led by Unison Yorkshire and Humber. The donation has not only positively impacted communities within The Gambia but has also allowed us to divert equipment from waste disposal.

Finite resource use – Water

Water		2014/15	2015/16	2016/17	2017/18
Mains	m ³	33,410	36,232	39,509	49,763
	tCO ₂ e	30	33	36	45
Water and sewage spend		£119,344	£78,849	£143,472	£144,168

* Figure not yet available

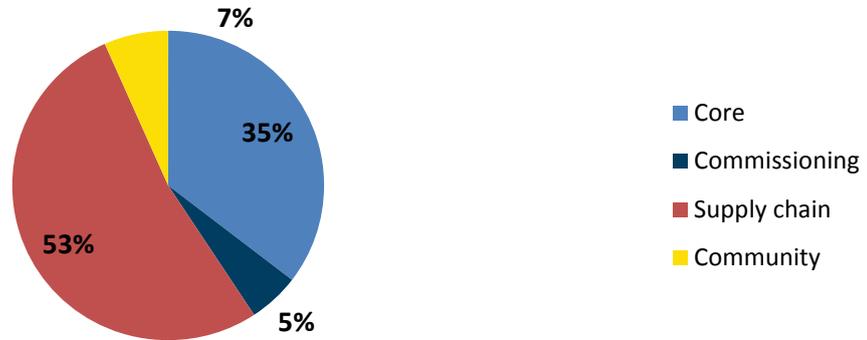
Modelled Carbon Footprint

The information provided in the previous sections of this Sustainability Report uses the Estates Return Information Collection (ERIC) as its data source. However, we are aware that this does not reflect our entire carbon footprint. Therefore, the following information uses a scaled model based on work performed by the Sustainable Development Unit (SDU) in 2009/10. More information available at: <http://www.sduhealth.org.uk/policy-strategy/reporting/nhs-carbon-footprint.aspx>

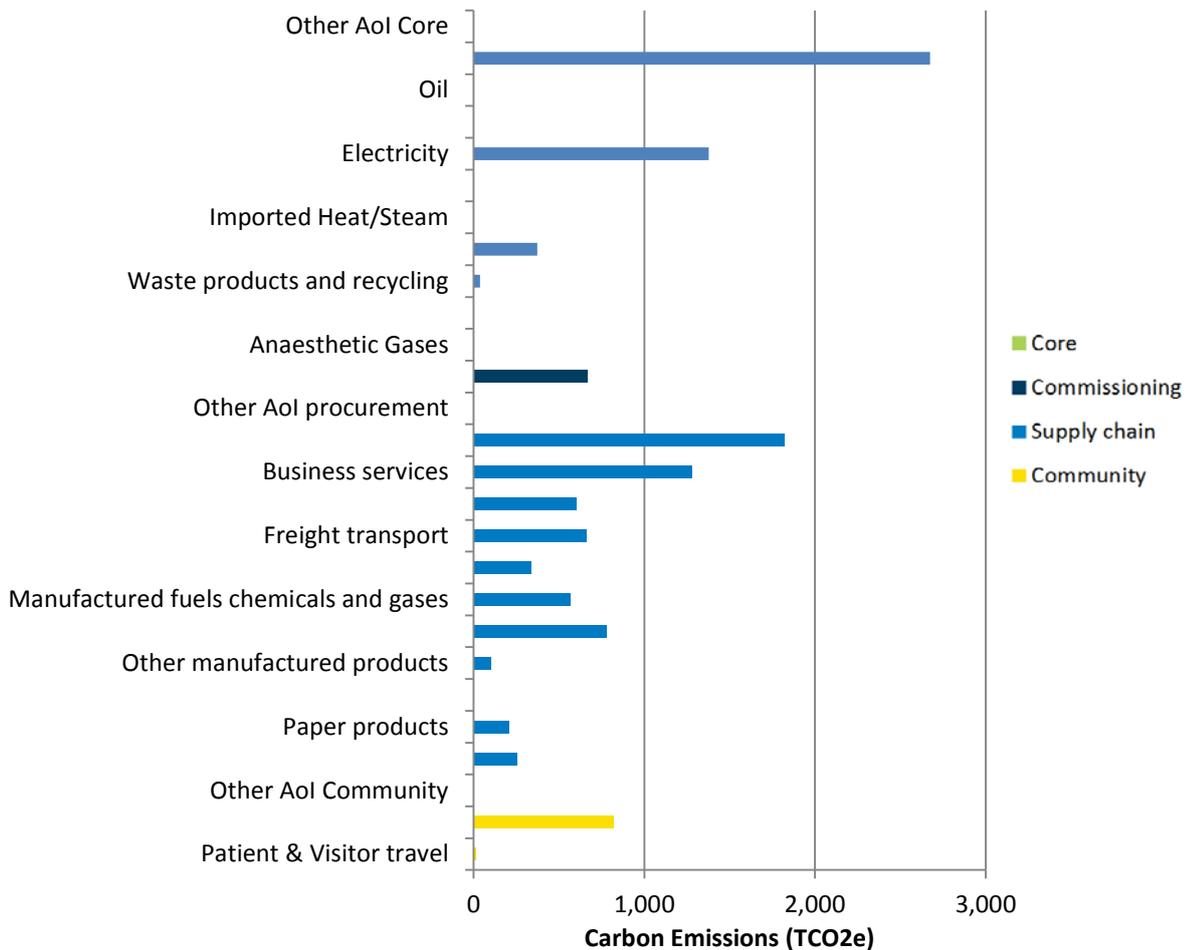
This results in an estimated total carbon footprint of 12,595 tonnes of carbon dioxide equivalent emissions (tCO₂e). Our carbon intensity per pound is 109 grams of carbon

dioxide equivalent emissions per pound of operating expenditure (gCO₂e/£). Average emissions for mental health and learning disability services is 160 grams per pound.

Proportions of carbon footprint



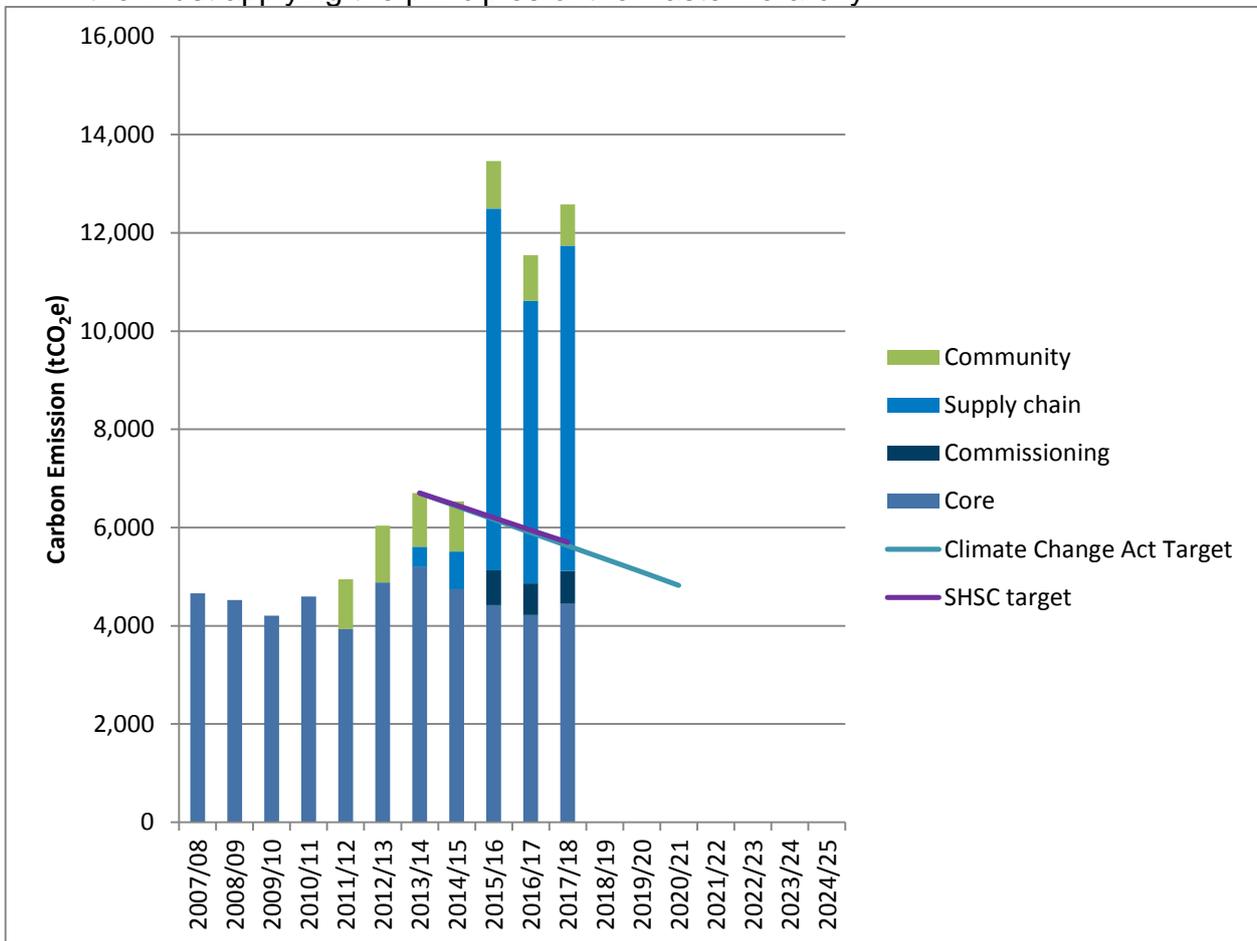
Breakdown of 2017/18 emissions (tCO₂e)



Modelled trajectory

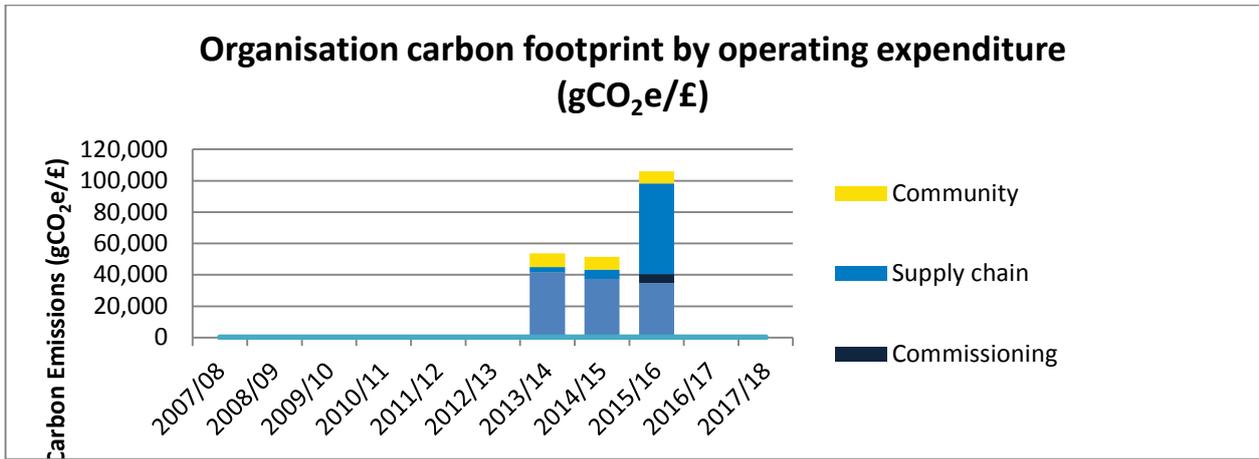
As outlined in our SDMP, we are committed to our contribution of the remaining systemwide 28% reduction in carbon emission required to meet the legally binding national 2020 Climate Change Act target. Building on what we have achieved so far some of the initiatives we are working towards which should have a positive impact on our carbon footprint are:

- Refurbishment of our Longley Centre Site
- Disposal of our Trust Headquarters (Fulwood House) and the relocation of affected staff to an alternative location
- Continued review and trial of 'green' fleet options, including electric and dual fuel vehicles
- Development of staff active travel plan and promotion of e-conferencing
- Embedding carbon literacy within our financial mechanisms and continued development of a Sustainable Procurement Strategy
- Development of a strategy for how we monitor and target energy use across the Trust
- Development of a strategy for how we monitor and target waste production across the Trust applying the principles of the waste hierarchy.



Benchmarking

Since the Board of Directors approved our SDMP in 2015 we have made good progress on our carbon reduction strategy. We have built on the optimisation, and will continue to, of our Building Management System. As mentioned previously the majority of our Estate now had upgraded LED lighting. Zoning of areas has been installed in appropriate areas to improve comfort and resilience. We have prioritised a reduced cost in energy tariffs rather than sourcing a green energy tariff.



All the data within the Sustainability Report is subject to verification for the ERIC (Estates Return Information Collection) submitted to the Department of Health later in 2018.

This Accountability Report has been approved by the Directors of Sheffield Health and Social Care NHS Foundation Trust.

Kevan Taylor.

Kevan Taylor
 Chief Executive
 24 May 2018

Section 4.0 Quality Report

Part 1: Quality Report 2017/18 Chief Executive's welcome

I am pleased to present the Sheffield Health and Social Care NHS Foundation Trust Quality Report for 2017/18.

This Quality Report is our way of sharing with you our commitment to achieve better outcomes and deliver better experiences for our service users and their carers. We will report the progress we have made against the priorities we set last year, and look ahead to the areas we will continue to focus on for the coming year.

At the end of March 2017 the Care Quality Commission (CQC), following their comprehensive inspection in November 2016, assessed the Trust as 'Good' overall with eight out of our ten core services rated as 'Good'. While I was, and remain, very proud of this, we have continued working with staff, service users, carers, volunteers and Governors this year to make improvements where we know we could do better.

We are expecting a 'well-led inspection' by the CQC some time in the near future and are hopeful that the hard work and dedication shown by all staff and stakeholders will continue to shine through.

We take service user safety very seriously and we have made significant improvements in this area over the year. This is discussed in more detail on page 111.

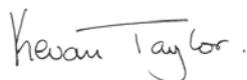
We have significantly transformed our mental health community services this year, with a new operational and governance framework coming into place from April 2018. This has created some challenges, which our results from the staff survey and community mental health survey show, which we continue to work through. More information about this can be seen within this report and our fuller Annual Report.

Our approach to quality is set out within our Quality Improvement and Assurance Strategy 2016-2022 and the accompanying implementation plan. As we head into the new financial year, we are refreshing this strategy to ensure it remains aligned with our business plans and quality improvement plans.

Our ambition is to provide excellent services that deliver a really positive experience for the people who need them. We still have work to do to ensure the quality of what we provide is of a consistently high standard for every person. Our plans for quality improvement will ensure we make continued improvements.

In publishing this Quality Report the Board of Directors have reviewed its content and verified the accuracy of the details contained in it. Information about how they have done this is outlined in Annexe B to this report.

To the best of my knowledge the information provided in this report is accurate and represents a balanced view of the quality of services that the Trust provides. I hope you will find it both informative and interesting.



Kevan Taylor
Chief Executive

Part 2A: A review of our priorities for quality improvement in 2017/18 and our objectives for 2018/19

In setting our plans for 2017/18 we reviewed our priorities for quality improvement. The people who use our services and the membership of our Foundation Trust have been instrumental in deciding what our priorities are.

In undertaking this review, the Board of Directors:

- reviewed our performance against a range of quality indicators
- considered our broader vision and plans for service improvement
- continued to explore with our Council of Governors their views about what they felt was important
- engaged with our staff and service users to understand their views about what was important and what we should improve.

We then consulted on our proposed areas for quality improvement with a range of key stakeholders. These involved our local Clinical Commissioning Group, Sheffield City Council, Healthwatch and our Governors. Our Governors informed us of their priority areas going forwards into 2018/19, to ensure we incorporated these within our quality objectives.

In compiling this year's Quality Report we also met with Governors to review the draft report. Governors provided their views and feedback on the content of the report, ensuring the report represented a balanced picture of the Trust's performance based on their knowledge and experience of working as Governors over the last year.

Our priorities for improvement during 2017/18 were:

Responsiveness

Quality Objective 1: We will improve access to our services and treatment

Experience

Quality Objective 2: We will improve service user experience, involvement and engagement

Safety

Quality Objective 3: We will improve physical, mental and social wellbeing outcomes for all service users.

Quality Objective 1: We will improve access to services and treatment

We chose this priority because

the evidence clearly demonstrates that prompt access to effective treatment has a significant impact on outcomes. When we met with our Governors this was a key area of concern for them. They wanted us to ensure that people got seen quickly when they needed to. Improving access is an area prioritised by our commissioners and they are supportive of improvement and service reconfigurations to help us achieve this.

We had started to make improvements in reducing waiting times over the past few years, but we knew that we still had more to do. National policy for mental health services is seeing the establishment of a range of *Achieving Better Access* standards for mental health services. Uniquely for the NHS these standards don't just focus on waiting times to see someone, but waiting times for service users to access and start receiving evidenced based treatments and therapies. This is a challenging agenda, but one that the Trust welcomes and fully supports.

We said we would

At the beginning of the year we agreed that we would continue to focus on waiting times to access services. During 2017/18 we planned to:

- Reconfigure community services
- Improve support and access for people with a learning disability into mainstream mental health services
- Return people being cared for in in-patient settings outside of Sheffield, back to Sheffield
- Improve access to urgent and crisis services , ensuring effective access over the seven day period
- To meet liaison, 24/7, urgent and emergency mental health targets
- Work towards an 18 week pathway ensuring urgent cases are offered an appointment within two to four weeks.

How did we do?

- All staff were allocated a role in the new adult community model and transferred into these roles by 31 January 2018
- The Single Point of Access (SPA) service went live on 18 December 2017
- There has been progress during 2017/18 with returning service users from out of city placements. At the end of Q4 2016/17 there were 14 people out of city. At the end of Q3 2017/18 there were 11 people out of city, the majority of these service users have a learning disability diagnosis. It is anticipated by the end of Q1 2018/19 there will be seven service users remaining out of city
- Liaison access targets (A&E) - High level of compliance with targets achieved. Although reliant on timely referral to liaison which is not always feasible as dependant of the physical health care issues being managed by A&E
- Greenlight toolkit audit has been completed. This is a self-audit tool for improving services for people with learning disabilities, including best practice and quality outcomes. Greenlight meetings are in situ and have an agenda which includes a review of positive and negative working practices and solutions to blocks. A resource of accessible information has been created with the aim of developing this into a website to support staff with the Accessible Information Standard.

How we have performed against working towards the 18 week pathway, ensuring urgent cases are offered an appointment within two to four weeks, is provided in the table overleaf.

Service	Urgent two to four weeks	18 week pathway achieved
Eating disorders	✓	✓
Gender identity service	✓ (young people transitioning services)	X
Relationship and sexual health	N/A	X
Sheffield adult autism and neurodevelopmental service (SAANS)	✓	X
Memory service	✓	✓
Long term neurological conditions – neuro enablement	✓	✓
Long term neurological conditions- brain injury	✓	✓

How will we keep moving forward?

- We have had some issues following the launch of our SPA service, relating to telephone response times. We are working hard to improve this and are closely monitoring progress in this area
- We have direct access to the substance misuse screening tool through the physical health assessment form on Insight. We will continue to roll the use of this out across our in-patient wards
- We will continue to ensure people who are being cared for outside of the city are returned to Sheffield
- We will undertake a re-audit of the greenlight toolkit.

Quality Objective 2: We will improve service user experience, involvement and engagement

We chose this priority because

understanding the experiences of the people who use our services is essential if we are to be successful in achieving quality improvement. When discussing priorities for the Trust, our Governors told us that we should continue to support staff to have an appreciation and awareness of what it is like to receive care and to improve how we gather feedback about people's experiences. The Trust has a co-produced Service User Engagement Strategy, approved by the Board of Directors, which sets our approach to improving and understanding the experience of the people who use our services.

We said we would

We agreed to focus our efforts, in particular, this year on the following areas:

- To reduce the amount of restrictive practice and to improve service user experience when intervention is needed
- To have proactive engagement with service users throughout the redevelopment at the Longley Centre and other local service improvements, as well as within our governance meetings
- Increase service user involvement in developing collaborative care plans and evaluating outcomes within learning disability services
- To implement SafeWards within all in-patient settings. SafeWards is an evidence based intervention that is proven to reduce restrictive interventions.

How did we do?

- The Trust has a reducing restrictive practice programme which looks at our usage of restrictive interventions across the Trust and considers progress against the programme. Data for the number of service users who have been restrained and secluded are provided in the table below. The data shows that, overall, incidences of restrictive interventions are reducing within the Trust.

Incidences of restraint		
2015/16	2016/17	2017/18
716	764	736
Incidences of seclusion		
2015/16	2016/17	2017/18
418	304	302

NHS Benchmarking data (2016/17) provides data per 10,000 bed days and show our rate for adults as 171, against a mean of 107. For older adults our rate is 91 against a mean of 77 (the lowest of the region).

The Trust's plan for continuing to reduce restrictive practices has included the implementation of SafeWards, RESPECT training, post incident reviews and improving activity on wards

- There has been effective service user engagement in the Longley Centre design work at both team level and at wider stakeholder events. Our service user lead also went with a group of key representatives to visit another hospital to learn from best practice and hear about any lessons learned from their recent redesign. Service users have given positive feedback about the level of engagement and the way their ideas and perspectives are shaping the plans
- Within the Assessment and Treatment Service (ATS) Positive Proactive Support Plans (PPSP) and 'My Care Plans' are used across all service users with a weekly audit illustrating any gaps in content across professional groups

- A care plan quality review has been completed, resulting in a revamped Personal Behaviour Support (PBS) plan.

How will we keep moving forward?

- Post incident reviews are taking place, but there is not yet compliance with the agreed standard. Weekly reporting has commenced during 2017/18, which will continue into 2018/19 to ensure that our focus remains on reducing restrictive practices and post seclusion reviews
- Following our refreshed Service User Engagement and Experience Strategy implementation plan, we will continue to develop and deliver improvements as set out in our strategy and monitor our performance against this
- We will recruit additional staff within our Engagement and Experience Team to ensure we improve service user and carer experience and involvement
- We will continue to develop our working with Care Opinion to increase the service user and carer feedback we are receiving and to make real improvements based on the feedback
- An audit of PBS planning within community teams will be undertaken.

Quality Objective 3: We will improve physical, mental and social wellbeing outcomes for all service users

We chose this priority because

physical health was a priority for our Governors and service users, as many of our service users are at higher risk of developing physical health problems. The evidence clearly shows that people with severe mental illness and people with learning disabilities have reduced life expectancy and greater morbidity, as do people who are homeless and people who misuse drugs and alcohol.

The need to deliver continued improvements in this area is key priority across health and social care in Sheffield. It will help deliver improved outcomes and achieve a reduction in the gap in life expectancy for people with serious mental health illnesses and people with a learning disability. As we have developed our plans our clinicians have told us this was a key area they wished to focus on to deliver improvements. We know from reviewing progress against our physical health strategy and national audits that we have further improvements still to make.

We said we would

Continue our development plan, focussing in particular on the following areas:

- Reviewing our assessment processes to ensure a holistic assessment is offered to service users in our care
- Ensuring people with a learning disability receive an annual health check with their GP and have a health action plan and a hospital passport in place
- Implementing NICE guidelines when working with individuals with co-existing substance misuse dependency
- Improving the awareness of good diet in older people and people with dementia
- Increasing access to activity, including access to cardio walls and ensuring activity is everybody's business
- Minimising the risk of falls and reducing falls with harm.

How did we do?

- Our Physical Health Strategy has been reviewed, including a review of practices and procedures
- Physical health information is now being gathered at the point of referral and the new recovery services are developing systems to ensure all service users have a full physical health review, at least annually
- 52% of people with learning disabilities recorded on GP practice registers have had an annual health check. Not all of these individuals are under the Trust's care
- 278 people on the community learning disability team caseload have a hospital passport
- A baseline assessment against the NICE Quality Standard for coexisting severe mental illness and substance misuse: community health and social care services (NG58) was undertaken
- Across our dementia services over 97% of service users were screened using the MUST screening tool, with an average 78% screened within 48 hours
- Cardio walls are now in situ at both the Michael Carlisle Centre and Longley Centre.

How we have performed against minimising the risk of falls and reducing falls with harm is provided in the table below.

Year	Number of service user falls	Number of service user falls with harm (ie an injury)
2015/16	1164	368 (31.6%)
2016/17	989	277 (28%)
2017/18	974	231 (23.7%)

How will we keep moving forward?

We have made good progress in some of our development priorities, however it is clear that we still have further work to do to ensure that standards of practice are delivered consistently:

- Our physical health training will be reviewed to consider how we support policy into practice and learn from incidents
- Our Physical Health Group will be re-established and will review our physical health examination and assessment forms, ensuring they help practice and decision making
- We will monitor the progress made against our action plan following the baseline assessment of the NICE Quality Standard NG58
- We will continue to improve our responsiveness in undertaking falls risk assessment, ensuring these are carried out within three days of admission.

Our Quality Objectives for 2018/19

In considering our objectives for 2018/19 we have reviewed how we are performing.

The findings from the Care Quality Commission (CQC) inspection

The CQC published the findings from its inspection of Trust services in March 2017. This is summarised in more detail in Section 2B of this report. The Trust's overall rating is 'Good'. Following the CQC inspection, the Board committed to strengthen its approach to service user safety across the Trust. A more focussed safety plan was developed that has been monitored throughout the year. This is being further developed as we set our safety priorities for 2018/19 and incorporate this into our refresh of our Quality Improvement and Assurance Strategy.

National standards and priorities

Since the introduction of the Single Oversight Framework, we have maintained our segment rating of 2.

We have exceeded the national access standards for IAPT Services during 2017/18. However, we did not achieve the access standard for people experiencing a first episode of psychosis during 2017/18. This is an area of priority for us as we move into 2018/19. Rates of diagnosis for people with dementia remain positive, with Sheffield consistently rated in the top five performing areas within England. We have worked in partnership with our local CCG in Sheffield to deliver care and treatment reviews for people with a learning disability, ensuring that care is delivered in the community as the preferred and first choice.

Commissioning priorities for service developments

The main focus of the current and developing plans for service development across Sheffield, as it relates to the Trust, will be the development of sustainable community care systems that deliver quality care and experiences, positive outcomes and significant reduced demand on acute hospital based services. As part of this programme there will be a focus on mental health and ensuring urgent and crisis care pathways and provision are accessible and effective over the full seven day period.

Commissioning priorities in respect of quality improvement for the services directly provided by the Trust are defined through the agreed CQUIN programme. The agreed areas of focus remain on improving physical health and developing improved outcome measures and experiences for service users.

Quality objective setting

In determining our specific quality improvement goals the Board has been informed by the following considerations:

- We have a clear plan to continue to deliver improvements from the CQC inspection
- We currently perform well against the current national standards
- The strengthened safety focus of our Quality Improvement and Assurance Strategy that is in place.

The Trust has a range of development priorities and actions in place that are focussed on maintaining and improving the quality of care provided. These priorities address our transformation priorities and a range of quality improvement programmes that focus on

particular aspects of quality and safety, or build our capacity to deliver high standards of quality care.

Our quality objectives for 2018/19 are:

Quality Objective 1: Improving access to services and treatment

Quality Objective 2: Improving service user and carer experience, involvement and engagement

Quality Objective 3: Improving physical, mental and social wellbeing outcomes for all service users.

Within this we have a specific focus on improving safety in respect of improved physical health outcomes and reducing restrictive interventions.

During 2017/18 our clinical operational services have been reconfigured. The Trust has moved from having five clinical directorates, namely in-patient, community, learning disabilities, specialist services and primary care to having one clinical operations service, split into two care networks. Our GP practices fall outside of the care networks. Our two care networks (Crisis and Emergency Care Network, and Planned and Scheduled Care Network) have revised governance arrangements in place from 01 April 2018 and our focus this year is to embed these following the mobilisation of the reconfiguration.

