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**Annual Report and Accounts**  
1 April 2017 – 31 March 2018



Surrey and Borders Partnership NHS Foundation Trust

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1 April 2017 – 31 March 2018

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the National Health Service Act 2006



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# Performance Report



**Following an inspection of our Well Led domain, the Care Quality Commission upgraded our Trust rating to 'Good'**

# Foreword from the Chairman and Chief Executive

During the past 12 months we have continued to make significant progress to improve the quality and safety of our services whilst also meeting our financial targets and continuing to make good progress against our strategic clinical priorities.

We were pleased that the Care Quality Commission recognised the organisation as being well led during their inspection of this domain last summer and consequently uplifted our overall Trust rating to 'Good'. Additionally, our residential social care homes for people with learning disabilities have undergone significant improvements during the past year and all services have now been rated 'Good' by the Care Quality Commission.

Our partnership ethos has been realised further this year through our leadership of the mental health work streams within two of the three Sustainability and Transformation Partnerships in our area. This has led to provider partners' better understanding the need for integrated mental and physical healthcare which is now being considered in earnest for future integrated services. This partnership approach has also been demonstrated by our joint provision of children and family community health services across Surrey with CSH Surrey and First Community with a new contract that commenced on 1 April 2017.

Our quality improvement movement, Qi@SABP, has gained momentum with over 900 staff learning about our adopted methodology to empower them to develop their own improvement projects. Improving our environments for people who use services, carers and staff has continued to be prioritised with the Trust Board approving the progression of plans for the refurbishment of our mental health inpatient services at St Peter's Hospital. We have also progressed our community hubs programme to provide our community services in modern, welcoming environments that are cost efficient.

Despite our achievements, the past year has seen significant challenges for our services with unprecedented demand for our children and young people's community mental health services, which has unfortunately led to some lengthy waits, and an increased need for hospital stays within our adult services. We have ongoing plans being fulfilled to address the waits within our children's services and have a transformation programme in place for our adult mental health services in the year ahead to develop further our community and inpatient services. Additional funding from commissioners will also secure the roll out of our Single Point of Access for routine and crisis mental health referrals for adults of working age in autumn 2018.

Whilst our NHS Staff Survey results were highly positive overall, with staff engagement higher than the national average, we still have work to do to improve the experiences of our staff from black and minority ethnic backgrounds and those with a disability.

This, alongside improving our staff recruitment and retention, is one of our key workforce priorities for the year ahead.

This year has seen a number of leadership changes in our Trust Board and within our Council of Governors. We extend our sincere thanks to those who have left us and welcome new colleagues who have joined the team at this exciting phase in our development to become a high achieving Trust. On 1 May 2017 we welcomed our newly formed Council of Governors following elections to 22 of our 25 public and staff Governor seats earlier in the year.

Thank you to our many partners and all our staff, volunteers, people who use services and carers for your major contribution to our achievements throughout this year. It is your dedication and commitment that enables us to connect well with people and their communities and we look forward to continuing our work together.

Finally, we send our continuing best wishes to Fiona Edwards, Chief Executive, who has taken time off from her role since January due to illness and we look forward to her return later in the year.



Dr Ian McPherson  
Chairman



Prof Jonathan Warren  
Acting Chief Executive



# Introducing Surrey and Borders

*This section gives an overview of Surrey and Borders Partnership NHS Foundation Trust, its purpose, the key risks to the achievement of its objectives and how it has performed during the year.*

We are ambitious providers of mental health, drug and alcohol and learning disability services for people of all ages.

We provide a broad range of community services, integrated health and social care, early intervention and detection programmes, as well as highly specialised therapy and treatment. Our high quality care focuses on enabling people to live well with their conditions and to work towards recovery.

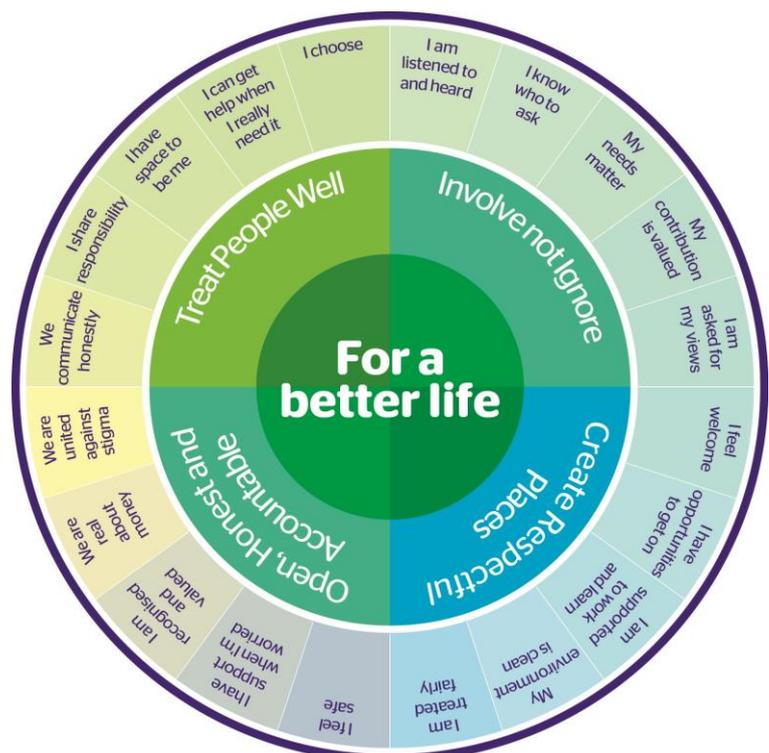
We have 2,428 people working with us, which equates to 2,188 whole time equivalent staff, plus 192 social care staff who work within our integrated teams. Many of these are highly-skilled professionals who work with a variety of partners in the private, public and voluntary sectors to ensure we deliver high quality care to our local population of 1.3 million. We seek to involve and engage people who use our services and their families in our community and we have around 6,800 public members of our Foundation Trust.

In April 2005 we were established as a health and social care partnership trust and, in May 2008, we became an NHS Foundation Trust; the first mental health and learning disability Trust in the South East Coast NHS region to gain this status.

Our overall Trust income for the 2017/18 financial year was £169 million, whilst the income for the group, including Children and Family Health Surrey, was £193 million.

## Our Strategy

Our core purpose is: “To work with people and lead communities in improving their mental and physical health and wellbeing for a better life; through delivering excellent and responsive prevention, diagnosis, early intervention, treatment and care.”



The ultimate benefit we aim to deliver is to improve the health and well-being of people who use our services and carers to help them achieve a better life. Our approach is to develop a plan for each person using our services that connects mind and body, family and friends, community and the environment.

Our services will offer:

- Earlier intervention and prevention and health promotion
- Mind and body approach
- Targeted expertise
- Training and equipping others
- Consultancy and advice, as well as treatment
- Ready access to experts when needed

## Our Services in Detail

We provide a wide range of health and social care and treatment through our community, hospital, rehabilitation and residential services offering:

- Early detection, assessment and diagnostic services
- Urgent and unplanned hospital and home treatment services
- Personal support and treatment programmes for health and social care
- Specialist advice and liaison services
- Integrated care pathway and system support
- Registered residential care homes

These are provided to the following communities:

Services	Surrey	Hampshire	Hounslow	Croydon	Brighton & Hove
Children and young people's learning disabilities	✓				
Adult learning disabilities	✓	✓ *		✓	
Adult autism and ADHD	✓	✓			
Improving access to psychological therapies	✓				
Children and young people's mental health	✓	✓ * ^			
Working age adult mental health	✓	✓ *			
Older people's mental health	✓	✓ *			
Forensic mental health	✓				
Eating disorders	✓	✓ *			
Drug and alcohol	✓		✓		✓

\* North East Hampshire only

^ Early Intervention in Psychosis Service only

## Principal Risks and Uncertainties

The Board carefully monitors our activities and ensures the following risks are mitigated to successfully deliver our plans - failure to:

- Achieve our focus on quality, risk and safety during scale of change
- Work in partnership with health and social care partners, including commissioners, to integrate to make the best use of collective resources available to us
- Engage stakeholders and our staff in our transformational change programme and to secure continued improvement in staff management and experience
- Engage our communities and harness their energies to help achieve our overall purpose
- Achieve and evidence ongoing compliance with registration and licence requirements
- Manage our finances effectively in the economic climate and failure to deliver increases in productivity and efficiency
- Develop new markets for existing and new products

## Summary of Performance

This has been another year of strong performance for our organisation overall with improvements in the safety and quality of our services as well as sustained financial performance.

Operationally we have improved our performance in a number of key areas compared with 2016/17 including a reduction in the number of:

- Serious incidents involving severe or extreme harm
- Incidents of abuse experienced against staff
- Incidents of people in our hospital services leaving the ward without the agreement of staff

The quality of the care we provide continues to improve with the Care Quality Commission upgrading our Trust-wide rating to 'Good' alongside 'Good' ratings for our community Drug and Alcohol Services in Surrey and our social care homes.

Our mental health services for children and young people, Mindsight Surrey CAMHS, have been subject to unprecedented demand with almost double the number of referrals received than planned for during the year. This has unfortunately led to lengthy waits for routine assessments and treatment for our CAMHS Community Services and the Behavioural, Emotional and Neurodevelopmental Services. We are working with commissioners and system partners to address the issue whilst ensuring families are able to receive immediate appointments should these be needed.

We ended the year with a surplus of £2.591m, which is £0.070m better than our plan. Additionally we received £1.294m of Sustainability and Transformation Funding from the Department of Health.

## Going Concern Basis

After making enquiries, the Directors have a reasonable expectation that the NHS Foundation Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts. Analysis of our financial performance can be found on page 14 and the full accounts on page 146.

# Analysis of our Performance

## Performance Review

At Surrey and Borders we measure our performance through our key performance indicators and quality standards, which are set by the Trust Board annually. These include our clinical priorities for improving services and focus on those areas of performance where we know we must succeed to deliver our strategy and realise our potential for the people we serve. We monitor progress against each of our key performance indicators and quality standards at our Council of Governors, Executive Board and Trust Board meetings.

Additionally, each of our four operational divisions report to our Operations Board monthly on their progress against each element of our quality house. This activity is underpinned by our Quality Improvement Plan that describes our focus and direction of travel for the next three years.



## Key Performance Measures

We identified approximately 80 quality metrics for 2017/18, covering each of the Care Quality Commission's quality domains. These metrics included our clinical quality priorities; national indicators; and locally-agreed quality standards. This year we used green, amber and red ratings to indicate whether performance is as expected, not as expected, or is a cause for concern, respectively.

Highlights of our performance include:

- 66% of family carers reported they were satisfied with the services they received, when asked as part of our Your Views Matter survey

- 65% of people reported they were satisfied with the services they received, when asked as part of our Your Views Matter survey
- 89% of people would recommend our services to their friends and family
- 97% of people using our Mind Matters talking therapies services started treatment within 6 weeks of their referral and 99.7% started treatment within 18 weeks
- 95% of urgent referrals to our Children and Young People's Eating Disorders Service started treatment within a week and 98% of routine referrals started treatment within 4 weeks
- 79% of people with suspected first episode psychosis or 'at risk mental state' started a NICE-recommended care package within two weeks
- We achieved our ambition to become a smoke free Trust by October 2017

Unfortunately, demand on our Mindsight Surrey CAMHS Services has led to a waiting list of almost 2,000 children and young people needing appointments for assessment and treatment for mental health and behavioural, emotional and neurodevelopmental needs with waiting times exceeding the 18-week timeframe. Interim plans are being developed with commissioners to rapidly address this issue.

### **Care Quality Commission Inspections**

Following an inspection of our Well Led domain by the Care Quality Commission in July 2017, our overall Trust rating for the quality of our mental health and learning disability services has been upgraded from 'Requires Improvement' to 'Good'.

We have made significant improvements in our social care residential homes during the past year which has enhanced the experiences for people who live in our homes and their families. At the end of March 2018, 100% of our homes were rated as 'Good' overall following re-inspections by the Care Quality Commission.

A planned core inspection of our community and inpatient drug and alcohol services was undertaken in February 2017, which incorporated our i-access services across Surrey and our partnership services with Cranstoun in Brighton & Hove and Hounslow. The report was published within this year highlighting the 'Good' rating received overall and across all five of the Care Quality Commission domains. This is reflective of the excellent services we provide for this vulnerable community.

In April 2017, the Care Quality Commission undertook an unannounced inspection of our inpatient services for adults at the Abraham Cowley Unit in Chertsey. We were issued with two requirement notices to make improvements to the layout and lighting in our dormitories which have since been addressed.

We also received a planned inspection of the Deacon Unit, our inpatient service for people with learning disabilities, in January 2018. The unit was well received by the inspectors and we achieved an 'Outstanding' rating for the Well Led domain with an overall rating of 'Good'.

Full details of our performance during the reporting year can be found in the Quality Report on page 76.

## Financial Review

The Trust has consolidated its finances into a Group position for the year 2017/18. This follows the launch of Children and Family Health Surrey on 1 April 2017, which has seen our Trust and two partner organisations working together as a Limited Liability Partnership to run community health services for children and families across Surrey.

The Trust met its £2.521m agreed control total, recording an operational surplus of £2.591m, which is £0.070m better than plan, whilst Children and Family Health Surrey reported a breakeven position. In exceeding our control total, we became eligible for £1.294m additional Sustainability and Transformation Funding from the Department of Health which brought our year end operational surplus to £3.885m.

The Group and Trust have reported an actual deficit for the year of £19.594m as a result of a £38.286m net impairment of our assets, of which £24.176m was charged to the Statement of Comprehensive Income. This followed a revaluation undertaken at the end of December 2017 in order better to reflect the costs and values of our assets and allow us to optimise resource deployment.

In order to offset operational cost pressures and deliver our surplus to control total, we successfully implemented cost improvement savings totalling £6.006m plus a further £3.130m of savings.

We completed the year with a £18.131m cash (or cash equivalent) balance, which was better than plan and the £13.056m cash balance at end 2016/17. Our total assets employed decreased, largely as a result of the revaluation, by £24.655m to £103.418m.

Our strategy is to participate in partnerships wherever possible. This means that the role of the Trust is wider than can be recognised in the annual financial statements of the Trust alone. In 2017/18 we also recognised £26.788m of income and related expenditure in our consolidated Group accounts, in respect of the activities of the Surrey Healthy Children and Families Limited Liability Partnership. This new service is valued at a further £59m over the next two years of the contract.

The Trust has entered into a second Limited Liability Partnership, called the Collaborative Procurement Partnership LLP, incorporated on 18 January 2017, which has won three 'Category Towers' under the Department of Health's Future Operating Model for NHS procurement. The partnership is made up of three other NHS Trusts with an equal stake. For the year ended 31 March 2018, the Collaborative is working to a reimbursement of cost model and, therefore, there has been limited income and expenditure to note. It will begin buying goods on behalf of the NHS in earnest in May 2018.

We have continued to participate in a number of other partnership arrangements, such as our drug and alcohol services where, with our voluntary sector partner, Cranstoun, we operate contracts in Brighton and Hounslow with a total value of over £8m; and Mindsight Surrey CAMHS, which is delivered with a partnership of NHS, voluntary and private organisations, who together provide mental health and learning disability services for children and young people living in Surrey.

In addition, we completed year two of the TIHM for dementia test bed; a project that has seen £5.2m spent over two years between the Trust and a number of other academic and private sector providers to trial technologies to improve the wellbeing of people with dementia and their carers.

NHS Improvement, the independent regulator, now assesses the ongoing financial viability of NHS Trusts within a new Single Oversight Framework that came into force on 1 October 2016. We are now rated in segment 1, where segment 1 indicates maximum autonomy and segment 4 reflects providers that need the most support. Under this framework we ended the year with a finance score of 2. Further details are provided on our performance against the Single Oversight Framework on page 62.

## Future Financial Plans

Our financial focus remains the long term financial sustainability of the organisation as a partner within the local health and social care systems. Our key financial management priorities are:

- Generating sufficient income and expenditure and cash surpluses to support ongoing operations, to fund planned capital investment and business development opportunities and to ensure we maintain liquidity
- Obtaining investment to fund the Five Year Forward View priorities
- A planned operational deficit of £2m, within achievement of our agreed revised control total of £4.171m for 2018/19
- Delivering a long-term finance and use of resources rating of no less than 2 and maintaining our performance in at least segment 2 under the Single Oversight Framework
- Obtaining the funding required to satisfy the requirements of renegotiated pay awards
- Capital planning over the next one to five years to invest in our key priorities of progressing our community hubs, improving our inpatient environments and further investment in technology
- Improving our costing capability and our understanding of activity and staffing, to support greater understanding of the relationship between funding and expenditure

The key issues shaping our financial plan that we must manage carefully in 2018/19 and beyond, with the support of the system, include:

- Co-designing Working Age Adults and Older Adult's Services to deliver priorities of the Five Year Forward View to manage crisis well and reduce demand for our beds and on other parts of the system, eg in A&E
- Building on our achievements to date to achieve Five Year Forward View ambitions by developing Perinatal Services; implementing our specialised commissioning partnership for inpatient and crisis care for children and young people; working toward trajectories for improving access locally for children and young people's mental health services, and talking therapies for long term conditions; and sustaining our technology led dementia service following the end of the test bed trial
- Developing our portfolio of courses within our Recovery College and expanding access
- Further developing our residential social care services and practice
- Managing increased demand in line with increased referrals and acuity in our adult and older adult mental health services including developing a new acute care model for working age adults and building on our Integrated Care Teams collaboration work
- Improving access to services and reducing waiting times for our innovative Children and Young People's Mental Health Services
- Mobilising the drug and alcohol integrated care model with our voluntary sector partners Catalyst including moving away from inpatient detox to ambulatory care
- Progression of the business case for our second mental health hospital serving people in north west, mid and east Surrey, and investment in current facilities to improve quality. This includes joint planning in partnership with Ashford and St Peter's Hospitals NHS FT to maximise the value of our shared assets
- Continued consolidation and quality improvement through our community hubs
- Further investment in technology, to reinforce our digital infrastructure and security and to support mobile working, digital dictation and telehealth
- Investment in transformation programmes to support productivity and strategic change, including efficiencies on all key transformation projects such as our 24/7 hospital redevelopment programme, working age adult and older people's service remodelling and community hubs
- Trust-wide focus on workforce redesign to deliver new ways of working and reduction in temporary staffing expenditure
- New Collaborative Procurement Partnership with NHS partners to deliver better procurement practices and savings

## Trust Buildings and Environmental Matters

Our vision and values confirm the importance of high quality care environments for the wellbeing of people who use services, carers and families, visitors and staff and this is reflected in our property strategy. The delivery of this strategy focuses on three areas:

- Upgrading our inpatient facilities
- Improving the quality and reducing the cost of our estate
- A programme of workplace transformation

Finding an affordable solution to the need to upgrade and expand our inpatient provision has been a challenge but we are pleased to have received the Board's endorsement to develop a detailed business case for a substantial refurbishment project at our Abraham Cowley Unit in Chertsey. This will provide at least four gender segregated wards with single en-suite rooms as have been provided at our Farnham Road Hospital in Guildford. We continue to work on a solution to provide inpatient facilities for the people in east Surrey.

The funds required to progress these major building projects will come from the disposal of some of our underutilised assets such as land on the St Peter's Hospital site in Chertsey. Not only will this sale provide funding, it will also reduce the running costs of our estate as the community services there will move to a more efficient building, Unither House, in Chertsey town centre. This will be our largest community hub so far, bringing together the widest range of services across Runnymede, Woking, Spelthorne and Elmbridge boroughs with satellite hubs being established to support local care for people across these areas.

This year we have opened a new community hub building at Caterham Dean Hospital serving the district of Tandridge. This is operating as a satellite to Gatton Place in Redhill, offering a choice of locations for clinics and staff. This will bring the total number of community hubs and satellite hubs to eight by the end of 2018. The final consolidation will take place in the Epsom and Mole Valley areas in 2020.