The community mental health services in Sheffield have also been reconfigured in the last year. These changes have involved a wide process of discussion with service users, carers and staff and the new model of community mental health was introduced in January 2018.

Monitoring progress

Progress against the achievement of our quality objectives is monitored on a quarterly basis through our clinical operational services care networks. Progress is reported through our Executive Directors Group to our Quality Assurance Committee. We also share our progress, together with any concerns on achievement, with external partners.

Quality Assurance - How do we improve, monitor and assure ourselves about the quality of the services and care we provide

Our approach to quality improvement

As part of our review and learning from the Care Quality Commission inspection we are strengthening our safety focus within our Quality Improvement and Assurance Strategy.

The purpose of the strategy is to develop a culture of continuous quality improvement by:

1. Delivering quality by creating the conditions for all our staff and every team to engage successfully in quality improvement underpinned by effective team governance
2. Ensuring measurable quality objectives are agreed across the organisation
3. Ensuring effective, supportive and responsive Trust governance and assurance systems
4. Having clear arrangements to support delivery and accountability
5. Ensuring we have accurate and appropriate information available about the quality of care provided at all levels.

Our Strategy is available on our website and our revised implementation plan will be available there, following approval by the Trust Board.

Quality Governance arrangements

In order to ensure quality, the Trust's governance arrangements are summarised as follows:

Board of Directors: Sets the Trust's strategic aims and ensures the necessary supporting strategies, operational plans, policy frameworks and financial and human resources are in place for the Trust to meet its objectives and review its performance. They also receive assurance reports on compliance with CQC standards as well as the improvements necessary to achieve quality services.

Quality Assurance Committee: Brings together the governance and performance systems of the Trust in respect of quality. The committee provides oversight of Trust systems via the work of a range of committees that oversees Trust systems and performance in respect of key matters relating to quality and safety. They also receive assurance reports on compliance with CQC standards as well as the improvements necessary to achieve quality services.

Audit Committee: Reviews the existence and maintenance of an effective system of integrated governance, risk management and internal control Trustwide.

Executive Directors Group: Oversees the operational functioning and delivery of services, and programme management oversight of key transformation and improvement projects. The Medical Director is the Trust's Executive lead for quality improvement. They oversee the development and implementation of Trustwide compliance plans.

Service User Safety Group: Monitors the Trust's performance around incident management including serious incidents, learning from incidents, Trust mortality, the patient safety thermometer, infection prevention and control, falls, restrictive practices and all matters of patient safety.

Clinical Effectiveness Group: Establishes our annual clinical audit programme (which includes national and locally agreed clinical audits), oversees the implementation of NICE guidance and embeds the routine use of outcome measures in clinical services.

Service User Engagement Group: Improves the quality of service user experience, ensures that service user experience drives quality improvement and enables the clinical directorates to enhance how they engage with service users.

Systems of Internal Control: A range of policy and performance management frameworks (at individual and team level) as well as internal controls that are in place to protect and assure the safety of care and treatment and the delivery of quality care in line with national policy and legislation.

The Trust triangulates service performance across a range of indicators relating to care standards, quality, workforce and finance at service, Directorate and Trustwide level. Further developments are to be made within 2017/18 to implement a business intelligence system that provides real-time quality information to front line teams.

The Board's monthly and annual performance reporting processes ensure that the Executive Management Team are able to scrutinise and manage the operational performance of services and the Board to maintain overall oversight on the performance of the Trust. On an established bi-annual cycle, the performance of all services are reviewed through Directorate-level service reviews. The Executive Team reviews with each operational directorate their performance against planned objectives.

The above framework ensures that the Board of Directors is able to monitor and evaluate the performance of the Trust and its services, and to initiate improvement actions were required.

The following information is publically available and provides more information about quality governance arrangements within the Trust.

Annual Governance Statement: Formal statement from the Board that defines the systems and processes in place across the Trust. See our full Annual Report.

Board Assurance Framework: Defines the controls and actions in place to assure the Board that risks to the delivery of goals and objectives are in place and monitored. Available on the Trust's website.

Board performance reports: A range of monthly and quarterly reports defining current performance. This will include the monthly progress report of the action plan following the CQC inspection. These are available in the Board section of the Trust's website.

Strengthening our assurance processes

Following the plans put in place for 2017/18, we are continuing to build on these into 2018/19 and beyond.

We identified the areas below as key areas to enable us to improve our quality governance arrangements and these continue to be our focus from 2018/19 onwards:

- Peer review and self inspection – continue to build capacity and capability across the Trust by which to self-inspect our services and ensure compliance with quality standards (CQC, MHA, MCA and EMSA)

- Enabling service user engagement in our quality improvement projects – ensuring that service users are enabled and supported to contribute to Microsystems projects within teams
- Team level information needs – implementation of a business intelligence system to provide real-time quality information to front line teams.

To deliver our strategy, it is essential that staff have the ability to engage with improvement techniques. While we will use a range of quality improvement techniques as appropriate, the core Trustwide approach that we will continue to embed will be the Microsystem improvement methodology.

There are currently 24 teams across the organisation actively working with a dedicated Microsystem coach, with a further eight waiting to restart following a pause due to the recent reconfiguration and organisational changes. To date, 36 members of staff have completed, or are undertaking the Sheffield Microsystem Coaching Academy (MCA) training. Of these, 16 are actively coaching teams, with all four members of the Quality Improvement Team coaching multiple microsystems. Eight trained coaches have left the Trust, with one coach currently on maternity leave. Reasons attributed to the 11 trained coaches who remain in the organisation, but are not currently supporting a team primarily relate to personal capacity in terms of balancing demands from the 'day job' with continuing to commit to regular team coaching. Early cohorts included very senior staff members, who inevitably were not in a position to coach long term. However, this was deemed vital in order for the methodology to be fully understood and supported at a senior level within the Trust.

Part 2B Mandatory statements of assurance from the Board relating to the quality of services provided

2.1 Statements from the Care Quality Commission (CQC)

Sheffield Health and Social Care NHS Foundation Trust is required to register with the Care Quality Commission and our current registration status is registered without conditions. The Trust is registered to provide the following Regulated Activities:

- Accommodation for persons who require nursing or personal care
- Assessment or medical treatment for persons detained under the Mental Health Act 1983
- Diagnostic and screening procedures
- Family planning
- Maternity and midwifery services
- Surgical procedures
- Treatment of disease, disorder or injury.

The Trust varied its registration by cancelling the Regulated Activity 'Personal Care' in January 2018, as a result of the Trust's supported living services at Mansfield View being transferred to another provider.

The CQC registers, and licenses the Trust as a provider of care services as long as we meet fundamental standards of quality and safety in compliance with the Health and Social Care Act 2008. The CQC monitors us to make sure we continue to meet these standards.

The CQC has not taken enforcement action against the Trust during 2017/18 and the Trust has not participated in any special reviews or investigations of the Trust by the CQC during the reporting period.

The Trust took part in the CQC Local Systems Review of Sheffield, which looked at how people move between health and social care, including delayed transfers of care. The review focussed on people aged over 65 years and included a review of commissioning across the interface and the governance of resources. The review did not specifically include mental health or specialist commissioning services, but looked at the experiences of people living with dementia moving through the system. As the Trust provides services for people over 65 years, including dementia services, it was a contributor to the review. The draft report is expected at the end of April 2018.

The CQC carried out a well-led review of the Trust in May 2016, following its previous comprehensive inspection in October 2014. Following this review, the Trust remained 'Good' in the well-led domain.

Planned inspection reported in March 2017

In March 2017 the CQC published its findings from the second comprehensive inspection of services that took place in November 2016. They inspected the following mental health, learning disability, substance misuse and primary medical services that we are registered to provide:

- Acute wards for adults of working age and psychiatric intensive care unit
- Long stay/rehabilitation mental health wards for working age adults
- Forensic in-patient / secure wards
- Wards for older people with mental health problems

- Wards for people with a learning disability or autism
- Community-based mental health services for adults of working age
- Mental health crisis services and health based places of safety
- Community-based mental health services for older people
- Community mental health services for people with a learning disability or autism
- Substance misuse services.

The primary medical services were inspected as part of the comprehensive inspection.

Overall they assessed our Trust as 'Good', which is an improvement from our previous rating of 'Requires Improvement' in June 2015. The inspectors found many areas of good practice and received many positive comments about care from service users and carers, in particular our engagement with service users was described as outstanding and both staff and services were identified as being caring and responsive.

However, the Trust did receive 'Requires Improvement' in the 'safe' domain. Issues relating to our seclusion rooms and how we manage ligatures were areas identified as areas requiring improvements.

Wainwright Crescent respite service was inspected in September 2017 as part of the CQC's social care inspection regime and was rated as 'Requires Improvement' overall, with the domains 'safe' and 'well-led' rated as 'Requires Improvement'; the domains 'effective', 'caring' and 'responsive' were rated as 'Good'. The issues raised at Wainwright Crescent relate to monitoring systems, medication practices and practices relating to consent. An action plan was developed to address these issues.

Jordanthorpe Health Centre was inspected in September 2017 and rated 'Good' overall. Only two of the domains ('safe' and 'responsive') were assessed at this inspection, both being rated as 'Good'. Clover City Practice was inspected in November 2017 and rated as 'Good' overall, with all five domains rated as 'Good'.

It is one of our key ambitions to continuously improve our approach to working with service users and learning from their experience of care. We remain, as always, committed to providing high quality health and social care services. We believe we are providing a good standard of care, but we know we both can and need to make further improvements. We will use the inspection reports to further drive our quality improvement work forward.

Our action plan

Some of the actions we have taken following the inspection are provided below:

- Introduction of ligature risk reduction bedrooms
- Introduced CCTV in seclusion rooms
- Improved monitoring of physical observations
- Looked at our staffing, management and leadership on our rehabilitation wards.

We still have a number of areas to work on as we strive for excellence across the organisation and we will continue to develop our work with other Trusts, to learn from others and share good practice in this area.

The Trust Board has monitored progress against our improvement plan each month. We are confident that the actions we have taken will ensure that we are well placed to deliver on

our ambition to provide excellent services that deliver a really positive experience for the people who need them.

We have much to do to ensure the quality of what we provide is of a consistently high standard for every person in respect of safety. Our plans for quality improvement, outlined in Section 2A, will ensure we make continued improvements.

Overall Trust rating from the last inspection

Inspection area of focus	Rating
Safety	Requires Improvement
Caring	Good
Responsiveness	Good
Effectiveness	Good
Well-led	Good
Overall Trust Rating	Good

Individual Service ratings

Health care services	Rating
Acute wards for adults of working age and psychiatric intensive care unit	Good
Long stay/rehabilitation mental health wards for working age adults	Requires Improvement
Forensic in-patient / secure wards	Good
Wards for older people with mental health problems	Good
Wards for people with a learning disability or autism	Good
Community-based mental health services for adults of working age	Good
Mental health crisis services and health based places of safety	Requires Improvement
Community-based mental health services for older people	Good
Community mental health services for people with a learning disability or autism	Good
Substance misuse services	Good
Social care services	Rating
Woodland View Nursing Home	Good
Supported living services for people with mental health problems at Wainwright Crescent respite service	Requires Improvement
Primary care services	Rating
Clover City Practice	Good
Clover Group Practices	Good

Mental Health Act reviews

During 2017/18 the CQC has undertaken three visits to services to inspect how we deliver care and treatment for in-patients detained under the Mental Health Act. The services they visited this year were:

- Michael Carlisle Centre: Dovedale Ward
- Longley Centre: Endcliffe Ward

- Forest Close: Bungalows 1 and 2.

2.2 NHS Improvement's Assessment

NHS Improvement is responsible for overseeing NHS Foundation Trusts, NHS Trusts and independent providers, helping them give patients consistently safe, high quality, compassionate care within local health systems that are financially sustainable.

The Single Oversight Framework is NHS Improvement's risk assessment framework designed to help NHS providers attain, and maintain, Care Quality Commission ratings of 'Good' or 'Outstanding'. The framework doesn't give a performance assessment in its own right.

The Framework helps NHS Improvement identify NHS providers' potential support needs across five themes:

- quality of care
- finance and use of resources
- operational performance
- strategic change
- leadership and improvement capability.

Trusts are segmented according to the level of support each Trust needs. NHS Improvement can then signpost, offer or mandate tailored support as appropriate.

Each Trust is segmented into one of the following four categories:

Segment	Description
1	Providers with maximum autonomy: no potential support needs identified. Lowest level of oversight; segmentation decisions taken quarterly in the absence of any significant deterioration in performance.
2	Providers offered targeted support: there are concerns in relation to one or more of the themes. We've identified targeted support that the provider can access to address these concerns, but which they are not obliged to take up. For some providers in segment 2, more evidence may need to be gathered to identify appropriate support.
3	Providers receiving mandated support for significant concerns: there is actual or suspected breach of licence, and a Regional Support Group has agreed to seek formal undertakings from the provider or the Provider Regulation Committee has agreed to impose regulatory requirements.
4	Providers in special measures: there is actual or suspected breach of licence with very serious and/or complex issues. The Provider Regulation Committee has agreed it meets the criteria to go into special measures.

NHS Improvement produce a quarterly assessment of the segments Trusts are in. Our Trust is in segment 2.

Further information is available at <https://improvement.nhs.uk/resources/single-oversight-framework-segmentation/>

From 01 April to 30 September 2016, the former Risk Assessment Framework was in operation. This comprised of two risk assessments, a governance assessment (rated as either red or green) and a continuity of services rating (based on a 1 – 4 rating). Monitor previously used this Risk Assessment Framework to consider the Trust’s performance in the following areas:

- Performance against national standards
- CQC views on the quality of our care
- Information from third parties
- Quality governance information
- Continuity of services and aspects of financial governance.

The tables below show our ratings for the previous year, together with this year’s ratings.

2017/18

The Trust has remained within segment 2 for the entire year. This is due to the non-achievement of one of the national indicators within our Early Intervention in Psychosis Services.

2016/17

The Trust was assessed as being in segment 2 since the new framework came into operation during the year. Under the former framework, the Trust was assessed as ‘green’ for the two quarters with no evident concerns regarding our performance.

Single Oversight Framework

2017/18 Segmentation	Annual Plan (expected rating)	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Segment	2	2	2	2	2
2016/17 Segmentation	Annual Plan (expected rating)	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Segment	2	N/A	N/A	2	2

Risk Assessment Framework

2016/17 Regulatory ratings	Annual Plan (expected rating)	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Continuity of services rating	4	4	3	N/A	N/A
Governance risk rating	Green	Green	Green	N/A	N/A

2.3 Goals agreed with our NHS commissioners

A proportion of our income in 2017/18 was conditional on achieving quality improvement and innovation goals. These were agreed between the Trust and any person or body they entered into a contract, agreement or arrangement with for the provision of relevant health services, through the Commissioning for Quality and Innovation payment framework.

For 2017/18 £1,186,527 of the Trust's contracted income was conditional on the achievement of these indicators. We achieved the majority of the targets and improvement goals that we agreed with our commissioners. We received £ 942,355 (79.4%) of the income that was conditional on these indicators. For the previous year, 2016/17 the associated monetary payment received by the Trust was £1,351,854 (71%).

A summary of the indicators agreed with our main local health commissioner NHS Sheffield Clinical Commissioning Group (SCCG) for 2017/18 is shown below.

Incentivising improvements in the areas of safety, access, effectiveness and user experiences	
<p>Improving staff health and wellbeing</p> <p>a) Health and wellbeing indicators as measured within the staff survey relating to improving access to physiotherapy for people with MSK issues, reducing work related stress and taking positive action on health and wellbeing</p> <p>b) Achievement of a step-change in the health of the food offered on our premises in 2017/18; and ensuring contractual arrangements are in place with external suppliers to maintain progress</p> <p>c) Improving the uptake of flu vaccinations for frontline clinical staff.</p>	<p>NOT ACHIEVED</p> <p>ACHIEVED</p> <p>PARTIALLY ACHIEVED</p>
<p>Improving physical healthcare to reduce premature mortality in people with severe mental illness</p> <p>a) To demonstrate cardio metabolic assessment and treatment for patients with psychoses in the following areas:</p> <p style="margin-left: 20px;">I. In-patient wards</p> <p style="margin-left: 20px;">II. Early Intervention Psychosis services</p> <p style="margin-left: 20px;">III. Community mental health services (patients on CPA)</p> <p>b) Communication with GPs: To ensure that patients either have an updated CPA care plan or a comprehensive discharge summary; which is shared with their GP.</p>	<p>PARTIALLY ACHIEVED</p> <p>PARTIALLY ACHIEVED</p>
<p>Improving services for people with mental health problems that present to A&E</p> <p>To reduce by 20% the number of attendances to A&E for those within a selected cohort of frequent attenders who would benefit from mental health and psychosocial interventions.</p>	<p>PARTIALLY ACHIEVED</p>
<p>Transitions out of children and young people's mental health services</p> <p>a) To carry out a case note audit to assess the extent of joint transition planning</p> <p>b) To survey young people ahead of transition</p> <p>c) To survey young people post-transition.</p>	<p>ACHIEVED</p>

Incentivising improvements in the areas of safety, access, effectiveness and user experiences	
Preventing ill health by risky behaviours – alcohol and tobacco To ensure all service users admitted to in-patient wards are screened for tobacco and alcohol usage, brief advice is given regarding the benefits of quitting and onward referral made as appropriate.	PARTIALLY ACHIEVED

The table on the previous page summarises the goals that we agreed with our commissioners, and the progress that we made. Full details of the agreed goals for 2017/18 and for the following 12 month period are available on our website at <http://shsc.nhs.uk/about-us/corporate-information/publications/>

The issues prioritised for next year are summarised as follows:

National indicators focussing on

- Improving physical healthcare to reduce premature mortality in people with severe mental illness – continuing the work from this year into next year, and extending it to people within early intervention in psychosis services
- Improving staff health and wellbeing – continuing the work from this year into next year, and focussing on improving the number of staff experiencing stress, MSK issues, providing lower sugar, lower salt content foods in our canteens and cafes, and improving flu vaccination uptake amongst frontline staff
- Ensuring the experience of service users who transition from children and adolescent mental health services into adult services is not affected due to the change in provider
- To work with Sheffield Teaching Hospitals NHS Foundation Trust to provide alternative options for a cohort of people who would benefit from mental or psychosocial interventions to reduce their attendances at A&E
- To improve the reporting, advice given onward assistance and support for service users within in-patient settings in reducing their smoking and alcohol consumption.

The CQUIN programme for next year focuses purely on agreed national priorities. We look forward to working collaboratively with our neighbouring Trusts in order to progress these going forward.

We will continue to make improvements in the areas where we did not fully achieve our targets for this year and will monitor this internally as we go through 2018/19.

2.4 Review of services

During 2017/18 the Trust provided and/or sub-contracted 48 relevant health services. The income generated by the relevant health services reviewed in 2017/18 represents 100% of the total income generated from the provision of relevant health services by the Trust for 2017/18. The Trust has reviewed all the data available on the quality of care in 48 of these relevant health services.

The Trust has agreed quality and performance schedules with its main commissioners of its services which are embedded within our formal contractual arrangements. With respect to SCCG and Sheffield City Council (SCC); these schedules are reviewed on an annual basis and confirmed as part of the review and renewal of our service contracts. We have formal and established governance structures in place with our commissioners to ensure we report on how we are performing against the agreed quality standards, during the course of the contract term and ongoing service provision.

In 2016/17 SCCG issued a contract performance notice, in relation to the levels of staff who had undertaken the required mandatory training, against the compliance target we had set.

Our target to achieve was 80% compliance for of all staff across all mandated subject areas. Our commissioners recognised the progress that the Trust had made in this area and the performance notice was subsequently lifted in May 2017. The Trust continues to perform well across mandatory training subjects and updates are regularly provided to our commissioners.

The Trust has established formal forums in place, in terms of monitoring our quality and contractual performance, in particular with our main commissioners, SCCG and SCC. Through these forums SCCG and SCC have the opportunity to review our performance against quality standards and other performance targets, jointly with us, and query any issues of potential concern, with action plans implemented as necessary, and/ or monitoring arrangements put in place.

2.5 Health and Safety Executive / South Yorkshire Fire and Rescue visits

Health and Safety Executive

There were no Health and Safety Executive visits to the Trust during 2017/18.

South Yorkshire Fire and Rescue

In June 2017 the South Yorkshire Fire and Rescue Service removed the enforcement notice placed on us during 2016/17 following two fires on Burbage Ward, an in-patient ward within our adult mental health services. They were satisfied that remedial action had been taken to resume compliance with statutory duties. The service also carried out a number of familiarisation visits and inspections at Forest Lodge, Fulwood House, Michael Carlisle Centre, East Glade Centre and Woodland View during the year. None of these visits resulted in enforcement notices.

2.6 Compliance with NHS Resolution (formerly NHS Litigation Authority) Claim Management Procedures

The Trust is a member of NHS Resolution, who handle negligence claims made against the NHS. NHS Resolution give all member organisations a red, amber, green ('RAG') rating which determines the level of contribution each member makes to NHS Resolution for insurance cover. The Trust's current RAG rating is red, which reflects a level of concern based on the costs incurred from negligence claims arising from incidents over four to five years ago.

2.7 Participation in Clinical Research

The number of patients receiving relevant health services provided or sub-contracted by Sheffield Health and Social Care NHS Foundation Trust in 2017/18, who were recruited during that period to participate in research approved by a research ethics committee, was 1005.

Research is a priority for the Trust and is one of the key ways by which the Trust seeks to improve quality, efficiency and initiate innovation. Over the last year the Trust has worked closely with the Yorkshire and Humber Collaboration for Leadership in Applied Health Research and the Yorkshire and Humber Local Research Network to improve our services and increase opportunities for our service users to participate in research, when they choose do so. We have strong links with academic partners, including the School of Health and Related Research in the University of Sheffield, the School of Health and Wellbeing at Sheffield Hallam University, the Sheffield Clinical Trials Research Unit and the National Centre for Sports and Exercise Medicine, to initiate research projects in the Trust.

We adopt a range of approaches to recruit people to participate in research. Usually, we will identify individuals appropriate to the area being researched and staff involved in their care

will make them aware of the opportunity to participate in the study. Service users and carers will be provided with the necessary information to allow them to take informed decisions about whether they wish to participate and, if they agree, they will be contacted by the research team. SHSC also uses the Join Dementia Research tool designed by the National Institute for Health Research in association with Alzheimer's Research UK and the Alzheimer's Society to match service users who have expressed an interest in research with appropriate studies.

At the end of 2017/18 there were 39 active clinical research projects underway which aim to improve the quality of services, increase service user safety and deliver effective outcomes. Areas of research in which the Trust has been active over the last 12 months include:

- A ten centre randomised controlled trial of an intervention to reduce or prevent weight gain in severe mental illness
- A trial comparing the effectiveness of counselling for depression with cognitive behavioural therapy
- A multi-centre trial of a self-help intervention to improve quality of life in Alzheimer's disease
- Support for the families and carers of service users with dementia
- Interventions for service users with eating disorders
- The effectiveness of services for mothers with mental illness
- Co-morbidities between physical health and mental health
- Pharmaceutical trials of new drugs for service users with dementia (including Alzheimer's disease).

2.8 Participation in Clinical Audits

National Clinical Audits and National Confidential Enquiries

During 2017/18 five national clinical audits and four national confidential enquiries covered relevant health services that Sheffield Health and Social Care NHS Foundation Trust provides.

During that period Sheffield Health and Social Care NHS Foundation Trust participated in 100% national clinical audits and 100% national confidential enquiries of the national clinical audits and national confidential enquiries which it was eligible to participate in.

The national clinical audits and national confidential enquiries that Sheffield Health and Social Care NHS Foundation Trust was eligible to participate in during 2017/18 are as follows:

National Audits and National Confidential Enquiries
Mental Health Clinical Outcome Review Programme 1. Suicide in children and young people
Mental Health Clinical Outcome Review Programme 2. Suicide, homicide and sudden unexplained death
Mental Health Clinical Outcome Review Programme 3. The management and risk of patients with personality disorder prior to suicide and homicide
Learning Disability Mortality Review Programme (LeDeR Programme)
National Core Diabetes Audit
POMH Topic 17: Use of depot/LA antipsychotics for relapse prevention
POMH Topic 15: Prescribing valproate for bipolar disorder
National Audit of Early Intervention Services
National Audit of Psychosis (NCAP)

The National Clinical Audits and National Confidential Enquiries that Sheffield Health and Social Care NHS Foundation Trust participated in during 2017/18 are as follows:

National Audits and National Confidential Enquiries
Mental Health Clinical Outcome Review Programme 1. Suicide in children and young people
Mental Health Clinical Outcome Review Programme 2. Suicide, homicide and sudden unexplained death
Mental Health Clinical Outcome Review Programme 3. The management and risk of patients with personality disorder prior to suicide and homicide
Learning Disability Mortality Review Programme (LeDeR Programme)
National Core Diabetes Audit
POMH Topic 17: Use of depot/LA antipsychotics for relapse prevention
POMH Topic 15: Prescribing valproate for bipolar disorder
National Audit of Early Intervention Services
National Audit of Psychosis (NCAP)

The Trust has also begun participation in the audit: POMH Topic 16: Rapid tranquillisation but as data collection for this audit spans 2017/18 and 2018/19 it will be reported in the 2018/19 quality report.

The National Clinical Audits and National Confidential Enquiries that Sheffield Health and Social Care NHS Foundation Trust participated in, and for which data collection was completed during 2017/18, 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.

National Audits and National Confidential Enquiries	Number of cases submitted as a percentage of those asked for
Mental Health Clinical Outcome Review Programme 1. Suicide in children and young people 2. Suicide, homicide and sudden unexplained death 3. The management and risk of patients with personality disorder prior to suicide and homicide	100% (Note 1 and 2)
Learning Disability Mortality Review Programme (LeDeR Programme)	72% (Note 3)
National Core Diabetes Audit	National data extraction
POMH Topic 17: Use of depot/LA antipsychotics for relapse prevention	100%
POMH Topic 15: Prescribing valproate for bipolar disorder	100%
National Audit of Early Intervention Services	100%
National Audit of Psychosis (NCAP)	100%

Note 1: The percentage figure represents the numbers of people who we reported as having prior involvement with.

Note 2: Submission of data for Quarters 3 and 4 of each year takes place within the reporting period of the following year. Therefore this figure includes Quarters 3 and 4 of 2016/17 and Quarters 1 and 2 of 2017/18.

Note 3: In some cases reporting had not occurred before the end of the 2017/18 reporting period due to the timeframe between the relevant death occurring and the end of the reporting period. All relevant cases will be reported in due course.

The reports of three National Clinical Audits were reviewed by the provider in 2017/18 and Sheffield Health and Social Care NHS Foundation Trust intends to take the following action to improve the quality of healthcare provided:

- The National Clinical Audit reports reviewed during 2017/18 were from three POMH audits on medicine prescribing practice. The findings from these audit reports are being used to inform wider pieces of work looking at improving restrictive practices and physical health monitoring.
- Not all National Clinical Audits produced reports during 2017/18. In addition, two national clinical audits undertaken in 2016/17 reported their findings in 2017/18 and are therefore included here.

The reports of 20 local clinical audits were reviewed by the provider in 2017/18 and Sheffield Health and Social Care NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided:

Local audits (reports reviewed in 2017/18)	Key actions following the audit
Record Keeping Audit 2016/17 and 2017/18	Local level actions taken to remind staff of good quality record keeping. Further clarity provided to staff on use of abbreviations - to be incorporated into the relevant policy.
QS86 Falls in older people	Regular Falls audits to be undertaken to ensure continued compliance with NICE guideline.
Collaboration with primary care clinicians 2016/17 audit	Guidance provided to staff on annual reviews of care. Changes made to the care plan form. Creation of a 'clinical review for GP' IT system solution.
Risk Assessments 2017 audit	Local action plans to address identified issues.
Care Plans 2017/18 audit	Changes made to the care plan form. Findings regarding evidence of collaboration shared with staff for improvements.
Cardio-Metabolic Assessment and Treatments 2016/17 audit	Agreed increased focus on physical health reviews in community settings.
Greenlight Toolkit Audit	Greenlight meeting used to develop and track action plan. Re-audit in 2018.
Audit of NICE Guidelines for Borderline Personality Disorder	Actions to be developed: to discuss with relevant quality and service management teams.
Assessment of NICE Guidance: NG43 Transition from children's to adults' services for young people using health or social care	Findings fed into CQUIN and other related joint work with CAMHS to improve transitions.

services	
Assessment of NICE Guidance: NG13 Workplace health: management practices	Practices are in line with guidance. Review practices against guidance as necessary in future.
Assessment of NICE Guidance: NG58 Coexisting severe mental illness and substance misuse: community health and social care services	Action plan under development.
Care Pathway for Early Onset Dementia	Acknowledged need to develop specific standards for this referral pathway.
Audit of Physical Investigations for Admitted Psychiatric Patients	The audit findings were presented at the Trust's weekly training event – Quality Improvement Group: Physical Health Screening. Increasing awareness of the Physical Health Investigations SOP.
Physical Health Monitoring in the Early Intervention Service	The results of this audit were presented to the members of the weekly EIS Microsystems team. The EIS team plan to address the issues raised in order to develop changes in team practice capable of driving the necessary improvements.
An audit on the accuracy of initial assessments completed on new patients referred to the Perinatal service	New proforma produced for initial assessments in the service to ensure NICE guideline followed.
Physical Health Monitoring in Patients on Antipsychotics	Findings shared with the South East Home Treatment Team for local improvements.
Audit of Gender Psychotherapy Service for Individual or Couple Therapy	Shared with service for local learning and improvements to pathway.
Clinical Audit to review case discussions of newly allocated service users within MDT meetings	Detailed information and discussion to be documented on the electronic care record instead of MDT minutes.
Local audit of completion of Physical Health Review forms and appropriate action taken	Shared with service for local learning and improvements to physical health reviewing.
Nalmefene Audit	Repeat training session on appropriate criteria for patients being considered for Nalmefene; as well as the pre-requisites before booking a patient in for consideration of Nalmefene prescription to the alcohol team.

* There were a number of local clinical audits where data collection took place during 2017/18 but the audit is not completed at the end of the year. The reports from these will be reviewed during 2018/19.

2.9 Data quality

Good quality information underpins the effective delivery of care and is essential if improvements in quality care are to be made. Adherence to good data quality principles (complete, accurate, relevant, accessible, timely) allows us to support teams and the Board of Directors in understanding how we are doing and identifying areas that require support and attention.

External auditors have tested the accuracy of the data and our systems used to report our performance on the following indicators:

- Early Intervention in Psychosis (EIP): people experiencing a first episode of psychosis treated with a National Institute for Health and Care Excellence (NICE) - approved care package within two weeks of referral
- Improving Access to Psychological Therapies (IAPT): waiting time to begin treatment (from IAPT minimum dataset): within six weeks of referral
- Mortality data as prioritised by our Governors.

As with previous years, the audit has confirmed the validity and accuracy of the data used within the Trust to monitor, assess and report our performance.

Sheffield Health and Social Care NHS Foundation Trust did not submit records during 2017/18 to the Secondary Uses Service for inclusion in the Hospital Episode Statistics. The Trust did submit data to the Mental Health Services Data Set (MHSDS). The latest published data regarding data quality under the mental health minimum data set is for December 2017. The Trust's performance on data quality compares well to national averages and is summarised as follows:

Percentage of valid records	Data quality 2016/17	Data quality 2017/18	National average
NHS Number	100%	100%	99.0%
Date of birth	100%	100%	99.9%
Gender	100%	100%	99.6%
Ethnicity	90.2%	88.7%	82.1%
Postcode	100%	100%	97.9%
GP Code	98.6%	98.0%	98.3%
The Trust data is for the end of Q3 and comparative data is from the published MHSDS Reports for December 2017			

As a NHS Foundation Trust delivering mental health services we are required to deliver the following standards in respect of data completeness.

Percentage of valid records	Target	2016/17	2017/18
Service user identifiers (For example date of birth, gender)	97%	100%	100%
Service user outcomes (For example employment status, HoNOS scores)	50%	96.1%	87.3%

Clinical coding error rates

Sheffield Health and Social Care NHS Foundation Trust was not subject to the Payment by Results clinical coding audit during 2017/18 by the Audit Commission.

2.10 Information governance

We aim to deliver best practice standards in information governance by ensuring that information is dealt with legally, securely and effectively in order to deliver the best possible care to our service users. During the year we completed a self-assessment through the Health and Social Care Information Centre Information Governance Toolkit framework.

Based on our self-assessment Sheffield Health and Social Care NHS Foundation Trust's Information Governance Assessment Report overall score for 2017/18 was 68% for the 45 standards and was graded 'satisfactory'. A summary of our performance is provided below.

Information Governance Assessment framework - criteria	2015/16	2016/17	2017/18 Current Grade
Information Governance Management	66%	66%	66%
Confidentiality and Data Protection Assurance	66%	70%	74%
Information Security Assurance	66%	66%	66%
Clinical Information Assurance	66%	66%	66%
Secondary Use Assurance	70%	70%	70%
Corporate Information Assurance	66%	66%	66%
Overall	67%	68%	68%

Note:

- (1) 'Satisfactory' means we are at least Level 2 on all the assessment criteria, based on our self-assessment.
- (2) There are four levels, with Level 0 being the lowest rating and Level 3 the highest.

Part 3: Review of our quality performance

3.1 Safety

Overall number of patient related incidents reported

The Trust traditionally reports a high number of incidents compared to other organisations. This is a positive reflection of the safety culture within the Trust. It helps us to understand what the experience of care is like, spot trends and make better decisions about what we want to address and prioritise for improvement. NHS Improvement assesses our performance using the data supplied through the National Reporting Learning System (NRLS). Our reporting rates are summarised in the table below:

Patient related incidents reported	Number of incidents reported	Our Incidents per 1,000 bed days	National Incidents per 1,000 bed days
April 2014 - September 2014	2,129	55.3	32.8
October 2014 - March 2015	2,357	66.7	31.1
April 2015 – September 2015	1,982	60.8	38.6
October 2015 – March 2016	1,972	67.1	37.5
April 2016 – September 2016	2,267	86.0	42.5
October 2016 – March 2017	1,524	59.9	44.3
April 2017 – September 2017	2,132	83.0	51.5

Source: National Reporting Learning System
Incident rate = number of incidents compared to volume of in-patient care (occupied bed days)

Our incident rate per 1,000 days has continued to increase over the last three to four years. In the latest report published from the NRLS, the Trust is the fourth highest reporter of patient safety incidents out of 53 mental health trusts (using the reporting rate per 1,000 bed days). Nationally, the incident reporting rate has also increased over this period. Our reporting rate has increased due to an increase in the number of incidents reported within our community settings, together with a reduction in the amount of care we have provided within in-patient settings, reducing from 38,489 bed days in April 2014 – September 14 to 25,678 bed days in April 2017 – September 2017.

Nationally, based on learning from incidents and errors across the NHS, NHS England has identified a range of errors that should always be prevented. These are often referred to as 'never events', because with the right systems to support care and treatment in place they should never need to happen again. The Trust had no 'never events' within the reporting year 2017/18. In February 2018, the 'never events' list was updated by NHS England. The Trust assessed which events would apply to it and presented this information to the Quality Assurance Committee.

Patient safety alerts

The NHS disseminates safety alerts through a central alerting system. During 2017/18 the Trust received 105 non-emergency alert notices, (plus a further 23 which had a 'response not required' rating). 98% of these alerts were acknowledged within 48 hours. Nine were deemed to be applicable to the services provided by the Trust, (a further two are still being assessed for their relevance; the deadlines for which have not yet been reached). 95% of the applicable alerts were acted upon within the required timescale. A further two are still having their relevance assessed; the deadlines for which have not yet been reached. Our aim is to achieve 100% performance.

Patient safety information on types of incidents

Self-harm and suicide incidents

The risk of self-harm or suicide is always a serious concern for mental health and substance misuse services. The latest NRLS figures show 11% of all patient safety incidents reported by the Trust were related to self-harm, in comparison with 22% for mental health trusts nationally.

Proportion of incidents due to self-harm/suicide	Number of incidents reported	Our incidents as a % of all our incidents	National incidents as a % of all incidents
April 2014 - September 2014	260	12.2%	20.0%
October 2014 - March 2015	334	14.2%	21.2%
April 2015 – September 2015	280	14.1%	20.9%
October 2015 – March 2016	246	12.5%	22.2%
April 2016 – September 2016	313	13.8%	22.0%
October 2016 – March 2017	158	10.4%	23.4%
April 2017 – September 2017	243	11.4%	21.8%
<i>Source: National Reporting Learning System</i>			

Disruptive behaviour

In previous years the Trust has reported relatively low incidents of disruptive and aggressive behaviour within our services compared to other mental health organisations. This has increased over the last three to four years as we have prioritised and progressed significant improvement work under our RESPECT programme. This has resulted in improved reporting rates and our reported incidents are now higher than the national averages. It should be noted, however, that 95% of all our incidents have no or low harm. Our disruptive behaviour incidents are summarised in the table below:

Proportion of incidents due to disruptive behaviour	Number of incidents reported	Our incidents as a % of all our incidents	National incidents as a % of all incidents
April 2014 - September 2014	446	20.9%	16.1%
October 2014 - March 2015	471	20.0%	15.2%
April 2015 – September 2015	423	21.3%	15.3%
October 2015 – March 2016	401	20.3%	15.1%
April 2016 – September 2016	556	24.5%	14.4%
October 2016 – March 2017	353	23.2%	13.2%
April 2017 – September 2017	511	24.0%	13.0%
<i>Source: National Reporting Learning System</i>			

Medication errors and near misses

Staff are encouraged to report near misses and errors to make sure that we are able to learn and make our systems as safe and effective as possible. The proportion of incidents reported that relate to medication errors has historically been below national averages. However, improved reporting has shown an increase of this type of incident over the last three years.

Proportion of incidents due to medication errors	Number of incidents reported	Our incidents as a % of all our incidents	National incidents as a % of all incidents
April 2014 - September 2014	136	6.4%	9.2%
October 2014 - March 2015	193	8.2%	8.9%
April 2015 – September 2015	161	8.1%	8.6%
October 2015 – March 2016	241	12.2%	8.4%
April 2016 – September 2016	228	10.1%	8.5%
October 2016 – March 2017	181	11.9%	8.5%
April 2017 – September 2017	198	9.3%	7.9%
<i>Source: National Reporting Learning System</i>			

Cleanliness and infection control

The Trust is committed to providing clean safe care and ensuring that harm from infections is prevented. An annual programme of infection prevention and control details the methods and actions required to achieve these ends. This includes:

- processes to maintain and improve environments
- the provision of corporate and mandatory training
- systems for the surveillance of infections
- an extensive audit programme
- the provision of expert guidance to manage infection risks identified.

This programme is monitored internally and externally by the provision of quarterly and annual reports detailing the Trust's progress against the programme. These reports are publically available via the Trust's website.

Single sex accommodation

During 2017/18 we have had three reportable breaches on two separate occasions of the Department of Health Guidance on Eliminating Mixed Sex Accommodation on Dovedale older adult acute ward. There are a number of further non-reportable measures within the guidance which the Trust manages as well as possible in collaboration with SCCG, however we do not fully meet these due to the layout of the wards. The CQC also identified the limitations of the wards in the November 2016 inspection and the Trust CQC action plan addresses and monitors the improvements that we are making in this area. There is work underway on Dovedale Ward that will be completed by the end of April 2018.

Safeguarding

The Trust complies with its responsibilities and duties in respect of Safeguarding Adults and Safeguarding Children. We have a duty to safeguard those we come into contact with through the delivery of our services and to identify those who may have experienced or are experiencing abuse in all of its forms.

We fulfil our obligations through ensuring we have:

- systems and policies in place that are compliant with legislation and best practice
- the right training and supervision in place to enable staff to recognise vulnerabilities and indicators which may suggest abuse and take action
- expert advice available to staff to enable them to reduce the risks to people, which continues to be well utilised by staff.

We continue to support staff awareness and provide improved comprehensive safeguarding training. This training is regularly reviewed to take account of safeguarding trends both nationally and locally, for example, Child Sexual Exploitation (CSE), PREVENT and Female Genital Mutilation (FGM). The Trust's training compliance has increased with much more positive feedback from our staff on the training received.

We have extended the child neglect and domestic abuse, human trafficking and modern day slavery elements of our training.

The Safeguarding Team offer one-to-one and group supervision sessions as well as advice on complex clinical case management.

Mental Capacity Act (MCA) and Deprivation of Liberty Safeguards (DoLS)

The MCA and DoLS steering group has continued to maintain improvement in the implementation of the Mental Capacity Act and to preserve the rights of those subject to care delivered under the MCA and/or subject to DoLS. This year an audit tool to assess MCA assessments and Best Interest Decisions has been developed to ensure that there is a co-ordinated and consistent approach in place across the Trust. The audit tool has been made available for use in Sheffield Teaching Hospitals NHS Foundation Trust, Sheffield City Council and NHS Sheffield CCG.

The steering group has also been developing further guidance for staff on 'Standards for Recording Consent and/or Mental Capacity Act Assessment in In-patient Wards', which is supported by a Legal Framework Decision Making Flowchart. The group's current work is developing guidance on 'Consent to Internal Referrals', which aims to provide clarity to staff on the appropriate process for seeking consent to internal referrals.

The Trust's training compliance as at 31 March 2018 for MCA and DoLS is given below.

DoLS Level 1	DoLS Level 2	MCA Level 1	MCA Level 2
78%	85%	92%	82%

Level 1 training for DoLS and MCA is now available as face-to-face training on staff induction, and is provided as face-to-face or e-learning for training updates.

A system for recording all DoLS applications made to the supervisory body has been developed with oversight and monitoring by the Mental Health Act Office.

A new consent and capacity form has been developed on Insight to enable the recording of all relevant clinical and non-clinical decisions regarding capacity, consent and best interests decisions in one central location. This will enable improved monitoring, audit and assurance of the application of both the MCA and the MHA in this regard. A comprehensive training plan has been delivered to all areas across the Trust, supported by a detailed help-sheet.

Reviews and investigations

The National Framework for Serious Incidents stipulates that all serious incidents should be investigated in a timely manner and that conclusions and learning should be shared with those affected, and our commissioners. Historically we have experienced challenges in achieving the 12 weeks target of completing investigations, and our commissioners requested remedial action was taken to address this during 2016/17. Our target is 85% of

all investigations to be delivered within the 12 weeks. Since January 2017, we have successfully achieved this target.

As well as monitoring our investigation completion target, we also monitor the quality of our investigation reports and action plans. We have a target of 75% of all reports submitted being graded as 'good' or 'excellent' with our commissioners. During the year, we achieved this in one out of four quarters.

Overview of incidents by type

The table below reports on a number of incident types reported within the Trust. It breaks down the numbers reported, those that were patient safety incidents and reported to the NRLS, as well as those that resulted in harm for service users and staff.

While we remain of the view that the main reason for the increased numbers is due to improved reporting practices we are committed to continually reviewing practice, reviewing the incident data and engaging with staff and service users to maintain a full awareness of safety across our services.

Reported incident numbers by type	2015/16	2016/17	2017/18
All incidents (service users, staff, members of public, buildings)	8552 (a)	8637 (a)	9191
All incidents resulting in harm	1699 (a)	1367 (a)	1309
Serious incidents (investigation carried out)	23	31 (g)	22
Incidents involving service users			
Patient safety incidents reported to NRLS (d)	5463 (a)	4438 (a)	3855
Patient safety incidents reported as 'severe' or 'death'	22 (a)	31 (a)	37
Expressed as a percentage of all patient safety incidents reported to NRLS (d)	0.40% (a)	0.70%	0.96%
Incident type	2015/16	2016/17	2017/18
Slips, trips and falls incidents	1208	1039 (a)	1079
Slips, trips and falls incidents resulting in harm	399	303 (a)	280
Self-harm incidents	676	530 (a)	460
Suicide incidents (in-patient or within 7 days of discharge)	1 (a)	1 (a)	0 (c)
Suicide incidents (community)	20 (b)	17 (c)	5 (c)
Violence, aggression, threatening behaviour and verbal abuse incidents	2429	2417 (a)	2783
Violence, aggression and verbal abuse incidents resulting in harm	406	401 (a)	439
Medication errors	674	810 (a)	858
Medication errors resulting in harm	2	2	3
Infection control			
MRSA Bacteraemia incidents	0	1	0
Clostridium difficile infection incidents (new cases)	5 (e)	4 (h)	2
Periods of increased infection/outbreak incidents			
Showing number of incidents, then people affected in brackets			
• Diarrhoea and vomiting (eg Norovirus)	4 (25)	4 (39)	5 (57)
• Coronavirus	1 (11)	0	0
• Influenza	0	0	2 (5)
MRSA screening (until 2015/16 based on randomised sampling to identify expected range to target)	21% (f)	43%	42%
Staff Influenza vaccinations	22%	25%	57.6%

- (a) Incident numbers have increased/decreased from those reported in the 2016/17 Quality Report due to additional incidents being entered onto the information system, or incidents being amended, after the completion of the report.
- (b) The figure has increased from that reported in last year's Quality Report due to the conclusion and judgements of HM Coroner's inquest.
- (c) Figures likely to increase after the conclusion of future HM Coroner's inquests. Will be reported in next year's report.
- (d) The NRLS is the National Reporting Learning System, a comprehensive database set up by the former National Patient Safety Agency that captures patient safety information.
- (e) Four of the cases were assessed as being unavoidable.
- (f) Department of Health screening guidance changed during 2016/17, it is therefore not possible to compare results prior to this.
- (g) This figure appears higher than in previous years as the Trust has implemented revised serious incident processes. This figure represents both level 1 and level 2 investigations.
- (h) Three of the cases were assessed as being unavoidable.

Learning from deaths

During 2017/18, 713 of Sheffield Health and Social Care NHS Foundation Trust's patients died. All patients whose patient records are recorded on our Insight system and had contact with any of our services within six months of the date of death, have been included in the figures below.

	Quarter 1	Quarter 2	Quarter 3	Quarter 4
No. of deaths	190	135	185	203

The following table provides information on the number of case record reviews that have been undertaken as part of our Mortality Review Group, together with numbers of Structured Judgement Reviews and investigations that have been carried out within the reporting period.

Note: There have been no reviews completed within the reporting period for deaths occurring outside of the reporting period.

	Quarter 1	Quarter 2	Quarter 3	Quarter 4
No. of deaths reported above subject to review/ case record review	77	63	57	71
No. of deaths reported above subject to serious incident investigation processes	14	15	13	12

Understanding the data around the deaths of our service users is a vital part of our commitment to learning from all deaths. Working with eight other mental health trusts in the north of England we have developed a reporting dashboard that brings together important information that will help us to do that. We will continue to develop this over time, for example by looking into some areas in greater detail and by talking to families about what is important to them. We will also learn from developments nationally as these occur. We have decided not to initially report on what are described in general hospital services as 'avoidable deaths' in in-patient services. This is because there is currently no research base on this for mental health services and no consistent accepted basis for calculating this data. We also consider that an approach that is restricted to in-patient services would give a misleading picture of a service that is predominately community focused. We will continue to review this decision and will continue to support work to develop our data and general understanding of the issues.

From the case record reviews we have undertaken, we have found two examples of poor care that we have subsequently reviewed more thoroughly. One case involved a service user being referred to mental health services a number of times, but the referrals were not accepted as the service user was not deemed to require secondary care services. When the referral was accepted, the service user died from natural causes, prior to mental health involvement. The second case involved a service user who had repeated

patterns of engaging then disengaging with services, resulting in their episodes of care being closed. Their disengagement appears to be associated with periods of crisis. Further reviews of both cases is being undertaken to ensure the learning associated from these is fed back into teams.

We have also identified 65 actions (from the first three quarters), as part of our serious incident investigations, that are likely to result in improvements in practice. These actions are reported within our quarterly incident management reports and published on our website.

During 2017/18 the Trust reported 25 deaths to the LeDeR programme, which was set up as a result of the confidential inquiry into premature deaths of people with learning disabilities. These deaths are still being reviewed by LeDeR, but the findings from these will be discussed through the Mortality Review Group and the learning shared with clinical teams.

3.2 Effectiveness

The following information summarises our performance against a range of measures of service effectiveness.

Primary Care Services – GP Practices

There are many performance targets allocated to GP practices locally and nationally, including immunisation uptake, cancer screening, Quality Outcome and Frameworks.

The Clover Group Practice has high numbers of patients who are registered who have complex needs. The large multi-site practice of 31,500 patients serves a majority multi-ethnic migrant population in areas of social deprivation within Sheffield, with a majority of the population being of ethnic minority backgrounds, including one of the city's highest Slovak Roma populations. The Mulberry site provides a specialist healthcare service to Sheffield's asylum seeking population and victims of trafficking, along with the homeless asylum seekers. The needs of the practice populations bring a number of acknowledged challenges for the service to deliver the range of expected standards, as patients struggle to understand the importance of the range of health screening, and often a lack of long term stability in their lives mean that patients do not attend for planned care.

A significant amount of work goes into supporting the patients of the practice and more vulnerable groups to understand the benefits of uptake of vaccinations, screening and attending for chronic disease reviews and reviews of medication. The Clover Group works in partnership with local organisations to deliver educational messages and support to communities to understand the importance of regular health checks and screening. The practices have worked with a third sector partner to host practice champions, a group of patient volunteers whom which have been trained in key health topics including cancer screening, stopping smoking, health eating to deliver some activities and key messages across the community in Darnall, the Clover Group's biggest site. The Mulberry team also works very closely with significant partners around asylum health to support the health and social care needs of this particular vulnerable group.

Access to services, specifically in Darnall continues to be problematic due to the levels of need and high demand from the registered population. A significant amount of work has been carried out during 2017/18, which will continue during 2018/19, in response to delivery of improved access to services in all surgeries in the group, but Darnall in particular.

The Quality Outcomes Framework (QOF) is one of the main quality indicators of primary care and provides a range of good practice quality standards for the delivery of GP services.

The table below summarises the overall achievement of all the QOF standards. The perceived drop in achievement is due to a systematic increase in disease prevalence through in-depth audits; the result being to skew the percentage achievements from the resulting new patients.

Year	Clover	City	Heeley Green	Buchanan Road
2016/17	90%	90%	Not our service at that time	88.1%
2017/18	92.5%	92%	93.5%	Not our service at that time

The following table summarises performance against national standards for GP services.

With specific regard to the flu vaccinations below, the uptake was lower this year possibly due to a combination of mild winter weather and community pharmacy contracts where vaccines were delivered elsewhere. There are also additional requirements to immunise children with nasal flu.

PRIMARY CARE – CLOVER GPs	This year's target	How did we do?		
		2015/16	2016/17	This year 2017/18
Flu vaccinations				
Vaccinate registered population aged 65 and over	75%	71.3%	66.7%	Needs to improve
Vaccinate registered population aged 6 months to 64 years in an at risk population	70%	43.4%	88.6%	
Vaccinate registered population who are currently pregnant	70%	40.6%	36%	
Childhood immunisations				
Two year old immunisations	70-90%	90%	93%	✓
Five year old immunisations	70-90%	85%	93%	✓
Cervical Cytology	60-80%	66.1%	61.8%	✓

Information source: SystmOne and Immform

Substance misuse services

The four commissioned services continue to prioritise ensuring timely access to primary and secondary care treatment. The service aims to ensure all of Sheffield's population that would benefit from the range of services provided in drug and alcohol treatment are able to access support. The service adopts a range of approaches to engage with people from this vulnerable service user group. Priorities for next year include the further expansion of the universal screening tool to increase the number of people accessing support services for alcohol problems, and maximising the numbers of people supported and ready to finish treatment drug and/or alcohol free.

DRUG and ALCOHOL SERVICES	This year's target	2015/16	2016/17	2017/18
Drugs No client to wait longer than three weeks from referral to medical appointment	100%	100%	100%	100%
No drug intervention client to wait longer than five days from referral to medical appointment	100%	100%	100%	100%
No premium client should wait longer than 48 hours from referral to medical appointment	100%	100%	100%	100%
No prison release client should wait longer than 24 hours from referral to medical treatment	100%	100%	100%	100%
% problematic drug users retained in treatment for 12 weeks or more	90%	96% (opiates) 81% (non-opiates)	96%* (opiates) 82%* (non-opiates)	94%* (opiates) 92%* (non-opiates)
Alcohol Single Entry and Access No client to wait longer than one week from referral to assessment	100%	100%	100%	100%
No client to wait longer than three weeks from Single Entry and Access Point assessment to start of treatment	100%	100%	100%	100%
Outcomes, self care All clients new to treatment receive physical health check as part of comprehensive assessment	100%	100%	100%	100%

Information source: National Drug Treatment Monitoring System

* The latest reported position is October 2016-September 2017 as released on Q3 17/18 performance report.

Learning disability services

During the year there has been a commitment to improving care delivery in partnership with our service users, families, carers and local health and social partners. This has led to a review of our stepped care pathways across the Community Learning Disabilities Team (CLDT), Community Intensive Support Service (CISS) and in-patient Assessment and Treatment Service.

The leadership team within learning disabilities services continues to work closely with key national agendas including:

- Transforming Care and Building the Right Support
- Learning Disabilities Mortality Review (**LeDeR**) Programme which was set up as a result of one of the key recommendations of the confidential inquiry into premature deaths of people with learning disabilities
- Stopping the Over Medication of People with Learning Disabilities (STOMP)
- Green Light for mental health support access to everyday mental health services and supports.

These priorities have included citywide and regional initiatives designed to build system wide capability in Positive Behaviour Support (PBS) via an ambitious training delivery plan focussing on workforce development not just across Sheffield but the wider Transforming Care Partnership (TCP).

The workforce development plan includes the implementation of a newly developed PBS Knowledge, Skills and Understanding Workbook (approved by the British Institute of Learning Disabilities (BiLD) and system of validation for city wide use in Learning Disabilities Services. PBS Workbook Training is being delivered to those individuals being discharged from hospital or those individuals who may be at risk of admission. This is supported by service user specific PBS workshops.

Accommodation services

This year has seen the conclusion of changes to our accommodation services with the vast majority of our staff successfully transferring with their Supported Living Service under TUPE transfer regulations to new Providers.

Community Learning Disabilities Team (CLDT)

The CLDT has continued to maintain waiting times at 18 weeks for all aspects of multi-disciplinary input. This has been achieved by robust approaches to productivity management with staff on the front line contributing to lean and efficient methods of working and streamlining their processes.

The learning disability social work teams in Sheffield have now disbanded and the specialism in learning disabilities has been integrated into generic adult teams. The CLDT links into the generic teams to highlight the needs of people with a learning disability and what support they can provide for them and the wider learning disability community.

The CLDT has focused on the following priorities:

- Implementing a 'Rapid Response Rota' that ensures there is a named clinician to respond to urgent client issues where the client is new to service or if their allocated worker is not available
- Communicating with service providers and others about safe positioning for eating and drinking, and increasing the team's capacity for responding to high risk dysphagia clients
- Community nurses have been trained in phlebotomy and a needle phobia pathway has been researched and drafted
- A top tips booklet has been completed for Profound and Multiple Learning Difficulties (PMLD) clients and their carers
- A programme of bereavement training has been implemented for community nurses, assistant psychologists, and clinical assistants to inform our support of people with a learning disability who are grieving.

Community Intensive Support Service (CISS)

The CISS team has developed a revised discharge planning process and discharge pathway to support and expedite successful discharge transition, working with relevant key stakeholders. They continue to deliver a robust system of ensuring that people who are eligible for Care and Treatment Reviews receive them in a timely manner and that their rights are protected. This system is supported by independent experts by experience commissioned through Inclusion North.