In order to ensure that we make the best use of our buildings we are undertaking a programme of transformation in the way that we use and interact with our workspaces. Taking our recent experience with community hubs projects we are developing a set of practices, behaviours and systems to enable our services to operate more effectively in shared facilities such as community hubs, which will improve the utilisation of space, driving out duplication and waste and therefore reducing costs.

Maintaining our buildings to an acceptable standard and keeping pace with regulations and service needs, continues to be a challenge and will continue to be so until our programme of capital investment and disposals shapes a new portfolio of modern, fit for purpose buildings. This year we have disposed of five buildings and acquired three new leasehold buildings. During the next year we plan to dispose of up to 19 freehold buildings and two leasehold buildings.



**Waiting area and consulting room at, Theta, our community hub in Frimley**

## Sustainability Report

We recognise the importance of managing the environmental impact of our operations and we remain committed to:

- Further reducing our demand for energy and material resources and extracting greater benefit from those resources
- Reducing the amount of work-related transport through the use of telephone and video conferencing
- Letting a new waste management contract with improved key performance indicators to measure performance
- Sourcing our resources cleanly, renewably and sustainably
- Embedding sustainability within our business through our processes and procedures for travel, procurement and our suppliers' impact

Our Sustainable Development Management Plan outlines a number of sustainability projects to help meet these aims over the period 2014 to 2019. Those projects that have been the focus to date include:

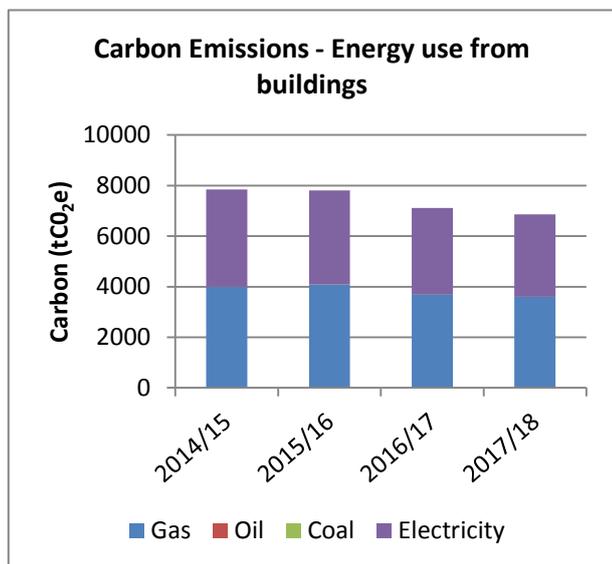
- Extending our use of LED lighting to more premises
- Adjusting or updating our building energy (heating) management controls, replacing old boilers with energy efficient replacements
- Reducing our older estate footprint and replacing this with new developments and more efficient leased properties
- Introducing electric car charging points to our sites at Farnham Road Hospital and Gatton Place

Actions against our Travel Strategy, developed in 2013/14, continue to progress with investment in pay-as-you-go car schemes at Trust Headquarters and Farnham Road Hospital for staff to use eco-friendly car travel for meetings during their working day, without having to drive to work themselves. We are in discussion with the scheme

providers to introduce these vehicles at our community hubs in Camberley and Redhill and our proposed new hub in Chertsey.

### Energy Usage from Buildings

We estimate that we have spent £1.46m on energy in 2017/18, which is an increase from 2016/17, reflecting higher utility prices. However, our consumption of all energy resources is reducing year on year as indicated in the table below.

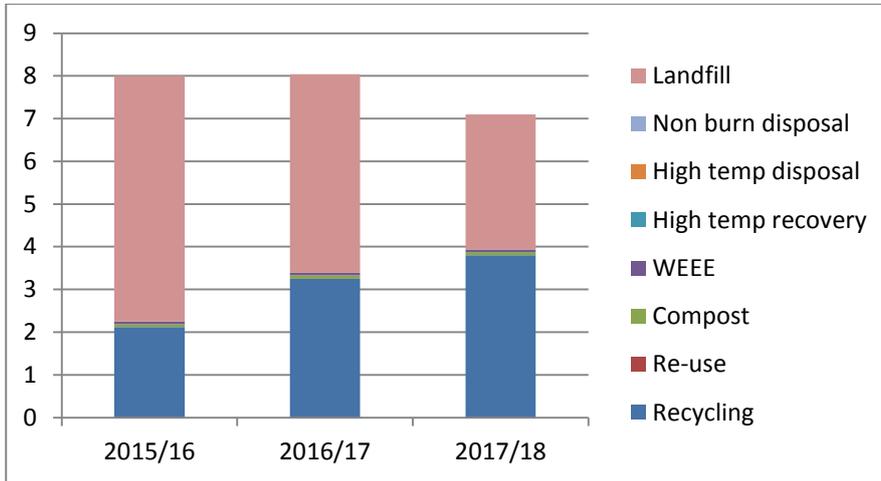


Resource	Measurement	2017/18*	2016/17*	2015/16
Gas	Use (kWh)	16,016,960	17,600,000	19,406,000
	tCO <sub>2</sub> e	3,400	3,700	4,100
Oil	Use (kWh)	40,000	37,000	38,000
	tCO <sub>2</sub> e	10.1	10	12.135
Coal	Use (kWh)	0	0	0
	tCO <sub>2</sub> e	0	0	0
Electricity	Use (kWh)	4,599,991	5,555,000	6,156,000
	tCO <sub>2</sub> e	2,874	3,400	3,700
Total energy	CO <sub>2</sub> e	6,200	6,600	7,400
<b>Total energy spend</b>		<b>£1,460,000</b>	<b>£1,300,000</b>	<b>£1,127,000</b>

\*Estimated usage

### Waste

We have reduced our total carbon dioxide equivalent waste commensurate with the reduction in energy usage. We have seen a large increase in the percentage of recycled or reused waste this year and a decrease in landfill waste. We are currently tendering for an improved contract which will contain incentives to increase recycling. Our ultimate objective is zero to landfill.



### Water Consumption

We have slightly increased our water usage during the reporting year but have decreased usage overall since 2015/16. We continue to fit water saving devices to our toilets and showers, ensuring new white goods procured are water efficient and replacing older pipework within our hospital sites in Guildford and Chertsey.

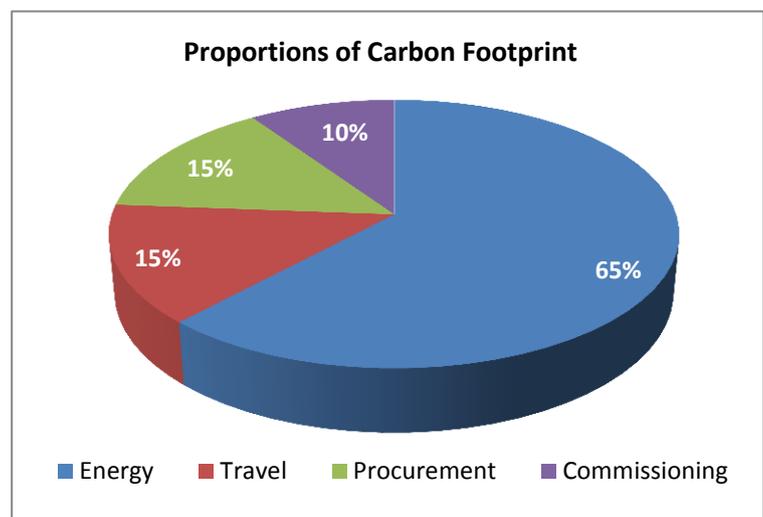
Water	Measurement	2017/18	2016/17	2015/16
Mains	m <sup>3</sup>	78,070	75,000	80,000
	tCO <sub>2</sub> e	72	68	74
<b>Water and sewage spend</b>		<b>£186,000</b>	<b>£180,000</b>	<b>£176,000</b>

### Carbon Footprint

The majority of our carbon emissions are due to energy consumption across our 140 services.

The Environmental Strategy Group meets periodically to monitor the progress and actions against our Sustainable Development Management Plan. Periodical updates are also provided to the Trust Board to ensure Directors are apprised of progress.

The information provided in the tables above uses the Estates Return Information Collection data, as specified by the Department of Health, as its data source. However, we are aware that this does not reflect our entire carbon footprint. Therefore, the chart opposite uses a scaled model based on work performed by the Sustainable Development Unit in 2009/10. More information is available on the Sustainable Development Unit website [www.sduhealth.org.uk](http://www.sduhealth.org.uk) by searching for NHS carbon footprint.



## **Future Priorities and Targets**

In the next 12 months we have set an ambitious target to reduce our carbon footprint by 5% and will continue to reduce our total waste. We aim to achieve this by:

- Hosting local roadshows on energy savings at our key Trust sites and developing energy advice guides for staff
- Improving the utilisation of our space and extending our use of mobile working across our clinical teams
- Introducing electric vehicle charging points at our key Trust sites
- Appointing an energy consultant to identify and progress further energy saving projects
- Negotiating a new waste contract to include incentives for reducing our carbon footprint
- Increasing recycling and reducing waste sent to landfill by 20% per year with a five-year target of zero landfill waste
- Introducing composting of our food waste and recycling electronic waste



**Prof Jonathan Warren**  
**Acting Chief Executive**

23 May 2018

# Accountability Report



**Our Eating Disorder Service for Children and Young People was one of four services to receive accreditation status in our quality assurance programme in March 2018**

# Directors' Report

## Board of Directors

The Directors for the reporting period were:

### Non Executive Directors

- Ian McPherson, Chairman
- Jon Bye
- Andy Field\*
- Rahul Jaitly^
- Leslie Morphy
- Mark Perry
- Jennifer Seeley^
- Laurence Vine-Chatterton~

\* Term of office concluded in September 2017

^ Term of office commenced in June 2017

~ Term of office concluded in May 2017

### Executive Directors

- Fiona Edwards, Chief Executive
- Billy Hatifani, Acting Chief Nursing Officer\*
- Lorna Payne, Chief Operating Officer
- Helen Rostill, Director of Innovation and Development (Director of Therapies)
- Graham Wareham, Chief Finance Officer
- Jonathan Warren, Chief Nursing Officer and Deputy Chief Executive~
- Justin Wilson, Chief Medical Officer
- Jo Young, Chief Nursing Officer and Deputy Chief Executive^

\* Acting Chief Nursing Officer from February 2018 until present

~ Commenced November 2017, became voting Board member in January 2018, and Acting Chief Executive from February 2018 until present

^ Retired December 2017

### Register of Interests

We maintain a Register of Interests for Directors that is open to the public through our Governance Manager, on 01372 216292, or [communications@sabp.nhs.uk](mailto:communications@sabp.nhs.uk).

## Service Quality Governance

At Surrey and Borders we have robust arrangements in place to govern service quality, to ensure the safety of people using our services, their carers and our staff. Our system of internal control is designed to manage risk to a reasonable level, with the Trust Board taking overall responsibility for strategic risks, whilst the Executive Board manages high level risks and ensures efficient and effective mitigation measures and controls are in place for all identified risks.

Weekly Safety Huddle meetings for Executive Board members to receive progress updates against high level risks and to raise awareness of new risks or emerging issues were introduced in 2015 and have continued throughout the reporting year with emphasis on addressing serious incidents. Our working age adult inpatient wards continue to hold weekly Datix Huddles following a successful trial as part of our quality improvement programmes.

During the reporting year the Care Quality Commission undertook an inspection of our Well Led domain which resulted in us achieving a 'Good' rating for Well Led and an overall upgrade of our Trust rating from 'Requires Improvement' to 'Good'.

Further details on our quality governance arrangements can be found in the Annual Governance Statement on page 65.

## Quality Improvements

Our Quality Improvement Plan is led by our Chief Nursing Officer. It provides a road map to enable divisions, services, teams and individuals to develop their own Quality House to set out their local quality improvement plans that contribute to achieving our high level priorities. We use wide-ranging methods of gathering evidence and data as part of our assurance processes, including national surveys, such as the mental health community survey, as well as our local feedback questionnaires for individual services - Your Views Matter, monitoring of complaints for themes and trends and our internal auditing processes. Learning is shared through our Service Improvement Programme forums, where teams share their experiences and developments, and we also share learning from our serious incidents within divisions and at specific learning sessions for clinical staff.

## Service Developments

We have continued to develop our services in line with our strategic and service plans throughout the year to improve the experiences of people who use services, their carers and staff whilst also managing unprecedented demand on services. Notable amongst these have been:

- Contract award for the provision of Surrey-wide children and families community services in partnership with CSH Surrey and First Community, our first physical healthcare service, which commenced on 1 April 2017

- Continuation of our two-year TIHM for dementia test bed to help people with dementia to remain in their own homes for longer with the aid of electronic devices. 400 participants were recruited to the trial with evaluation due in June 2018
- Remodelling of our behavioural, emotional and developmental services for children and young people following high demand on these services resulting in lengthy waits for assessment and treatment appointments
- Fulfilled our plan to become a smoke free Trust from 2 October 2017 with support available to people who use our services and staff who wish to stop smoking through our own smoking cessation advisors
- Modern consulting and office spaces secured for our community teams in north west Surrey as part of our community hubs programme to provide more respectful and therapeutic surroundings; the new office space in central Chertsey will be available in autumn 2018
- Submitted planning permission for outline plans to develop part of the land we jointly own with St Peter's Hospital on their site in Chertsey for housing. The sale of this land will provide funds for our future hospital and community environments
- Continued our close involvement in developing the three Sustainability and Transformation Partnerships (STPs) covering the areas we serve, to ensure mental health is an integral part of the plans
- Launched our Crisis Overnight Support Service across Surrey and north east Hampshire to replace the Crisis House in Redhill following decommissioning to support funding of Safe Haven services now established across Surrey
- Evening drop-in support services for children and young people with mental ill-health, known as CYP Haven, were launched in Guildford and Epsom with two further sites due to open in spring 2018
- Rolled out home-use kits and training to people using drug services in Surrey to administer antidote medication following an opiate overdose to help counter the rising number of deaths from drug misuse
- Launched the Surrey High Intensity Partnership Programme with Surrey Police to jointly support people with complex mental health needs. The service is already achieving positive outcomes
- Planning has progressed to develop a Single Point of Access for mental health crisis care including two pilot projects with positive feedback. The role out of this service has been delayed due to funding gaps but is expected to launch in autumn 2018 with an expansion to include all referrals
- Prepared for the launch of a remodelled Drug and Alcohol Service across Surrey on 1 April 2018 to meet commissioner budget constraints, and the imminent closure of our inpatient detoxification unit Windmill House
- Introduced our Carers' Respect Panel to provide advice and guidance to carers and to support staff to improve their working relationship with carers

- Additional funding has been allocated to two mental health services operating in acute hospitals in Guildford and Chertsey to provide more comprehensive mental health services to people admitted for physical health needs
- Appointed as the lead organisation to develop urgent and crisis mental health services for children and young people across Surrey, Sussex and Kent as part of NHS England's New Models of Care Programme to help young people receive treatment closer to home
- Signed up to the Zero Suicide Alliance and commenced development of a Suicide Prevention Strategy with independent partners; co-produced targeted training which is now being rolled out to staff and local people
- Introduced weekly physical health clinics across our inpatient services to improve the physical health of people with mental ill-health by undertaking health checks, signposting to treatment services and raising awareness of health and wellbeing



**On 2 October 2017 all of our sites became smoke free**

## Health and Safety

During the reporting year we strengthened our health and safety governance through the refreshing of the Health, Safety and Security Committee with assurance processes in place to improve the quality of data collected and scrutinised. This focuses us on achieving full compliance with the Health and Safety at Work Act 1974 and we have continued to improve our assurance in the management of asbestos, legionnaire's risks, local exhaust ventilation, and medical devices.

We are currently working to improve our lighting and a full light audit has been carried out using thermal imaging equipment with remedial actions in place where necessary. Additionally we have addressed the number of false fire alarms that were being generated at Farnham Road Hospital and have embedded our fire evacuation procedures throughout our inpatient services.

Key priorities for the year ahead include working to support our Community Hubs project by ensuring all new and existing clinical environments remain safe and therapeutic. We will continue to work with Surrey Police on reducing the prevalence of people absconding from our inpatient facilities and will also enhance our approach to reducing unauthorised illicit substances on our hospital sites.

## Patient Information

During the past year we have redeveloped our public website so this is easier to use on mobile devices and tablets. As part of this work we have refreshed the content for our Advice and Guidance section aimed at people who use services and carers.

We have worked with our learning disability staff to produce an electronic version of the Care Passport which is completed with people with a learning disability for them to take into any care setting. It provides information for staff on how to keep the person safe, the things that are important to them and their preferences to ensure their care is as good as it can be.

**This is me**  
**My Care Passport**

It should be kept with me and brought with me into any care setting, including hospital.

Click here to add your photo from your computer

**My name is:**

**I like to be known as:**

Please return my passport to me when I go home.

This is essential reading for all staff working with me. It gives important information about me. This passport should be kept visible and used when you talk to me or think about me.

Things you must know to keep me safe

Things that are important to me

My likes and dislikes

This passport is a pdf file that can be typed into, saved and updated using Adobe Acrobat Reader. Go to: [www.surreyhealthaction.org](http://www.surreyhealthaction.org) to download it free of charge. You could also print it off and write on it.

In preparation for the introduction of the General Data Protection Regulation in May 2018, we have been working with our corporate teams to ensure our information for people who use services and carers, particularly on how we keep records and share information, is fully up to date.

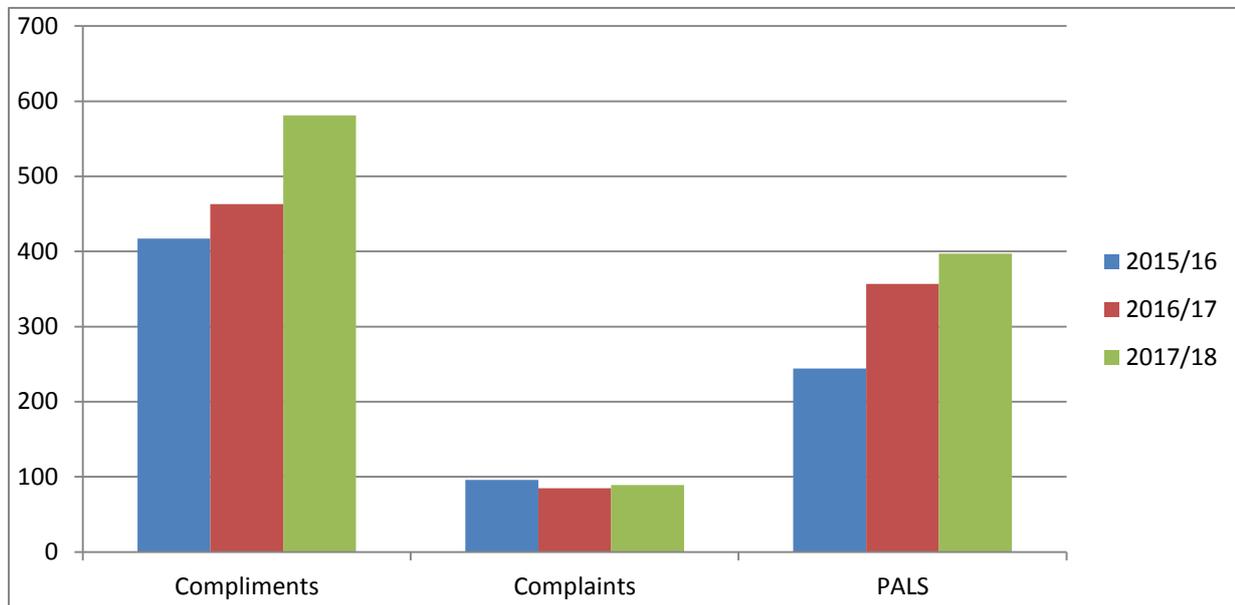
## Compliments, Complaints and PALS Contacts

Our Complaints and PALS team recorded 581 compliments and investigated 89 complaints during 2017/18 compared with recording 463 compliments and investigating 85 complaints in the previous year. We made contact with every complainant to ensure all issues of concern were identified and incorporated into an agreed complaint plan prior to commencing our investigation process. We also ensured that the complainant's preferences regarding communication were agreed and documented. A full response detailing the outcome of the investigation and, where appropriate, changes made to service provision is provided to every complainant.