Assessment and Treatment Service (ATS)

The Assessment and Treatment Service is a modern purpose built environment for the care of adults with learning disabilities and mental health needs that challenge services. Following a review of patient acuity, patient and staff safety and issues highlighted in our CQC inspection visits, a number of improvements and modifications to the building have been undertaken this year. These are:

- Seclusion suite and Green Room
- Activity room upgrade
- Bringing the clinic room and sensory room into the core ward area.

The ATS continues to engage in contract and specification discussions with NHS Sheffield CCG looking at achieving the right balance in terms of staffing capacity, bed numbers and a potential reduction in beds with the aim of reinvesting resource into supporting an enhanced Community Intensive Support (CISS) function. This work is being done in conjunction with supporting neighbouring CCGs to access our non-commissioned ATS bed as and when required. In 2018 our commissioned bed number will reduce from seven to six.

Buckwood View

The nursing home at Buckwood View that we provide with The Guinness Partnership continues to grow in its reputation for quality. It is rated as good in all areas by the CQC, and has recently won an award for its implementation of the national 'React to Red' tissue viability campaign. The service has implemented safety huddles as a method for reducing falls.

Mental health services

2017/18 has been a year of change throughout mental health services. This has impacted in services including mental health in primary care, community, in-patient and specialist mental health.

The community mental health services in Sheffield have been reconfigured in the last year. These changes have involved a wide process of discussion with service users, carers and staff. In January 2018 the new model of community mental health was introduced.

A new Single Point of Access (SPA) has been introduced to offer a one stop service for new referrals into secondary mental health. The SPA has been designed to be able to offer and triage up to 8,000 new referrals and a face-to-face assessment for 6,000 people a year. This service is supported by an emotional wellbeing service that offers short term interventions, where appropriate.

People who require longer term community support are treated and supported by a recovery service which offers care to 1,800 people. Each person has a care plan that is collaboratively designed with goals towards the person's recovery.

There is a citywide Early Intervention Service for people with a first episode of psychosis. In January 2018 new investment into the service has supported changes that mean that the team is able to offer a commencement of treatment within 14 days of the receipt of referral. In March 2018, the service achieved this goal for 86% of people. The Early Intervention Service works with service users to develop a care plan that guides treatment.

A citywide Home Treatment Service has been established this year. This is a community alternative to deliver acute care in people's homes, rather than resulting in a hospital admission. This service works closely with the Single Point of Access (SPA) to ensure an effective response for people in crisis. The team works with people on average for 18 days and facilitates their ongoing care and recovery.

Older adults who need care in the community are supported by a specialist team that provides treatment for 1,200 people.

The Improving Access to Psychological Therapies (IAPT) Service is a primary care based service providing treatment to people with depression and a range of anxiety disorders. Over 12,000 people benefit from this service. The aim is for a minimum of 75% of people to start treatment within six weeks and for a minimum of 95% to start treatment within 18 weeks. The service has exceeded both standards in 2017/8.

In April 2017 a health and wellbeing service was established for people with long term medical conditions. This has involved close working with the Sheffield Teaching Hospitals NHS Foundation Trust. This service offers psychological interventions for 3,500 people who have both mental and physical conditions. The physical health conditions include diabetes, respiratory, cardiac and muscular conditions.

The in-patient services in Sheffield include services for people with acute care needs (67 beds), psychiatric intensive care (10 beds), intensive rehabilitation (30 beds), a unit for people with mental health and learning difficulties (7 beds) and a forensic unit (22 beds). The service has continued to deliver effective care for people in Sheffield. Those patients with long term needs are also supported by the Community Enhanced Recovery Team (45 places). These services have delivered a number of quality initiatives including development of recovery care planning, safe wards, post incident reviews and a recovery college.

The acute in-patient service has worked with service users, carers and staff to develop a plan for a full refurbishment of the service at the Longley Centre. This proposal is currently being considered by the Trust's Board of Directors and the aim is for building work to commence in 2019.

MENTAL HEALTH SERVICES	This year's target	How did we do?			
		2015/16	2016/17	This year 2017/18	
Improving Access to Psychological Therapies					
Number of people accessing services	12,000	12,774	12,966	12,753	
New access targets introduced Q3 2015/16					
• Start treatment within 6 weeks of referral	75%	75.6% (Q4)	90.1% (Q4)	90.5% (Q4)	
• Start treatment within 18 weeks of referral	95%	98.1% (Q4)	99.3% (Q4)	99.2% (Q4)	
Early intervention					
People should have access to early intervention services when experiencing a first episode of psychosis. The national target is to ensure we see at least 95% of the intended new clients	75 new clients per year	228 new clients accessing services	270 new clients accessing services	238 new clients accessing services	 (5)
New access targets introduced Q4 2015/16					
Start treatment within 2 weeks of referral	53%	50%	54.9%	48.3%	
Access to home treatment					
People should have access to home treatment when in a crisis as an alternative to hospital care	1,202 episodes to be provided	1,418 episodes provided	1,499 episodes provided	1,530 episodes provided	
Delayed transfers of care					
Delays in moving on from hospital care should be kept to a minimum	No more than 7.5%	7.6%	5.81%	5.14%	
Cardio-metabolic assessment and treatment for people with psychosis					
a) in-patient wards	90%		86%	100%	Part achieved
b) early intervention in psychosis services	90%	N/A	7%	11%	
c) community mental health services (people on care programme approach)	65%		16%	57%	
Annual care reviews					
Everyone on CPA should have an annual review.	95%	95.2%	92.9%	91%	Part year

‘Gate keeping’ Everyone admitted to hospital is assessed and considered for home treatment	95% of admissions to be gate-kept	99.5%	99.8%	99.2%	
<i>Comparators (see note 1): National average</i>		97.4% (1)	98.5%	98.6%	
<i>Best performing</i>		100% (1)	100%	100%	
<i>Lowest performing</i>		61.9% (1)	92%	93.8%	
Seven day follow up (2) Everyone discharged from hospital on CPA should receive support at home within 7 days of being discharged	People on CPA (2)	98.3%	96.9%	94.5%	Part Year
<i>Comparators (see note 1): National average</i>	95% of patients on CPA to be followed up in 7 days	96.9% (1)	96.7%	96.1%	
<i>Best performing</i>		100% (1)	99.4%	99.4%	
<i>Lowest performing</i>		50% (1)	77.8%	79.9%	
Service users discharged from hospital not on CPA should receive support at home within seven days of being discharged	People not on CPA (2)	83.5%	92.2%	88.38%	
All service users discharged from hospital should receive support at home within seven days of being discharged	All discharges (2)	89.7%	94.3%	90.3%	
Emergency re-admissions: Percentage of service users discharged from acute in-patient wards who are admitted within 28 days	5% <i>National benchmark</i> Average is 9% (3)	4.8%	6.4%	3.9%	
Inappropriate out-of-area placements for adult mental health services	N/A	N/A	N/A	N/A (4)	

Information source: Insight and Trust internal clinical information systems. Comparative information from Health and Social Care Information Centre.

Note 1: Source for comparative information: NHS England, Mental Health Community Teams Activity Report for Quarter 3.

Note 2: Quality Account guidance states that all discharges from in-patient areas should be classified as being on CPA. Therefore all discharges have been included for calculating seven day follow-up. This has previously only been reported for those people on CPA.

Note 3: NHS Benchmarking report for mental health services 2014/15.

Note 4: SHSC is not it is not required to disclose performance as it has fewer than seven average bed days per month.

Note 5: Performance in the Early Intervention Service has been improving over the past few months as staff have been appointed into posts. March 2018 performance was 88.5%.

Dementia services

Our specialist in-patient service for people with dementia and complex needs has continued to focus on improving the care pathway to ensure discharge in a timely manner to the most appropriate package of community care. This results in much better outcomes for the individual concerned. This has enabled increased throughput into the

ward but recognises the increasing complexity of the service users admitted. As we deliver better and more intensive community services the need for in-patient care has been gradually reducing.

We continue to deliver excellent Memory Services for the people of Sheffield. Sheffield has the second highest diagnostic rates in England, which means people in Sheffield are far more likely to access support with memory problems than elsewhere in the country. More people are receiving ongoing support and treatment that is appropriate to their specific needs as we are now able to provide a bespoke service of support and education for the user and their carer that is tailored to the needs of the individual.

Over the last three years waiting times for the Memory Service have significantly reduced. This has been as a result of a revised care pathway and referral management arrangements.

The current position is that appointments for initial assessment are consistently offered between two to four weeks from referral.

DEMENTIA SERVICES	This year's target	How did we do?			
		2015/16	2016/17	This year 2017/18	
Discharges from acute care (G1)	N/A	48	55	55	
Number of people assessed for memory problems by memory management services (new first appointments)	N/A	1,231	1,201	1,222	
Rapid response and access to home treatment	350	295	269	258	
Waiting times for memory assessment	N/A	13 weeks (2015/16) 6.5 weeks (Oct15-Mar16)	3.9 weeks	42% assessed within 3 weeks 94% assessed within 6 weeks	

Information source: Insight and Trust internal clinical information system

3.3 Service user experience Complaints and compliments

The Trust is committed to ensuring that all concerns and complaints are managed promptly and investigated thoroughly and fairly. We value the feedback we receive from service users, relatives and carers and recognise the importance of using this feedback to develop and improve services.

The table below summarises the numbers of complaints and positive feedback we have received over the past three years.

Number of	2015/16	2016/17	2017/18
Formal complaints	140	169	165
Informal complaints	263	223	73
Compliments	1142	925	572

A summary breakdown on the issues highlighted through the complaints we received is provided below.

Issue raised in complaint	Number of times
Access to treatment or drugs	4
Admissions and discharges	11
Appointments	23
Clinical treatment	25
Commissioning	2
Communications	26
Facilities	11
Integrated care	0
Other	8
Service user care	24
Prescribing	13
Privacy and dignity	7
Staff numbers	4
Trust admin/policies/procedures	10
Values and behaviours	58
Waiting times	12

This year the Parliamentary and Health Service Ombudsman notified us that four complaints had been referred to them. No further action was required in one case. Two cases are currently under investigation. One case was partially upheld by the Ombudsman – the Trust made an apology to the complainant.

We use complaints as an opportunity to improve how we deliver and provide our services. A number of service improvements were made as a result of complaints this year. These include:

- Customer care training sessions to be provided to receptionists across the Clover Group
- The Perinatal Mental Health Service to produce written information about the risks and benefits of prescribed medication
- The Relationship and Sexual Health Service to produce a protocol to standardise the management of the cancellation of appointments.

A full picture of the complaints and compliments received by the Trust over the year is available on our website in the Annual Complaints and Compliments Report. We also publish information about the complaints and compliments we have received on a quarterly basis. The reports can be accessed via the following link:

<https://shsc.nhs.uk/about-us/corporate-information/complaints>

What do people tell us about their experiences?

We have two national survey tools to help us understand the experience of our service users. Firstly, the national Friends and Family Test, which shows that people who have used our services are highly likely to recommend the services they received to their friends and family. Secondly the national patient survey for mental health trusts, which highlights that the experience of our service users compares about the same as to other mental health trusts.

The tables below summarises the results from the Friends and Family Test over the last two years, together with the last national Community Mental Health Survey undertaken in 2017.

The national Friends and Family Test results for mental health Trusts

April 2016- March 2017	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Number of feedback returns	81	94	126	139	189	151	240	151	91	165	148	116
% of Trust service users who would recommend the service they received	93	93	95	96	99	95	95	98	96	99	91	97
National average for mental health Trusts	87	87	87	87	88	87	88	88	86	88	88	89

Source: NHS England, Friends and Family Test data reports

April 2017- March 2018	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Number of feedback returns	84	147	240	93	178	136	192	190	127	153	144	124
% of Trust service users who would recommend the service they received	96	98	97	100	97	98	97	99	99	98	97	95
National average for mental health Trusts	89	89	88	89	88	89	88	88	88	89	89	89

Source: NHS England, Friends and Family Test data reports

The Trust continues to achieve above the national average of service users who would recommend our services to family or friends. Work continues on increasing the number of service users who undertake this survey.

The Care Quality Commission's annual mental health survey of service users

MENTAL HEALTH SURVEY	2015 survey	2016 survey	2017 survey	
	Patient response	Patient response	Patient response	How did we compare with other Trusts
Their health and social care workers	7.4 / 10	7.6 / 10	7.5 / 10	About the same
The way their care was organised	8.4 / 10	8.3 / 10	7.8 / 10	Worse
The planning of their care	6.9 / 10	6.9 / 10	6.7 / 10	About the same
Reviewing their care	7.2 / 10	6.9 / 10	6.7 / 10	Worse
Changes in who they saw	6.8 / 10	6.0 / 10	5.8 / 10	About the same
Crisis care	5.1 / 10	5.8 / 10	5.5 / 10	About the same
Treatments	7.3 / 10	7.3 / 10	7.3 / 10	About the same
Support and wellbeing	4.6 / 10	4.9 / 10	4.7 / 10	About the same
Overall views of care and services	4.6 / 10	7.2 / 10	6.9 / 10	About the same
Overall experiences	7.0 / 10	6.9 / 10	6.6 / 10	About the same

The following table relates specifically to the nature of the relationship service users experienced with the staff involved with their care and treatment.

Service user's experience of contact with a health or social care worker during the reporting period.	2016 survey			2017 survey		
	Lowest national score	Highest national score	Our score	Lowest national score	Highest national score	Our score
<i>Patient survey – overall experience</i>						
In the last 12 months, do you feel you have seen NHS mental health services often enough for your needs?	4.9/10	7.0/10	6.1/10 About the same as other Trusts	4.4/10	7.1/10	5.5/10 About the same as other Trusts
Overall in the last 12 months, did you feel that you were treated with respect and dignity by NHS mental health services?	7.7/10	8.9/10	8.3/10 About the same as other Trusts	7.4/10	8.2/10	8.2/10 About the same as other Trusts

The above table highlights our comparative performance on service user experience in respect of contact with our staff and the support and care we have provided. In most of the areas covered in the survey the experience of our service users is about the same as it is in other Trusts in the country. While this offers some assurance about the quality of the services we provide, we want to do better than this. We want the experience of our service users to be really positive and amongst the best in the country.

We are concerned about the lower levels of satisfaction with the organisation and review of care, reported in the scores above. As reported on page 141 of this report, our community services have undergone major change this year, in order to improve the service offered in Sheffield and address concerns about service delivery. The period of the survey was at a time that the service changes were being consulted with staff,

service users and carers. The aim of the reconfiguration is to improve the experience of service users and carers.

In the last year the community services have begun the roll out of collaborative care planning. This approach to delivering and planning care, when successfully implemented, will address many of the areas contained within the survey.

The Trust will continue with the above actions to maintain and improve our position regarding the quality of our services. Our ongoing development programmes and quality objectives focus on supporting individual teams to understand their own performance and take decisions to improve the quality of care they provide.

Improving the experience through better environments – investing in our facilities

The environment of the buildings in which we deliver care has an important part to play and has a direct impact on the experience of our service users. The design, availability of space, access to natural light, facilities and access to outside areas are all fundamental issues. Getting them right has a direct impact on how people feel about the care and treatment they are receiving. We have made significant progress this year in addressing key areas where our buildings haven't been as good as we have wanted them to be.

General environment – external review and feedback

The last Patient Led Assessment of the Care Environment (PLACE) across the Trust took place and was published in August 2017. The conclusion of the review is summarised in the table below. The latest results show that our hospital based facilities are above average in all but one category for one location. We have also achieved 100% for cleanliness at Grenoside Grange three years in a row with 100% being achieved another three times across the categories.

Site location	Date of review	Cleanliness	Food and hydration	Privacy and dignity	Condition and appearance
Longley Centre	August 2015	98.7%	93.7%	91.6%	90.6%
	August 2016	99.6%	89.7%	88.3%	95.8%
	August 2017	99.6%	90.9%	94.7%	96.8%
Michael Carlisle Centre	August 2015	99.4%	93.4%	95.5%	95.1%
	August 2016	98.7%	95.5%	85%	95.3%
	August 2017	98.0%	95.9%	94.3%	97.3%
Forest Close	August 2015	97.5%	94.2%	95.1%	97.9%
	August 2016	Not assessed due to refurbishment			
	August 2017	99.7%	94.3%	100%	99.8%

Site location	Date of review	Cleanliness	Food and hydration	Privacy and dignity	Condition and appearance
Forest Lodge	August 2015	99.8%	92.2%	95.1%	97.9%
	August 2016	100%	89%	92.7%	97.2%
	August 2017	99.5%	91.0%	100%	97.3%
Grenoside Grange	August 2015	100%	93.6%	89.5%	98.5%
	August 2016	100%	89.2%	87.8%	100%
	August 2017	100%	91.7%	100%	98.2%
Firshill Rise	August 2015	99%	90.8%	94.7%	92.7%
	August 2016	98.7%	92.1%	94.4%	98.2%
	August 2017	98.6%	92.5%	93.8%	98.3%
National average	August 2015	97.5%	88.5%	89.2%	90.1%
	August 2016	97.8%	89.7%	89.7%	94.5%
	August 2017	98.4%	89.7%	83.7%	94.0%

3.4 Staff experience

National NHS staff survey results

The experience of our staff indicates that they feel generally less positive than those in other Trusts when recommending us as a place to work or receive care. We are concerned by these results and have already commenced a number of workstreams to engage our staff in order for us to gain a greater understanding of this.

OVERALL ENGAGEMENT AND CARE	2015 score	2016 score	2017 our score	2017 national averages	2017 how we compare
Overall staff engagement	3.76	3.74	3.64	3.79	Worse than other Trusts
I would recommend my organisation as a place to work	62%	61%	53%	57%	Worse than other Trusts
I would recommend my organisation as a place to work or receive treatment	3.72	3.69	3.50	3.67	Worse than other Trusts
My organisation acts on concerns raised by service users	74%	73%	68%	75%	Worse than other Trusts
Care of service users is my organisation's top priority	76%	74%	68%	73%	Worse than other Trusts
% of staff experiencing	26%	20%	21%	21%	About the

harassment, bullying or abuse from staff in last 12 months					same as other Trusts
Top five rankings – The areas we compare most favourably in with other mental health and learning disability Trusts					
% of staff appraised in last 12 months	89%	95%	95%	89%	Better than other Trusts
% of staff able to contribute towards improvements at work	72%	73%	75%	73%	Better than other Trusts
% of staff experiencing physical violence from staff in last 12 months	6%	4%	2%	3%	Better than other Trusts
% of staff / colleagues reporting most recent experience of violence	82%	95%	94%	93%	Better than other Trusts
% of staff working extra hours (lower score is good)	63%	64%	70%	72%	Better than other Trusts
Lower five scores – The areas we compare least favourably in with other mental health and learning disability Trusts are as follows.					
% of staff experiencing harassment, bullying or abuse from patients, relatives or the public in last 12 months	24%	26%	38%	32%	Worse than other Trusts
% of staff agreeing that their role makes a difference to patients / service users	86%	87%	82%	88%	Worse than other Trusts
% of staff witnessing potentially harmful errors, near misses or incidents in last month	27%	29%	34%	27%	Worse than other Trusts
Effective use of patient / service user feedback	3.67	3.53	3.41	3.72	Worse than other Trusts
Staff feeling motivated at work	3.77	3.79	3.71	3.91	Worse than other Trusts

Source: NHS Staff Survey

Local staff surveys – the Friends and Family Test

Within the Trust we complete local survey of staff experience each quarter using the *Friends and Family Staff (FFT)* survey.

	Q1	Q2	Q4	Q1	Q2	Q4*
	2016/17			2017/18		
Place to work						
% of staff who would recommend Trust as a place of work	68%	63%	60%	69%	54%	n/a
Average for England (Mental Health)	61%	62%	61%	62%	62%	n/a
Place to receive care						
% of staff who would recommend Trust as a place to receive care and treatment	75%	74%	77%	74%	65%	n/a
Average for England (Mental Health)	74%	75%	74%	74%	75%	n/a

Source: NHS England

Note: the FFT for staff is not undertaken in Q3 due to the national staff survey being completed at that time.

** Date for Q4 is not published until 24 May 2018, hence not included within this report.*

Our local survey results for the full year (when published) are expected to be, in the main, lower than the national average. This year our figures show that we are:

- Below national averages for staff recommending us as a place to work, in one out of two quarters
- Below national averages for staff recommending us as a place to receive care, in one out of two quarters.

Our service user Friends and Family Test results shown on page 141 show that nine out of 10 service users would recommend the Trust as a place to receive care.

The Trust employs around 2,405 people and as part of our responsibility to ensure we provide good quality care we participate in the annual NHS Staff Survey programme and local surveys as reported above. The NHS Staff Survey attempts to identify the major factors contributing to staff engagement and motivation. By focusing on these, we aim to enhance the quality of care provided to the people who use our services.

The NHS Staff Survey provides us with feedback on the Trust's performance across a range of relevant areas.

Overall we are encouraged with the above results, although there are areas that we still need to improve on. The positive feedback around engagement over the last several years continues to support our ongoing focus on improving quality and delivering our plans for service improvement. The full survey will be available via the CQC website. The survey provides a large amount of detail around complex issues. The Trust looks to take a balanced view on the overall picture.

Informed by the 2017 survey feedback the areas we have prioritised for ongoing and further development work are as follows:

Making a difference to service users

As reported in Section 2A, we have reviewed and updated our Quality Improvement and Assurance Strategy. In this strategy we recognise that if we want to make sustainable quality improvements it has to be owned and led by staff within the team concerned. Every member of staff is responsible for maintaining and delivering high standards of care and is expected to strive to improve the quality of care we provide. Our approach, through the strategy, will ensure staff experience quality improvement positively. We will create and develop the conditions across all our services to make this a reality all of the time.

The ability for the Trust to deliver on this strategy depends on staff having the ability to engage with improvement techniques. To support this strategy we have a programme to equip staff and teams with the information, time and the skills to deliver continuous quality improvement. While we will use a range of quality improvement techniques as appropriate, the core Trustwide approach that we will use will be the Microsystems improvement methodology. All teams will be trained in this methodology and have access to ongoing coaching and supervision.

Through our development plans we will ensure that our clinical teams:

- Are service user focussed and working collaboratively with service users to deliver personalised care
- Collect and use appropriate outcome measures to understand effectiveness, safety, experience and efficiency
- Have fully trained staff who are supported through supervision and appraisal, understand the quality standards to be delivered and their responsibilities in this
- Have access to and use high quality information and information technologies
- Have training and coaching in process improvement skills
- Have committed and shared leadership
- Have support from the wider organisation when needed.

Effective use of service user feedback

Understanding the experiences of the people who use our services is essential if we are to be successful in achieving quality improvement. The Trust uses a range of information to monitor service quality and performance. Our approach is to work with service users so they gather feedback from service users about their experiences of services on our behalf. This provides a richer and more informed view about the experience people have of receiving care from us.

Staff experiencing physical violence from patients, relatives or the public

Our results in this area of the staff survey have shown a decline this year, and our performance is lower than the national average. We know from our incident reporting data that the number of staff reporting incidents of this nature has only increased by a marginal amount from the previous year. Our data also tells us that the harm caused to staff from these incidents has reduced by almost 9% from 2016/17 to 2017/18. Any level of violence against staff is a concern. Out of 1,040 incidents of physical violence reported, only 20 of these resulted in harm of a moderate or major nature.

Staff motivation at work

There is a correlation of this indicator with the percentage of staff feeling their role makes a difference (mentioned above) and the quality of appraisals indicator. Both of these may also have influenced staff engagement and motivation. The reconfiguration of services and staff resourcing are key themes given by staff within the comments of the staff survey, with staff reporting significant impact on not only staff but services and service users, subsequently affecting morale, health and wellbeing and sense of doing a job well.

When considering how the Trust should respond to the staff survey, we need to take account of the apparent impact of service reconfiguration, which is a key theme within the survey comments. Further work is in progress to map actions and initiatives already in place related to the findings with poor scores, and will be used to enable focus on priority areas. This will also be informed by reports on hotspots by department based on the bottom five key findings. The staff survey results and subsequent action will further support delivery of the Trust's Workforce and Organisation Development Strategy, enabling Directorates to consider how to promote the psychological relationship between staff and the Trust to enable transparency, and clarity of mutual obligations to support overall staff engagement.

ANNEXE A

Statements from local networks, overview and scrutiny committees and Clinical Commissioning Groups

Healthwatch

Thank you for inviting us to comment on this year's Quality Report. We are pleased to have built on our constructive relationship with the Trust this year.

We broadly welcome your quality objectives for 2018/19, although we note that they are lacking in detail. To ensure that your priorities have a better chance to drive improvement, each objective would benefit from greater clarity about what you plan to achieve by when, so that progress can be meaningfully measured.

When you list achievements against CQUIN goals, we noted that only one indicator was achieved and we would like to be able to read a narrative regarding the 'not achieved' and 'partially achieved' goals.

Access to services continues to be raised with us as problematic, and latterly the reconfiguration of community mental health teams and the introduction of your Single Point of Access. We liaise with the Trust about these issues on an ongoing basis and find you to be open and accessible, but we would have welcomed clearer indications within the Quality Report as to whether these two changes have resulted in the improvements in access they were designed to achieve.

The number of patient related incidents is much higher than the national average and you are assured that this is representative of a reporting and safety culture. Given that the CQC has rated the Trust as requiring improvement in the safe domain, it may have been helpful to provide a more comprehensive narrative to explain the significant differences.

We are pleased to see the achievements of your drug and alcohol services and the progress you have described in improving care in partnership with learning disabilities service users, and the high percentage of people with dementia receiving appropriate and timely screening.

In considering whether your account reflects the experiences shared with us by service users and their families, we recognise the themes resulting from the community mental health survey and the NHS staff survey. We recommend that the Trust commits to measuring the impact of the updated Quality and Assurance Strategy, listens to the concerns of staff and service users and works with them as equal partners to improve both the experience of service users and the working life of staff.

*Chief Officer
Healthwatch Sheffield
20 May 2018*

Our response

We welcome the feedback from Healthwatch and will ensure we provide the required level of detailed information through our regular engagement meetings. We look forward to working with them next year and to strengthen assurance around our reconfigured services.

Sheffield City Council's Healthier Communities and Adult Social Care Scrutiny Committee

I would like to thank the Trust for this opportunity to comment on the 2017/18 Quality Report on behalf of the Healthier Communities and Adult Social Care Scrutiny Committee.

Mental health has been a key area of interest for the committee this year. We have been made aware of some service user concerns over the reconfiguration of Community Mental Health Teams, and will be including this on our work programme for 2018/19. Beyond this, we have not been alerted to any performance or service delivery issues relating to the Trust.

In terms of the Quality Objectives identified, I am supportive of the broad aims, and will be keen to see how the detailed plans for achieving the objectives develop, and how success will be measured.

I am pleased to see the Trust's results for the Friends and Family Test are above the national average, and that in general, performance across the Trust is on target. We have noted the performance issues around the early intervention service for first episodes of psychosis, and will be looking to see that the additional investment in the service results in improved performance over the longer term.

These are challenging times for the NHS and people working in it, however the staff survey results highlight some concerns and we hope to see a reversal in the downward trend over 2018/19. I'd like to take this opportunity to thank of the staff at the Trust, particularly those on the front line who work tirelessly to deliver much needed services across the City.

Chair

Healthier Communities and Adult Social Care Scrutiny Committee

15 May 2018

Our response

We welcome the feedback from the committee and thank them for their praise of our staff and recognition of the challenges we face. We look forward to working with them next year and to strengthen assurance around our reconfigured services.

NHS Sheffield Clinical Commissioning Group

NHS Sheffield Clinical Commissioning Group (CCG) commissions Sheffield Health and Social Care NHS Foundation Trust to provide a range of mental health, specialist mental health and learning disability services, in which we seek to continually innovate and improve the quality of services provided by the Trust and the experience of those individuals who access them. We do this by reviewing and assessing the Trust's performance against a series of key performance and quality indicators as well as evaluating contractual performance via the appropriate governance forums i.e. contract management groups / Board meetings. We work closely with the Care Quality Commission and NHS Improvement, who are regulators of health (and social care) services in England, to ensure that care provided by the Trust meets the regulators' requisite standards and that the Trust is well led and is run efficiently.

The CCG has had the opportunity to review and comment on the information contained within this Quality Report prior to its publication. While a number of the initiatives will

carry forward into 2018/19 i.e. the impact of the community reconfiguration, the performance of SPA and the delivery against the NICE standards of care for EIP, the CCG is confident that to the best of our knowledge the information supplied within this report is an accurate and a true record, reflecting the Trust's performance over the period April 2017 – March 2018.

This Quality Report evidences that the Trust has achieved positive results against most of its key objectives for 2017/18. Where issues relating to clinical quality have been identified, action plans or next steps have been put in place, jointly between our respective organisations to ensure that improvements are made. We will continue to take this approach into 2018/19 and beyond, and monitor these in conjunction with the NHS Standard Contractual terms and conditions. We will continue to build on existing effective and transparent clinical and managerial relationships to proactively address issues relating to clinical quality so that standards of care are maintained while services continue to transform and reconfigure to ensure they meet the changing needs of our local population and individuals' needs.

*Director of Commissioning and Performance, and Head of Contracts
NHS Sheffield Clinical Commissioning Group
15 May 2018*

Our response

We welcome the response from NHS Sheffield Clinical Commissioning Group. We look forward to working with the CCG during 2018-19 to ensure that standards of care are maintained while services continue to transform and reconfigure to ensure they meet the needs of our local population.

ANNEXE B

2017/18 STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE QUALITY REPORT

The Directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations to prepare Quality Accounts for each financial year.

NHS Improvement has issued guidance to NHS foundation trust boards on the form and content of annual quality reports (which incorporate the above legal requirements) and on the arrangements that NHS foundation trust boards should put in place to support the data quality for the preparation of the quality report. In preparing the Quality Report, directors are required to take steps to satisfy themselves that:

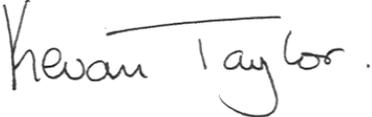
- the content of the Quality Report meets the requirements set out in the NHS Foundation Trust Annual Reporting Manual 2017/18 and supporting guidance
- the content of the Quality Report is not inconsistent with internal and external sources of information including:
 - board minutes and papers for the period April 2017 to May 2018
 - papers relating to quality reported to the board over the period April 2017 to May 2018
 - feedback from commissioners dated 15/05/2018
 - feedback from Governors dated 14/12/2017 and 15/02/2018
 - feedback from local Healthwatch organisations dated 20/05/2018
 - feedback from Overview and Scrutiny Committee dated 15/05/2018
 - the trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated July 2017
 - the latest national patient survey issued in November 2017
 - the latest national staff survey issued in March 2018
 - the Head of Internal Audit's annual opinion of the Trust's control environment dated 24/05/2018
 - CQC inspection report dated March 2017
- 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



Chair 24 May 2018



Chief Executive 24 May 2018

ANNEXE C

INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF GOVERNORS OF SHEFFIELD HEALTH AND SOCIAL CARE NHS FOUNDATION TRUST ON THE QUALITY REPORT.

We have been engaged by the Council of Governors of Sheffield Health & Social Care NHS Foundation Trust to perform an independent assurance engagement in respect of Sheffield Health & Social Care NHS Foundation Trust's Quality Report for the year ended 31 March 2018 (the 'Quality Report') and certain performance indicators contained therein.

Scope and subject matter

The indicators for the year ended 31 March 2018 subject to limited assurance consist of the following two national priority indicators (the indicators):

- early intervention in psychosis (EIP): people experiencing a first episode of psychosis treated with a National Institute for Health and Care Excellence (NICE) - approved care package within two weeks of referral; and
- improving access to psychological therapies (IAPT): waiting time to begin treatment (from IAPT minimum dataset): within six weeks of referral.

We refer to these national priority indicators collectively as the 'indicators'.

Respective responsibilities of the directors and auditors

The directors are responsible for the content and the preparation of the Quality Report in accordance with the criteria set out in the *NHS Foundation Trust Annual Reporting Manual* issued by NHS Improvement.

Our responsibility is to form a conclusion, based on limited assurance procedures, on whether anything has come to our attention that causes us to believe that:

- the Quality Report is not prepared in all material respects in line with the criteria set out in the *NHS Foundation Trust Annual Reporting Manual* and supporting guidance;
- the Quality Report is not consistent in all material respects with the sources specified in the *Detailed requirements for quality reports for foundation trusts 2017/18* ('the Guidance'); and
- the indicators in the Quality Report identified as having been the subject of limited assurance in the Quality Report are not reasonably stated in all material respects in accordance with the NHS Foundation Trust Annual Reporting Manual and the six dimensions of data quality set out in the *Detailed Requirements for external assurance for quality reports for foundation trusts 2017/18*.

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

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

- Board minutes and papers for the period April 2017 to May 2018;
- papers relating to quality reported to the board over the period April 2017 to May 2018;

- feedback from commissioners, dated 15 May 2018;
- feedback from governors, dated 14 December 2017 and 15 February 2018;
- feedback from local Healthwatch organisations, dated 20 May 2018;
- feedback from Overview and Scrutiny Committee, dated 15 May 2018;
- the Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated July 2017;
- the latest national patient survey, dated November 2017;
- the latest national staff survey, dated March 2018;
- Care Quality Commission Inspection, dated 30 March 2017;
- the 2017/18 Head of Internal Audit's annual opinion over the trust's control environment, dated 24 May 2018; 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 Sheffield Health & Social Care NHS Foundation Trust as a body, to assist the Council of Governors in reporting the NHS Foundation Trust's quality agenda, performance and activities. We permit the disclosure of this report within the Annual Report for the year ended 31 March 2018, to enable the Council of Governors to demonstrate they have discharged their governance responsibilities by commissioning an independent assurance report in connection with the indicator. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors as a body and Sheffield Health & Social Care 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 Sheffield Health and Social Care NHS Foundation Trust.

Conclusion

Based on the results of our procedures, nothing has come to our attention that causes us to believe that, for the year ended 31 March 2018:

- the Quality Report is not prepared in all material respects in line with the criteria set out in the NHS Foundation Trust Annual Reporting Manual and supporting guidance;
- the Quality Report is not consistent in all material respects with the sources specified in the Guidance; and
- the indicator in the Quality Report subject to limited assurance has not been reasonably stated in all material respects in accordance with the NHS Foundation Trust Annual Reporting Manual and the six dimensions of data quality set out in the Guidance.

KPMG LLP

KPMG LLP
Chartered Accountants
Leeds

24 May 2018

Section 5.0 Auditor's Report

INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF GOVERNORS OF SHEFFIELD HEALTH AND SOCIAL CARE NHS FOUNDATION TRUST ONLY.

Independent auditor's report

to the Council of Governors of Sheffield Health and Social Care NHS Foundation Trust

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

1. Our opinion is unmodified

We have audited the financial statements of Sheffield Health and Social Care NHS Foundation Trust ("the Trust") for the year ended 31 March 2018 which comprise the Statement of Comprehensive Income, Statement of Financial Position Statement of Changes in Taxpayers' Equity and Statement of Cashflows, and the related notes, including the accounting policies in note 1.

In our opinion:

- the financial statements give a true and fair view of the state of the Trust's affairs as at 31 March 2018 and of its income and expenditure for the year then ended; and
- the Trust's financial statements have been properly prepared in accordance with the Accounts Direction issued under paragraphs 24 and 25 of Schedule 7 of the National Health Service Act 2006, the NHS Foundation Trust Annual Reporting Manual 2017/18 and the Department of Health Group Accounting Manual 2017/18.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Trust in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Overview

Materiality:	£2m (2016/17:£2m)
financial statements as a whole	1.7% (2016/17: 1.64%) of income from operations

Risks of material misstatement vs 2016/17

Recurring risks		
Combined risk: Recognition of Income from Activities and Other Operating Income		◀▶
Valuation of Land and Buildings		◀▶

2. Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In arriving at our audit opinion above, the key audit matters, in decreasing order of audit significance, were as follows (unchanged from 2016/17):

	The risk	Our response
<p>Recognition of Income from Activities and Other Operating Income</p> <p>(Income from Activities £94.2m; 2016/17: £95.8m)</p> <p>(Other Operating Income: £30.2m; 2016/17: £28.6m)</p>	<p>2017/18 Income:</p> <p>The main source of income for the Trust is the provision of healthcare services to the public under contracts with NHS Commissioners, which make up 71% (prior year 70%) of operating income.</p> <p>Income from NHS England and CCGs is captured through the Agreement of Balances (AoB) exercises performed at months 6, 9 and 12 to confirm amounts received and owed. Mismatches in income and expenditure, and receivables and payables are recognised by the Trust and its counterparties to be resolved. Where mismatches cannot be resolved they can be reclassified as formal disputes.</p> <p>In addition to patient care income the Trust also receives a significant proportion (24% compared to 23% in 2016/17) from non-patient care activities, principally social care support to people with learning disabilities, education and training, and research and development. Much of this income is generated by contracts with other NHS and non-NHS bodies which are based on varied payment terms, including payment on delivery, milestone payments and periodic payments. Consequently there is a greater risk that income will be recognised on a cash rather than an accruals basis.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> — Tests of detail: We undertook the following tests of detail: — We inspected the information provided by the Trust as part of the 2017/18 AoB exercise to agree that it is consistent with the information in the accounts covering both NHS income and NHS receivables; — We identified any mismatches (both income and receivables) with Commissioners and obtained explanations for the mismatches; — We agreed any disputed NHS income or receivables to documentation which supported the Trust's estimates, including contract documentation and evidence of the achievement of required activity levels or performance measures; — We assessed whether any adjustments to balances agreed with other NHS organisations had been appropriately reflected in the accounts; — We agreed any accrued or deferred income balances to supporting documentation to confirm they had been recorded appropriately; and — We agreed the receipt the Sustainability and Transformation Fund (STF) monies, including the basis for agreement of Quarter 4 funding based on relevant financial and performance measures, and confirmed the treatment is in line with guidance from NHS Improvement. — We agreed income recorded in the financial statements to signed contracts and contract variations with Local Authorities and non-government bodies; and — For a sample of invoices raised immediately before and after the balance sheet date, we checked that income had been recognised in the correct financial period.

2. Key audit matters: our assessment of risks of material misstatement (continued)

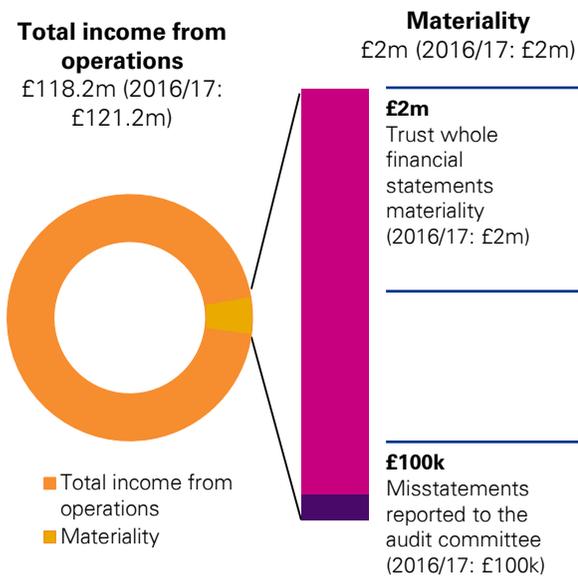
	The risk	Our response
Land and Buildings (£50.2m; 2016/17: £55.1m)	<p>Valuation of Land and Buildings:</p> <p>Land and buildings are required to be held at fair value. The Trust's main land and buildings relate to multiple sites across Sheffield.</p> <p>Land and buildings are required to be maintained at up to date estimates of year-end market value in existing use (EUV) for non-specialised property assets in operational use, and, for specialised assets where no market value is readily ascertainable, the depreciated replacement cost (DRC) of a modern equivalent asset that has the same service potential as the existing property. There is a significant judgement involved in determining the appropriate basis (EUV or DRC) for each asset according to the degree of specialisation, as well as over the assumptions made in arriving at the valuation of the asset.</p> <p>In particular the DRC basis of valuation requires an assumption as to whether the replacement asset would be situated on the existing site or, if more appropriate, on an alternative site. Furthermore, DRC is decreased if VAT on replacement costs is deemed to be recoverable. Both of these assumptions can have potentially significant effects on the valuation.</p> <p>Valuations are 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 judgemental, therefore our work focused on whether the methodology, assumptions and underlying data, are appropriate and correctly applied.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none">— Assessing the valuer's credentials: We assessed the competence, capability, objectivity and independence of the Trust's external valuer to carry out the valuation objectively and competently;— Tests of detail: We agreed the information provided to the valuer by the Trust to underlying records of the NHS Estate held by the Trust to assess whether all land and buildings had been valued;— Methodology choice: We critically assessed the valuation method and the reasonableness of the assumptions used by the valuer to arrive at the final valuations by considering the basis on which this valuation method had been chosen alternatives to the assumptions used by the valuer;— Tests of detail: We tested material additions during the year to supporting documentation including invoices;— Tests of detail: We assessed whether the impairments and revaluations had been correctly accounted for in line with applicable accounting standards and the GAM; and— Assessing transparency: We assessed the adequacy of the disclosures about the key judgements and degree of estimation involved in arriving at the valuation and the related sensitivities.

3. Our application of materiality

Materiality for the Trust's financial statements as a whole was set at £2 million (2016/17: £2 million), determined with reference to a benchmark of income from operations (of which it represents approximately 1.7%). We consider income from operations to be more stable than a surplus- or deficit-related benchmark.

We agreed to report to the Audit Committee any corrected and uncorrected identified misstatements exceeding £100k million (2016/17: £100k), in addition to other identified misstatements that warranted reporting on qualitative grounds.

Our audit of the Trust was undertaken to the materiality level specified above and was all performed at the Trust's headquarters in Sheffield.



4. We have nothing to report on going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

5. We have nothing to report on the other information in the Annual Report

The directors are responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

In our opinion the other information included in the Annual Report for the financial year is consistent with the financial statements

Remuneration report

In our opinion the part of the remuneration report to be audited has been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2017/18.

Corporate governance disclosures

We are required to report to you if:

- we have identified material inconsistencies between the knowledge we acquired during our financial statements audit and the directors' statement that they consider that the annual report and financial statements taken as a whole is fair, balanced and understandable and provides the information necessary for stakeholders to assess the Trust's position and performance, business model and strategy; or
- the section of the annual report describing the work of the Audit Committee does not appropriately address matters communicated by us to the Audit Committee; or
- the Annual Governance Statement does not reflect the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual 2017/18, is misleading or is not consistent with our knowledge of the Trust and other information of which we are aware from our audit of the financial statements.

We have nothing to report in these respects.

6. Respective responsibilities

Accounting Officer's responsibilities

As explained more fully in the statement set out on page 71 of the Annual Report, the Accounting Officer is responsible for: the preparation of financial statements that give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they have been informed by the relevant national body of the intention to dissolve the Trust without the transfer of its services to another public sector entity

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities

REPORT ON OTHER LEGAL AND REGULATORY MATTERS

We have nothing to report on the statutory reporting matters

We are required by Schedule 2 to the Code of Audit Practice issued by the Comptroller and Auditor General ('the Code of Audit Practice') to report to you if:

- any reports to the regulator have been made under Schedule 10(6) of the National Health Service Act 2006.
- any matters have been reported in the public interest under Schedule 10(3) of the National Health Service Act 2006 in the course of, or at the end of the audit.

We have nothing to report in these respects.

We have nothing to report in respect of our work on the Trust's arrangements for securing economy, efficiency and effectiveness in the use of resources

Under the Code of Audit Practice we are required to report to you if the Trust has not made proper arrangement for securing economy, efficiency and effectiveness in the use of resources.

We have nothing to report in this respect.

[Respective responsibilities in respect of our review of arrangements for securing economy, efficiency and effectiveness in the use of resources](#)

The Trust is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in the use of resources

Under Section 62(1) and Schedule 10 paragraph 1(d), of the National Health Service Act 2006 we have a duty to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in the use of resources .

We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in the use of resources are operating effectively.

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the specified criterion issued by the Comptroller and Auditor General (C&AG) in November 2017, as to whether the Trust had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. We planned our work in accordance with the Code of Audit Practice and related guidance. Based on our risk assessment, we undertook such work as we considered necessary.

[Report on our review of the adequacy of arrangements for securing economy, efficiency and effectiveness in the use of resources](#)

We are required by guidance issued by the C&AG under Paragraph 9 of Schedule 6 to the Local Audit and Accountability Act 2014 to report on how our work addressed any identified significant risks to our conclusion on the adequacy of the Trust's arrangements for securing economy, efficiency and effectiveness in the use of resources. The 'risk' in this case is the risk that we could come to an incorrect conclusion in respect of the Trust's arrangements, rather than the risk of the arrangements themselves being inadequate.

We carry out a risk assessment to determine the nature and extent of further work that may be required. Our risk assessment includes consideration of the significance of business and operational risks facing the Trust, insofar as they relate to 'proper arrangements'. This includes sector and organisation level risks and draws on relevant cost and performance information as appropriate, as well as the results of reviews by inspectorates, review agencies and other relevant bodies.

The significant risks identified during our risk assessment are set out overleaf together with the findings from the work we carried out on each area.

Our work in relation to significant risks to our conclusion on the adequacy of the Trust's arrangements for securing economy, efficiency and effectiveness

The risk	Our response and findings
<p>Delivery of Cost Improvement Programmes (CIPs):</p> <p>The Trust agreed a control total for the year of £1.5m and achieved a surplus for the year of £6.8m. 99% of the £5.5m CIP savings target for 2017/18 was also achieved. The Trust continues to perform well in both the delivery of its CIP targets and control total on an ongoing basis. The sustained financial pressure on the sector however means that the Trust must continue to identify and achieve challenging savings goals to continue to meet these targets. At each year end, the risk therefore increases the Trust will not be able to identify the required level of savings to meet further savings targets.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none">— Review of the process to achieve recurrent cost savings: Our work focussed on the arrangements in place to deliver recurrent cost improvements. We also reviewed how the shortfall in the planned CIP was managed by the Trust; and— Review of the process for identifying future CIP schemes: We sought evidence that the Trust had in a place a process to identifying further CIP schemes to meet future savings targets, including for the 2018/19 year. <p>Our findings on this risk area:</p> <p>We did not find any indication that the Trust has not had regard to its responsibilities to secure economy, efficiency and effectiveness in its use its resources.</p>

THE PURPOSE OF OUR AUDIT WORK AND TO WHOM WE OWE OUR RESPONSIBILITIES

This report is made solely to the Council of Governors of the Trust, as a body, in accordance with Schedule 10 of the National Health Service Act 2006 and the terms of our engagement by the Trust. Our audit work has been undertaken so that we might state to the Council of Governors of the Trust, as a body, those matters we are required to state to them in an auditor's report, and the further matters we are required to state to them in accordance with the terms agreed with the Trust, and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors of the Trust, as a body, for our audit work, for this report, or for the opinions we have formed.

CERTIFICATE OF COMPLETION OF THE AUDIT

We certify that we have completed the audit of the accounts of Sheffield Health and Social Care 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.



Rashpal Khangura
for and on behalf of KPMG LLP (Statutory Auditor)

Chartered Accountants
1 Sovereign Square
Leeds
LS1 4DA
24 May 2018

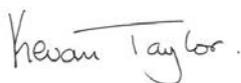


Section 6.0 Accounts
Foreword to the accounts

Sheffield Health and Social Care NHS Foundation Trust

These accounts for the year ended 31 March 2018 have been prepared by Sheffield Health and Social Care NHS Foundation Trust in accordance with paragraphs 24 and 25 of Schedule 7 within the National Health Service Act 2006.

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

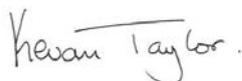
A handwritten signature in black ink that reads "Kevan Taylor". The signature is written in a cursive style with a horizontal line above the name.

Kevan Taylor
Chief Executive (as Accounting Officer)
24 May 2018

The Accounts of Sheffield Health and Social Care NHS Foundation Trust for the period ending 31 March 2018 follows the four primary statements; the Statement of Comprehensive Income (SOI), the Statement of Financial Position (SOF), the Statement of Changes in Taxpayers' Equity (SOCI), and the Statement of Cashflows (SCF) are presented first. These are followed by the supporting notes to the accounts.

Note 1 outlines the Foundation Trust's accounting policies. Subsequent notes provide further detail on lines in the four primary statements and are cross referenced accordingly.

The financial statements (Accounts) were approved by the Board on 24 May 2018 and signed on its behalf by:

A handwritten signature in black ink that reads "Kevin Taylor". The signature is written in a cursive style with a horizontal line above the name.

(Chief Executive)
24 May 2018

Statement of Comprehensive Income

	Note	2017/18 £000	2016/17 £000
Operating income from patient care activities	3	94,238	94,283
Other operating income	4	30,258	26,887
Operating expenses	5, 8	(116,074)	(117,422)
Operating surplus/(deficit) from continuing operations		8,422	3,748
Finance income	10	75	49
Finance expense	11	(7)	(26)
Public Dividend Capital (PDC) dividend payable		(1,660)	(1,697)
Net finance costs		(1,592)	(1,674)
Other gains / (losses)	12	-	(280)
Corporation tax expense		-	-
Surplus/(deficit) from continuing operations		6,830	1,794
Surplus/(deficit) on discontinued operations and the gain / (loss) on disposal of discontinued operations	13	-	(265)
Surplus /(deficit) for the year		6,830	1,529
Other comprehensive income			
Will not be reclassified to income and expenditure:			
Impairments	7	(5,189)	-
Revaluations	17	1,694	-
Other recognised gains and (losses)		(1,214)	1,905
Remeasurements of the net defined benefit pension scheme (liabilities) / assets	29	2,085	(2,180)
Total comprehensive income / (expense) for the period		4,206	1,254

Statement of Financial Position

	Note	31 March 2018 £000	31 March 2017 £000
Non-current assets			
Intangible assets	14	264	152
Property, plant and equipment	15	50,229	55,102
Investment property	18	200	200
Trade and other receivables	21	4,953	5,953
Total non-current assets		55,646	61,407
Current assets			
Inventories	20	72	59
Trade and other receivables	21	12,364	8,389
Cash and cash equivalents	22	30,899	27,756
Total current assets		43,355	36,204
Current liabilities			
Trade and other payables	23	(9,475)	(8,432)
Provisions	25	(1,675)	(3,742)
Other liabilities	24	(34)	(152)
Total current liabilities		(11,184)	(12,326)
Total assets less current liabilities		87,797	85,285
Non-current liabilities			
Provisions	25	(735)	(768)
Other liabilities	24	(4,843)	(6,714)
Total non-current liabilities		(5,578)	(7,482)
Total assets employed		82,219	77,803
Financed by			
Public Dividend Capital		34,201	33,991
Revaluation reserve		13,132	16,627
Income and expenditure reserve		34,886	27,185
Total taxpayers' equity		82,219	77,803

The notes on pages 173-220 form part of these accounts.

Kevin Taylor

Chief Executive (as Accounting Officer)
24 May 2018

Statement of Changes in Equity for the year ended 31 March 2018

	Public Dividend Capital £000	Revaluation Reserve £000	Income and Expenditure Reserve £000	Total £000
Taxpayers' equity at 01 April 2017 – brought forward	33,991	16,627	27,185	77,803
Surplus/(deficit) for the year	-	-	6,830	6,830
Impairments	-	(5,189)	-	(5,189)
Revaluations	-	1,694	-	1,694
Other recognised gains and losses	-	-	(1,214)	(1,214)
Remeasurements of the defined net benefits pension scheme liability/asset	-	-	2,085	2,085
Public dividend capital received	210	-	-	210
Taxpayers' equity at 31 March 2018	34,201	13,132	34,886	82,219

Statement of Changes in Equity for the year ended 31 March 2017

	Public Dividend Capital £000	Revaluation Reserve £000	Income and Expenditure Reserve £000	Total £000
Taxpayers' equity at 01 April 2016 – brought forward	33,926	16,633	25,925	76,484
Prior period adjustment	-	-	-	-
Taxpayers' equity at 01 April 2016 - restated	33,926	16,633	25,925	76,484
Surplus/(deficit) for the year	-	-	1,529	1,529
Other transfers between reserves	-	(6)	6	-
Other recognised gains and losses	-	-	1,905	1,905
Remeasurements of the defined net benefits pension scheme liability/asset	-	-	(2,180)	(2,180)
Public dividend capital received	65	-	-	65
Taxpayers' equity at 31 March 2017	33,991	16,627	27,185	77,803

Information on reserves

Public dividend capital

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. Additional PDC may also be issued to Trusts by the Department of Health and Social Care. A charge, reflecting the cost of capital utilised by the Trust, is payable to the Department of Health as the public dividend capital dividend.

Revaluation reserve

Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse impairments previously recognised in operating expenses, in which case they are recognised in operating income. Subsequent downward movements in asset valuations are charged to the revaluation reserve to the extent that a previous gain was recognised unless the downward movement represents a clear consumption of economic benefit or a reduction in service potential.

Available-for-sale investment reserve

This reserve comprises changes in the fair value of available-for-sale financial instruments. When these instruments are derecognised, cumulative gains or losses previously recognised as other comprehensive income or expenditure are recycled to income or expenditure.

Merger reserve

This reserve reflects balances formed on merger of NHS bodies.

Income and expenditure reserve

The balance of this reserve is the accumulated surpluses and deficits of the Trust.

Statement of Cash Flows

	Note	2017/18 £000	2016/17 £000
Cash flows from operating activities			
Operating surplus / (deficit)	SOCI	8,422	3,483
Non-Cash income and expense			
Depreciation and amortisation	5	2,441	2,317
Net impairments	7	3,403	-
Non-cash movements in on-SoFP pension liability		214	107
(Increase)/decrease in receivables and other assets	SOFP	(3,822)	(1,521)
(Increase)/decrease in inventories	SOFP	(13)	40
Increase/(decrease) in payables and other liabilities	SOFP	403	(503)
Increase/(decrease) in provisions	SOFP	(2,101)	2,243
Other movements in operating cash flows	SOFP	(207)	(7)
Net cash generated from / (used in) operating activities		8,740	6,159
Cash flows from investing activities			
Interest received	11	68	52
Purchase of intangible assets	15	(119)	(91)
Purchase of property, plant and equipment and investment property	16	(3,936)	(2,562)
Net cash generated from / (used in) investing activities		(3,987)	(2,601)
Cash flows from financing activities			
Public dividend capital received		210	65
Other interest paid		(6)	(24)
PDC dividend (paid) / refunded		(1,814)	(1,614)
Net cash generated from / (used in) financing activities		(1,610)	(1,573)
Increase/ (decrease) in cash and cash equivalents		3,143	1,985
Cash and cash equivalents at 01 April – brought forward		27,756	25,771
Prior period adjustments		-	-
Cash and cash equivalents at 01 April - restated		27,756	25,771
Cash and cash equivalents at 31 March	22	30,899	27,756

Supporting notes to the accounts

Note 1. Accounting policies and other information

Note 1.1 Basis of preparation

NHS Improvement, in exercising the statutory functions conferred on Monitor, has directed that the financial statements of NHS foundation trusts shall meet the accounting requirements of the Department of Health Group Accounting Manual (GAM), which shall be agreed with HM Treasury.

Consequently, the following financial statements have been prepared in accordance with the DH Group Accounting Manual 2017-18, issued by the Department of Health.

The accounting policies contained in the GAM follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board.