As at 6 April 2018, 75 of the 89 investigations had been completed. Of these, 57 (64%) were either fully or partially upheld. To compare with last year, we reported that 53 complaint investigations were completed and 36 (68%) had been fully or partially upheld.

'Upheld' is the term used to record where one or more aspects of a complaint required an apology from us.

Additionally, we received a further increase in the PALS contacts made during the year with 397 PALS queries logged in 2017/18 compared with 357 in 2016/17.



We recognise that it is often possible to learn from complaints and improve our services, even when a complaint has not been upheld. Changes to processes and procedures have been made during the year across all service areas as a direct result of concerns raised from a complainant. Examples include:

- Psychiatric Liaison Services ensuring information and signposting for carer support is available to families of people using our services
- Training provided to CAMHS administration staff to ensure they are fully aware of the procedure for issuing initial letters to people referred to services and the paperwork to be included
- Ensuring our adult inpatient staff provide an inventory of property when a bed is reallocated from someone who is on leave from the ward
- Ensuring our adult inpatient staff are fully aware of the process for sending paperwork to the Mental Health Act office
- Community Mental Health Recovery Services making sure that the correct discharge procedures are followed
- Training provided to staff in our Community Mental Health Services for Older People on the driving protocol for people with dementia

During 2017/18, the Parliamentary Health Service Ombudsman confirmed it would be investigating one complaint in respect of our services. During this period we received the outcome of one complaint investigated by the Ombudsman which was not upheld.

## Community Engagement and Involvement

At Surrey and Borders our values include involving people in our work and our involvement groups are embedded in our governance arrangements. These include our Forum of Carers and people who Use Services (FoCUS), our Child and adolescent mental health Youth Advisors programme (CYA), our Carers Action Group, Recovery Colleges and Foundation Trust membership.

We particularly ensure we involve people in our service changes and developments. In the past year this has included continued involvement in our move to become smoke free, our hospitals redevelopment programme and our Single Point of Access service for people in a mental health crisis. In February 2018 we held a day-long conference, attended by over 60 people, focusing on improving access to physical health services for people with a serious mental illness. This event was co-designed with people who use our services and carers alongside other local health and social care providers who will continue to work together on fulfilling the recommendations from the event.

In 2017 we held a series of meetings with staff and carers to establish how we can better support carers and provide more inclusive care. As a result of these meetings we have established a Carers' Respect Panel; a group of experts including carers practice advisors, carers leads and service managers, who provide advice and guidance to carers and support to staff to help them work more closely with carers. The first session of the panel took place on 30 January 2018 and continues to meet bi-monthly.

Looking ahead, we will be continuing to involve people in the development of our newest Community Hub which is due to open in Chertsey in autumn 2018 and we will also be involving people in our forthcoming transformation programmes for our adult mental health services.

## Disclosures

As far as the Directors are aware, there is no relevant audit information of which the Trust's auditor is unaware. They have taken all of 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.

During 2017/18 we met the requirements of the NHS Act 2006 that state our income from the provision of goods and services for the purposes of the health service in England is greater than our income from the provision of goods and services for any other purposes. We have a few sources of other income as detailed in Note 4 of the accounts. This income is reinvested in our health services.

We have complied with the cost allocation and charging guidance issued by HM Treasury.

## Better Payment Practice Code

The Better Payment Practice Code requires the Trust to pay all undisputed invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is the later.

Performance for the year was improved slightly at 81.3% by volume for NHS invoices paid within target, compared to 79.9% in 2016/17, although performance in respect of payment of non NHS invoices has reduced slightly at 83.7% by volume, compared to 85.1% in 2016/17.

	Number	£000
Total non-NHS trade invoices paid in the period	15,917	77,645
Total non-NHS trade invoices paid within target	13,317	68,859
<b>Percentage of non-NHS trade invoices paid within target</b>	<b>83.7%</b>	<b>88.7%</b>
Total NHS invoices paid in the period	557	9,388
Total NHS invoices paid within target	453	7,759
<b>Percentage of NHS invoices paid within target</b>	<b>81.3%</b>	<b>82.6%</b>

## Directors' Opinion

The operating and financial information presented in this Annual Report covers the year from 1 April 2017 to 31 March 2018. The Directors of the Trust are responsible for ensuring that the annual report and accounts have been prepared following a direction issued by NHS Improvement, in exercising the statutory functions conferred on Monitor, under the National Health Service Act 2006. They consider the annual report and accounts, taken as a whole, to be fair, balanced and understandable and provide the information necessary for people who use services, regulators and other key stakeholders to assess the NHS Foundation Trust's performance, business model and strategy.

# Remuneration Report

## Annual Statement on Remuneration

A review of Directors' salaries was undertaken in July 2017. This was managed by an external company, Total Rewards Solutions (TRS), commissioned for a further year on behalf of the Remuneration and Terms of Service Committee and at a total cost of £10,320. The company was selected in accordance with our Standing Financial Instructions following comparative quotes. It was tasked with reviewing salaries against both the labour market and our health sector, in order to ensure we remained competitive in both recruiting and retaining Directors. The cost was higher this year than the cost in 2016/17, as we undertake a full benchmarking exercise every other year. The Committee was satisfied by the independent advice it received from the company, in the form of a comprehensive report that provided the data used to conduct the comparison and the weighting given to the national data for each job description.

## Senior Managers' Remuneration Policy

Senior Managers' contracts which fall within this remit are all substantive and permanent. The Chief Medical Officer is on the national consultant contract and receives an additional

payment for management responsibilities in recognition of the role of Chief Medical Officer.

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.

Our Remuneration and Terms of Service Committee agrees the policy framework within which decisions on Directors' remuneration are made. Our appraisal policy includes a set of principles which are applicable to the remuneration of Senior Managers and Directors.

### Executive Director Remuneration

Remuneration component	Application	Comment	Strategic objective
Salary	All Directors	<p>Subject to annual review and bi-annual external benchmarking</p> <p>Appraisal process and capability process can influence uplift</p> <p>Remuneration is directly linked to performance. The appraisal process has a minimum performance threshold for entitlement to a pay uplift and the appraiser has to confirm whether an uplift would be appropriate, given performance, if the Remuneration and Terms of Service Committee agrees an uplift is applicable for Directors' pay</p>	To attract and retain outstanding leaders
Incremental threshold	Chief Medical Officer only	In line with the consultant contract, our Chief Medical Officer receives a total package of remuneration, which is in line with the consultant pay scale but also reflects Clinical Excellence Awards, geographical allowance and a responsibility payment for undertaking the Chief Medical Officer role	To attract and retain outstanding leaders
Pension contribution	All Directors	13.5-14.5% employer contribution (depending on salary) made for those Directors in the NHS Pension Scheme	To attract and retain outstanding leaders
Travel expenses	All Directors	Expenses need to be claimed within three months of travel and receipts provided for parking or other work-related expenses	To ensure the appropriate use of public money and effective allocation of resources
Other	All Directors	There are no other allowances payable in line with Directors' salaries apart from an allowance to one Director who performs the Deputy Chief Executive role	To be open, honest and accountable in our appropriate use of public money

Remuneration component	Application	Comment	Strategic objective
Loss of office payment	All Directors	If redundancy is appropriate, the Remuneration and Terms of Service Committee uses principles informed by Agenda for Change to apply to our Directors, with the cap of £160K maximum payment	To ensure we have the right capacity and capability to realise our strategy from Board to ward

As part of our formal appraisal process, all Directors are required to deliver to a set of agreed objectives, which support service delivery of our Quality Improvement Plan and our strategic aims. An uplift to salary may not be paid to a Director, if they have not achieved a rating above two for performance against their objectives, their leadership responsibilities or their professional duties and behaviours in the execution of their role. This is assessed and provides a score, as part of their appraisal, in accordance with our appraisal policy. Similarly, if they are being formally performance managed, they are not entitled to receive a salary uplift.

One Director received an additional payment to recognise the additional duty undertaken as Deputy Chief Executive; no other bonuses etc were paid apart from annual salary. This Director left the Trust on 31 December 2017. One Director received payments in respect of their clinical responsibilities and Clinical Excellence Awards.

All Board Directors are required to confirm their compliance with the Fit and Proper Person Test requirements for Directors.

### Non Executive Director Remuneration

Remuneration component	Application	Comment	Strategic objective
Fee £13,000 pa Chairman fee set at £40,000 pa Chair of Audit Committee fee set at £15,000 pa	All Non Executive Directors	Subject to review as required by the Nominations Committee  Annual appraisal process, over three year term for Non Executives including the Chairman, agreed by the Nominations Committee	To attract and retain outstanding leaders
Travel expenses	All Non Executive Directors	Expenses from home to place visited need to be claimed within three months of travel and receipts provided for parking or other work-related expenses	To ensure the appropriate use of public money and effective allocation of resources throughout the year
Other	All Non Executive Directors	No other payments are made to our Non Executive Directors	To be open, honest and accountable in our appropriate use of public money

### Policy on Payments for Loss of Office

Our Executive Directors have three months' notice written into their contracts of employment. This would not be payable should a Director be summarily dismissed.

The Chief Executive's notice period is six months. If she were to be dismissed on the grounds of capability, notice would be paid. Similarly, if there were to be a conflict of interest or a failure to meet the Fit and Proper Person Regulation, then our contract is clear that a Director would be required to resign with no payment due by our Trust in these respects.

### **Consideration of Employment Conditions**

The Directors' salary review is undertaken once the national pay awards are announced so that there is an awareness of the fairness of any awards compared to the workforce as a whole. We also consider our Directors' salaries, including the Chief Executive's, relative to that of the median of our workforce. Directors' terms and conditions are informed by Agenda for Change terms and conditions, apart from some key elements, as stipulated in the contracts of employment. As stated above, our principle is always to benchmark ourselves in relation to other NHS employers and public and voluntary sector employers, to ensure we remain competitive in the labour market.

We do not have a separate remuneration policy and, therefore, have not consulted with our employees in this respect. Our Remuneration and Terms of Service Committee agrees the policy framework within which decisions on Directors' remuneration are made. Our appraisal policy includes a set of principles that are applicable to the remuneration of Senior Managers and Directors. This Policy was consulted upon with our staff.

## **Annual Report on Remuneration**

### **Remuneration and Terms of Service Committee**

The Remuneration and Terms of Service Committee is responsible for making recommendations to the Board on the Trust's remuneration policy and, within the terms of the agreed policy, determining the total individual remuneration package of the Executive Directors.

During the year, the Committee was chaired by Mark Perry, Non Executive Director, and the membership comprised all of the Non Executive Directors. Further details of the membership and attendance of the Remuneration and Terms of Service Committee is included on page 56 of this Annual Report.

The Chief Executive attends all meetings of the Committee but is not present for discussions about her own remuneration.

The Committee reviews:

- The remuneration and terms of service of the Chief Executive, of those Board Directors who report directly to the Chief Executive and that of the Director of Governance and Planning and Director of Workforce
- The performance of those Board Directors who report directly to the Chief Executive and the Director of Governance and Planning and Director of Workforce through reports submitted by the Chief Executive. The Chair will similarly report on the performance of the Chief Executive

- Pay data from similar organisations, in order to ensure that appropriate arrangements have been made for the salaries of the Directors
- Appropriate contractual arrangements for such staff, including the proper calculation and scrutiny of termination payments, taking account of such national guidance as appropriate

The Committee meets annually, as a minimum, but may meet on other occasions as required. The Chief Executive holds annual appraisal meetings with each Executive Director and the Director of Governance and Planning and Director of Workforce to assess progress against objectives.

### **Nominations Committee**

The Non Executive Directors' remuneration is agreed and approved by the Council of Governors based on recommendations put before them by the Trust Board, following discussion at the Nominations Committee.

### **Fair Pay Multiple**

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

The banded remuneration of the highest paid Director in Surrey and Borders Partnership NHS Foundation Trust in the financial year 2017/18 was £210k - £215k (2016/17: £215k - £220k). This was 7.99 times (2016/17: 8.27) the mid point than the median actual remuneration of the workforce, including high cost living allowance, which was £26.6k (2016/17, £26.3k).

Two individuals were paid more than £150,000 (the threshold used in the Civil Service by the Chief Secretary to the Treasury, equating to the Prime Minister's ministerial and parliamentary salary). Analysis from TRS indicates that these salaries are broadly consistent with the market, below some of the salaries recently advertised by very similar Trusts and commensurate with the level of remuneration needed for retention. They are, therefore, deemed reasonable.

### **Payments for Loss of Office**

There were no payments for loss of office in year.

### **Expenses of the Governors and Directors**

The Trust had a total of 35 Governors in office during 2017/18 (31 in 2016/17). Of these, six received expenses in 2017/18, totalling £1,630 between them (eight in 2016/17: aggregate total £2,589).

The Trust had eight Non Executive Directors in office, noting that two left and two joined, so, discounting a short period of overlap, there were six in office (six in 2016/17). Of these, six received expenses in 2017/18 totalling £3,734 between them (four in 2016/17: aggregate total £1,586).

The Trust employed seven individuals across six Executive Director roles during the year - Jo Young left on 31 December 2017 and was replaced by Jonathan Warren who became a voting Board Director on 1 January 2018 (six in 2016/17 until 3 November 2016, when one of the Co-Medical Directors retired from the role, reducing the number to five). All seven received expenses in 2017/18 totalling £5,417 between them (five in 2016/17: aggregate total £6,224).

KPMG, our external auditors, audited the table of salaries and allowances of senior managers on page 36 and the table of pension benefits of senior managers on page 38 as part of their audit of the 2017/18 financial statements.



**Prof Jonathan Warren**  
**Acting Chief Executive**

### **Cash Equivalent Transfer Values**

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme.

The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

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

### **Real Increase in CETV**

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

## 1. Senior Manager Remuneration

Name and title		Salary and fees (in bands of £5,000)	Taxable benefits (rounded to nearest £100)	Annual performance related bonuses (in bands of £5,000)	Long-term performance related bonuses (in bands of £5,000)	Pension related benefits (in bands of £2,500)	Total remuneration (in bands of £5,000)
2017/18		£000	£00	£000	£000	£000	£000
Ian McPherson	Chairman	35 - 40	2,300	0	0	0	35 - 40
Mark Perry	Non Executive Director	10 - 15	500	0	0	0	10 - 15
Jennifer Seeley	Non Executive Director (from 23 June 2017)	10 - 15	0	0	0	0	10 - 15
Rahul Jaitly	Non Executive Director (from 23 June 2017)	10 - 15	400	0	0	0	10 - 15
Jon Bye	Non Executive Director	10 - 15	0	0	0	0	10 - 15
Leslie Morphy	Non Executive Director	10 - 15	400	0	0	0	10 - 15
Andrew Field	Non Executive Director (to 30 Sept 2017)	5 - 10	100	0	0	0	5 - 10
Laurence Vine-Chatterton	Non Executive Director (to 31 May 2017)	0 - 5	0	0	0	0	0 - 5
Fiona Edwards	Chief Executive	170 - 175	1,000	0	0	0	170 - 175
Jonathan Warren	Chief Nursing Officer and Deputy Chief Executive (from 1 Jan 2018)	45 - 50	800	0	0	120 - 122.5	165 - 170
Justin Wilson	Chief Medical Officer	210 - 215	700	0	0	0	235 - 240
Lorna Payne	Chief Operating Officer	125 - 130	200	0	0	27.5 - 30	155 - 160
Graham Wareham	Chief Finance Officer	130 - 135	800	0	0	30 - 32.5	160 - 165
Helen Rostill	Director of Innovation and Development	110 - 115	1,500	0	0	7.5 - 10	120 - 125
Jo Young	Chief Nursing Officer and Deputy Chief Executive to 31 Dec 2017	90 - 95	500	0	0	0	90 - 95

Name and title		Salary and fees (in bands of £5,000)	Taxable benefits (rounded to nearest £100)	Annual performance related bonuses (in bands of £5,000)	Long-term performance related bonuses (in bands of £5,000)	Pension related benefits (in bands of £2,500)	Total remuneration (in bands of £5,000)
2016/17		£000	£00	£000	£000	£000	£000
Richard Greenhalgh	Chairman (to 28 Feb 2017)	35 - 40	0	0	0	0	35 - 40
Ian McPherson	Chairman (from 1 Mar 2017)	0 - 5	0	0	0	0	0 - 5
Mark Perry	Non Executive Director	10 - 15	1,110	0	0	0	10 - 15
Jon Bye	Non Executive Director	10 - 15	0	0	0	0	10 - 15
Leslie Morphy	Non Executive Director	10 - 15	300	0	0	0	10 - 15
Andrew Field	Non Executive Director	10 - 15	200	0	0	0	10 - 15
Laurence Vine-Chatterton	Non Executive Director	15 - 20	0	0	0	0	15 - 20
Fiona Edwards	Chief Executive	165 - 170	1,100	0	0	0	165 - 170
Jo Young	Deputy Chief Executive (Director of Quality and Nursing)	120 - 125	800	0	0	25.0 - 27.5	145 - 150
Rachel Hennessy	Co-medical Director (to 3 Nov 2016)	80 - 85	600	0	0	2.5 - 5.0	85 - 90
Justin Wilson	Co-medical Director (to 3 Nov 2016) Medical Director (from 4 Nov 2016)	215 - 220	1,300	0	0	0	215 - 220
Graham Wareham	Chief Finance Officer	125 - 130	1,100	0	0	27.5 - 30.0	155 - 160
Helen Rostill	Director of Innovation and Development	110 - 115	1,400	0	0	90.0 - 92.5	200 - 205

Richard Greenhalgh stepped down at the end of his term of office as Chairman from 28 February 2017

Laurence Vine-Chatterton also received remuneration for his work as a Mental Health Act Manager

Jo Young received an allowance for her role as Deputy Chief Executive

Rachel Hennessy and Justin Wilson received an additional payment for management responsibilities in recognition of the role of Co-medical Director

Justin Wilson's pension related benefit, and therefore his total remuneration, has been restated as, being a negative value, it should have been recorded as zero

Rachel Hennessy retired from her role as Co-medical Director on 3 November 2016

## 2. Senior Manager Pensions Disclosure

Name and title		Real increase in pension at pension age (bands of £2,500)	Real increase in pension lump sum at pension age (bands of £2,500)	Total accrued pension at pension age at 31 March 2018 (bands of £5,000)	Lump sum at pension age related to accrued pension at 31 March 2018 (bands of £5,000)	Cash equivalent transfer value at 1 April 2018	Cash equivalent transfer value at 31 March 2017	Real increase in cash equivalent transfer value	Employer's contribution to stakeholder pension
		£000	£000	£000	£000	£000	£000	£000	£000
Fiona Edwards	Chief Executive	0	0	0	0	0	0	0	n/a
Jonathan Warren	Chief Nursing Officer/ Deputy Chief Executive (from 1 January 2018)	0 - 2.5	2.5 - 5	55 - 60	170 - 175	1,114	942	40	n/a
Justin Wilson	Chief Medical Officer	0 - 2.5	0	25 - 30	5 - 10	339	316	21	n/a
Lorna Payne	Chief Operating Officer	0 - 2.5	0	10 - 15	0	167	126	39	n/a
Graham Wareham	Chief Finance Officer	0 - 2.5	0	5 - 10	0	71	46	25	n/a
Helen Rostill	Director of Innovation and Development	0 - 2.5	2.5 - 5	30 - 35	95 - 100	664	600	57	n/a
Jo Young	Chief Nursing Officer/ Deputy Chief Executive	0	0	55 - 60	180 - 185	0	1,197	0	n/a

Fiona Edwards opted out of the NHS pension scheme from 1 April 2016

Justin Wilson opted out of the NHS pension scheme from 1 July 2016 and opted back in from 1 February 2018

Jo Young retired from the scheme on 30 December 2017



**Prof Jonathan Warren**  
**Acting Chief Executive**

23 May 2018

# Staff Report

## Our Workforce

We seek to create an environment in which our staff can develop in satisfying jobs and rewarding careers. We strive fully to consult and involve our staff in the improvement and development of our services.