Where the DH Group Accounting Manual permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the NHS foundation trust for the purpose of giving a true and fair view has been selected.

The particular policies adopted are described below. These have been applied consistently in dealing with items considered material in relation to the accounts.

Sheffield Health and Social Care NHS Foundation Trust (“the Trust”) achieved foundation trust status on 01 July 2008.

1.2 Accounting Period

The accounts of the Trust have been drawn up for the year to 31 March 2018.

1.3 Going Concern

The Trust’s annual report and accounts have been prepared on a going concern basis. Non-trading entities in the public sector are assumed to be going concerns where the continued provision of a service in the future is anticipated, as evidenced by inclusion of financial provision for that service in published documents.

1.4 Accounting Convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets, inventories and certain financial assets and financial liabilities.

1.5 Acquisitions and Discontinued Operations

Activities are considered to be ‘acquired’ only if they are taken on from outside the public sector. Activities are considered to be ‘discontinued’ only if they cease entirely. They are not considered to be ‘discontinued’ if they transfer from one public sector body to another.

1.6 Basis of Consolidation

The Trust is one of the related Charities to Sheffield Hospitals Charitable Trust, under the umbrella registration of 1059043-3. The Trust is not a corporate trustee of the charity.

The Trust has assessed its relationship to the charitable fund and determined it not to be a subsidiary because the Trust does not have the power to govern the financial and operating policies of the charitable fund so as to obtain benefits from its activities for itself, its patients or its staff.

The Trust will not be consolidating the Sheffield Hospitals Charitable Trust. The Department of Health corresponds directly with NHS charities whom are independent of their linked Trust (with independent trustees) to obtain the information they require to consolidate the Department of Health group. Sheffield Hospitals Charity is one such charity.

Note 1.6.1 Subsidiaries

Entities over which the Trust has the power to exercise control are classified as subsidiaries and are consolidated. The Trust has control when it has the ability to affect the variable returns from the other entity through its power to direct relevant activities. The income, expenses, assets, liabilities, equity and reserves of the subsidiary are consolidated in full into the appropriate financial statement lines. The capital and reserves attributable to non-controlling interests are included as a separate item in the Statement of Financial Position.

Appropriate adjustments are made on consolidation where the subsidiary's accounting policies are not aligned with the Trust or where the subsidiary's accounting date is not coterminous.

Subsidiaries that are classified as 'held for sale' are measured at the lower of their carrying amount or 'fair value less costs to sell'.

During 2015/16 the Trust established an operating company, 7 Hills Care and Support Ltd wholly owned by the Trust and which has currently remained dormant during 2017/18.

Note 1.6.2 Associates

Associate entities are those over which the Trust has the power to exercise a significant influence. Associate entities are recognised in the Trust's financial statement using the equity method. The investment is initially recognised at cost. It is increased or decreased subsequently to reflect the Trust's share of the entity's profit or loss or other gains and losses (e.g. revaluation gains on the entity's property, plant and equipment) following acquisition. It is also reduced when any distribution, e.g., share dividends are received by the Trust from the associate. Associates which are classified as held for sale are measured at the lower of their carrying amount and "fair value less costs to sell".

During 2017/18 the Trust recognises no Associates.

Note 1.6.3 Joint Arrangements

Arrangements over which the Trust has joint control with one or more other entities are classified as joint arrangements. Joint control is the contractually agreed sharing of control of an arrangement. A joint arrangement is either a joint operation or a joint venture.

A joint operation exists where the parties that have joint control have rights to the assets and obligations for the liabilities relating to the arrangement.

Where the Trust is a joint operator it recognises its share of, assets, liabilities, income and expenses in its own accounts.

During 2017/18 the Trust recognises no Joint arrangements.

Note 1.7 Critical judgements and key sources of estimation uncertainty

In the application of the Trust's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The Trust confirms that it has not used any key assumptions concerning the future or had any key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year that need to be disclosed under IAS1.

Note 1.7.1 Critical judgements in applying accounting policies

The main area of estimation uncertainty within the Trust is the carrying value of the property portfolio and the assumptions used in the determination of fair value at the Statement of Financial Position date, in order to minimise the risk of material misstatement, a full property valuation has been commissioned by the Trust as at 31 March 2018.

Provisions have been calculated having recognised an obligating event during the year and include estimates and assumptions relating to the carrying amounts and timing of the anticipated payments. The litigation provisions are based on estimates from NHS Resolution and the injury benefit provisions on figures from NHS Pensions. Refer to Paragraph 1.11 for further details.

A further area where estimation is required relates to the net liability to pay pensions in respect of the staff who transferred to the Trust from Sheffield City Council. This estimation depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in the retirement ages, mortality rates and expected returns on pension fund assets. A firm of consulting actuaries is engaged by the South Yorkshire Pensions Authority to provide the Trust with expert advice about the assumptions to be applied. Refer to Paragraph 1.11 and note 31 for further details.

Note 1.8 Transfer of Functions

For functions that have been transferred to the Trust from another NHS or local government body, the assets and liabilities are recognised in the accounts at the date of transfer. The assets and liabilities are not adjusted to fair value prior to recognition. The net gain or loss corresponding to the net assets or liabilities transferred is recognised within income or expenses, but not within operating activities.

For property plant and equipment assets and intangible assets, the cost and accumulated depreciation/amortisation balances from the transferring entity's accounts are preserved on recognition in the Trust's accounts. Where the transferring body recognised revaluation reserve balances attributable to the assets, the Trust makes a transfer from its income and expenditure reserve to its revaluation reserve to maintain transparency within public sector accounts.

For functions that the Trust has transferred to another NHS or local government body, the assets and liabilities transferred are de-recognised from the accounts at the date of

transfer. The net loss or gain corresponding to the net assets or liabilities transferred is recognised within expenses/income, but not within operating activities. Any revaluation reserve balances attributable to assets de-recognised are transferred to the income and expenditure reserve. Adjustments to align the acquired function to the Foundation Trust's accounting policies are applied after initial recognition and are adjusted directly in taxpayers' equity.

Note 1.9 Operating Segments

The Trust considers that it has one operating segment, that being the provision of health and social care. All revenues are derived from within the UK.

Details of operating income by classification and operating income by type are given in Note 2.

Note 1.10 Revenue

The main source of revenue for the Trust is from Clinical Commissioning Groups, which are government funded commissioners of NHS health and patient care.

Revenue 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. At the year end, the Trust accrues income relating to activity delivered in that year. Where a patient care spell is incomplete at the year end, revenue relating to the partially complete spell is accrued and agreed with the commissioner.

Where income is received for a specific activity that is to be delivered in the following year, that income is deferred.

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.

Interest income is accrued on a time basis, by reference to the principal outstanding and interest rate applicable.

Note 1.11 Employee Benefits

Note 1.11.1 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.

Note 1.11.2 Retirement benefits costs

NHS Pension Scheme

Past and present employees are covered by the provisions of the two NHS Pensions Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded, defined benefit scheme that covers 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 the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to expenditure at the time the Trust commits itself to the retirement, regardless of the method of payment.

The schemes are subject to a full actuarial valuation every four years and an accounting valuation every year. An outline of these follows:

a) Accounting valuation

A valuation of the scheme liability is carried out annually by the scheme actuary as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and are accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2018, is based on valuation data as 31 March 2017, updated to 31 March 2018 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the scheme actuary report, which forms part of the annual NHS Pension Scheme (England and Wales) Pension Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the scheme (taking into account its recent demographic experience), and to recommend the contribution rates payable by employees and employers.

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2018.

The Scheme Regulations allow for the 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.

c) Scheme provisions

The NHS Pension Scheme provided defined benefits, which are summarised below. This list is an illustrative guide only, and is not intended to detail all the benefits provided by the Scheme or the specific conditions that must be met before these benefits can be obtained:

The Scheme is a “final salary” scheme. Annual pensions are normally based on 1/80th for the 1995 section and of the best of the last three years pensionable pay for each year

of service, and 1/60th for the 2008 section of reckonable pay per year of membership. Members who are practitioners as defined by the Scheme Regulations have their annual pensions based upon total pensionable earnings over the relevant pensionable service.

With effect from 1 April 2008 members can choose to give up some of their annual pension for an additional tax free lump sum, up to a maximum amount permitted under HMRC rules. This new provision is known as “pension commutation”.

Annual increases are applied to pension payments at rates defined by the Pensions (Increase) Act 1971, and are based on changes in retail prices in the twelve months ending 30 September in the previous calendar year. From 2011- 12 the Consumer Price Index (CPI) has been used and replaced the Retail Prices Index (RPI).

Early payment of a pension, with enhancement, is available to members of the scheme who are permanently incapable of fulfilling their duties effectively through illness or infirmity. A death gratuity of twice final year’s pensionable pay for death in service, and five times their annual pension for death after retirement is payable.

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to the employer.

Members can purchase additional service in the NHS Scheme and contribute to money purchase AVC’s run by the Scheme’s approved providers or by other Free Standing Additional Voluntary Contributions (FSAVC) providers.

Note 1.11.3 Local Government Pension Scheme

Some employees are members of the Local Government Pension Scheme, administered by the South Yorkshire Pensions Authority, which is a defined benefit pension scheme. The scheme assets and liabilities attributable to these employees can be identified and are recognised in the Trust’s accounts. The assets are measured at fair value, and the liabilities at the present value of future obligations.

The increase in the liability arising from pensionable service earned during the year is recognised within operating expenses. The net interest cost during the year arising from the unwinding of the discount on the net scheme liabilities is recognised within finance costs. Re-measurements of the defined benefit plan are recognised in the income and expenditure reserve and reported in the Statement of Comprehensive Income as an item of ‘other comprehensive income’. These postings are mostly countered by the terms of the current partnership agreement.

The terms of the current partnership agreement with Sheffield City Council (‘the Council’) provide that any long term pension liability arising from the scheme will be funded by the Council, with the exception of any pension changes which relate to salary increases in excess of any local government grading agreements. The impact on the current and prior year Statement of Comprehensive Income and Statement of Changes in Taxpayers’ Equity relating to the application of IAS 19 - ‘Employee Benefits’ within the accounts of the Trust is mostly negated by the inclusion of a corresponding non-current receivable with the Council. For further information see note 29.

Note 1.11.4 NEST Pension Scheme

The Trust is a member of the National Employment Savings Trust (NEST) pension scheme which operates as a defined contribution plan. The Trust pays contributions into

a fund but has no legal or constructive obligation to make further payments if the fund does not have sufficient assets to pay all of the employees' entitlements to post-employment benefits. The Trust's obligation is therefore limited to the amount it agrees to contribute to the fund and effectively place actuarial and investment risk on the employee. The amount recognised in the period is the contribution payable in exchange for service rendered by employees during the period.

Note 1.12 Other expenses

Other operating expenses are recognised when, and to the extent that, the goods or services have been received. They are measured at the fair value of the consideration payable. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment.

Note 1.12.1 Value added tax

Most of the activities of Trust are outside the scope of value added tax (VAT). Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of non-current assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

Note 1.12.2 Corporation Tax

The Finance Act 2004 amended Section 519A of the Income and Corporation Taxes Act 1998 to provide power to the Treasury to make certain non-core activities of the Trust, which are not related to, or ancillary to, the provision of healthcare and where profits exceed £50,000 per annum, are potentially subject to corporation tax and should be subject to a review.

The Trust has carried out a review of corporation tax liability of its non-healthcare activities. At present all activities are either ancillary to patient care activity or below the de-minimis £50,000 profit level at which corporation tax is due.

Note 1.13 Property, Plant and Equipment

Note 1.13.1 Recognition

Property, plant and equipment is capitalised if:

- it is held for use in delivering services or for administrative purposes
- it is probable that future economic benefits will flow to, or service potential will be supplied to the Trust
- it is expected to be used for more than one financial year
- the cost of the item can be measured reliably, and either
- the item has cost of at least £5,000, or
- collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, the components are treated as separate assets and depreciated over their individual useful economic lives.

Note 1.13.2 Measurement

All property, plant and equipment is measured initially at cost, representing the cost directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by

management. Assets that are held for their service potential and are in use are measured subsequently at their current value in existing use. Assets that were most recently held for their service potential but are surplus are measured at fair value where there are no restrictions preventing access to the market at the reporting date.

Land and buildings used for the Trust's services or for administrative purposes are stated in the Statement of Financial Position at their revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses.

Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period. These valuations are carried out by professionally qualified valuers in accordance with Royal Institution of Chartered Surveyors (RICS) Appraisal and Valuation Manual. Fair values are determined as follows:

- Land and non-specialised buildings – market value for existing use
- Specialised buildings – depreciated replacement cost

A full revaluation was undertaken as at 31 March 2018 and is reflected in these financial statements.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees and, where capitalised in accordance with IAS 23, borrowing costs. Assets are revalued and depreciation commences when they are brought into use.

The carrying value of plant and equipment is written off over their remaining useful lives and new plant and equipment is carried at depreciated historic cost as this is not considered to be materially different from fair value.

Where a component of an asset is replaced, the cost of the replacement is capitalised if it meets the criteria for recognition above. The carrying amount of the part replaced is de-recognised. Other expenditure that does not generate additional future economic benefits or service potential, such as repairs and maintenance, is charged to the Statement of Comprehensive Income in the period in which it is incurred.

Note 1.13.3 Subsequent expenditure

Where subsequent expenditure enhances an asset beyond its original specification, the directly attributable cost is capitalised. Where subsequent expenditure restores the asset to its original specification, the expenditure is capitalised and any existing carrying value of the item replaced is written-out and charged to operating expenses.

Note 1.14 Investment property

Investment property comprises properties that are held to earn rentals or for capital appreciation or both. It is not depreciated but is stated at fair value based on regular valuations performed by professionally qualified valuers. Fair value is based on current prices for similar properties in the same location and condition. Any gain or loss arising from the change in fair value is recognised in the Statement of Comprehensive Income. Rental income from investment property is recognised on a straight line basis over the term of the lease.

Only those assets which are held solely to generate a commercial return are considered to be investment properties. Where an asset is held, in part, for support service delivery objectives, then it is considered to be an item of property, plant and equipment. Properties occupied by employees, whether or not they pay rent at market rates, are not classified as investment properties.

Note 1.15 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than continuing use. This condition is regarded as met when the sale is highly probable, the asset is available for immediate sale in its present condition and management is committed to the sale, which is expected to qualify for recognition as a completed sale within one year from the date of classification. Non-current assets held for sale are measured at the lower of their existing carrying amount and fair value less costs to sell. Fair value is open market value including alternative uses. Depreciation ceases to be charged when assets are classified as 'held for sale'.

Assets are de-recognised when all material sale contract conditions have been met.

The profit or loss arising on disposal of an asset is the difference between the sale proceeds and the carrying amount and is recognised in the income statement. On disposal, the balance for the asset on the revaluation reserve, donated asset reserve or government grant reserve is transferred to retained earnings.

Property, plant and equipment which is to be scrapped or demolished does not qualify for recognition as 'Held for Sale'. Instead, it is retained as an operational asset and the economic life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

Note 1.16 Intangible assets

Note 1.16.1 Recognition

Intangible assets are non-monetary assets without physical substance which are capable of being sold separately from the rest of the Trust's business or which arise from contractual or other legal rights. They are recognised only where it is probable that future economic benefits will flow to, or service potential be provided to, the Trust and where the cost of the asset can be measured reliably, and where the cost is at least £5,000.

Software that is integral to the operating of hardware, for example an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software that is not integral to the operation of hardware, for example application software, is capitalised as an intangible asset.

Expenditure on research is not capitalised: it is recognised as an operating expense in the period in which it is incurred. Internally-generated assets are recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use
- the Trust intends to complete the intangible asset and use it
- the ability to sell or use the intangible asset
- how the intangible asset will generate probable future economic benefits or service potential

- the availability of adequate technical, financial and other resources to complete the intangible asset and sell or use it, and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development

Note 1.16.2 Measurement

Intangible assets acquired separately are initially recognised at cost. The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the criteria for recognition are initially met. Where no internally-generated intangible asset can be recognised, the expenditure is recognised in the period in which it is incurred.

Following initial recognition, intangible assets are carried at current value in existing use by reference to an active market, or, where no active market exists, at the lower of amortised replacement cost (modern equivalent assets basis) and value in use where the asset is income generating. Internally-developed software is held at historic cost to reflect the opposing effects of increases in development costs and technological advances.

Revaluations and impairments are treated in the same manner as for property, plant and equipment.

Note 1.17 Depreciation, amortisation and impairments

Freehold land, assets under construction or development, investment properties, and assets held for sale are not depreciated/amortised.

Otherwise, depreciation or amortisation is charged to write off the costs or valuation of property, plant and equipment and intangible assets, less any residual value, on a straight-line basis over their estimated useful lives.

The estimated economic useful life of an asset is the period over which the Trust expects to obtain economic benefits or service potential from the asset. This is specific to the Trust and may be shorter than the physical life of the asset itself.

Estimated useful lives and residual values are reviewed each year end, with the effect of any changes recognised on a prospective basis.

The estimated useful economic lives used by the Trust are as follows:

	Minimum life – Years	Maximum life - Years
Land	-	-
Buildings, excluding dwellings	15	50
Plant and machinery	5	15
Transport equipment	3	7
Information technology	3	7
Furniture and fittings	7	10

At each financial year end, the Trust checks whether there is any indication that its property, plant and equipment or intangible assets have suffered an impairment loss. If there is indication of such an impairment, the recoverable amount of the asset is estimated to determine whether there has been a loss and, if so, its amount. Intangible assets not yet available for use are tested for impairment annually at the financial year end.

Amortisation

Intangible assets are amortised over their expected useful economic lives in a manner consistent with the consumption of economic or service delivery benefits.

Impairments

In accordance with the FT Annual Reporting Manual, impairments that arise from a clear consumption of economic benefits or of service potential in the assets are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of (i) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before the impairment. As the Trust has no current or prior year impairments of this type, no adjustment is required.

An impairment that arises from a clear consumption of economic benefit or of service potential is reversed when and to the extent that, the circumstance that gave rise to the loss is reversed. Reversals are recognised in operating income 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 revaluation reserve when the impairment reversal is recognised.

Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

Note 1.18 Donated assets

Donated non-current assets are capitalised at current value in existing use, if they will be held for their service potential, or otherwise at fair value on receipt, with a matching credit to income. They are valued, depreciated and impaired as described above for purchased assets. Gains and losses on revaluations, impairments and sales are treated in the same way as for purchased assets. Deferred income is recognised only where conditions attached to the donation preclude immediate recognition of the gain. Unless the donor imposes 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.

During 2017/18 no donated assets were received or disposed of.

Note 1.19 Government grant funded assets

Government grant funded assets are capitalised at current value in existing use, if they will be held for their service potential, or otherwise at fair value on receipt, with a matching credit to income. Deferred income is recognised only where conditions attached to the grant preclude immediate recognition of the gain.

During 2017/18 no government grants funded assets were received.

Note 1.20 Leases

Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

Note 1.20.1 The Trust as lessee

Property, plant and equipment held under finance leases are initially recognised, at the inception of the lease, at fair value or, if lower, at the present value of the minimum lease payments, with a matching liability for the lease obligation to the lessor. Lease payments are apportioned between finance charges and reduction of the lease obligation to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in the Statement of Comprehensive Income.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially as a liability and subsequently as a reduction of rentals on a straight-line basis over the lease term. Contingent rentals are recognised as an expense in the period in which they are incurred. Where a lease is for land and buildings, the land and building components are separated and individually assessed as to whether they are operating or finance leases

During 2017/18 the Trust has no finance leases.

Note 1.20.2 The Trust as lessor

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Trust's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the Trust's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

Note 1.20.3 Leases of land and buildings

Where a lease is for land and buildings, the land component is separated from the building component and the classification for each is assessed separately.

Note 1.21 Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured using the First in First Out (FIFO) method.

Note 1.22 Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the Trust's cash management. Cash, bank and overdraft balances are recorded at current values.

Note 1.23 Provisions

Provisions are recognised when the Trust has a present legal or constructive obligation as a result of a past event, it is probable that the Trust will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to

settle the obligation at the end of the reporting period, taking into account the risks and uncertainties.

Where a provision is measured using the cash flows estimated to settle the obligation, its carrying amount is the present value of those cash flows using HM Treasury's discount rates.

Early retirement provisions are discounted using HM Treasury's pension discount rate of [positive 0.10]% (2016-17: positive 0.24%) in real terms. All other provisions are subject to three separate discount rates according to the expected timing of cashflows from the Statement of Financial Position date:

- A short term rate of [negative 2.42]% (2016-17: negative 2.70%) for expected cash flows up to and including 5 years
- A medium term rate of [negative 1.85]% (2016-17: negative 1.95%) for expected cash flows over 5 years up to and including 10 years
- A long term rate of [negative 1.56]% (2016-17: negative 0.80%) for expected cash flows over 10 years.

All percentages are in real terms.

Note 1.24 Clinical negligence costs

NHS Resolution operates a risk pooling scheme under which the Trust pays an annual contribution to NHS Resolution, which, in return, settles all clinical negligence claims. The contribution is charged to operating expense. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the Trust is disclosed at note 25.1 but is not recognised in the Trust's accounts.

Note 1.25 Non-clinical risk pooling

The Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the Trust pays an annual contribution to NHS Resolution and in return receives assistance with the costs of claims arising. The annual membership contributions, and any 'excesses' payable in respect of particular claims are charged to operating expenses when the liability arises.

Note 1.26 Contingent liabilities and contingent assets

Contingent liabilities are not recognised, but are disclosed in the notes, unless the probability of a transfer of economic benefits is remote. Contingent liabilities are defined as:

- possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the 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.

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 where an inflow of economic benefits is probable. As at 31 March 2018 the Trust has no contingent assets.

Note 1.27 Financial assets

Financial assets are recognised when the Trust becomes party to the financial instrument contract or, in the case of trade receivables, when the goods or services have been delivered. Financial assets are derecognised when the contractual rights have expired or the asset has been transferred.

Financial assets are initially recognised at fair value. Fair value is determined by reference to quoted market prices where possible, otherwise by valuation techniques. (Specify – see IAS 39 AG 76.)

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, to the initial fair value of the financial asset.

Financial assets are classified into the following categories: financial assets at fair value through profit and loss, held to maturity investments, available for sale financial assets, and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Note 1.27.1 Held to maturity investments

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity, and where there is a positive intention and ability to hold to maturity. After initial recognition, they are held at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

Note 1.27.2 Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. They are included in current assets. The Trust's loans and receivables comprise: cash and cash equivalents, NHS receivables, accrued income and 'other receivables'. Loans and receivables are recognised initially at fair value, net of transaction costs, and are measured subsequently at amortised cost, using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash receipts through the expected life of the financial asset or, when appropriate, a shorter period, to the next 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 are not held for trading and are measured at historic cost with any unpaid interest accrued separately.]

Note 1.27.3 Available for sale financial assets

Available for sale financial assets are non-derivative financial assets that are designated as available for sale or that do not fall within any of the other three financial asset classifications. They are measured at fair value with changes in value, other than impairment losses, taken to Other Comprehensive Income.

Accumulated gains or losses are recycled to the Statement of Comprehensive Income on de-recognition.

Note 1.27.4 Impairment

At the Statement of Financial Position date, the Trust assesses whether any financial assets, other than those held at 'fair value through profit and loss' are impaired. Financial assets are impaired and impairment losses are recognised if, and only if, there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in expenditure.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through expenditure to the extent that the carrying amount of the receivable at the date of the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Note 1.28 Financial liabilities

Financial liabilities are recognised when the Trust becomes party to the contractual provisions of the financial instrument or, in the case of trade payables, when the goods or services have been received.

Loans from the Department of Health are recognised at historic cost. Otherwise, financial liabilities are initially recognised at fair value.

Note 1.28.1 De-recognition

Financial liabilities are de-recognised when the liability has been discharged – that is, the liability has been paid or has expired.

Note 1.28.2 Other financial liabilities

After initial recognition, all other financial liabilities are measured at amortised cost using the effective interest method, except for loans from Department of Health, which are carried at historic cost. The effective interest rate is the rate that exactly discounts estimated future cash payments through the life of the asset, to the net carrying amount of the financial liability. Interest is recognised using the effective interest method. Interest on financial liabilities taken out to finance property, plant and equipment or intangible assets is not capitalised as part of the cost of those assets.

They are included in current liabilities except for amounts payable more than 12 months after the Statement of Financial Position date, which are classified as long-term liabilities. Interest on financial liabilities carried at amortised cost is calculated using the effective interest method and charged to Finance Costs.

Note 1.29 Public Dividend Capital (PDC)

Public dividend capital is a type of public sector equity finance, which represents the Department of Health's investment in the Trust. HM Treasury has determined that, being issued under statutory authority rather than under contract, PDC is not a financial instrument within the meaning of IAS 32.

At any time, the Secretary of State can issue new PDC to, and require repayments of PDC from, the Trust. PDC is recorded at the value received.

An annual charge, reflecting the cost of capital utilised by the Trust, is payable to the Department of Health as PDC dividend. The charge is calculated at the real rate set by the Secretary of State with the consent of HM Treasury (currently 3.5%) on the average relevant net assets of the Trust. Relevant net assets are calculated as the value of all assets less all liabilities, except for:

- donated assets (including lottery funded assets)
- average daily cash balances held with the Government Banking Service (GBS) and National Loans Fund (NLF) deposits (excluding cash balances held in GBS accounts that relate to a short term working capital facility)
- any PDC dividend balance receivable or payable.

The average relevant net assets is calculated as a simple average of opening and closing relevant net assets. In accordance with the requirements laid down by the Department of Health, the dividend for the year is calculated on the actual average relevant net assets as set out in the “pre-audit” version of the annual accounts. The dividend thus calculated is not revised should any adjustment to net assets occur as a result the audit of the annual accounts. The PDC dividend calculation is based upon the Trust’s group accounts (i.e. including subsidiaries), but excluding consolidated charitable funds.

Note 1.30 Foreign currencies

The functional and presentational currencies of the Trust are sterling, and figures are presented in thousands of pounds unless expressly stated otherwise.

A transaction which is denominated in a foreign currency is translated into the functional currency at the spot exchange rate on the date of the transaction. Where the Trust has assets or liabilities denominated in foreign currency at the Statement of Financial Position date:

- monetary items (other than financial instruments measured at fair value through income and expenditure) are translated at the spot exchange rate on 31 March
- non-monetary assets and liabilities measured at historical cost are translated using the spot exchange rate at the date of the transaction and
- non-monetary assets and liabilities measured at fair value are translated using the spot exchange rate at the date the fair value was determined.

Exchange gains or losses on monetary items (arising from the settlement of the transaction or on re-translation at the Statement of Financial Position date) are recognised in income or expense in the period in which they arise.

Exchange gains or losses on non-monetary assets and liabilities are recognised in the same manner as other gains and losses on these items.

Note 1.31 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 note 22.1 to the accounts in accordance with the requirements of HM Treasury’s Financial Reporting Manual.

Note 1.32 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 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 compensations register which reports on an accruals basis with the exception of provisions for future losses.

Note 1.33 Gifts

Gifts are items that are voluntarily donated, with no preconditions and without the expectation of any return. Gifts include all transactions economically equivalent to free and unremunerated transfers, such as the loan of an asset for its expected useful life, and the sale or lease of assets at below market value.

Note 1.34 Accounting Standards that have been issued but have not yet been adopted

The DH GAM does not require the following Standards and Interpretations to be applied in 2017-18. These standards are still subject to HM Treasury FReM adoption, with IFRS 9 and IFRS 15 being for implementation in 2018-19, and the government implementation date for IFRS 16 and IFRS 17 still subject to HM Treasury consideration.