2,428 people work with us substantively at Surrey and Borders Partnership to provide our services, which equates to an average 2,188 whole time equivalent (WTE) staff, plus those 192 staff (173.17 WTE) employed by county councils working as part of our integrated teams. The breakdown of directly-employed staff groups by professional group is provided below. The number of social care staff has reduced since 2015/16 because Hampshire County Council has changed the way they work with us and their staff are no longer operating within integrated teams.

Staff group by WTE (average No of staff)	Total	Permanent	Other	Total cost £000	Total	Permanent	Other	Total cost £000
	2017/18	2017/18	2017/18	2017/18	2016/17	2016/17	2016/17	2016/17
Medical and dental	154	150	4	19,776	149	144	5	17,681
Administration and estates	576	532	44	23,795	553	508	61	25,740
Healthcare assistants and other support staff	661	460	201	17,928	524	491	98	17,023
Nursing, midwifery and health visiting staff	676	532	144	31,983	651	537	250	31,394
Scientific, therapeutic and technical staff	514	514	0	22,742	493	493	0	19,354
<b>Total average number of staff</b>	<b>2,581</b>	<b>2,188</b>	<b>393</b>	<b>116,224</b>	<b>2,587</b>	<b>2,173</b>	<b>414</b>	<b>111,192</b>
Of which, employed on capital projects	22	11	11	1,667	26	12	14	2,576

Last year's information has been restated to allocate bank staff and costs across the staff groups instead of showing bank WTE numbers and costs in a separate row.

Breakdown of directly employed Surrey and Borders Partnership male and female staff by WTE:

Category by whole time equivalent	Female	Male	Grand total	Female	Male	Grand total
Executive Director	3.5	2.5	6.0	58.3%	41.7%	100%
Senior Manager	158.2	68.5	226.7	69.8%	30.2%	100%
Employees	1468.0	487.0	1955.0	75.1%	24.9%	100%
<b>Grand Total</b>	<b>1629.7</b>	<b>558.0</b>	<b>2187.7</b>	<b>74.5%</b>	<b>25.5%</b>	<b>100%</b>

The additional post of Chief Operating Officer was appointed to on 1 April 2017. The post holder is female and the retiring Chief Nursing Officer and Deputy Chief Executive also being female, and replaced by a male in the same role, has resulted in a change in the percentage of male and female Executive Directors. The female percentage changed from 63.6% in 2016/17 to 58.3% in 2017/18 and the male from 34.6% in 2016/17 to 41.7% in 2017/18.

In the Senior Manager category, the percentage of female staff has increased by 3.3 percentage points over 2016/17. There was a smaller 0.9 percentage point increase in the percentage of female staff in the general employees' category.

Our sickness absence rates were 2.86% in March 2018 and 3.78% rolling average over 12 months against a target of 3.80%.

Average sick days per WTE member of staff were as follows:

Average WTE 2017	Adjusted WTE days lost to Cabinet Office definitions	Average sick days per WTE	WTE days available	WTE days recorded sickness absence
2,209	17,244	7.8	806,228	27,974

The Government Financial Reporting Manual 2017/18 requires the Trust to disclose the above sickness absence information, which is collected by the Department of Health centrally. The sickness absence figures are reported on a calendar year basis, rather than for the financial year, which accounts for the difference in average WTE numbers from that reported on the financial year basis in the above tables.

The above information compares favourably with 2016/17, for which the average sickness days per WTE were 7.9.

## Staff Policies and Actions Applied During the Year

We place an equally strong emphasis on our staff complying with our Standards of Business Conduct and with our Anti-Fraud, Bribery and Corruption Policy, both of which are available on our website.

Our organisational change policy requires us, as managers, to ensure we actively engage and consult with our employees on all matters that affect their work environment or terms and conditions of employment. We hold monthly Joint Consultative Committees with our recognised trade unions, where all consultation documents are shared in advance of any consultation occurring, for discussion and debate. We invite our Staff Governors to these meetings so they can feed in the views of the workforce who do not belong to a union.

We share all our consultation documents personally with those directly affected and we also put them on our staff intranet in order to reach the wider workforce for their comment. We usually consult for 30 days but often longer, if the implication of a change is Trust-wide. We seek to avoid redundancies whenever we can and to redeploy all our employees subject to change.

In addition to our formal consultative processes, we informally communicate with staff on a weekly basis via an electronic bulletin. This provides a variety of information and topics to keep our staff engaged with the work of our Trust and its progress.

## Involvement

A wide range of events to involve staff in the work of the Trust has continued this year, such as professional conferences, bi-monthly leadership fora and monthly conversation groups with our Chief Executive.

The programme of Director walk-arounds to clinical teams provides opportunities for staff to discuss topical issues with senior management in their own environments. These initiatives allow us to hear personal accounts of the issues that the teams are facing, understand the impact of Board decision-making on our teams and help monitor the environment.

We have involved staff with our key change programmes and service developments in the year. This has included representation on our working group for our new Community Hub in Runnymede, to help decide the locations of teams and inform the internal design and operating model for the Hub. Work to prepare for our forthcoming Single Point of Access for crisis mental health service, due to launch in 2018, has involved staff in the field tests and will continue to involve our adult mental health staff to help refine the service model, as we extend this to include all referrals. The review of Health Psychology Services engaged the staff to propose a revised leadership model and the feedback from the consultation was really positive about how involved they had felt in the process.

Our CARE Awards, to recognise the achievements of individual staff members, teams and volunteers, received a record number of over 250 nominations this year.

## NHS Staff Survey

We made positive progress in relation to our staff survey results for 2017, for both our response rate of 68% and our positioning against other mental health Trusts. In terms of our responses to the key findings in comparison to all mental health Trusts in 2017, 24 scores were better than average and three were worse than average. Our overall staff engagement score is 3.84 against a sector average score of 3.79.

We used the online process this year for 91% of our employees, with only 7% receiving a paper copy and 2% sent to home addresses for staff on maternity leave. The electronic process continues to be well received and the numbers participating in the survey electronically has increased each year since it was introduced in 2015. Where there is a difference in the figures in the table below from 2016/17 to 2017/18 but there is no statistical significance since the previous year, these have been marked as “no change”.

### Summary of Performance

	2017/18		2016/17		Trust improvement/ deterioration
	Trust	National average (mental health)	Trust	National average (mental health)	
<b>Response rate</b>	68%	52%	65%	49%	Improvement

Top five ranking scores					
% staff feeling pressure in the last 3 months to attend work when feeling unwell	49%	53%	49%	55%	No change – better than national average
Staff motivation at work	3.98	3.91	3.97	3.91	No change – better than national average
Staff confidence and security in reporting unsafe clinical practice	3.85	3.71	3.81	3.67	No change – better than national average
% staff experiencing harassment, bullying or abuse from staff in past 12 months	17%	21%	18%	22%	No change – better than national average
Fairness and effectiveness of procedures for reporting errors, near misses and incidents	3.85	3.75	3.81	3.71	No change – better than national average

Bottom five ranking scores					
% staff appraised in the last 12 months	85%	89%	86%	89%	No change – worse than national average
% of staff/colleagues reporting most recent experience of violence	91%	93%	93%	93%	No change – worse than national average
% of staff working extra hours	76%	72%	71%	72%	Deterioration
Organisation and management interest in, and action on, health and well being	3.75	3.77	3.72	3.71	No change – equal to national average
% of staff experiencing discrimination at work in the last 12 months	14%	14%	13%	14%	No change – equal to national average

## **Engaging with Staff**

Our Staff Survey results are very important to us and we have a dialogue with all our staff about the Trust findings and expect each team to discuss the results for their group, aided by a Trust presentation, which is tailored for local feedback. Teams discuss whether the results accurately reflect how staff feel and the team agrees a focus for change in the coming year. These action plans are monitored by Divisional Directors and reviewed by the Executive Board. In addition, our Leadership Forum of senior managers reviews the findings from a Trust perspective and agrees where we need to take action across our whole organisation.

## **Future Priorities and Targets**

Our focus this year is on improving issues most relevant to staff satisfaction. We have identified four areas as a framework for action which are: Valuing Staff, Health and Wellbeing, Communication and Fair Treatment. To take these forward, we are, as far as possible, linking with existing workstreams and/or quality improvement projects to ensure there is no duplication of effort or additional work created where this is not necessary. Further work to identify causes of issues or success identified will also be undertaken via smaller in-year surveys and other data gathering exercises.

The advantage of this approach is that it allows us to give some focused attention to a smaller range of issues that have a significant impact on staff satisfaction and make changes that provide tangible improvements.

In addition, we will target some actions with our staff networks, where particular minority groups have highlighted concerns.

## **Expenditure on Consultancy**

We have spent £0.9m on consultancy in the last financial year (2016/17: £1.2m), reflecting a slower pace of change on the Community Hubs programme and completion of connectivity work on our replacement reporting tool, DART.

## **Off-payroll Arrangements**

As of 31 March 2018, the Trust has engaged with a small number of highly paid and/or senior off-payroll staff for longer than six months. Details of these engagements are provided below.

Highly paid off-payroll engagements are only entered into on an exceptional basis and are subject to senior manager review.

**1. Off-payroll engagements as of 31 March 2018, for more than £220 per day, and that last for longer than six months**

<b>No of existing engagements as of 31 March 2018</b>	<b>5</b>
Of which...	
No that have existed for less than one year at time of reporting	3
No that have existed for between one and two years at time of reporting	1
No that have existed for between two and three years at time of reporting	1
No that have existed for between three and four years at time of reporting	0
No that have existed for four or more years at time of reporting	0

There has been a significant reduction in such engagements, down from 12 as of 31 March 2017 and 29 as of 31 March 2016, as the Trust has successfully recruited to posts substantively or employed people on fixed term contracts rather than through an agency.

All existing off-payroll engagements, outlined above, have at some point been subject to a risk based assessment as to whether assurance needs to be sought that the individual is paying the right amount of tax and, where necessary, that assurance has been sought. All contractors have needed to comply with the IR35 process since April 2017.

**2. New off-payroll engagements, or those that reached six months in duration, between 1 April 2017 and 31 March 2018, for more than £220 per day and that last for longer than six months**

<b>No of new engagements, or those that reached six months in duration, between 1 April 2017 and 31 March 2018</b>	<b>3</b>
No of the above which include contractual clauses giving the Trust the right to request assurance in relation to income tax and National Insurance obligations	3
No for whom assurance has been requested	3
Of which...	
No for whom assurance has been received	2
No for whom assurance has not been received	1
No that have been terminated as a result of assurance not being received	0

Where appointments are through an approved agency provider, we have been explicit with the agencies we use as to their duty to undertake checks of income tax and National Insurance obligations.

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

The Trust had no Board member off-payroll engagements during 2017/18. It had one senior member of staff with significant financial responsibility:

- From 7 April 2015 to 22 September 2017 in the role of Interim Director of Children's and Young People's Services. This role was responsible for bedding in the new CAMHS contract that commenced on 1 April 2016 and was retained to do the same for the new Children and Family Health Surrey contract that commenced on 1 April 2017. This role was filled substantively from 4 September 2017

The total number of individuals on or off payroll deemed to have significant financial responsibility, including the one detailed above, was 32. This is a larger number than the 22 recorded in 2016/17 due to reconsidering the definition of significant financial responsibility.

Off-payroll engagements	
Number of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year	1
Number of individuals that have been deemed 'Board members and/or senior officials with significant financial responsibility' during the financial year. This figure should include both off-payroll and on-payroll engagements	32

## Exit Packages

There were a total 14 exit packages during the year. A total of two compulsory redundancies were made totalling £183,066 (8 in 2016/17, with a total value of £202,558). The redundancies were as a result of re-provision of services including outsourcing of facilities management services.

### Total Exit Packages

Exit package cost band	Number of compulsory redundancies 2017/18	Number of other departures agreed 2017/18	Total number of exit packages by cost band 2017/18
<£10,000	0	12	12
£10,001 - £25,000	0	0	0
£25,001 - £50,000	0	0	0
£50,001 - £100,000	1	0	1
£100,001 - £150,000	1	0	1
£150,001 - £200,000	0	0	0
Total number of exit packages by type	2	12	14
<b>Total resource cost £000s</b>	<b>£183k</b>	<b>£48k</b>	<b>£231k</b>

### Exit Payments – Other Departures

	Agreements number	Total value of agreements £000
Voluntary redundancies including early retirement contractual costs	0	0
Mutually agreed resignations (MARS) contractual costs	0	0
Early retirements in the efficiency of the service contractual costs	0	0
Contractual payments in lieu of notice	11	45
Exit payments following employment tribunals or court orders	0	0
Non-contractual payments requiring HMT approval*	1	3
<b>Total</b>	<b>12</b>	<b>48</b>

	Agreements number	Total value of agreements £000
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

\* Includes any non-contractual severance payment made following judicial mediation and amounts relating to non-contractual payments in lieu of notice, of which there were none.

As single exit packages can be made up of several components, each of which will be counted separately in the above table, the total number above will not necessarily match the total numbers in the previous table, which represents the number of individuals. The Remuneration Report on page 30 provides details of exit payments, if applicable to individuals named in that Report.



**CARE Employee of the Year, Kay Halliday-Cook  
Clinical Nurse Specialist  
Children’s Eating Disorder Services**

# Equality & Human Rights Report

The focus of this year was to successfully deliver the equality actions contained in our Equality Delivery Plan for 2017/18. This plan contains annual equality commitments, actions and deliverables in place to help us fulfil our six equality objectives detailed below. The progress of the plan is monitored by the Nursing Directorate Management Team.

## SABP Equality Objectives 2016-2020

- Staff report that they are free from discrimination and abuse in the workplace
- Improve the representation of staff with protected characteristics across the Trust to proportionately reflect the workforce profile
- Develop strong partnerships with groups representing people with protected characteristics at a local and national level, to inform service developments and improve access to services for everyone
- People who use services and carers report they are involved with decisions about their care
- Implement the Health Equality Framework across all health services to ensure the health needs for people with learning disabilities are assessed and health outcomes are improved
- Increase numbers of older people accessing Improving Access to Psychological Therapies services, to reduce levels of mild/moderate depression and improve their health outcomes

Key successes delivered via our Equality Delivery Plan for 2017/18 include:

- Producing a new training module, delivered to all staff at induction to introduce our processes for capturing and reporting staff harassment. By increasing awareness and upskilling our staff we are seeing changes in data reporting allowing us to respond quickly and strategically as necessary
- Developing partnerships to inform work to understand barriers for young lesbian, gay, bi-sexual and transgender (LGBT) people accessing our services and to help address the higher levels of suicide in this community
- Introducing a new carers survey to get feedback from families about our services. We can run reports about carer experiences at team level to address areas of focus for individual teams
- Implementing our Health Equality Framework (HEF) which allows us to track outcomes for people using our services who have learning disabilities. At 31 March 2018, 50% of people referred to our Community Teams for People with Learning Disabilities have been HEF assessed within two months of referral

More widely, we continue to support the NHS Workforce Race Equality Standard and have produced an action plan to drive forward change during 2018/19 in those areas where development is required. This includes addressing the issue of more black and minority

ethnic staff (BME) applying for promotion opportunities and reducing the likelihood of BME staff entering the disciplinary process.

Our equality staff networks have continued to develop this year (Black and Minority Ethnic Network; Disability Network; Lesbian, Gay, Bisexual & Transgender Network; and Spirituality and Faith Forum). All of the networks have been working with our Human Resources team and have begun a successful new initiative called People before Process. This has involved co-designing activity to reduce the over-representation of BME staff in disciplinary processes which gained a Speaking Up Together award at the first ever Freedom to Speak Up awards in 2017.

Going forward we are committed to adopting the Workforce Disability Equality Standard and rolling-out the Sexual Orientation Monitoring Standard once these become available.

### Summary of Performance for Trust Members

	2017/18		2016/17		2015/16	
Age band	Number	%	Number	%	Number	%
0 - 16	117	1.69	168	2.57	74	1.21
17 - 21	1023	14.76	983	15.04	870	14.23
22+	4808	69.37	4426	67.71	4194	68.75
Undisclosed	983	14.18	960	14.68	969	15.8
<b>Grand Total</b>	<b>6931</b>		<b>6537</b>		<b>6107</b>	
Ethnic origin	Number	%	Number	%	Number	%
White	5624	81.14	5409	82.74	5129	84
Mixed	157	2.27	131	2	113	1.84
Asian or Asian British	577	8.32	505	7.73	432	7.06
Black or Black British	171	2.47	145	2.22	120	1.96
Other	81	1.17	74	1.13	64	1.04
Undisclosed	321	4.63	273	4.18	249	4.15
<b>Grand Total</b>	<b>6931</b>		<b>6537</b>		<b>6107</b>	
Gender	Number	%	Number	%	Number	%
Female	4769	68.81	4363	66.74	4049	66.24
Male	2150	31.02	2056	31.45	1972	32.26
Undisclosed	12	0.17	118	1.81	86	1.48
<b>Grand Total</b>	<b>6931</b>		<b>6537</b>		<b>6107</b>	
Disability	Number	%	Number	%	Number	%
Physical disability	129	1.86	125	1.91	123	2
Learning disability	233	3.36	227	3.47	227	3.71
Mental health	74	1.07	68	1.04	62	1
Sensory	31	0.45	33	0.5	32	0.5
<b>Grand Total</b>	<b>467</b>		<b>453</b>		<b>444</b>	
Sexual orientation	Number	%	Number	%	Number	%
Heterosexual	1712	24.70	1426	21.81	1235	20
Homosexual	43	0.62	34	0.52	25	0.41
Bisexual	73	1.05	49	0.752	33	0.54
Undisclosed	5103	73.63	5028	76.92	4814	79.05
<b>Grand Total</b>	<b>6931</b>		<b>6537</b>		<b>6107</b>	

## Summary of Performance for Surrey and Borders Employed Staff

Age band	Staff 2017/18		Staff 2016/17		Staff 2015/16	
	Number	%	Number	%	Number	%
16 - 20	10.5	0.4	7	0.3	4	0.2
21 - 25	104	4.3	91	3.8	73	3.3
26 - 30	287	11.8	293.5	12.2	165	7.4
31 - 35	275.5	11.3	275	11.4	234	10.5
36 - 40	255	10.5	241.5	10.0	248	11.1
41 - 45	321.5	13.2	325.5	13.5	337	15.1
46 - 50	352	14.5	353	14.7	359	16.1
51 - 55	401.5	16.5	396	16.5	387	17.3
56 - 60	262.5	10.8	257.5	10.7	266	11.9
61 - 65	114.5	4.7	116.5	4.8	115	5.1
66 - 70	36.5	1.5	40.5	1.7	42	1.9
71 & above	7.5	0.3	7	0.3	6	0.3
<b>Grand Total</b>	<b>2428</b>		<b>2404</b>		<b>2236</b>	
Ethnic origin	Number	%	Number	%	Number	%
White British	1489	61.3	1444.5	60.1	1323	59.2
White Irish	52.5	2.2	57	2.4	47	2.1
White Any Other White Background	207.5	8.5	218	9.1	202	9
Mixed White & Black Caribbean	5.5	0.2	6.5	0.3	5	0.2
Mixed White & Black African	11	0.5	8.5	0.4	9	0.4
Mixed White & Asian	25	1.0	27	1.1	27	1.2
Mixed Any Other Mixed Background	29.5	1.2	28.5	1.2	24	1.1
Asian or Asian British Indian	83	3.4	73.5	3.1	70	3.1
Asian or Asian British Pakistani	32	1.3	26.5	1.1	26	1.2
Asian or Asian British Bangladeshi	4.5	0.2	4.5	0.2	5	0.2
Asian or Asian British Any Other Asian	127.5	5.3	137	5.7	135	6
Black or Black British Caribbean	43.5	1.8	42	1.7	36	1.6
Black or Black British African	188.5	7.8	198.5	8.3	202	9
Black or Black British Any Other Black	12.5	0.5	18	0.7	18	0.8
Chinese	11.5	0.5	12	0.5	11	0.5
Any other ethnic group	84.5	3.5	82	3.4	81	3.6
Not stated	20.5	0.8	20	0.8	15	0.7
<b>Grand Total</b>	<b>2428</b>		<b>2404</b>		<b>2236</b>	
Gender	Number	%	Number	%	Number	%
Female	1845.5	76.0	1796.5	74.7	1638	73.3
Male	582.5	24.0	607.5	25.3	598	26.7
<b>Grand Total</b>	<b>2428</b>		<b>2404</b>		<b>2236</b>	
Disabled	Number	%	Number	%	Number	%
No	2157	88.8	2104.5	87.5	1968	88
Yes	142	5.8	147.5	6.1	121	5.4
Not declared	126.5	5.2	148	6.2	143	6.4
Unknown	2.5	0.1	4	0.2	4	0.2
<b>Grand Total</b>	<b>2428</b>		<b>2404</b>		<b>2236</b>	
Sexual orientation	Number	%	Number	%	Number	%
Bisexual	19	0.8	15	0.6	10	0.4
Gay	24	1.0	24.5	1.0	21	0.9
Lesbian	16.5	0.7	16	0.7	16	0.7
Heterosexual	2087	86.0	2044.5	85.0	1861	83.2
Not declared	281	11.6	304	12.6	324	14.5
Unknown	1	0	0	0	4	0.2
<b>Grand Total</b>	<b>2428</b>		<b>2404</b>		<b>2236</b>	

# Code of Governance

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

## Board of Directors

Surrey and Borders Partnership currently has six Non Executive Directors (including the Chairman) with one vacancy being recruited to in Spring 2018 and six Executive Directors (including the Chief Executive) who are members of the Trust Board. Two additional Executive Directors attend Board meetings. Following a refresh of our Executive Director roles in 2016/17 a new voting Board position of Chief Operating Officer was introduced from 1 April 2017 and an additional Non Executive Director is being appointed to, in line with our constitution, so that Non Executives remain the majority on the Board.

The Board of Directors is responsible for the management of the Trust and for ensuring corporate governance, performance and operational standards are upheld. Risks to the delivery of our strategic objectives are monitored through a Board Assurance Framework that identifies the controls, the gaps in the controls, where assurances can be found and the gaps in assurances. Surrey and Borders Partnership complies with the provisions of the NHS Foundation Trust Code of Governance. The Board has conducted a review of the effectiveness of its system of internal controls.

The performance of the Executive Directors is managed through our appraisal and supervision policy and is reported for discussion at the Remuneration and Terms of Service Committee. The Council of Governors appoints a Nominations Committee which undertakes the same function of performance evaluation for the Non Executive Directors. The Board of Directors is held to account by the Council of Governors.

The Board of Directors consults on its future strategy and develops its annual plans with the close involvement of its Council of Governors. Twice yearly, joint workshops with the Board and Governors are held to reflect on progress against plans and to discuss priorities for the coming year. The key role of the Council of Governors is to influence our strategic direction, taking into account the needs and views of the members, stakeholders and partners. Any disagreements between the Council of Governors and Board of Directors are resolved by the Chairman in the first instance. If necessary, the Chairman will appoint a joint special committee with a view to resolving any disagreements. If this is unsuccessful, the Chairman may refer the issue back to the Board of Directors for a final decision.

The membership of the Board of Directors will continue to be regularly reviewed by the Board of Directors and members of the Nominations Committee, which includes Trust Governors, to ensure that it is well balanced and covers the full range of expertise required by a Foundation Trust. Through self-assessment, the Board believes that it currently has a good mix of commercial and financial knowledge, management and clinical experience,

public sector expertise and community engagement. Terms of office for Non Executive Directors may be ended by resolution of the Council of Governors, following a procedure laid down in the Foundation Trust's constitution.

During 2018/19 we will be commissioning an independent review of our governance arrangements to ensure these continue to meet the needs of the organisation and our regulators.

## Non Executive Directors



### **Dr Ian McPherson, Chairman**

Appointed in March 2017, initial term of office three years. A clinical psychologist by professional background who has held senior clinical, managerial and policy implementation roles in a career working across many aspects of health and social care. Since finishing full-time employment, Ian has been involved with a number of organisations in the statutory and voluntary sectors. This includes Non Executive Director at another mental health NHS Foundation Trust, where he was

also Vice Chair, and being a Trustee of the Centre for Mental Health and of the International Initiative in Mental Health Leadership. **Qualifications:** MA in Psychology, University of Glasgow; MSc in Clinical Psychology, University of Birmingham; PhD in Psychology, University of Birmingham; Fellow of the British Psychological Society. Awarded the OBE for services to mental health in 2012



### **Jon Bye, Non Executive Director**

Appointed in April 2015, initial term of office three years. Currently works for Sainsbury's as Zone Manager Director for South of England, having previously held the post of Central Retail Director and further director roles in customer service, online and strategy. Prior to this, Jon had a 10 year Career in Management Consultancy with Accenture and Cap Gemini. **Qualifications:** BSc (Hons) Business Studies and Public

Policy Management



### **Rahul Jaitly, Non Executive Director**

Appointed in June 2017, initial term of office three years. Over 20 years' experience working across a number of industry sectors providing global IT leadership and digital transformation management. Most recently Group Chief Information Officer at L&Q Group, one of the UK's foremost developers of new homes and a leading housing association. Rahul's earlier career included technology related roles at Kuoni Group,

Universal Music Group, GlobalNetFinancial.com and the Financial Times. **Qualifications:** BA Hons Electrical & Electronic Engineering, University of East London; MBA; PhD in Electronic & Electrical Engineering, King's College, University of London



**Leslie Morphy, Non Executive Director**

Appointed in April 2015, initial term of office three years. Leslie’s career is in the not-for-profit sector, including in a social enterprise, charities and a non departmental government body. Formerly, Chief Executive of homeless charity Crisis UK and Director of The Prince’s Trust. Since leaving Crisis UK in 2014, she has held non executive posts in organisations involved in health, housing and education. Chair of Governors of Oxford

Brookes University; Non Executive Director for the Home Group Housing Association; Chair of Pathway, a charity working to provide better healthcare for homeless people.

**Qualifications:** BSc in Economics, London School of Economics; MSc, Birkbeck University of London. Awarded an OBE for services to homelessness in 2011



**Mark Perry, Non Executive Director**

Appointed in November 2011, renewed in November 2014, term of office three years. Appointed Senior Independent Director in June 2015. Chief Executive with VIVID Homes, a locally run not-for-profit organisation supporting people in Hampshire and surrounding areas. Previously Mark was Group Commercial Director with Affinity Sutton, leading on identifying opportunities for the group to broaden and

expand its offer into new markets as well as mergers and acquisitions. Previously Mark worked in the commercial sector. **Qualifications:** MBA



**Jennifer Seeley, Non Executive Director**

Appointed in June 2017, term of office three years. Chair of Audit Committee. Jennifer is the Director of Finance with Southwark Council, a larger inner city London borough. Previously she worked in a number of local councils in the Midlands, London and Kent. Jennifer was a Non Executive for the South East Coast Strategic Health Authority, and member of the audit committees of the Open University and General Dental Council. Jennifer also teaches at the professional level for CIPFA.

**Qualifications:** BA Hons in Economics and Social Policy & Administration; MBA; Fellow of the Chartered Institute of Public Finance and Accountancy; Member of the Chartered Institute of Procurement and Supply

**Executive Directors**



**Fiona Edwards, Chief Executive**

Appointed to post in April 2005 and Chief Executive-designate since November 2004. Fiona has led the Trust through a successful merger, becoming a Foundation Trust and forging innovative partnerships to deliver our clinical strategy. Her health service career began in 1994 at West Berkshire Priority Care Services NHS Trust, where she was Executive Director responsible for human resources and major change programmes. Fiona’s private sector career spanned 10 years within the

manufacturing sector as a human resources professional. **Qualifications:** MA in English, University of St Andrews. Post-graduate professional qualifications in Personnel Management. INSEAD Advanced General Management



**Lorna Payne, Chief Operating Officer**

Appointed to post in April 2017 and was previously Divisional Director at Central and North West London NHS Foundation Trust. Lorna comes from Australia with a background in health and adult social care and commenced her UK career in adult social care in 2006. Working in the Victorian Department of Health, she was responsible for policy and commissioning for mental health, older people and primary care overseeing the review of the Mental Health Act, the implementation of

clinical outcome measures and a new clinical information system for Mental Health Trusts. **Qualifications:** Maitrise es Lettres, Paris V, Sorbonne University; Master of Arts (Honours), Melbourne University; Cycle International Court, Ecole Nationale d'Administration



**Dr Helen Rostill, Director of Innovation, Development and Therapies**

Appointed to post in December 2014 after joining the Trust in October 2012 as Director of Innovation and Therapies. Helen is a consultant clinical psychologist and began her career in learning disability services, followed by roles in the National Schizophrenia Fellowship and a multi-agency child, young people and family service. She was a senior lecturer in clinical psychology at the University of Birmingham for 10 years.

**Qualifications:** BSc (First Class Hons) in Psychology, University of Birmingham. Awarded Clinical Doctorate (Clin PsyD) in 1997, Postgraduate Diploma in Strategic Management and Leadership



**Graham Wareham, Chief Finance Officer**

Appointed to post in February 2016. Previously Chief Finance Officer at Leonard Cheshire Disability, where Graham worked closely with the Chief Executive to develop future plans and manage day to day performance. He started his career in 1995 with British Airways and then food retailer, Safeway, working across a wide number of finance roles, including supply chain, retail and change management, and has played a significant role in implementing efficiency projects. **Qualifications:** BA in Economics, Leeds

University; MA in Transport Economics, Leeds University. Member of the Chartered Institute of Management Accountants



**Prof Jonathan Warren, Chief Nursing Officer and Deputy Chief Executive**

Appointed to post in December 2017. Previously Chief Nursing Officer at East London NHS Foundation Trust, where he played a central role in developing a quality improvement programme which gained the Trust international recognition. Over 35 years' experience in both clinical and operational leadership roles in a variety of healthcare settings. National professional advisor to the Care Quality Commission, providing the regulator with expert advice and guidance on challenging issues in mental health and learning disability nursing, and visiting professor at University of Surrey.

**Qualifications:** RMN; BA Hons in Social Policy (Health Studies), Sussex University



### **Dr Justin Wilson, Chief Medical Officer**

Appointed to post in November 2016 following a year with the Trust as Co-Medical Director. Previously Medical Director of Berkshire Healthcare NHS Foundation Trust, a mental health and community trust, for over six years. He has worked as a consultant psychiatrist in a variety of NHS and independent settings, particularly within learning disability services. **Qualifications:** MBBS 1996. MRCPsych 2000. Studied medicine at Charing Cross and Westminster Medical School and trained

in psychiatry in Oxford and London

## **Governance Committees**

Our Governance Committees provide assurance and focus to key work programmes for the Board during the year. The Trust Board keeps its governance arrangements under constant review to ensure they remain fit for purpose. A formal review is undertaken at least on an annual basis.

## **Audit Committee**

The Audit Committee is charged with monitoring the effectiveness of our activities, controls and assurance processes of financial control and to bring to the Executive Board any items of concern. This effectiveness can be described in five broad categories of: integrated governance, performance, controls, value for money and probity.

The Audit Committee considered the valuation of our property and land and income recognition as significant audit risks in terms of their impact on our financial statements.

The value of the Trust's land and buildings increased significantly following the revaluation exercise carried out at the end of 2016/17 and, given the request from our auditors, KPMG, in their ISA 260 report for a management representation in respect of the omission of an obsolescence factor from the depreciated replacement cost valuation of buildings, the Trust elected to revalue our land and buildings again, with a view to establishing a better reflection of the costs and values of the Trust's assets. The Committee endorsed this approach.

Our main source of income is the provision of healthcare services to the public under contracts with NHS commissioners – NHS clinical commissioning groups, other providers and NHS England. This income is captured through the Agreement of Balances exercises, performed at months 6, 9 and 12. The Agreement of Balances exercise identifies mismatches between income and expenditure and receivable and payable balances recognised by the Trust and its commissioners and all differences are investigated by the finance team.

The inclusion of income from local authorities, however, represents a greater risk to the year-end position, as, typically, local authorities take longer than the NHS to pay and are excluded from the Agreement of Balances exercise. Given the materiality of such contracts, the Committee identified income recognition as an ongoing risk in 2017/18. The Trust participates in the national Agreement of Balances exercise.

In considering the Trust's Accounting Policies for the preparation of its financial statements, the Audit Committee considered the terms of the Partnership Agreement that governs the Surrey Healthy Children and Families Limited Liability Partnership (LLP), in particular clause 17.1, and noted that the Trust will provide a guarantee on demand to commissioners that the Trust will guarantee the provision of services to be provided by the LLP under the service contract. The Committee assessed the Trust's relationship with the LLP in the light of this guarantee and agreed that the materiality of losses incurred by partners means that, whilst the Trust has not triggered its additional rights, it would be justified in doing so and should, on that basis, account for its relationship with the LLP as a subsidiary consolidated into Group accounts with a 50% non-controlling interest.

During 2016/17 the work of our internal auditors moved to a more risk based approach and this resulted in an increase in the number of limited assurance reports, however the number has reduced to a total of two in 2017/18. From quarter 4 of 2017/18 and going forward it has been agreed by both Internal Audit and the Audit Committee that the audit reports should now reflect the outcome of both the controls design and the operation of these controls. Two levels of assurance are now being assigned for each audit report. There has been good progress in implementing internal audit recommendations and the Head of Internal Audit has provided a reasonable assurance opinion in his annual report.

The Council of Governors appointed KPMG as our external auditors, following a rigorous tender process in 2013/14 for a three year term. KPMG were successfully reappointed last year, following a renewed tender process, for a further three years with the option of a one or two year extension. The annual fee will be £73,250.

The external auditors have attended the Council's Audit Panel during the year to discuss their annual audit letter and provide assurance on the action taken in response to recommendations.

## Nominations Committee

The Nominations Committee advises the Trust Board about appropriate appointment and remuneration for the Non Executive Directors. In relation to the remuneration and terms of appointment for the Chairman and Non Executive Directors, recommendations are made to the Trust Board and then the Council of Governors to ensure they are in line with our reward strategy. The Committee also receives reports on behalf of the Council of Governors on the process and outcome of the appraisal for the Chairman and Non Executive Directors.

## Quality Committee

Our quarterly Quality Committee meetings provide a robust governance programme to assure the Board and Council of Governors that the essential standards of quality and safety are being delivered and that quality processes and learning are embedded throughout our organisation. The Committee receives reports giving a detailed annual review of specific functions and programmes, as well as providing triangulated reports across services. Membership includes people who use services and carers.

## Attendance at Meetings

Name	Trust Board 8 meetings	Audit Committee 4 meetings	Remuneration Committee 3 meetings	Nominations Committee 7 meetings	Quality Committee 4 meetings
<b>Non Executive Directors</b>					
Ian McPherson	8 of 8 (Chair)		3 of 3	7 of 7 (Chair)	
Jon Bye	3 of 8	1 of 3	0 of 3		0 of 2
Andy Field*	3 of 4	1 of 1	0 of 1		2 of 2
Rahul Jaitly~	5 of 6		3 of 3		2 of 2
Leslie Morphy	5 of 8	2 of 4	3 of 3		4 of 4 (Chair)
Mark Perry	6 of 8	1 of 3	3 of 3 (Chair)	7 of 7	
Jennifer Seeley~	6 of 6	3 of 3 (Chair)	3 of 3		2 of 2
Laurence Vine-Chatterton^	2 of 2	1 of 1 (Chair)			
<b>Executive Directors</b>					
Fiona Edwards	7 of 8	2 of 4			2 of 4
Lorna Payne	8 of 8				4 of 4
Helen Rostill	6 of 8				
Graham Wareham	7 of 8	4 of 4			
Jonathan Warren**	3 of 3				1 of 1
Justin Wilson	7 of 8				
Jo Young <sup>+</sup>	6 of 6	2 of 3			3 of 3
<b>Governors</b>					
Elaine Braithwaite				7 of 7	
Sean Fernandez				3 of 7	
Sandra Dessent				4 of 6	
Penny Burnett				6 of 6	
Margaret Hicks				5 of 6	2 of 2
Janice Clark					1 of 2
Don Illman''				1 of 1	
Tracey Hayes''				1 of 1	
Sally Brady''				1 of 1	
Karen Murray''				0 of 1	
Jane Peattie#				1 of 1	

\* Term of office concluded September 2017

~ Term of office commenced June 2017

^ Term of office concluded May 2017

\*\*Commenced December 2017

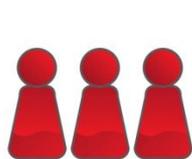
+ Retired December 2017

'' Term of office concluded April 2017

# Resigned September 2017

## Council of Governors

Our Council of Governors has 31 Governors, 25 of whom are elected. These are made up from the following constituencies:



Carers and Family  
3



People who live in the communities we serve  
8



Nominated Partners  
6



People who use learning  
disability services  
2



People who use other  
Trust services  
6



Staff  
6

All Governors are elected for a three year period. They can hold office for up to nine years, subject to being re-elected after each three year period. In January 2017, we started work to promote our Governor elections that related to 22 of the 25 public and staff seats. The election period concluded in April 2017 with contested elections in all constituencies except for three. All seats were filled and the new Council of Governors became operational from 1 May 2017.

Since this time two public Governors resigned from our people who use other services constituency and two staff Governors resigned from our Health and Care Assistants and Approved Social Workers constituencies. In two instances we were able to appoint the runner-up of the relevant constituency elections from April 2017 to replace those Governors who left. The term of office for two staff Governors and one public geographic Governor will come to an end in 2018 and elections are being scheduled to replace these outgoing Governors alongside the two existing vacancies.

Governors have been represented in our key development programmes this year, including our 24/7 Hospital Redevelopment, our Single Point of Access for Crisis Mental Health service and our Community Hubs.

The Governors are able to canvass opinion of the Trust's members and the public at our regular members' events and annual members' meeting, our quarterly Council of Governors meetings and through the wider networks that they are part of within their local communities.

The Board of Directors attends all Council of Governor meetings and Annual Members' Meetings to develop an understanding of the views of Governors and members. Periodic surveys of members are also undertaken to seek their opinions on specific topics.

## Register of Interests

We maintain a Register of Interests for Governors that is open to the public through the Governance Manager on 01372 216292 or [governors@sabp.nhs.uk](mailto:governors@sabp.nhs.uk).