- IFRS 9 Financial Instruments – Application required for accounting periods beginning on or after 01 January 2018, but not yet adopted by the FReM: early adoption is not therefore permitted Department of Health Group Accounting Manual 2017-18 220
- IFRS 15 Revenue from Contracts with Customers – Application required for accounting periods beginning on or after 01 January 2018, but not yet adopted by the FReM: early adoption is not therefore permitted
- IFRS 16 Leases – Application required for accounting periods beginning on or after 01 January 2019, but not yet adopted by the FReM: early adoption is not therefore permitted
- IFRS 17 Insurance Contracts – Application required for accounting periods beginning on or after 01 January 2021, but not yet adopted by the FReM: early adoption is not therefore permitted
- IFRIC 22 Foreign Currency Transactions and Advance Consideration – Application required for accounting periods beginning on or after 01 January 2018
- IFRIC 23 Uncertainty over Income Tax Treatments – Application required for accounting periods beginning on or after 01 January 2019.

The Trust has considered the above new standards, interpretation and amendments to published standards that are not yet effective and concluded that they are currently either not relevant to the Trust or that they would not have a significant impact on the Trust's financial statements, apart from some additional disclosures. This conforms with the FT ARM 2017/18, which requires that any amendments to standards are applied in accordance with the applicable timetable, with early adoption not permitted.

Note 2 Operating Segments

The Trust considers that it has one operating segment, that being the provision of health and social care. All revenues are derived from within the UK.

Details of operating income by classification and operating income by type are given in Note 3 and 4.

Note 3 Operating income

Note 3.1 Operating income from patient care activities (by nature)	2017/18 £000	2016/17 £000
Block contract income	85,948	83,849
Clinical partnerships providing mandatory services (including S75 agreements)	1,182	2,749
Other clinical income from mandatory services	6,888	8,304
Other clinical income	220	857
Total income from activities	94,238	95,759

Note 3.2 Income from patient care activities (by source)

Income from patient care activities received from:	2017/18 £000	2016/17 £000
NHS England	4,484	-
Clinical commissioning groups	83,447	86,631
Department of Health and Social Care	-	2
Other NHS providers	-	1
Local authorities	6,079	8,270
Non NHS: Other	228	855
Total income from activities	94,238	95,759
Of which:		
Related to continuing operations	94,238	94,283
Related to discontinued operations	-	1,476

Note 3.3 Overseas visitors (relating to patients charged directly by the provider)

No overseas visitors transactions to report for financial years 2016/17 and 2017/18.

Note 4 Other operating income	2017/18 £000	2016/17 £000
Research and development	1,624	1,845
Education and training	6,523	6,000
Non-patient care services to other bodies	11,147	14,183
Sustainability and transformation fund income	6,086	1,459
Rental revenue from operating leases	167	340
Income in respect of staff costs where accounted on gross basis	3,394	3,945
Other income	1,317	809
Total other operating income	30,258	28,581
Of which:		
Related to continuing operations	30,258	26,887
Related to discontinued operations	-	1,694

'Other income' is not considered a material figure, there are no single significant items of income included in this figure.

Note 4.1 Income from activities arising from commissioner requested services

Under the terms of its provider licence, the Trust is required to analyse the level of income from the activities that has arisen from commissioner requested and non-commissioner requested services. Commissioner requested services are defined in the provider license and are services that commissioners believe would need to be protected in the event of provider failure. This information is provided in the table below:

	2017/18 £000	2016/17 £000
Income from services designated as commissioner requested services	94,238	95,759
Income from services not designated as commissioner requested services	30,258	28,581
Total	124,496	124,340

Note 4.2 Profits and losses on disposal of property, plant and equipment

No disposal of property, plant and equipment for financial year 2017/18.

Note 5 Operating expenses	2017/18	Represented 2016/17
	£000	£000
Purchase of healthcare from NHS and DHSC bodies	1,448	1,552
Purchase of healthcare from non-NHS and non-DHSC bodies	2,167	2,736
Staff and Executive Director costs	90,468	96,557
Remuneration of Non-Executive Directors	117	109
Supplies and services – clinical (excluding drugs costs)	277	300
Supplies and services – general	829	1,045
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	722	725
Inventories written down	12	17
Consultancy costs	498	317
Establishment	628	954
Premises	5,068	4,613
Transport (including patient travel)	1,146	1,104
Depreciation on property, plant and equipment	2,434	2,313
Amortisation on intangible assets	7	4
Net impairments	3,403	-
Increase/(decrease) in provision for impairment of receivables	484	209
Change in provisions discount rate(s)	10	80
Audit fees payable to the external auditor		
audit services – statutory audit	59	59
other auditor remuneration (external auditor only) – quality report audit fee	11	11
Internal audit costs	121	140
Clinical negligence	698	495
Legal fees	52	174
Insurance	199	184
Research and development	1,537	1,780
Education and training	398	701
Rentals under operating lease	1,313	1,449
Redundancy	294	1,666
Car parking and security	53	85
Hospitality	11	25
Losses, ex gratia and special payments	95	335
Other services, eg external payroll	188	227
Other	1,327	891
Total	116,073	120,857
Of which:		
Related to continuing operations	116,073	117,422
Related to discontinued operations	-	3,435

‘Other’ expenditure in this note is not considered to be material, there are no single significant items of expenditure included in this figure.

Note 6 Other auditor remuneration

Other auditor remuneration paid to the external auditor	2017/18	2016/17
	£000	£000
1. Audit of accounts of any associate of the Trust	-	-
2. Audit-related assurance services – Quality Report Audit Fee	11	11
Total	11	11

Note 6.1 Limitation on auditor's liability

The limitation on auditor's liability for external audit work is £1m (2016/17: £1m).

Note 7 Impairment of assets

Net impairments charged to operating surplus / deficit resulting from:	2017/18	2016/17
	£000	£000
Changes in market price	3,402	-
Other	-	-
Total net impairments charged to operating surplus / deficit	3,402	-
Impairments charged to the revaluation reserve	5,189	-
Total net impairments	8,591	-

Changes in market price are related to the revaluation of land and buildings as part of the Trust policy to value its portfolio of properties on a regular basis accordingly to international accounting standards. The changes in fair value of property includes: * Argyll House, East Glade, Forest Close, Limbrick, Michael Carlisle Centre, Northlands, St George's and Wheata Clinic among those owned by the Trust on a freehold basis.

Note 7.1 Revaluation Reserve Movements

	31 March	31 March
	2018	2017
	£000	£000
As at 01 April	16,627	16,633
Reserve transfers	-	(6)
Impairments losses	(5,189)	
Revaluation gains	1,694	
As at 31 March	13,132	16,627

A full valuation has been performed by independent valuers "Grimleys" as at 31 March 2018. An interim valuation will take place within 3 years as per SHSC accounting policies.

Note 8 Employee benefits

	2017/18	2016/17
	Total	Total
	£000	£000
Salaries and wages	71,241	76,954
Social security costs	6,953	7,292
Apprenticeship levy	345	-
Employer's contributions to NHS pensions	8,675	9,015
Pension cost - other	623	439
Termination benefits	486	1,666
Temporary staff (including agency)	3,354	3,667
Total gross staff costs	91,677	99,033
Recoveries in respect of seconded staff	-	-
Total staff costs	91,677	99,033
Of which:		
Costs capitalised as part of assets	228	254

Note 8.1 Directors' and Non-Executive remuneration

	2017/18	2016/17
	Total	Total
	£000	£000
Fees to Non-Executive Directors*	108	98
Executive Directors – Salaries **	663	659
Executive Directors – Benefits (NHS Pension scheme)	86	93
	857	850

* Excludes National Insurance contributions

** Further information about the remuneration of individual Directors and details of their pension arrangements is provided in the Remuneration Report.

Note 8.2 Retirements due to ill-health

During 2017/18 there were five early retirements from the Trust agreed on the grounds of ill-health (one in the year ended 31 March 2017). The estimated additional pension liabilities of these ill-health retirements is £451k (£82k in 2016/17).

The cost of these ill-health retirements will be borne by the NHS Business Services Authority – Pensions Division.

Note 9 Operating leases

Note 9.1 Sheffield Health and Social Care NHS Foundation Trust as a lessor

This note discloses income generated in operating lease agreements where Sheffield Health and Social Care NHS Foundation Trust is the lessor.

Operating lease revenue	2017/18 £000	2016/17 £000
Minimum lease receipts	167	325
Contingent rent	-	-
Other	-	15
Total	167	340

Future minimum lease receipts due:	2018 £000	2017 £000
- not later than one year;	-	48
- later than one year and not later than five years;	-	-
- later than five years.	-	-
Total	-	48

Note 9.2 Sheffield Health and Social Care NHS Foundation Trust as a lessee

This note discloses costs and commitments incurred in operating lease arrangements where Sheffield Health and Social Care NHS Foundation Trust is the lessee.

Operating lease expense	2017/18 £000	2016/17 £000
Minimum lease payments	1,371	1,485
Less sublease payments received	(58)	(36)
Total	1,313	1,449

Future minimum lease payments due:	2018 £000	2017 £000
- not later than one year;	1,270	1,299
- later than one year and not later than five years;	1,316	1,176
- later than five years.	9,673	9,655
Total	12,259	12,130
Future minimum sublease payments to be received	-	-

Significant Leasing Arrangements

The term of the operating lease for the property on the Northern General site is 125 years from the 01 April 1991. The rent payable to Sheffield Teaching Hospitals NHS Foundation Trust (STH) is based on the capital charges for the buildings.

There is no option to renew when the lease finishes on 31 March 2116. At the end of the lease period or following a termination by the tenant, if the landlord sells the property or

any part of it, the net proceeds of the sale will be divided between the landlord and the tenant in accordance with a table contained in the lease ranging from 50% / 50% within one year of reversion to 100% / nil in favour of the landlord after 10 years from the reversion date.

Under the terms of the lease the following restrictions are imposed, not to assign, sub let, mortgage, charge or part with possession of the whole or part of the property and to only use the property, or any part of it, for the housing and treatment of learning disabilities service users.

Note 10 Finance income

Finance income represents interest received on assets and investments in the period.

	2017/18 £000	2016/17 £000
Interest on bank accounts	75	49
Other finance income	-	-
Total	75	49

Note 11.1 Finance expenditure

Finance expenditure represents interest and other charges involved in the borrowing of money.

	2017/18 £000	2016/17 £000
Interest expense:		
Finance Costs associated with Local Authority Pension Scheme*	6	24
Interest on late payment of commercial debt	-	-
Total interest expense	6	24
Unwinding of discount on provisions	1	2
Other finance costs	-	-
Total finance costs	7	26

* The finance interest income associated with the Local Authority Pension scheme is presented net as a finance cost in line with IAS19. Refer to accounting policy note 1.11.3.

Note 11.2 The late payment of commercial debts (interest) Act 1998 / Public Contract Regulations 2015

No late payment of commercial debts to report for financial years 2016/17 and 2017/18.

Note 12 Other gains / (losses)

	2017/18 £000	2016/17 £000
Gains on disposal of assets	-	-
Losses on disposal of assets	-	(280)
Total gains / (losses) on disposal of assets	-	(280)
Total other gains / (losses)	-	(280)

No disposal of assets transacted over financial year 2017/18.

Note 13 Discontinued operations

	2017/18	2016/17
	£000	£000
Operating income of discontinued operations	-	3,170
Operating expenses of discontinued operations	-	<u>(3,435)</u>
Total	<u>-</u>	<u>(265)</u>

As at 31 March 2018 there are no Discontinued operations to report.

Note 14 Intangible assets – 2017/18

	Software licences £000	Licences and trademarks £000	Internally generated information technology £000	Development expenditure £000	Intangible assets under construction £000	Other (purchased) £000	Total £000
Valuation / gross costs at 01 April 2017 – brought forward	27	-	-	-	151	-	178
Transfers by absorption	-	-	-	-	-	-	-
Additions	-	-	-	-	119	-	119
Impairments	-	-	-	-	-	-	-
Reclassifications	60	-	-	-	(60)	-	-
Transfers to / from assets held for sale	-	-	-	-	-	-	-
Disposals / derecognition	-	-	-	-	-	-	-
Gross cost at 31 March 2018	87	-	-	-	210	-	297
Amortisation at 01 April 2017 – brought forward	26	-	-	-	-	-	26
Transfers by absorption	-	-	-	-	-	-	-
Provided during the year	7	-	-	-	-	-	7
Impairments	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-
Amortisation at 31 March 2018	33	-	-	-	-	-	33
Net book value at 31 March 2018	54	-	-	-	210	-	264
Net book value at 01 April 2017	1	-	-	-	151	-	152

Note 14.1 Intangible assets – 2016/17

	Software licences £000	Licences and trademarks £000	Internally generated information technology £000	Development expenditure £000	Intangible assets under construction £000	Other (purchased) £000	Total £000
Valuation / gross costs at 01 April 2016 – as previously stated	27	-	-	-	60	-	87
Prior period adjustments	-	-	-	-	-	-	-
Valuation / gross costs at 01 April 2016 – restated	27	-	-	-	60	-	87
Transfers by absorption	-	-	-	-	-	-	-
Additions	-	-	-	-	91	-	91
Transfers to / from assets held for sale	-	-	-	-	-	-	-
Disposals / derecognition	-	-	-	-	-	-	-
Valuation/gross cost at 31 March 2017	27	-	-	-	151	-	178
Amortisation at 01 April 2016 – as previously stated	22	-	-	-	-	-	22
Prior period adjustments	-	-	-	-	-	-	-
Amortisation at 01 April 2016 – restated	22	-	-	-	-	-	22
Transfers by absorption	-	-	-	-	-	-	-
Provided during the year	4	-	-	-	-	-	4
Amortisation at 31 March 2017	26	-	-	-	-	-	26
Net book value at 31 March 2017	1	-	-	-	151	-	152
Net book value at 01 April 2016	5	-	-	-	60	-	65

Note 15 Property, plant and equipment - 2017/18

	Land £000	Buildings excluding dwellings £000	Assets under construction £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture and fittings £000	Total £000
Valuation/gross cost at 01 April 2017 – brought forward	10,884	43,410	1,336	881	187	2,013	25	58,626
Transfers by absorption	-	-	-	-	-	-	-	-
Additions	-	-	4,458	-	-	-	-	4,458
Impairments	-	(9,167)	-	-	-	-	-	(9,167)
Reversals of impairments	-	(3,263)	-	-	-	-	-	(3,263)
Revaluations	452	1,242	-	-	-	-	-	1,694
Reclassifications	31	3,090	(3,642)	13	53	456	-	0
Transfers to/from assets held for sale	-	-	-	-	-	-	-	-
Disposals / derecognition	-	-	-	-	-	-	-	-
Valuation/gross cost at 31 March 2018	11,327	35,312	2,152	824	240	2,469	25	52,349
Accumulated depreciation at 01 April 2017 – brought forward	-	2,156	-	414	126	812	16	3,524
Transfers by absorption	-	-	-	-	-	-	-	-
Provided during the year	-	2,023	-	64	20	326	2	2,434
Impairments	-	0	-	-	-	-	-	0
Reversals of impairments	-	(3,839)	-	-	-	-	-	(3,839)
Accumulated depreciation at 31 March 2018	-	340	-	478	146	1,138	18	2,120
Net book value at 31 March 2018	11,327	34,972	2,152	346	94	1,331	7	50,229
Net book value at 01 April 2017	10,844	41,254	1,336	397	61	1,201	9	55,102

Note 15.1 Property, plant and equipment - 2016/17

	Land £000	Buildings excluding dwellings £000	Assets under construction £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture and fittings £000	Total £000
Valuation/gross cost at 01 April 2016 – as previously stated	10,844	42,288	2,038	1,053	326	2,677	162	59,388
Prior period adjustments	-	-	-	-	-	-	-	-
Valuation / gross cost at 01 April 2016 – restated	10,844	42,288	2,038	1,053	326	2,677	162	59,388
Transfers by absorption	-	-	-	-	-	-	-	-
Additions	-	-	2,126	-	-	-	-	2,126
Reclassifications	-	1,784	(2,828)	51	59	934	-	-
Transfers to/from assets held for sale	-	-	-	-	-	-	-	-
Disposals / derecognition	-	(662)	-	(293)	(198)	(1,598)	(137)	(2,888)
Valuation/gross cost at 31 March 2017	10,844	43,410	1,336	811	187	2,013	25	58,626
Accumulated depreciation at 01 April 2016 – as previously stated	-	633	-	621	298	2,116	151	3,819
Prior period adjustments	-	-	-	-	-	-	-	-
Accumulated depreciation at 01 April 2016 - restated	-	633	-	621	298	2,116	151	3,819
Transfers by absorption	-	-	-	-	-	-	-	-
Provided during year	-	1,915	-	76	26	294	2	2,313
Impairments	-	-	-	-	-	-	-	-
Disposals / derecognition	-	(392)	-	(283)	(198)	(1,598)	(137)	(2,608)
Accumulated depreciation at 31 March 2017	-	2,156	-	414	126	812	16	3,524
Net book value at 31 March 2017	10,844	41,254	1,336	397	61	1,201	9	55,102
Net book value at 01 April 2016	10,844	41,655	2,038	432	28	561	11	55,569

Note 15.3 Property, plant and equipment financing – 2017/18

	Land £000	Buildings excluding dwellings £000	Assets under construction £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture and fittings £000	Total £000
Net book value at 31 March 2018								
Owned – purchased	11,327	34,088	2,152	346	94	1,331	7	49,345
Owned - donated	-	884	-	-	-	-	-	884
NBV total at 31 March 2018	11,327	34,972	2,152	346	94	1,331	7	50,229

Note 15.4 Property, plant and equipment financing – 2016-17

	Land £000	Buildings excluding dwellings £000	Assets under construction £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture and fittings £000	Total £000
Net book value at 31 March 2017								
Owned – purchased	10,844	40,563	1,336	397	61	1,201	9	54,411
Owned - donated	-	691	-	-	-	-	-	691
NBV total at 31 March 2017	10,844	41,254	1,336	397	61	1,201	9	55,102

Note 16 Donations of property, plant and equipment

No donations of property, plant and equipment to report as at 31 March 2018.

Note 17 Revaluations of property, plant and equipment

All property, plant and equipment is measured initially at cost, representing the cost directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management. Assets that are held for their service potential and are in use are measured subsequently at their current value in existing use. Assets that were most recently held for their service potential but are surplus are measured at fair value where there are no restrictions preventing access to the market at the reporting date.

Land and buildings used for the Trust's services or for administrative purposes are stated in the Statement of Financial Position at their revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses.

Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period. These valuations are carried out by professionally qualified valuers in accordance with Royal Institution of Chartered Surveyors (RICS) Appraisal and Valuation Manual.

Fair values are determined as follows

- Land and non-specialised buildings – market value for existing use
- Specialised buildings – depreciated replacement cost

A full revaluation was undertaken as at 31 March 2018 by independent valuers "Grimleys" and is reflected in these financial statements.

The carrying value of plant and equipment is written off over their remaining useful lives and new plant and equipment is carried at depreciated historic cost as this is not considered to be materially different from fair value.

Note 18.1 Investment Property

	2017/18	2016/17
	£000	£000
Carrying value at 01 April – brought forward	200	200
Prior period adjustments	-	-
Carrying value at 01 April - restated	200	200
Carrying value at 31 March	200	200

No movements registered in financial year 2017/18.

Note 18.2 Investment property income and expenses

	2017/18 £000	2016/17 £000
Direct operating expense arising from investment property which generated rental income in the period	(15)	(16)
Total investment property income	(15)	(16)
Investment property income	67	64

Note 19 Disclosure of interests in other entities

Entities over which the Trust has the power to exercise control are classified as subsidiaries and are consolidated. The Trust has control when it has the ability to affect the variable returns from the other entity through its power to direct relevant activities. The income, expenses, assets, liabilities, equity and reserves of the subsidiary are consolidated in full into the appropriate financial statement lines. The capital and reserves attributable to non-controlling interests are included as a separate item in the Statement of Financial Position.

Appropriate adjustments are made on consolidation where the subsidiary's accounting policies are not aligned with the Trust or where the subsidiary's accounting date is not coterminous.

Subsidiaries that are classified as 'held for sale' are measured at the lower of their carrying amount or 'fair value less costs to sell'.

During 2015/16 the Trust established an operating company, 7 Hills Care and Support Ltd wholly owned by the Trust and which has currently remained dormant during 2017/18.

Note 20 Inventories

	31 March 2018 £000	31 March 2017 £000
Drugs	71	54
Consumables	1	5
Total inventories	72	59
of which:		
Held at fair value less costs to sell	72	59

Inventories recognised in expenses for the year were £342k (2016/17: £575k). Write-down of inventories recognised as expenses for the year were £12k (2016/17: £17k).

Note 21.1 Trade receivables and other receivables

	31 March 2018 £000	31 March 2017 £000
Current		
Trade receivables	6,609	5,941
Accrued income	5,622	967
Provision for impaired receivables	(939)	(455)
Prepayments (non-PFI)	621	736
Interest receivable	10	3
PDC dividend receivable	191	37
VAT receivable	217	265
Other receivables	33	895
Total current trade and other receivables	<u>12,364</u>	<u>8,389</u>
Non-current		
Trade receivables	4,651	5,660
Prepayments (non-PFI)	302	293
Total non-current trade and other receivables	<u>4,953</u>	<u>5,953</u>
Of which receivables from NHS and DHSC group bodies:		
Current	9,378	5,250
Non-current	-	-

Note 21.2 Provision for impairment of receivables

	2017/18 £000	2016/17 £000
At 01 April as previously stated	455	269
Prior period adjustments	-	-
At 01 April - restated	<u>455</u>	<u>269</u>
Transfers by absorption	-	-
Increase in provision	681	251
Amounts utilised	-	(23)
Unused amounts reversed	(197)	(42)
At 31 March	<u>939</u>	<u>455</u>

Note 21.3 Credit quality of financial assets

Ageing of impaired financial assets	31 March 2018		31 March 2017	
	Trade and other receivables £000	Investments and other financial assets £000	Trade and other receivables £000	Investments and other financial assets £000
0-30 days	-	-	22	-
30-60 days	-	-	59	-
60-90 days	-	-	-	-
90-180 days	-	-	3	-
Over 180 days	939	-	371	-
Total	939	-	455	-
Ageing of non-impaired financial assets past their due date				
0-30 days	67	-	855	-
30-60 days	179	-	466	-
60-90 days	412	-	111	-
90-180 days	183	-	652	-
Over 180 days	1,093	-	552	-
Total	1,934	-	2,636	-

Note 22 Cash and cash equivalent movements

Cash and cash equivalents comprise cash at bank, in hand and cash equivalents. Cash equivalents are readily convertible investments of known value which are subject to an insignificant risk of change in value.

	2017/18 £000	2016/17 £000
At 01 April	27,756	25,771
Prior period adjustments	-	-
At 01 April (restated)	27,756	25,771
Net change in year	3,143	1,985
At 31 March	30,899	27,756
Broken down into:		
Cash at commercial banks and in hand	231	263
Cash with the Government Banking Service	30,668	27,493
Total cash and cash equivalents as in SoFP	30,899	27,756
Bank overdrafts (GBS and commercial banks)	-	-
Total cash and cash equivalents as in SoCF	30,899	27,756

Note 22.1 Third party assets held by the Trust

The Trust held cash and cash equivalents which relate to monies held by the Foundation Trust on behalf of patients or other parties. This has been excluded from the cash and cash equivalents figure reported in the accounts. These balances relate to monies managed by the Trust in relation to Individual Service Funds and residential financial services.

	31 March 2018 £000	31 March 2017 £000
Bank balances	351	238
Monies on deposit	400	320
Total third party assets	<u>751</u>	<u>558</u>

Note 23.1 Trade and other payables

	31 March 2018 £000	31 March 2017 £000
Current		
Trade payables	1,667	2,589
Capital payables	842	320
Accruals	4,006	3,697
Receipts in advance (including payments on account)	-	11
Other taxes payable	1,783	1,815
Other payables	1,177	-
Total current trade and other payables	<u>9,475</u>	<u>8,432</u>
Non-current		
Total non-current trade and other payables	<u>-</u>	<u>-</u>
Of which payables from NHS and DHSC group bodies:		
Current	596	534
Non-current	-	-

Note 24 Other liabilities

	31 March 2018 £000	31 March 2017 £000
Current		
Deferred income	34	152
Total other current liabilities	<u>34</u>	<u>152</u>
Non-current		
Net pension scheme liability	4,843	6,714
Total other non-current liabilities	<u>4,843</u>	<u>6,714</u>

Sheffield Health and Social Care NHS Foundation Trust has no loans in place to declare as at 31 March 2018

Note 25 Provisions for liabilities and charges analysis

	Legal claims £000	Re-structuring £000	Injury Benefits £000	Redundancy £000	Other £000	Total £000
At 01 April 2017	205	363	752	752	2,438	4,510
Transfers by absorption	-	-	-	-	-	-
Change in the discount rate	-	-	10	-	-	10
Arising during the year	200	-	7	-	78	285
Utilised during the year	(54)	(198)	(52)	(199)	(121)	(624)
Reclassified to liabilities held in disposal groups	-	-	-	-	-	-
Reversed unused	(90)	(84)	-	(54)	(1,544)	(1,772)
Unwinding of discount	-	-	1	-	-	1
At 31 March 2018	261	81	718	499	851	2,410
Expected timing of cash flows:						
- not later than one year	261	81	52	499	782	1,675
- later than one year and not later than five years	-	-	209	-	68	277
- later than five years	-	0	457	-	1	458
Total	261	81	718	499	851	2,410

Legal claims relate to claims brought against the Trust for Employer's Liability or Public Liability. These cases are handled by NHS Resolution, who provide an estimate of the Trust's probable liability. Actual costs incurred are subject to the outcome of legal action. The eventual settlement costs and legal costs may be higher or lower than provided. Costs in excess of £10,000 per case are covered by NHS Resolution and are not included above.

A provision of £718,000 relates to Injury Benefits. These are payable to current and former members of staff who have suffered injury at work. These cases have been adjudicated by the NHS Pensions Authority. The value shown is the value of payments due to the individuals for the term indicated by Government Actuary life expectancy tables, and the actual value of this figure represents the main uncertainty in the amounts shown. (31 March 2017 - £752,000).

Note 25.1 Clinical negligence liabilities

At 31 March 2018, £2,695k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of Sheffield Health and Social Care NHS Foundation Trust (31 March 2017: £3,319k).

Note 26 Contingent assets and liabilities

	31 March 2018 £000	31 March 2017 £000
Value of contingent liabilities		
NHS Resolution legal claims	(50)	(34)
Other	-	(99)
Gross value of contingent liabilities	<u>(50)</u>	<u>(133)</u>
Amounts recoverable against liabilities	-	-
Net value of contingent liabilities	<u>(50)</u>	<u>(133)</u>
Net value of contingent assets	-	-

Legal claims contingent liabilities represent the consequences of losing all current third party legal claim cases. Redundancy contingent liabilities represent potential redundancies where there may be an outflow of resources embodying future economic benefits in settlement of: a) a present obligation; or b) a possible obligation whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Trust. Other contingent liabilities arise from unexpected events that give rise to the possibility of an outflow of resources embodying economic benefits.

Note 27 Contractual capital commitments

	31 March 2018 £000	31 March 2017 £000
Property, plant and equipment	842	828
Intangible assets	-	-
Total	<u>842</u>	<u>828</u>

Note 28 Other financial commitments

The Trust is committed to making payments under non-cancellable contracts (which are not leases, PFI contracts or other service concession arrangement), analysed by the period during which the payment is made:

No other financial commitments to report for financial years 2016/17 and 2017/18.

Note 29 Defined benefit pension scheme

South Yorkshire Pensions Fund – Retirement Benefit Obligations

The total defined benefit pension loss for 2017/18 in respect of the local government scheme administered by South Yorkshire Pensions Authority was £629,000 (31 March 2017 - £546,000). A pension deficit of £4,843,000 is included in the Statement of Financial Position as at 31 March 2018 (31 March 2017 - £6,714,000).