## Composition of Council of Governors for the Period 1 – 30 April 2017

Class	Name
<b>Public Constituency – People who live in the communities we serve</b>	
East & Mid Surrey	Sally Brady
East & Mid Surrey	Jacqueline Clark
East & Mid Surrey	Charles Wood
NW & SW Surrey	Michael Bell
NW & SW Surrey	Lyn Day
NW & SW Surrey	June Richards
Hampshire & Rest of England	Terry Mead
Hampshire & Rest of England	Mike Nolan
<b>Public Constituency – People who use services and carers</b>	
Learning Disability	David Muir
Learning Disability	Pauline Wicks
Other Services	Alex Farkouh
Other Services	Tracey Hayes
Other Services	Don Illman - Lead Governor
Other Services	Karen Murray
Other Services	Edmund O’Leary
Other Services	Vacancy
Carers	Elaine Braithwaite - Deputy Lead Governor
Carers	Rosemary Moore
Carers	Ian Stronge
<b>Staff Constituency</b>	
Medical and Dental	Sean Fernandez
Qualified Nursing	Phil Boulter
Health and Care Assistants	Vacancy
Therapies	Anna Preston
Approved Social Workers	Vanessa Henry-Steinfort
Admin, Managerial and Facilities	Martin Clark
<b>Appointed Governors</b>	
Surrey County Council	Denis Fuller
	Margaret Hicks
Hampshire County Council	Roz Chadd
Borough Councils	Isuelt Roche
Action for Carers	Hasu Ramji
Surrey Police	Sam Meyer

## Composition of Council of Governors and Attendance at Council of Governor Meetings for the Period 1 May 2017 – 31 March 2018

Class	Name	No of council meetings eligible	No of council meetings attended
<b>Public Constituency – People who live in the communities we serve</b>			
East & Mid Surrey	Jacqueline Clark	4	3
East & Mid Surrey	Sandra Dessent – Deputy Lead Governor	4	3
East & Mid Surrey	Margaret Hicks	4	2
NW & SW Surrey	Darren Ayres	4	3
NW & SW Surrey	Caroline Button	4	3
NW & SW Surrey	Lyn Day	4	4
Hampshire & Rest of England	Steve Forster	4	2
Hampshire & Rest of England	Mike Nolan	4	0
<b>Public Constituency – People who use services and carers</b>			
Learning Disability	David Muir	4	2
Learning Disability	Darren Power	4	3
Other Services	Michele Amoah Powponne	4	3
Other Services	Alex Farkouh	4	4
Other Services	Isaac Bury (resigned January 2018)	3	0
Other Services	Rebecca Harris	4	1
Other Services	Jean Peatie (resigned September 2017)	2	2
	Karen Murray (appointed November 2017)	2	0
Other Services	Simon Telling	4	2
Carers	Elaine Braithwaite - Lead Governor	4	4
Carers	Penny Burnett	4	3
Carers	Janice Clark	4	3
<b>Staff Constituency</b>			
Medical and Dental	Sean Fernandez	4	3
Qualified Nursing	Phil Boulter	4	4
Health and Care Assistants	Nicole Wallace (resigned July 2017)	1	0
	Katharine Nurse (appointed July 2017)	3	3
Therapies	Anna Preston (term ended December 2017)	3	2
Approved Social Workers	Robert Giacche (resigned January 2018)	3	0
Admin, Managerial and Facilities	Martin Clark	4	3
<b>Appointed Governors</b>			
Surrey County Council	Cllr Bill Chapman (appointed July 2017)	3	3
	Cllr Tim Oliver (appointed August 2017, resigned January 2018)	1	1
	Cllr Edward Hawkins (appointed March 2018)	1	1
Hampshire County Council	Roz Chadd (resigned September 2017)	2	0
	William Withers (appointed November 2017)	2	2
Borough Councils	Isuelt Roche	4	1
Action for Carers	Hasu Ramji	4	4
Surrey Police	Sam Meyer (resigned September 2017)	1	0
	Craig Jones (appointed September 2017)	3	3

## Director Attendance at Council of Governor Meetings 2017/18

Name	No of council meetings eligible	No of council meetings attended
<b>Non Executive Directors</b>		
Ian McPherson	4	3
Jon Bye	4	0
Andy Field	2	1
Rahul Jaitly	3	3
Leslie Morphy	4	4
Mark Perry	4	1
Jennifer Seeley	3	1
Laurence Vine-Chatterton	0	0
<b>Executive Directors</b>		
Fiona Edwards	4	3
Lorna Payne	4	3
Helen Rostill	4	2
Graham Wareham	4	4
Jonathan Warren	2	2
Justin Wilson	4	3
Jo Young	3	3

## Membership

We offer Foundation Trust membership as an opportunity for people to understand and get involved with the work we do, particularly local people with an interest in mental health and learning disability services across Surrey, Hampshire and neighbouring counties. On 31 March 2018 the public membership total stood at 6,931. The membership is largely representative of the communities we serve; further details are available on page 48 of this report.

Constituency	Eligibility	Number of members
<b>Public Constituency – People who live in the communities we serve</b>		
NW & SW Surrey	Resident of NW or SW Surrey	2844
East & Mid Surrey	Resident of East or Mid Surrey	1484
Hampshire & Rest of England	Resident of Hampshire or residing in England	1649
<b>Public Constituency – People who use services and carers</b>		
Learning Disability	Someone who uses learning disability services	213
Other Services	Someone who uses other Trust services	293
Carers	A carer or family member of someone who uses services	448

There are six classes within the staff constituency and staff are aligned to one of these classes dependent upon their role. All staff employed by the Trust continuously or on a fixed-term contract of more than 12 months automatically become members unless they choose to opt out. When a staff member leaves the Trust they are asked if they wish to become a public member.

On 31 March 2018 the staff membership total stood at 2,620, including staff from Surrey and Hampshire County Council working in our services.

Our membership recruitment target is to achieve 7,000 public members and we expect to achieve this by October 2018. To support the recruitment of new members, there will be a Membership Workshop for Governors in November 2018. This workshop will review the growth and retention of Trust membership and assess progress against the strategy, whilst also offering the opportunity to discuss new ideas. An updated guide for membership recruitment for Governors was produced in April 2017 and this gives an overview of Trust membership information and can be used to support Governors in active recruitment of new members.

Over the last 12 months, our membership has grown by 394 new members. Work to recruit new members and retain existing ones continues to include strengthening our relationships with local community organisations, involving partners in the recruitment of new members and growing recruitment from under-represented groups. In 2017/18, we attended three local freshers' fayres and two career fayres for school-aged children which resulted in broadly maintaining our membership numbers in the 14-21 years age bracket.

Our membership events continue to be successful and have benefitted from a significant increase in attendance, with 644 people attending seven events in 2017/18. For the coming year, we have developed a new programme of members' events with topics including Supporting Young People, Interactive Workshops for People with Learning Disabilities, Understanding Drug and Alcohol Addiction, Adult Mental Health Support and Autistic Spectrum Disorders in Children and Adults.

Currently members who wish to communicate with either a Trust Governor or Director can do so by contacting the Governance Manager in the first instance.

# NHS Improvement's 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 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

At the time of publication the Trust was rated in segment 1, having been upgraded from segment 2, and it has not been found to have been in breach or suspected breach of its licence.

This segmentation information is the Trust's position as at 14 May 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 (1) might not be the same as the overall finance score shown below.

Area	Metric	2017/18 scores				2016/17 scores	
		Q4	Q3	Q2	Q1	Q4	Q3
Financial sustainability	Capital service capacity	2	3	4	4	1	1
	Liquidity	1	1	1	1	1	1
Financial efficiency	I&E margin	3	3	3	1	1	2
Financial controls	Distance from financial plan	2	3	3	1	1	2
	Agency spend	2	3	3	3	2	2
<b>Overall scoring</b>		2	3	3	3	1	2

Our financial performance gradually improved through the year as a result of concerted financial recovery planning and delivery implemented following Quarter 1 results. We ended the year with finance and use of resources score of 2, which is a good result.

# Statement of Accounting Officer's Responsibilities

## Statement of the Chief Executive's responsibilities as the Accounting Officer of Surrey and Borders Partnership NHS Foundation Trust

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

NHS Improvement, in exercise of the powers conferred on Monitor by the National Health Service Act 2006, has given Accounts Directions that require Surrey and Borders Partnership 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 Surrey and Borders Partnership 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, 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 Group and Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern
- Use the going concern basis of accounting, unless they have been informed by the relevant national body of the intention to dissolve the Group and Trust without the transfer of its services to another public sector entity

The Accounting Officer is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the NHS Foundation Trust and enable him/her 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 he/she determines 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.

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



**Prof Jonathan Warren**  
**Acting Chief Executive**

23 May 2018

## Annual Governance Statement

### **Scope of Responsibility**

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

### **The Purpose of the System of Internal Control**

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

### **Capacity to Handle Risk**

The Trust Board has overall responsibility for strategic risks. It defines risk tolerance levels, approval of the process to manage the risks and the assessment and the monitoring of the efficiency of the risks, to ensure the public interest is protected.

The Chief Executive (as Accountable Officer) chairs and leads the Executive Board, which defines the Risk Management Strategy and supporting policies and has full control of the risk management system. The Executive Board makes strategic decisions regarding possible further implementation and development, identifies and manages high level risks and ensures the existence of efficient and effective risk mitigation measures and controls.

The Quality Committee is chaired by a Non Executive Director and has delegated authority from the Board to monitor and provide assurance on the quality of our services, ensuring compliance with the regulatory bodies, and to ensure the risks to the delivery of quality services are identified, prioritised and actions taken to mitigate them within the risk appetite of the Trust.

The Audit Committee is formed of three Non Executive Directors and has delegated authority from the Board to review the establishment and maintenance of an effective system of integrated governance, risk management and internal control across the whole of the organisation's activities (both clinical and non-clinical). Additionally the Committee reviews the work of the external auditor and considers the implications and management responses from their work.

### **The Risk and Control Framework**

Our Risk Management Strategy and Policy are based on the principle that it is impossible to eradicate risks, so they must be identified and minimised in a manner that provides staff with the confidence that the organisation seeks to learn and not to blame when incidents occur.

The Risk Management Strategy is underpinned by policies and processes that allow all staff to proactively identify and manage risks, incidents and near misses as they occur and to ensure learning from these takes place and is embedded.

Our Risk Management Strategy was approved in June 2017 and is currently under review to ensure we are fully aligned to the International Standard for Risk Management ISO3100. The strategy will also reflect an updated risk register format that will enable us to strengthen governance processes for the management, review and monitoring of risks from ward to Board.

The Incident Management (including serious incident) Policy which expires in July 2018 is currently going through internal consultation and is aligned to the national Serious Incident Framework. The Incident Management Policy clearly outlines the process of reporting incidents electronically through the Trust's electronic risk management system.

We have a fully paperless incident reporting and risk escalation process, which allows for tracking of outcomes from action taken following the reporting or escalation of a clinical and corporate incident or risk, including data security risks. Real-time reporting has enabled prompt resolution of risks escalated in clinical and corporate areas, including data security.

Cyber security remains a growing concern for us with a number of associated risks to the confidentiality, integrity and availability of both corporate and patient data. A successful cyber-attack has the potential to affect patient care and general service provision.

In 2017 we commissioned a CareCert audit of our cyber security which identified some weaknesses in our current provision. We have completed a number of actions to address the critical areas of concern and a re-audit, undertaken in April 2018, has found we have made good progress against our action plan. However, we do require significant investment in our infrastructure to address some of the security improvements identified. These are scheduled to take place in the year ahead including deploying new management solutions and upgrading our desktop operating systems. On top of this we are aiming to gain the Cyber Security Essentials accreditation to validate our progress by the end of the next financial year.

In 2016 we were prosecuted by the Health and Safety Executive, following the sad death of a person using our inpatient services on the Epsom Hospital site in May 2014, at which we pleaded guilty. We were ordered to pay a fine of £300k in summer 2017.

### **Board Assurance**

The Board Assurance Framework is developed by the Trust's Executive Board and the Trust Board. Its purpose is to ensure that the Board focuses on the risks to delivery of the strategic objectives. The Board Assurance Framework format was reviewed by the Audit Committee to ensure it remains relevant and effective for this organisation at its meeting in May 2017. The Board Assurance Framework is informed by, and linked to, the Trust's High Level Risk Register. The Framework is reviewed regularly by the Board to ensure reporting to the Board continues to provide sufficient assurance on the mitigation of risks to its strategic objectives.

People who use services, carers and two Governors are on our Quality Committee. In addition, the Trust has a Forum of Carers and people who Use Services (FoCUS) and a Carers Action Group, both of which raise any issues of concern and have a work programme that holds the Trust to account for any improvements. We also have integrated arrangements with Surrey CAMHS Youth Advisors (CYA) who provide feedback and get involved on all aspects of our children's mental health services.

The Trust Board identifies the risks to the delivery of its strategic objectives within its Annual Plan. These are reflected in the Board Assurance Framework 2017/18.

### **The Trust Risk Register**

We have a simplified process in place for the escalation of risks through the Trust's risk management system. This simplification and access to the risk module electronically has enhanced the ability for clinical teams to escalate risks to the Board. There is greater openness and transparency in the escalation and scrutiny of risks logged.

The high level risks are reviewed weekly at the Safety Huddle, formed of senior managers as well as members of the Executive Board, to ensure a focus on rapid mitigation of risks. The Trust Board receives a risk report on a regular basis, thus demonstrating an embedded continuous risk review process. Mitigating actions to address high-level risks are also discussed on a weekly basis at the Trust's Safety Huddle meeting, to provide regular oversight and ensure actions are delivered.

Specific actions to mitigate strategic risks were identified as part of the Annual Plan process. Progress against these in 2017/18 was monitored and reported to the Executive Board and Trust Board on a quarterly basis as part of the Annual Plan Delivery Report. These reports consider the level of risk and award a Red/Amber/Green rating to each risk. This report provides the basis for the Board of Directors' reporting to NHS Improvement and the Council of Governors on our progress against the Annual Plan. Following the assessment of residual risk - after mitigating controls, assurance and action plans have been applied - one risk has been identified as 'High' or 'Red' at year-end. This 'Red' risk refers to staffing and we have a number of mitigation actions in place including participation in Wave 3 of the NHS Improvement Retention Programme, a rolling recruitment programme for nursing and health care assistant vacancies, strengthening our university connections, and undertaking a review of our current retention incentives including additional payments for hard to recruit to posts.

A thematic review of the Trust risk register highlights the following highest clinical risks within our major operational risk themes:

- **Recruitment and retention of staff** - We continue to work to deliver our commitment to safe staffing levels, by considering how we can continue to attract individuals to accept offers of employment in our Trust and how we can ensure staff feel engaged and supported in their roles, so that they are more likely to choose to stay with us. There is the potential for difficulties in recruitment to impact upon quality, safety and operational delivery of our services
- **System pressure** - There is increasing pressure throughout the health economy. This includes challenges by working differently and in an integrated way through to difficulties discharging people from inpatient services to appropriate community services or placements, and this can lead to pressure on beds at the point of admission. This has required us to introduce new service models, systems and processes to ensure people who use our services are able to access the most appropriate care for them, in partnership with others
- **Mobilisation of services** - Opportunities and threats arising from the potential for system change are likely to affect our short-term operational and governance processes, through the on-boarding and off-boarding of services, and has the potential for impacts to staff, people who use services, carers and working relationships with partner agencies as a result of service transition affecting the business, governance, operational systems and processes required to deliver effective, high quality and safe services

## Risk Management Training

Throughout 2017/18 there was a comprehensive training programme for all appropriately qualified staff. There is a comprehensive rolling three-year process to ensure a constant supply of up-to-date programmes. Clinical risk training is available at corporate induction for all new recruits and staff who are already in post who require the programme are also encouraged to attend.

The Clinical Risk and Safety Team disseminates lessons learnt from serious incident investigations to all staff through our weekly e-bulletin and by attending directorate Quality Action Groups in addition to delivering bi-monthly lessons learnt sessions for staff. Our Suicide Prevention Information Network events continue to be held quarterly, to share wider learning from inquests and suicides in Surrey and nationally.

Quality improvement and learning is sustained and protected by assurance and good governance. Our quality assurance processes operate from our Board, supported by our Quality Committee and Executive Board through our Directorate Management Teams and Divisional Quality Assurance Groups to our front line and back.



Our ethical issues groups offer time for reflection and problem solving about complex situations that often involve an apparent mental conflict between moral imperatives.

## CARE Excellence Accreditation

We continue to aspire to be best in class as outlined in our Quality Plan and have now completed year-two of our CARE Excellence Accreditation process, which is our internally developed process to improve the quality of our care through challenging our services to become 'Outstanding'.

Foundation Standards reviews are the first step towards accreditation. All services have undertaken a Foundation Standards self-assessment and peer review and have subsequently been given a rating which reflects the CQC rating process. The key is as follows:

Rating	Scoring
Outstanding	
Good	Score of 95% and achieved all mandatory standards
Requires Improvement	Score of below 95% and above 84% or score of 95% or above but not achieving all the mandatory standards
Requires Significant Improvement	Score of below 85%

The rationale for this is to ensure that key mandatory standards are given a higher weighting. Although a service might have scored high for the other standards they couldn't achieve a 'Good' rating without meeting the mandatory areas.

All services have an action plan from the Foundation Standards reviews to focus their attention.

During the year, four services did not meet the minimum scoring of 85% for their peer review. Three of these services have since had a full review and have shown significant improvement whilst the fourth service is currently working through its action plan.

We now have eight services which have been successful in achieving accreditation to a rating of 'Outstanding' with 12 more on the way. These Exemplar Services have proved that they function well above baseline expectations and involve people well and deliver good outcomes. Other services can arrange visits to these services to see and share good practice.

### Information Governance

Our Caldicott Guardian is our Chief Nursing Officer. The Chief Finance Officer is the Senior Information Risk Officer (SIRO) on the Trust Board. The Information Governance Steering Group, which meets monthly, oversees and ensures performance in all components of Information Governance. We have identified the Directorate Senior Information Risk Officers (SIROs) and asset owners. Information governance risks are managed by staff through the use of information governance policies and procedures, supported by a process of in-depth training, training on induction courses and support materials available on our intranet.

Our Information Governance Assessment Report overall score for 2017/18 was 74% which means we received an 'Unsatisfactory' rating. This was due to only 90% of our staff being compliant with their information governance training instead of the 95% requirement. This has since been addressed and 97% of staff are now compliant.

There were no serious information governance incidents during 2017/18.

## **Care Quality Commission**

Following an inspection of our Well Led domain by the Care Quality Commission in July 2017, our overall Trust rating for the quality of our mental health and learning disability services has been upgraded from 'Requires Improvement' to 'Good'.

We have made significant improvements in our social care residential homes during the past year which has enhanced the experiences for people who live in our homes and their families. At the end of March 2018, 100% of our homes were rated as 'Good' overall following re-inspections by the Care Quality Commission.

A planned core inspection of our community and inpatient drug and alcohol services was undertaken in February 2017, which incorporated our i-access services across Surrey and our partnership services with Cranstoun in Brighton & Hove and Hounslow. The report was published within this year highlighting the 'Good' rating received overall and across all five of the Care Quality Commission domains. This is reflective of the excellent services we provide for this vulnerable community.

In April 2017, the Care Quality Commission undertook an unannounced inspection of our inpatient services for adults at the Abraham Cowley Unit in Chertsey. We were issued with two requirement notices to make improvements to the layout and lighting in our dormitories which have since been addressed.

We also received a planned inspection of the Deacon Unit, our inpatient service for people with learning disabilities, in January 2018. The unit was well received by the inspectors and we achieved an 'Outstanding' rating for the Well Led domain with an overall rating of 'Good'.

Surrey and Borders Partnership NHS Foundation Trust is fully compliant with the registration requirements of the Care Quality Commission.

## **Control Measures**

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

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

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

## **Review of Economy, Efficiency and Effectiveness of the Use of Resources**

The Board ensures economy, efficiency and effectiveness through a variety of means, including:

- A robust pay and non-pay budgetary control system, including monthly meetings with budget managers across the divisions to review spend and monthly reporting to the Executive Board on finances and value for money
- A range of effective and consistently applied financial controls
- Effective tendering and waiver procedures
- Robust workforce and establishment control processes
- Continuous review of service activity and improvements, service delivery and modernisation
- A robust cost improvement programme ensuring that corporate and operational units are effectively delivering the savings required and the best allocation of resources

The Board ensures services are efficient and effective through its CARE Excellence Accreditation process and by ensuring our services maintain our registration. We have also improved the frequency of direct feedback from people using our services, to further improve care provision, through our patient experience trackers, Your Views Matter. The Trust Board uses a walk-around programme for Directors and Governors to regularly visit and inspect our sites, to ensure care standards are being met.

Our capital disposal programme prioritises sites that can be sold to fund future service needs. Capital expenditure is prioritised for health and safety, ligature minimisation and environmental improvement, before strategic developments are undertaken. A proportion of our income in 2017/18 was conditional upon achieving quality improvement and innovation goals.

We agreed nine CQUIN (Commissioning for Quality and Innovation) indicators with the main NHS Commissioners. Performance against these indicators is monitored at the NHS contract meetings and internally at the Executive Board. A Litigation, Risk and Safety Committee analyses any serious incidents to ensure lessons can be learnt and appropriate remedial action plans are implemented.

Internal Audit ensures constant review of effective control processes are in place to deliver best value for money. An annual work plan is agreed with the Audit Committee to ensure areas of concern are addressed.

## **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.

In 2017/18 the Board and Council of Governors received quarterly exception reports highlighting our performance against the indicators set for the year.

Learning from incidents is one of the many ways of ensuring continued improvement in the quality of what the Trust does. Others include:

- Walk-arounds by members of the Trust Board and Governors to services, ensuring each one is visited to provide opportunities for staff, people who use our services and carers to tell Directors and Governors how things are from their perspective
- Adaption of 'Your Views Matters' surveys, providing people with an opportunity to feed back about their experiences in alternative accessible versions
- Implementation of our in-house quality assessment tool, CARE Excellence Accreditation, to increase the standards expected from all clinical teams

Throughout 2017/18, we have continued to develop our processes for scrutiny, investigation and reporting of people's deaths, with leadership transferring from our Chief Medical Officer to our Chief Nursing Officer in Quarter 4.

This includes:

- Continued development of our mortality case note review approach
- Reviewing deaths of individuals who have been discharged from our care but who had engaged with our services within 12 months to ensure continuous learning
- Establishing a learning disability mortality case note review approach which includes a wide range of stakeholders involved in the life and care of the person
- Appointing a dedicated Mortality Assurance Coordinator with complete focus on our mortality surveillance approach
- Quarterly reports to the Trust Board identifying learning and themes to inform our practice development and, in some cases, those of system partners

Our approach, together with our focus on near misses, high level incidents and serious incidents, is helping to ensure we are taking every opportunity to learn what further steps we can take to prevent harm or death amongst people who use our services.

In preparing the Quality Report, Directors have taken steps to satisfy themselves that the content of the Quality Report is not inconsistent with internal and external sources of information including Board minutes and papers, feedback from the commissioners and national NHS survey data for people who use services and staff.

The Quality Accounts present a balanced picture of the Trust's performance over the period covered.

## 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 and the Audit Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

My review is also informed by detailed reports from both internal and external audit and feedback from NHS Improvement, the Care Quality Commission and NHSLA.

The Trust has maintained the registration of all its health and social care services. This is closely monitored by the Executive Board. The essential standards are monitored through our Care Excellence Accreditation process.

Maintenance and review of the effectiveness of the system of internal control has been provided by the comprehensive mechanisms already referred to in this Statement. These include:

- Regular reports to the Trust Board using our Quality House framework and including our risk theme report
- Annual Quality Accounts
- Receipt of reports from key Trust forums and processes, including the Trust's Audit Committee and Quality Committee
- Monitoring of compliance against the essential standards of quality and safety
- Our internal, external and clinical audit programmes
- The ongoing development of the Assurance Framework and associated action plans including the provision of exception reports to the Trust Board

As a result, the following outcomes have been achieved:

- Regular review of the Board Assurance Framework and the High Level Risk Register to ensure appropriate action plans are identified and implemented to minimise the impact of risk across the Trust
- Embedded importance of the roles and relationships of the Quality and Audit Committees in providing assurance to the Board, to reflect the organisation's development and enhance our ability to review trends and target the internal and clinical audit plans, to review the processes and procedures to manage key risks within the Trust

As part of the Internal Audit programme, a total of 10 final reports have been issued to date and a further five reports are at draft reporting stage. These reviews cover key governance processes including: policies and procedures management; training - statutory and mandatory; security arrangements - staff, people who use services and visitors; short notice staff visits; learning lessons from serious incidents, safeguarding incidents and complaints; mortality review - data capture and learning/embedding lessons; safe wards - focusing on bed flow processes and delayed transfers of care; assurance framework and risk management; critical financial assurance; electronic staff record and payroll controls; Quality Accounts - indicator testing; soft facilities management outsourcing - appraisal review; quality and safety assurance; review of shift pattern changes; and the information governance toolkit.

From the final reports issued to date, overall the committee has received one review offering 'Limited Assurance' (three in 2016/17) and no audits have established a 'No Assurance' opinion. The area that received limited assurance was in learning lessons from serious incidents, safeguarding incidents and complaints. Action plans have been developed to address the issues raised in these reports and are well progressed.

Two reviews carried out by Internal Audit were not assigned a level of assurance, as they were not assurance audits. These were the review of shift patterns changes and the information governance toolkit review phase 1.

### **Conclusion**

No significant internal control issues have been identified in the Annual Governance Statement.



**Prof Jonathan Warren**  
**Acting Chief Executive**

23 May 2018

# Quality Accounts Report



**The Children and Young People's Haven are our CARE Partners of the Year**

# Part One: Statement on Quality from the Chief Executive

2017/18 has been another significant year of progress and challenge across our services. Our staff have worked tirelessly to champion the interests of people who use our services, their carers and families through their day to day work and the increasing opportunities for greater collaboration with our partners across our system.

Since joining the Trust in November 2017, I have been struck by colleagues' ambition and openness to embrace different ways of working to improve our services and help people live better lives.

Reflecting back over 2017/18 I feel we should be particularly proud of a number of key achievements:

- Going Smoke Free in October 2017 - led by our Care2Quit project team of staff and people who use services and carers as part of our drive to improve physical health and well-being and reduce the health inequalities of people with mental ill health
- Taking our suicide prevention work to the next level including:
  - Holding our first suicide prevention conference in July 2017 joined by Angela Samata, previously of SOBS (Survivors of Bereavement by Suicide), and hosting the first of our programme of suicide prevention workshops tackling aspects such as autism and suicide and preventing suicide in hard to reach groups focusing on men
  - Signing up to the Zero Suicide Alliance pledge
  - Launching our Recovery College suicide prevention training modules with fantastic feedback from those who have taken part about the difference it is making for them
- Opening our first Children and Young People's Haven in Guildford providing a safe place for those in crisis as an alternative to A&E, followed by the Haven in Epsom; with more being added at the start of 2018/19
- Launching Qi@SABP with our dedicated and enthusiastic team developing our skills in quality improvement (Qi) methodology across our services and providing a focus for accelerating this in 2018/19. To date 900 people have been trained in quality improvement techniques
- Achieving a Care Quality Commission rating of 'Good' overall as a result of our Well Led inspection in July 2017, with each of our residential social care homes for people who use our learning disabilities services achieving 'Good' ratings and our Drug and Alcohol core services also achieving a 'Good' rating following their inspection in February 2017. The Care Quality Commission has not taken any enforcement action against us during 2017/18

I have also been proud of colleagues whose work has been recognised by others through national awards. Notably our:

- TIHM (Technology Integrated Healthcare Management) for dementia research project won the EHI Award for Best Mental Health Initiative; people with dementia and their carers and families who have taken part in TIHM have been inspiring about the positive impact this technology assisted approach has had on their lives. We hope the trial will have a national influence on how to care for people with dementia in the future
- People before Process initiative won the first Speaking Up Together Award at the NHS Employers Freedom to Speak Up Awards for our work to reduce the over-representation of BME staff in our disciplinary procedures
- Extended Hope Service won the Crisis Services Award at the Children and Young People's Positive Practice Awards for their work to support 11-18 year olds experiencing an emotional or mental health crisis

Our clinical quality indicators have helped us to keep focused on our priority areas for improvement over the last 12 months. We have been pleased to see improvements in some for example:

- 91% of the 4,325 people answering our Your Views Matter survey question said they were "extremely likely or likely" to recommend our services to friends and family
- 264 people in our inpatient services have attended a physical health clinic whilst on our wards; this initiative was started by Clare ward as has now spread successfully to others
- There has been a 35% reduction in the number of occasions people on our inpatient wards have attended A&E as a result of severe self-harm from 66 to 43

We are however disappointed to have not seen more improvement in the following areas which we will continue to prioritise in 2018/19:

- Reducing the length of time that people using our services have to stay in hospital for reasons other than their mental health because we cannot transfer them safely to their home or other residence with the right support (Delayed Transfers of Care)
- Increasing the numbers of carers who have been offered and received a carers' assessment
- Improving the experiences of our staff from BME backgrounds and those with a disability

Learning from when things go wrong is always one of the most difficult, and important, areas of our practice. In the last year we have continued to make sure we learn from incidents, and increasingly near misses, to improve our practice and to reduce, and prevent harm, to the people in our care. In particular we have further developed our approaches to learning from the tragic circumstances when someone dies in our care.

We draw our learning from our own investigations immediately and, following this, from the Coroners' reviews and, on occasions Preventing Future Deaths notices, when these provide us with new insights into what could have been predicted or prevented.

In October 2017 we were very sad to learn that the Coroner found neglect contributed to the death of Anthony Dawson who died in May 2016 at our Ashmount residential care home for people with a learning disability. We had taken immediate actions to implement changes following Anthony's death in 2016 but the Coroner's review identified further work for us to improve the connectivity of our social care homes with primary care. Our Chief Medical Officer is leading our work to achieve this. NHS England is currently carrying out an independent review of Anthony's care and we are keen to make sure we incorporate any lessons learnt when the report is finalised. Ashmount has been rated 'Good' by the CQC since March 2017 following re-inspection.

This year we have also been particularly disappointed with the long waiting times children and young people and their families have experienced, particularly in our Child and Adolescent Mental Health Services, Mindsight Surrey CAMHS.

Mindsight Surrey CAMHS was designed to offer an exciting new approach to services for children and young people and their families based on an estimated demand for services, some of which were areas of known unmet and growing need, eg behavioural conditions. Sadly we have learned after 12 - 18 months of operations that the actual demand significantly outstrips the anticipated demand and, therefore, the service as currently designed. Our teams, and those of partners, in these services have worked tirelessly to make the best use of their expertise to see and treat those children with highest need. Immediate actions have been taken also to ensure the safety of children currently waiting within the service for routine appointments. However, a longer-term solution is required to ensure the service is sustainable. This will be a priority for 2018/19 and we are working with the support of our commissioning and primary care partners to co-design an effective service for the future.

Our partnership with CSH Surrey and First Community to bring together physical and mental health services for children and families in Surrey, known as Children and Family Health Surrey, commenced in April 2017. Since then our teams have worked hard to build the partnership and develop transformation and improvement plans to implement the new model devised for the service. We provide the Developmental Paediatric Service within the partnership. Within this service also we have needed to focus on improving the access times; particularly for Individual Health Assessments for looked after children. We have worked with Surrey County Council to address this, and appointments are now being booked for assessments in a timely way. We have also jointly commissioned a review of this service with our commissioners to agree a sustainable model for the future.

In 2017/18 we were delighted that 68% of our staff took the time and trouble to tell us what they think of being part of this Trust through the national staff survey. This response rate is again one of the highest achieved across the country. Our results show significant improvement in a number of areas, and we continue to perform well when compared with others. This is really good but I do not believe these results match our ambition.

We will be focusing on four areas for improvement we have identified during the next 12 months of valuing staff, health and wellbeing, communication and fair treatment.

I am inspired every day by the dedication of our staff and the generosity of the people who use our services, their carers and families and partners to help us get better at what we do. Looking forward I want our Qi@SABP approach to harness this and galvanise our efforts to make us the safest and best Trust and help even more people in the communities we serve live better lives.

I am satisfied that the information in the document is accurate with the exception of being able to satisfy myself that local information presented in the report is materially reliable and accurate, we are developing our quality assurance processes to improve on this reporting.

A handwritten signature in black ink that reads "Jonathan Warren". The signature is written in a cursive, slightly slanted style.

**Prof Jonathan Warren**  
**Acting Chief Executive**

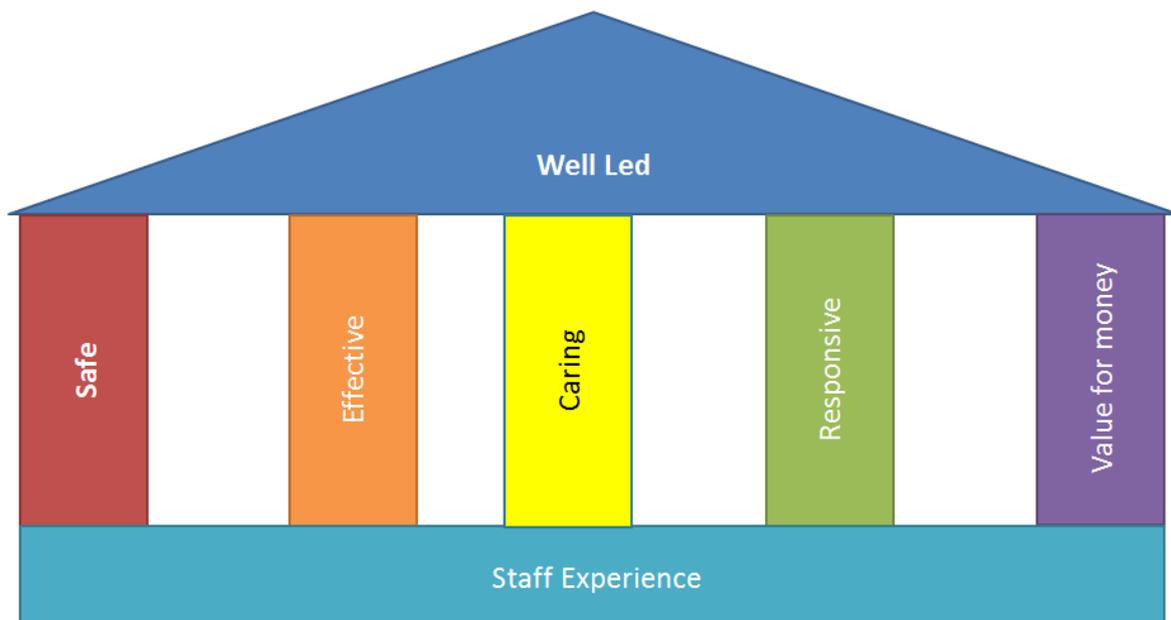
23 May 2018

# Part Two: Priorities for Improvement and Statements of Assurance from the Board

Surrey and Borders Partnership NHS Foundation Trust's quality improvement priorities for 2017/18 are outlined below. We identified these quality improvement priorities by consulting our Trust Board, Executive Board and Council of Governors. Our Governors include members of the public, people who use our services, carers, and staff. We have also taken into account previous performance monitoring, our equality objectives, our Your Views Matter experience surveys, and results from previous national surveys and by mandated indicators.

## 2.1 Priorities for Improvement

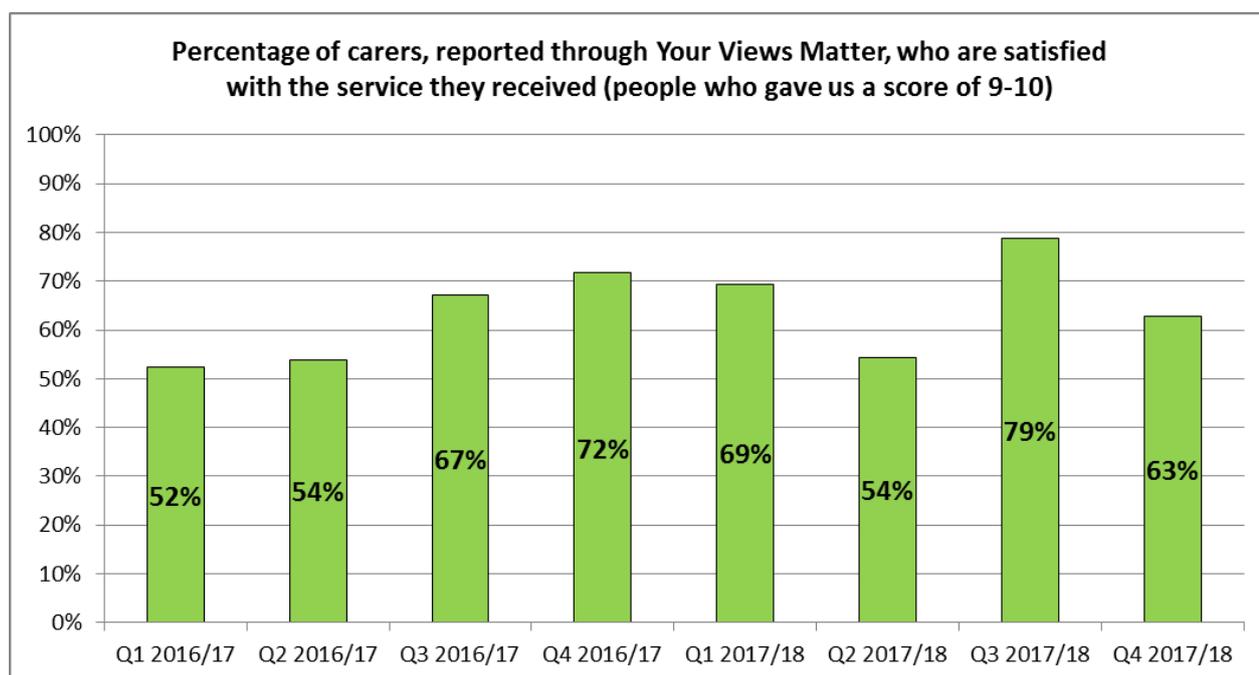
The following is an outline of our progress for each of our clinical quality priorities for 2017/18. We report on our progress to our Trust Board, Executive Board and Council of Governors and we publish our performance on our website.



## Caring

Clinical Quality Priority 1	Progress
<p><b>To improve the percentage of carers, reported through Your Views Matter, who are satisfied with the services they received by 10% over next two years</b></p>	<p>We are pleased to report that we reviewed our use of our people’s experience feedback survey, Yours Views Matter, for reporting carers’ views and we implemented changes during quarter 4 of 2016/17.</p> <p>We are disappointed to see our performance dip at quarter 4 and note that there are still carers who are not satisfied with the service they received. We are undertaking more work to deliver a consistent approach to supporting carers across all of our services.</p> <p>Our Carer Practices Advisors continue to support and train our clinical service staff on good practice and they support carers of people who use our services where there are complex situations.</p> <p>As a Trust we have a Carers Action Group which meets bi-monthly holding us to account for the delivery of our two carers’ action plans. We are also a member of the national Triangle of Care, for which we have been awarded our two gold stars. To achieve those stars we had to evidence that we have completed a national self-assessment tool in all our clinical services.</p>

### Evidence



Source: The figures in the chart are from our local people’s experience feedback survey Your Views Matter

**Clinical Quality Priority 2 Progress**

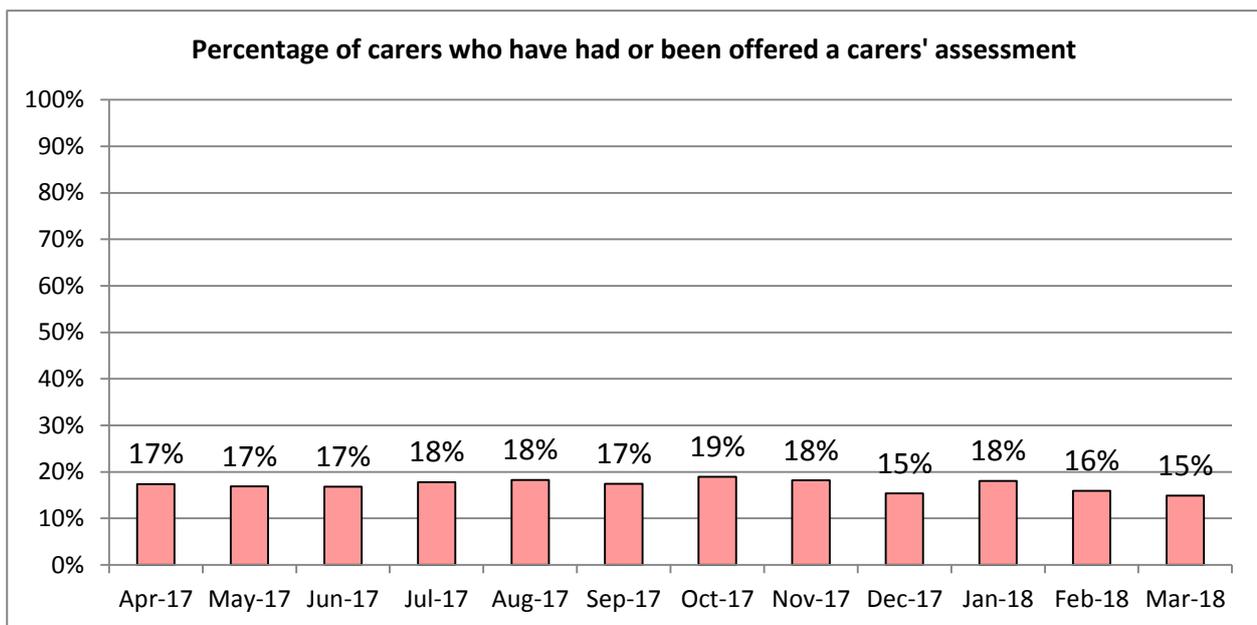
**To improve the number of carers being offered a carers' assessment by 15% over next two years**

We started reporting on carers' needs assessments using information from our electronic records system, SystemOne, in November 2017 and historical data is available back to April 2017.