The terms of the current partnership agreement with Sheffield City Council provide that any long term pension liability arising from the scheme will be funded by the Council, with the exception of any pension changes which relate to an increase in salary in excess of

any local government grading agreements. The impact on the current and prior year statement of consolidated income and taxpayers equity relating to the application of IAS 19 - 'Employee Benefits' within the accounts of the Trust is therefore negated in its majority by the inclusion of a corresponding non-current receivable with the Council. As at 31 March 2018, the deficit on the scheme was £4,843,000 (31 March 2017 - £6,714,000 deficit), the majority of which is offset by a non-current receivable of £4,650,970 (31 March 2017 - £5,660,000).

Estimation of the net liability to pay pensions depends on a number of complex judgements. A firm of consulting actuaries is engaged by South Yorkshire Pensions Authority to provide expert advice about the assumptions made, such as mortality rates and expected returns on pension fund assets.

Pension increases or revaluations for public sector schemes are based on the Consumer Prices Index ("CPI") measure of price inflation.

The main actuarial assumptions used at the date of the statement of financial position in measuring the present value of defined benefit scheme liabilities are:

	31-Mar 2018	31-Mar 2017
	%	%
Rate of inflation	2.1	2.3
Rate of increase in salaries	3.4	3.6
Deferred pensions	2.2	2.3
Discount rate	2.6	2.6

The current life expectancies at age 65 underlying the accrued liabilities for the scheme are:

Non retired member – Male (aged 65 in 20 years' time)	25.2	25.1
Non retired member – Female (aged 65 in 20 years' time)	28.1	28.0
Retired member – Male	23.0	22.9
Retired member – Female	25.8	25.7

The fair value of the scheme's assets and liabilities recognised the balance sheet were as follows:

	Scheme assets %	31 March 2018 £000	Scheme assets %	31 March 2017 £000
Equities	55.87	12,078	60.96	12,637
Government Bonds	11.34	2,451	11.54	2,392
Other Bonds	9.96	2,153	8.94	1,853
Property	9.14	1,976	9.37	1,942
Cash/liquidity/other	13.69	2,959	9.19	1,905
Total fair value of assets	100.00	21,617	100.00	20,729
Present value of defined benefit obligation		(26,460)		(27,443)
Net retirement benefit deficit		<u>(4,843)</u>		<u>(6,714)</u>

IAS19 mean that rather than recognising the expected gain during the year from scheme assets in finance income and the interest cost during the year arising from the unwinding of the discount on the scheme liabilities recognised in finance costs; we now present the

net interest cost during the year within finance costs. Actuarial gains and losses are not presented; rather the re-measurements of the defined benefit plan are disclosed and recognised in the income and expenditure reserve.

Movements in the present value of the defined benefit obligations are:

	2017/18	2016/17
	£000	£000
At 01 April	(27,443)	(21,707)
Current service cost	(460)	(388)
Interest on pension liabilities	(682)	(776)
Member contributions	(89)	(103)
Actuarial (losses) / gain on liabilities	1,738	(4,881)
Benefits paid	476	412
At 31 March	<u>(26,460)</u>	<u>(27,443)</u>

Movements in the fair value of the scheme's assets were:

	2017/18	2016/17
	£000	£000
At 01 April	20,729	17,280
Interest on plan assets	519	624
Remeasurements (assets)	347	2,701
Administration expenses	(6)	(6)
Employer contributions	415	439
Member contributions	89	103
Benefits paid	(476)	(412)
At 31 March	<u>21,617</u>	<u>20,729</u>

The net pension expense recognised in operating expenses in respect of the scheme is:

	Year ended	
	31 March	31 March
	2018	2017
	£000	£000
Current service cost	(460)	(388)
Pension expense to operating surplus	<u>(460)</u>	<u>(388)</u>
Net interest cost	(163)	(152)
Administration expenses	(6)	(6)
Pension expense	<u>(169)</u>	<u>(158)</u>
Net pension charge	(629)	(546)

The reconciliation of the opening and closing statement of financial position is as follows:

	31 March	31 March
	2018	2017
	£000	£000
At 01 April	(6,714)	(4,427)
Expenses recognised	(629)	(546)
Remeasurements (liabilities and assets)	2,085	(2,180)
Contributions paid	415	439
At 31 March	<u>(4,843)</u>	<u>(6,714)</u>

Remeasurement gains and losses are recognised directly in the Income and Expenditure reserve. However the majority of the gains and losses are covered by the back to back agreement with Sheffield City Council (further information is provided at note 1.4). At 31 March 2018, a cumulative amount of £196,000 was recorded in the Income and Expenditure Reserve (31 March 2017 £1,067,000).

The history of the scheme for the current and prior year is:

	31 March	31 March
	2018	2017
	£000	£000
Present value of defined benefit obligation	(26,460)	(27,437)
Fair value of scheme assets	21,617	20,723
Net retirement obligation	<u>(4,843)</u>	<u>(6,714)</u>

Experience losses on scheme liabilities in remeasurement for 2017/18 are £nil (year ended 31 March 2017 £847,000) and experience gains on scheme assets are £nil (year ended 31 March 2017 £nil).

Note 29.1 Changes in the defined benefit obligation and fair value of plan assets during the year

	2017/18 £000	2016/17 £000
Present value of defined benefit obligation at 01 April	(27,443)	(21,707)
Prior period adjustment	-	-
Present value of the defined benefit obligation at 01 April - restated	(27,443)	(21,707)
Transfers by absorption	-	-
Current service cost	(460)	(388)
Interest cost	(682)	(776)
Contribution by plan participants	(89)	(103)
Remeasurement of the net defined benefit (liability) / asset		
- Actuarial (gains) / losses	1,738	(4,881)
Benefits paid	476	412
Past service costs	-	-
Curtailments and settlements	-	-
Present value of the defined benefit obligation at 31 March	(26,460)	(27,443)
Plan assets at fair value at 01 April	20,729	17,280
Prior period adjustment	-	-
Fair value of plan assets at 01 April - restated	20,729	17,280
Transfers by normal absorption	-	-
Interest income	519	624
Remeasurement of the net defined benefit (liability) / asset		
- Return on plan assets	-	-
- Actuarial (gains) / losses	347	2,701
Contributions by the employer	409	433
Contributions by the plan participants	89	103
Benefits paid	(476)	(412)
Settlements	-	-
Plan assets at fair value at 31 March	21,617	20,729
Plan surplus/(deficit) at 31 March	(4,843)	(6,714)

Note 29.2 Reconciliation of the present value of the defined benefit obligation and the present value of the plan assets to the assets and liabilities recognised in the balance sheet

	31 March 2018 £000	31 March 2017 £000
Present value of defined benefit obligation	(26,460)	(27,437)
Plan assets at fair value at	21,617	20,723
Fair value of scheme assets	-	-
The effect of the asset ceiling	-	-
Net (liability) / asset recognised in the SoFP	(4,843)	(6,714)

Note 29.3 Amounts recognised in the SoCI

	2017/18 £000	2016/17 £000
Current service cost	(460)	(388)
Interest expense / income	(163)	(152)
Past service cost	-	-
Losses on curtailment and settlement	-	-
Total net (charge) / gain recognised in SoCI	(623)	(540)

Note 30 Financial instruments

Note 30.1 Financial risk management

IFRS 7, 'Financial Instruments: Disclosures', requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. Because of the continuing service provider relationship that the Trust has with Clinical Commissioning Groups and the way those Clinical Commissioning Groups are financed, the Trust is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the international financial reporting standards mainly apply. The Trust has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the Trust in undertaking its activities.

The Trust's treasury management operations are carried out by the finance department within the parameters defined formally within the Trust's Standing Financial Instructions and policies agreed by the Board of Directors.

Currency risk

The Trust is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and sterling based. The Trust has no overseas operations. The Trust therefore has low exposure to currency rate fluctuations.

Interest rate risk

The Trust has low exposure to interest rate fluctuations as it has no borrowings and any excess funds are invested on a short term basis with low risk institutions.

Credit risks

As the majority of the Trust's income comes from contracts with public sector bodies, the Trust has low exposure to credit risk. The maximum exposure as at the end of the financial year is in receivables from customers, as disclosed in the receivables note.

Liquidity risk

The Trust's net operating costs are incurred under contract with Clinical Commissioning Groups, Local Authorities, and other government bodies which are financed from resources voted annually by Parliament. The Trust finances its capital expenditure from funds from cash reserves or loans. The Trust is therefore not exposed to significant liquidity risks.

Note 30.2 Carrying values of financial assets

	Loans and receivables £000	Assets at fair value through the I&E £000	Held to maturity at £000	Available- for-sale £000	Total book value £000
Assets as per SoFP as at 31 March 2018					
Trade and other receivables excluding non financial assets	15,953	-	-	-	15,953
Other investments / financial assets	-	-	-	-	-
Cash and cash equivalents at bank and in hand	30,899	-	-	-	30,899
Total at 31 March 2018	<u>42,852</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>42,852</u>

The financial assets which have a floating rate of interest are cash held at the Government Banking Service and cash held with commercial banks. This cash is held on short term deposit. All other financial assets, including non-current assets, are non interest bearing. The Trust has no financial assets with fixed interest rates.

	Loans and receivables £000	Assets at fair value through the I&E £000	Held to maturity £000	Available- for-sale £000	Total book value £000
Assets as per SoFP as at 31 March 2017					
Trade and other receivables excluding non financial assets	13,011	-	-	-	13,011
Other investments / financial assets	-	-	-	-	-
Cash and cash equivalents at bank and in hand	27,756	-	-	-	27,756
Total at 31 March 2017	<u>40,767</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>40,767</u>

Note 30.3 Carrying value of financial liabilities

	Other financial liabilities £000	Liabilities at fair value through the I&E £000	Total book value £000
Liabilities as per SoFP as at 31 March 2018			
Trade and other payables excluding non financial liabilities	6,515	-	6,515
Other financial liabilities	-	-	-
Total at 31 March 2018	6,515	-	6,515

	Other financial liabilities £000	Liabilities at fair value through the I&E £000	Total book value £000
Liabilities as per SoFP as at 31 March 2017			
Trade and other payables excluding non financial liabilities	6,606	-	6,606
Other financial liabilities	-	-	-
Total at 31 March 2017	6,606	-	6,606

Note 30.4 Fair values of financial assets and liabilities

The fair value of the Trust's financial assets and financial liabilities at 31 March 2018 equates to the book value.

Note 30.5 Maturity of financial liabilities

	31 March 2018 £000	31 March 2017 £000
In one year or less	6,515	6,606
In more than one year but not more than two years	-	-
In more than two years but not more than five years	-	-
In more than five years	-	-
Total	6,515	6,606

Note 31 Losses and special payments

Over the year the values of losses and special payments have reduced by £128k in comparison to year 2016/17. These include claims mainly in respect of utilisation of provision for litigation cases £50k and stock write offs of £12k, the remaining are distributed between fruitless payment, damages to property and ex-gratia payments mainly. The numbers of cases (43) have reduced by 40% compared to last year (72 in year 2016/17) and they have been reported mainly in Q1 and Q2 2017/18.

	2017/18		2016/17	
	Total number of cases number	Total value of cases £000	Total number of cases number	Total value of cases £000
Losses				
Cash losses	2	0	3	3
Fruitless payments	1	5	-	-
Bad debts and claims abandoned	-	-	60	21
Stores losses and damage to property	5	14	6	87
Total losses	8	19	69	111
Special payments				
Compensation under court order or legally binding arbitration award	11	51	3	82
Extra-contractual payments	-	-	-	-
Ex-gratia payments	13	2	23	8
Special severance payments	-	-	-	-
Extra-statutory and extra-regulatory payments	-	-	-	-
Total special payments	24	54	26	90
Total losses and special payments	32	73	95	201
Compensation payments received		-		-

Details of cases individually over £300k

No individual cases over £300k to report as at 31 March 2018

Note 32 Gifts

No gifts to report for financial years 2016/17 and 2017/18.

Note 33 Related parties

Sheffield Health and Social Care NHS Foundation Trust is a corporate body established by order of the Secretary of State for Health.

During the year the Trust has had transactions with a number of organisations with which key employees / Directors of the Trust have some form of relationship. These are detailed below:

Related Party (Register of Interest 2017/18)	Receipts from Related Party £000	Payments to Related Party £000	Amounts due from Related Party £000	Amounts owed to Related Party £000
Sheffield Teaching Hospitals NHS FT	2,735	1,362	699	148
Sheffield City Council	8,119	715	5,741	722
South Yorkshire Housing Association	1,827	241	271	0
NHS Improvement	0	0	33	0
SACHMA	0	24	0	0

The relationships are:

- The Executive Medical Director's wife is employed by Sheffield Teaching Hospitals NHS Foundation Trust
- The wife of an Executive Director is Director of SACMHA
- One of the Non-Executive Directors undertakes unpaid consultancy for South Yorkshire Housing Association
- One of the Non-Executive Directors is the Deputy Leader of Sheffield City Council
- The Executive Medical Director is the Associate National Clinical Director for Mental Health at NHS Improvement.

Amounts owed to related parties are unsecured, interest-free and have no fixed terms of repayment. The balances will be settled in cash. No guarantees have been given or received. Provisions for doubtful debts have been raised against amounts outstanding where deemed appropriate in respect of some Sheffield City Council services but no other expenses are recognised in year in respect of bad or doubtful debts due from related parties.

The Trust is required, under International Accounting Standard 24 'Related Party Disclosures', to disclose any related party transactions. The objective of IAS 24 is to draw attention to the possibility that the reported financial position and results may have been affected by the existence of related parties and by material transactions with them. In the cases above, all payments shown have been made by the Trust to the organisations concerned and not to the individual officers.

The value of related party transactions with board members in 2017/18 is £nil (2016/17 £nil). Details of Directors' remuneration and pensions can be found in the Remuneration Report of the accounts. Disclosures relating to salaries of Board members are given in Note 8.1. Further details of Executive and Non-Executive Directors' salaries and pensions can be found in the Remuneration Report in the Annual Report.

Other related parties

The value of the Trust's transactions with other related parties during the year is given below:

	2017/18		2016/17	
	Income £000	Expenditure £000	Income £000	Expenditure £000
Department of Health and Social Care	1,303	0	1,439	0
Other NHS bodies	108,706	4,329	103,795	4,551
Other bodies (including WGA)	8,246	16,688	12,944	17,090
Total	118,255	21,017	118,178	21,641

The value of receivables and payables balances held with related parties as at the date of the statement of financial position is given below:

	2017/18		2016/17	
	Receivables £000	Payables £000	Receivables £000	Payables £000
Department of Health and Social Care	125	0	60	67
Other NHS bodies	9,062	596	5,189	590
Other bodies (including WGA)	5,979	3,666	7,258	3,564
Total	15,166	4,262	12,507	4,221

The value of balances (other than salary) with related parties in relation to the provision for impairment of receivables as at 31 March 2018 have been raised where deemed appropriate.

The Department of Health and Social Care ("the Department") 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 regarded as the parent Department. These entities are listed below:

- NHS Sheffield CCG
- Health Education England
- NHSE – Yorkshire and Humber Local Office
- NHSE – Yorkshire and the Humber Commissioning Hub
- NHS Barnsley CCG
- NHS North Derbyshire CCG
- NHS Rotherham CCG
- NHS Doncaster CCG
- NHS Southern Derbyshire CCG
- NHS Hardwick CCG
- Derbyshire Healthcare NHS Foundation Trust
- Nottinghamshire Healthcare NHS Foundation Trust
- Rotherham Doncaster and South Humber NHS Foundation Trust
- Sheffield Children's NHS Foundation Trust
- Sheffield Teaching Hospitals NHS Foundation Trust

- Leeds and York Partnership NHS Foundation Trust
- NHS Resolution
- NHS Business Services Authority

In addition, the Trust has had a number of material transactions with other Government departments and other central and local Government bodies. Most of these transactions have been with HM Revenue and Customs (including National Insurance Funds), the NHS Pension Scheme as well as with Sheffield City Council in respect of joint enterprises and the South Yorkshire Pension Scheme.

Note 34 Transfers by absorption

There have been no transfers by absorption in the financial year 2017/18.

Note 35 Prior period adjustments

There have been no prior period adjustments to report as at 31 March 2018.

Note 36 Events after the reporting date

There have been no significant events after the reporting date.

Section 7.0 Glossary

Accounts Payable (Creditor)

A supplier who has delivered goods or services in the accounting period and has invoiced the Trust, but has not yet been paid.

Accounts Receivable (Debtor)

An organisation which has received a service from the Trust in the accounting period and has been invoiced by the Trust, but has not yet paid.

Amortisation

Depreciation of Intangible Assets.

Annual Governance Statement (AGS)

A statement about the controls the Foundation Trust has in place to manage risk.

Annual Accounts

Documents prepared by the Trust to show its financial position.

Annual Report

A document produced by the Trust which summarises the Trust's performance during the year, including the annual accounts.

Asset

Something which is owned by the Trust. For example, a building or a piece of equipment, some cash or an amount of money owed to the Trust.

Audit Opinion

The auditor's opinion of whether the Trust's accounts show a true and fair view of its financial affairs. If the auditors are satisfied with the accounts, they will issue an unqualified audit opinion.

Available Held for sale (AHFS)

Assets are classed as available for sale if they are held neither for trading nor to maturity. An example of this would be an investment without a maturity date such as an ordinary share.

Budget

Represents the amount of money available for a service in a period of time and is compared to actual spend for the same period.

Capital Expenditure

Money spent on buildings and valuable pieces of equipment such as major computer purchases.

Cash and cash equivalents

Cash includes cash in hand and cash at the bank. Cash equivalents are any other deposits that can be converted to cash straight away.

Cash Equivalent Transfer Value (Pensions)

This is the total value of the pension scheme benefits accrued (i.e. saved up) which are the contributions paid by a member of staff and the Trust over the period of employment. These funds are invested and valued at a point in time by an actuary. The cash equivalent transfer value is the amount which would be transferred, if a staff member moved to work for a different organisation.

Control Total

An agreed financial control total for all NHS Providers, calculated on a Trust-by-Trust basis and designed to ensure the NHS provider sector achieves financial balance in 2017/18. Access to the Sustainability and Transformation Fund is dependent on agreement and delivery of the control total.

Corporation tax

A tax payable on a company's profits. Foundation Trusts may have to pay corporation tax in the future. The legislation introducing corporation tax to Foundation Trust has been deferred and 2011/2012 was the first year that Government introduced corporation tax to Foundation Trusts.

Care Quality Commission (CQC)

The independent regulator of all health and social care services in England.

CQUINs

Commissioning for Quality and Innovation payments framework were set up in 2009/10 to encourage care providers to continually improve how care is delivered.

Current Assets

These are assets, which are normally used or disposed of within the financial year.

Current Liabilities

Represents monies owed by the Trust that are due to be paid in less than one year.

Deferred Income

Funding received from another organisation in advance of when we will spend it.

Depreciation

An accounting charge which represents the use, or wearing out, of an asset. The cost of an asset is spread over its useful life.

EBITDA

Earnings Before Interest, Tax Depreciation and Amortisation – this is an indicator of financial performance and profitability and indicates the ability to pay the dividends due to the Government in respect of the 3.5% return on assets the Trust is expected to achieve.

External Auditor

The independent professional auditor who reviews the accounts and issues an opinion on whether the accounts present a true and fair view.

Finance lease

An arrangement whereby the party leasing the asset has most or all of the use of an asset, and the lease payments are akin to repayments on a loan.

Financial statements

Another term for the annual accounts.

Foundation Trust Annual Reporting Manual (FT ARM)

The guidance document, published annually by Monitor, setting out the accounting requirements for Foundation Trust's Annual Report. Previously included technical guidance on the Accounts, which is now provided within the **DH Government Accounting Manual**.

Going concern

The accounts are prepared on a going concern basis which means that the Trust expects to continue to operate for at least the next 12 months.

DH Government Accounting Manual (GAM)

Provides the accounting guidance for all NHS bodies, now including Foundation Trusts. Guidance specific to Foundation Trusts in respect of the Annual Report is still included in the Foundation Trust Annual Reporting Manual (FT ARM).

IAPT Service

The Improving Access to Psychological Therapies (IAPT) Service provides evidence based treatments for people with anxiety and depression (implementing NICE guidelines).

IFRS (International Financial Reporting Standards)

The professional standards organisations must use when preparing the annual accounts.

Impairment

A decrease in the value of an asset.

Income and Expenditure Reserve

This is an accumulation of transfers to / from the Revaluation Reserve as well as the cumulative surpluses and deficits reported by the Trust, including amounts brought forward from previous years.

Intangible asset

An asset which is without substance, for example, computer software.

Inventories

Stocks such as clinical supplies, medical equipment, pharmacy stock.

Liability

Something which the Trust owes, for example, a bill which has not been paid.

Liquidity ratio

Liquidity is a measure of how easily an asset can be converted into cash. Bank deposits are very liquid, debtors less so. The liquidity ratio is a measure of an entity's ability to meet its obligations, in other words how well it can pay its bills from what it owns.

MEA (Modern Equivalent Asset)

This is an instant build approach, using alternative site valuation in some circumstances.

Monitor

Monitor is the sector regulator for health services in England. Monitor has been a part of NHS Improvement since 01 April 2016. Previously it was an executive non-departmental public body of the Department of Health.

Net Book Value

The net book value is the lower of the cost to the business to replace a fixed asset or the recoverable amount if the asset was sold (net of expenses).

NHS Improvement

NHS Improvement is responsible for overseeing foundation trusts and NHS trusts, as well as independent providers that provide NHS-funded care. From 01 April 2016, NHS Improvement is the operational name for an organisation that brings together; Monitor, NHS Trust Development Authority, Patient Safety (including the National Reporting and Learning System), Advancing Change Team and Intensive Support Teams.

NICE

National Institute for Health and Care Excellence. NICE provide independent, evidence-based guidance on the most effective ways to prevent, diagnose and treat disease and ill health, reducing inequalities and variation.

NIHR

National Institute for Health Research. The NIHR is a large, multi-faceted and nationally distributed organisation, funded through the Department of Health to improve the health and wealth of the nation through research.

Non-current assets held for sale

Buildings that are no longer used by the Trust and declared surplus by the Board, which are available for sale.

Non-current asset or liability

An asset or liability which the Trust expects to hold for longer than one year.

Non-Executive Director

These are members of the Trust's Board of Directors, however they do not have any involvement in the day-to-day management of the Trust. Their role is to provide the Board with independent challenge and scrutiny.

NPSA

National Patient Safety Agency. Their key functions transferred to the NHS Commissioning Board Specialist Health Authority in June 2012.

Operating lease

An arrangement whereby the party leasing the asset is paying for the provision of a service (the use of the asset) rather than exclusive use of the asset.

Payment By Result/Payment by Outcomes

A national tariff of fixed prices that reflect national average prices for hospital procedures. Already in use in acute trusts and currently being developed for mental health and learning disabilities services.

POMH

The national Prescribing Observatory for Mental Health (POMH-UK) aims to help specialist mental health Trusts/healthcare organisations improve their prescribing practice.

Primary statements

The four main statements that make up the accounts: the Statement of Comprehensive Income; Statement of Financial Position; Statement of Changes in Taxpayers' Equity; and Statement of Cash Flows.

Provisions for Liabilities and Charges

These are amounts set aside for potential payments to third parties, which are uncertain in amount or timing, for example, claims arising from litigation.

Public Dividend Capital (PDC)

This is a type of public sector equity finance based on the excess of assets over liabilities at the time of the establishment of the predecessor NHS Trust. It is similar to a company's share capital.

Public Dividend Capital Payable (PDC Payable)

This is an annual amount paid to the Government for funds made available to the Trust.

Reference Cost

The costs of the Trust's services are produced for the Department of Health for comparison with other similar Trusts.

Revaluation Reserve

This represents the increase or decrease in the value of property, plant and equipment over its historic cost.

Risk Assessment Framework (RAF)

The former risk assessment framework that Monitor use to assess each NHS Foundation Trust's compliance with two aspects of its provider licence; continuity of services and governance license conditions. The RAF was replaced on 01 October 2016 with the Single Oversight framework which also replaces the NHS Trust Development Authority Accountability Framework.

Service Line Reporting (SLR)

A system which identifies income and expenditure and then produces gross profit across defined 'business units', with the aim of improving quality and productivity.

Single Oversight Framework

The Single Oversight Framework is designed to help NHS providers attain, and maintain, ratings of 'Good' or 'Outstanding'. The Framework doesn't give a performance assessment in its own right. It applies from 01 October 2016 and replaces the Monitor **Risk Assessment Framework** and the NHS Trust Development Authority Accountability Framework.

South Yorkshire and Bassetlaw Sustainability and Transformation Plan

A plan produced by the NHS and local councils in South Yorkshire and North Nottinghamshire to develop proposals and make improvements to health and care which are place-based and built around the needs of the local population.

Statement of Cash Flows (SOCF)

Shows the cash flows in and out of the Trust during the period.

Statement of Changes in Taxpayers' Equity (SOCITE)

This statement shows the changes in reserves and public dividend capital during the period.

Statement of Comprehensive Income (SOCl)

This statement was previously called 'Income and Expenditure Account'. It summarises the expenditure on pay and non-pay running costs less income received, which results in a surplus or deficit.

Statement of Financial Position (SOFP)

A year-end statement which provides a snapshot of the Trust's financial position at a point in time. The top half shows the Trust's total net assets (assets minus liabilities). The bottom half shows the Taxpayers Equity or investment in the Trust.

Sustainability and Transformation Fund (STF)

Ring-fenced funding nationally (£1.8 billion in 2017/18) allocated by NHS Improvement to help providers deliver additional efficiency savings. There are three elements to the Fund; a **general** payment, based on delivery of the agreed control total; an **incentive** payment, which is matched pound for pound (£ for £) for any over-achievement of the control total; and a **bonus** payment, which is a share of any unallocated Sustainability and Transformation Fund paid to Trusts which exceed their control totals.

Third Sector Organisations

This is a term used to describe the range of organisations that are neither public sector nor private sector. It includes voluntary and community organisations (both registered charities and other organisations such as associations, self-help groups and community groups), social enterprises, mutuals and co-operatives.

True and fair

It is the aim of the accounts to show a true and fair view of the Trust's financial position, that is they should faithfully represent what has happened in practice.

UK GAPP (Generally Accepted Accounting Practice)

The standard basis of accounting in the UK before international standards were adopted.

Unrealised gains and losses

Gains and losses may be realised or unrealised. Unrealised gains and losses are gains or losses that the Trust has recognised in its accounts but which are potential as they have not been realised. An example of a gain that is recognised but unrealised is where the value of the assets has increased. This gain is realised when the assets are sold or otherwise used.

Use of Resources Metric

The new approach replacing the previous Financial Sustainability Risk Rating. The Use of Resources rating measures 5 metrics; Capital Service Cover, Liquidity, I&E Margin, I&E Variance from Plan and Agency spend, with equal weightings (1 being the highest

overall score). The Financial Sustainability Risk Rating previously only measured the first four on equal weightings.

Section 8.0 Contacts

Sheffield Health and Social Care NHS Foundation Trust Headquarters

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Old Fulwood Road
Sheffield
S10 3TH
Tel: 0114 2716310 (24 hour switch board)
www.shsc.nhs.uk

Human Resources

If you are interested in a career with Sheffield Health and Social Care NHS Foundation Trust, visit the Trust website (www.shsc.nhs.uk) and click on 'Working for the Trust'.

Communications

If you have a media enquiry, require further information about our Trust or would like to request copies of this report please contact the Communications Manager.

Email: communications@shsc.nhs.uk

Tel: 0114 2264082

Membership

If you want to become a member of the Trust or want to find out more about the services it provides, please contact the Deputy Board Secretary on 0114 2718825.

Contacting members of the Council of Governors

The Governors can be contacted by emailing governors@shsc.nhs.uk or by phoning 0114 2718825.

Freedom of Information

To make a Freedom of Information Act request, please email FOI@shsc.nhs.uk

For more information or if you would like this document provided in a different language or large print please contact:

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