Our local data, shown in the chart below, indicates that the proportion of carers who have had, or been offered, a carers' assessment is lower than we expected. The results of a recent audit indicate that this data is inaccurate and it understates the percentage of carers with an assessment.

We audited a sample of 141 of 170 carers' records and found that 109 people in the sample were confirmed as being carers, of which 80 carers (73%) had received or been offered a carers' assessment. The audit results suggest that staff do not always record carers, and carers' assessments, correctly on SystemOne. We are working to resolve this.

**Evidence**



Source: Local data from SystemOne, as reported via our Data Analysis & Reporting Tool (DART)

The chart includes carers of people using the following services: Community Mental Health Recovery Service, Community Mental Health Services for Older Adults, Inpatient Services, Early Intervention in Psychosis Services, Home Treatment Teams, and Community Forensic Services. Learning Disabilities Services and Child and Adolescent Mental Health Services are not included because carers' assessments for those services are completed by county councils and recorded on their electronic systems.

## Staff experience

### Clinical Quality Priority 3

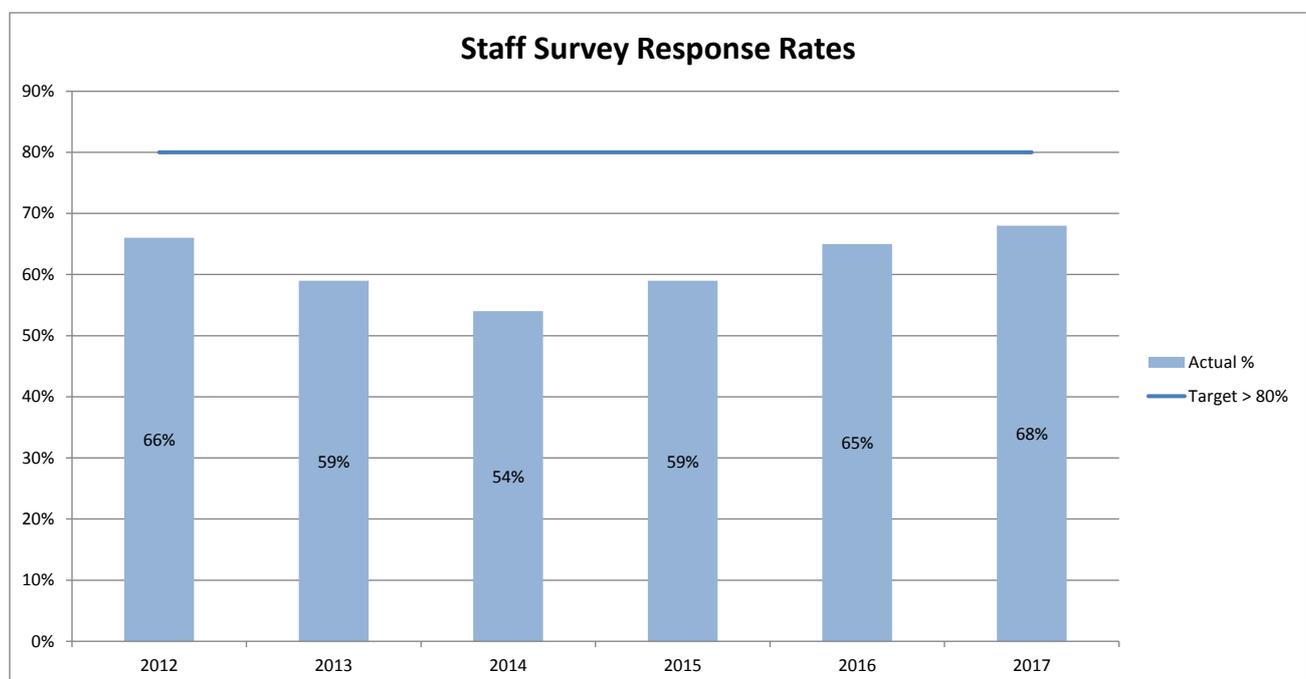
### Progress

**To have a response rate of 80% to the national staff survey by 2020**

We are pleased to say that in 2017, we achieved an increased return rate of 68% for the national staff survey, compared with 65% in the previous year. This is our highest staff survey return rate over the past six years.

The national average has not been published yet, but we had the highest return rate of Trusts that ran their survey through Quality Health (not including CCGs). We ran weekly information updates for all senior managers on their completion rates and numerous briefings for our staff. We offered an incentive of the chance to win one of two Kindles in a draw for all service categories that achieved a return rate of over 80%. The number of teams who achieved 100% return rate increased in 2017.

### Evidence



Source: National Staff Survey

Clinical Quality Priority 4	Progress
<p><b>To implement a selection of Improving Access to Psychological Therapy (IAPT) measures in our mindsight Child and Adolescent Mental Health Services (CAMHS) to demonstrate outcomes for children using this services</b></p>	<p>We are committed to implementing the national clinical programme to improve access to psychological therapies services for children and young people. To support this programme we have appointed a programme lead and we are a member of the Surrey Children and Young People IAPT Partnership Board which has agreed a mobilisation plan and programme of work. As part of this programme we have to implement a person-level outcome tool which aims to measure if a person has benefited from their clinical treatment. We have purchased an electronic system called CheckWare to record outcomes for people using our Children and Young People IAPT service.</p> <p>We are recording outcomes more frequently and more consistently:</p> <ul style="list-style-type: none"> <li>• Analysis in April 2018 has shown a 253% increase in recording Routine Outcome Measures (ROMs) in the last 3 months compared to the previous 12 months</li> <li>• Our recording of reviews and assessments has quadrupled in the last 4 months compared to the previous year</li> <li>• One of the recommended Routine Outcomes Measures is the Revised Children's Anxiety and Depression Scale (RCADS). This is our most frequently used measure used in 73% of cases</li> </ul> <p>In terms of the broader project:</p> <ul style="list-style-type: none"> <li>• We have delivered our first Communities of Practice event which involved system-wide representation</li> <li>• We are planning a further event in May 2018 focusing on workforce. Commissioners will introduce us to the skills audit tool that has been designed for us</li> <li>• We are planning an internal training session for staff in June 2018</li> <li>• We are working jointly with the CAMHS Youth Advisors on a Participation Strategy</li> <li>• Our outcome leads have attended workshops to prepare us for submitting outcomes data nationally</li> <li>• We continuing to work to identify a suitable software solution for outcome reporting</li> <li>• We held a Clinical and Partnership Approach (CAPA) job planning session in April 2018 with our consultant and managers/professional leads, to enable us to plan jobs consistently across our services</li> </ul>

**To have comprehensive nursing care plans for all people who use our in-patient services**

During 2017/18 we undertook quality assurance audits to determine the quality of our nursing care plans. A recent audit showed an improvement in the number of people who now have comprehensive care plans catering for their nursing needs. We continue to focus on building consistency in practice, in particular linking care plans to risk assessments, involving and sharing care plans with people who use services. We have also delivered targeted training events as part of the CARE Excellence Accreditation programme.

In addition to people having comprehensive nursing care plans we have also seen evidence that:

- Our care plans routinely include considerations of physical health care planning and a majority of these are being reviewed on time, with a narrative given to support the review
- Our nursing care plans have a clear purpose and are very positive and use recovery focused language throughout

The data in the charts below is taken from our monthly record-keeping data for all working-age adult and older adult inpatient services for the period June 2017 to March 2018. Comparable data for April and May 2017 is not available because we revised the audit tool used to collect the information. There is a large range of questions included in the record-keeping audit and the data in the charts below is taken from a question relating to care planning.

All of our services are expected to audit a set number of records per month and review the results at a team and individual level through supervision. We also monitor care planning through our CARE Excellence Accreditation Foundation Standards reviews which include care planning as a mandatory area and our Quality Improvement team carries out annual audits. In addition, we ask people using our services for their feedback regarding care plans through our Your Views Matter feedback surveys.

**Working-age Adult Inpatient Services**

The care planning audit question for working-age adult inpatient services is:

- **Is there evidence in the person's record that care plans have been reviewed or updated, in line with the suggested review date?**

During the ten-month period June 2017 to March 2018, 262 record keeping audits were completed for our working-age adult inpatient services. The number of surveys completed each month varies from 18 surveys to 34 surveys. This variation in the number of surveys completed can have an impact on the data. For example, there is a dip in compliance to 72% in July but only 18 surveys were completed that month, whereas 34 surveys were completed in October and the result for that month was 100% compliance. This highlights the importance of consistently completing the audits each month to give an accurate picture of the service.

Our overall compliance for the period June 2017 to March 2018 was 94%, which is very positive and indicates that our teams are reviewing people's care plans regularly. We are working to ensure that this is undertaken for every care plan, every time.



Source: Local data, derived from an audit of SystmOne records

**Older Adult’s Inpatient Services**

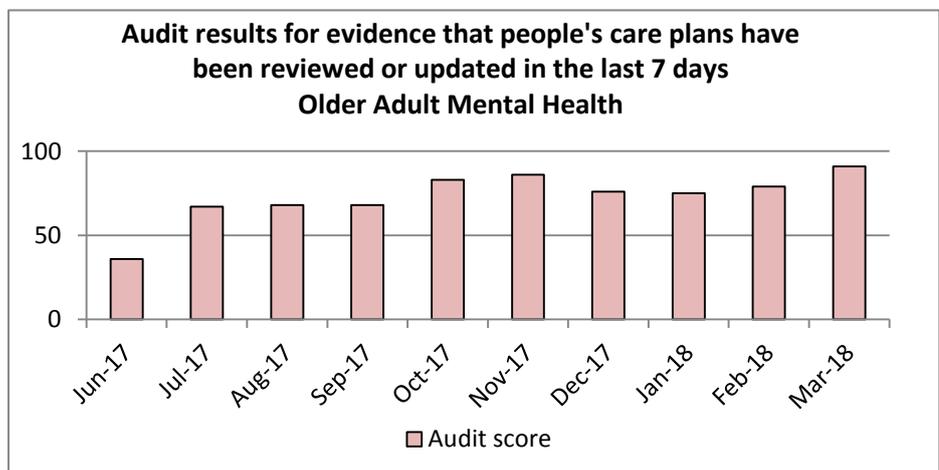
The audit question for older adult’s inpatient services is:

- **Is there evidence on SystemOne that care plans have been reviewed or updated in the last 7 days?**

The data in the chart below is taken from the older adults’s inpatient record-keeping audit, covering the period June 2018 to March 2018, and using a similarly-worded question with a total of 239 audits completed.

It must be stressed that for June 2017, which shows 36% compliance, only 11 audits were completed, compared with 22 to 28 audits per month for the other months. We are working on ensuring increased consistency in our auditing of records in accordance with locally agreed targets.

However, as indicated in the chart below, compliance for our older adult’s inpatient services is not as high as it is for our working-age adult services. There were only two months in which services were reviewing care plans where compliance was at an acceptable level. Performance for the other months ranged between 67% and 83%. This is an area where continued focus is taking place through supervision and training.



Source: Local data, derived from an audit of SystmOne records

**To be a Smoke Free Trust by October 2017**

On the 2nd October 2017, we became Smoke Free. People who use services, staff and visitors can now no longer smoke tobacco products on any of our premises, including car parks and inpatient gardens. This comes as part of our wider health and wellbeing drive which aims to promote the important link between physical and mental health.

The Care2Quit project was incorporated into business as usual in operations in February/March 2018. The Smoking Cessation Workers have continued their high visibility on the wards and easy access to staff and people who use services increasingly across the Trust. This steady work has culminated in improved results, as shown in the table below.

**Smoking cessation reporting period 01/04/2017 – 31/03/2018**

Measure	% Achieved	Numerator	Denominator
9a Tobacco Screening	57%	510	902
9b Tobacco Brief Advice	65%	151	232
9c Tobacco Referral and Medication Offer	41%	96	232

We have implemented various strategies that have resulted in high levels of delivery, brief advice, and referrals/medication offers, such as:

- Including the smoking and vaping tool to the admission checklists
- Running groups for adults, and children and young people
- Engaging our youngest people who use HOPE services. This group are excluded from our CQUIN data because of their age and non-admission status, but this engagement remains good practice and an important area for the future

A newly created Tobacco Very Brief Advice e-learning package and specialist trainer will help to maintain and build on the training figures going forward (currently 61% e-learning and 50% face to face).

Our Smoking Cessation Workers are now focusing on offering support to the Community Mental Health Recovery Services in the further development of their physical health clinics so that smoking cessation can be incorporated.

We have seen a gradual increase with compliance with all the smoking CQUIN measures over the year. The Smoking Cessation Advisors continue to develop and fine tune their role against the backdrop of our Smoke Free status. They undertake the following duties:

- Attend the wards daily and offer staff support, leading to an increase in referrals. Continue to develop and extend staff confidence around advising the use of nicotine replacement therapy as well as e-cigarettes
- Monitor and regularly audit the Smoking & Vaping tool on SystemOne
- Support staff with the formulation of care plans, especially for those who frequently breach and who are finding smoke free environments more challenging

Clinical Quality Priority 5	Progress
	<ul style="list-style-type: none"> <li data-bbox="488 181 1422 315">Engaging with the Community Physical Health &amp; Wellbeing Clinics in the Community Mental Health Recovery Services and supporting them in smoking cessation. Setting up of these clinics and aligning a Stop Smoking service within them</li> </ul> <p data-bbox="488 360 1390 495">In January the Smoking Cessation Advisors piloted two Recovery College groups; one for working age students and one for young people including cravings management, distraction techniques, relaxation and mindfulness. They intend to repeat this group, building on the attendance from the first.</p> <p data-bbox="488 539 1326 607">The Smoking Cessation Workers also offer support to staff, with some successful results leading to increased quit rates.</p>

Clinical Quality Priority 7 Progress

**50% of people who use our people with learning disabilities community services will have a Health Equality Framework documented**

We have implemented the Health Equality Framework (HEF) across all health services to ensure the health needs for people with learning disabilities are assessed and health outcomes are improved:

- 50% of all people referred to the Community Team for People with Learning Disabilities (CTPLD) have been assessed within 2 months of referral utilising the HEF. We have achieved this by incorporating the completion of the HEF at our initial screening assessments
- A 6 monthly review of the HEF assessment for people who remain open to the CTPLD for longer than 6 months from the date of their initial screening has been introduced
- 100% of all people admitted to Deacon Unit have had a HEF assessment completed within 2 weeks of admission. We have achieved this by completing the HEF assessment as part of the admission process
- All staff in our CTPLD services and Deacon Unit have been trained to enable them to complete the HEF

Our next steps are to increase the number of HEF assessments for people referred to the community team to 75% and to develop a system so that we can compare the finding from these assessments across the teams and produce a report to share with commissioners to inform their future strategies to improve health equality for people with learning disabilities.

The HEF works by monitoring the degree and impact of exposure to people with a learning disability. Detailed evidence reported by the Public Health Observatory show there to be five clearly discernible determinants of health inequalities commonly experienced by people with a learning disability:

- Social
- Genetic and biological
- Communication difficulties and reduced health literacy
- Personal health, behaviour and lifestyle risks
- Deficiencies in access to quality of health provision

The HEF monitors outcomes achieved by services rather than causes of an illness or severity of symptoms. The HEF can be used in the following ways:

- For an individual to set priorities and monitor what happens
- For a service to demonstrate outcomes
- To look at caseload analysis
- Workforce planning and development
- For commissioners to gather population need
- Inform joint strategic needs assessments
- Set priorities for specialist services
- Contribute to Equality Delivery System

Clinical Quality Priority 8 Progress

**Through the safety improvement programme demonstrate we are the safest, in relation to suicide prevention, Abscending Without Leave (AWOL), face down restraint and self-harm**

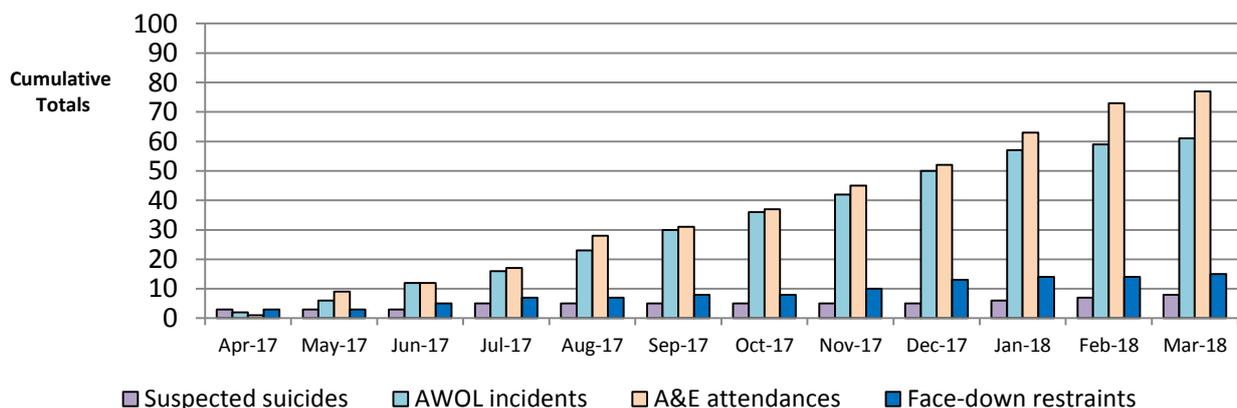
A total of 161 incidents were reported in 2017/18. The total comprises Absent Without Leave (AWOL) incidents; A&E attendances resulting from severe self-harm, for people receiving inpatient care; face-down restraints; and suspected suicides of people on the acute care pathway. We had fewer such incidents than last year and we achieved our ambition to reduce the number of incidents to less than the 2015/16 baseline figure of 194.

The use of prone restraint remains low compared with 2016/17. This is attributed to targeted work to reduce restrictive interventions and the continued drive to embed the consistent use of MAYBO conflict management techniques, and to providing targeted training in the most effective intramuscular injection techniques that avoid placing a person in a prone position when administering rapid tranquilisation. We used prone restraint on 15 occasions in 2017/18 compared with 18 occasions in 2016/17. We achieved our zero prone restraint targets in four out of 12 months. We also have low numbers of suspected suicides of people on the acute care pathway. We have reported four inpatient deaths (three of these occurred while the persons were on leave) and four Home Treatment Team deaths in 2017/18.

We have also seen fewer people needing to attend A&E after deliberate self-harm on the wards. In April - December 2016 there had been 66 such incidents in comparison to the April - December 2017 figure of 52 incidents. However we did see an increase in January and February 2018 and on further investigation the majority of the incidents involved one individual who was particularly unwell. The attendance of this person to A&E was often as a precautionary reason rather than because any harm has actually been caused.

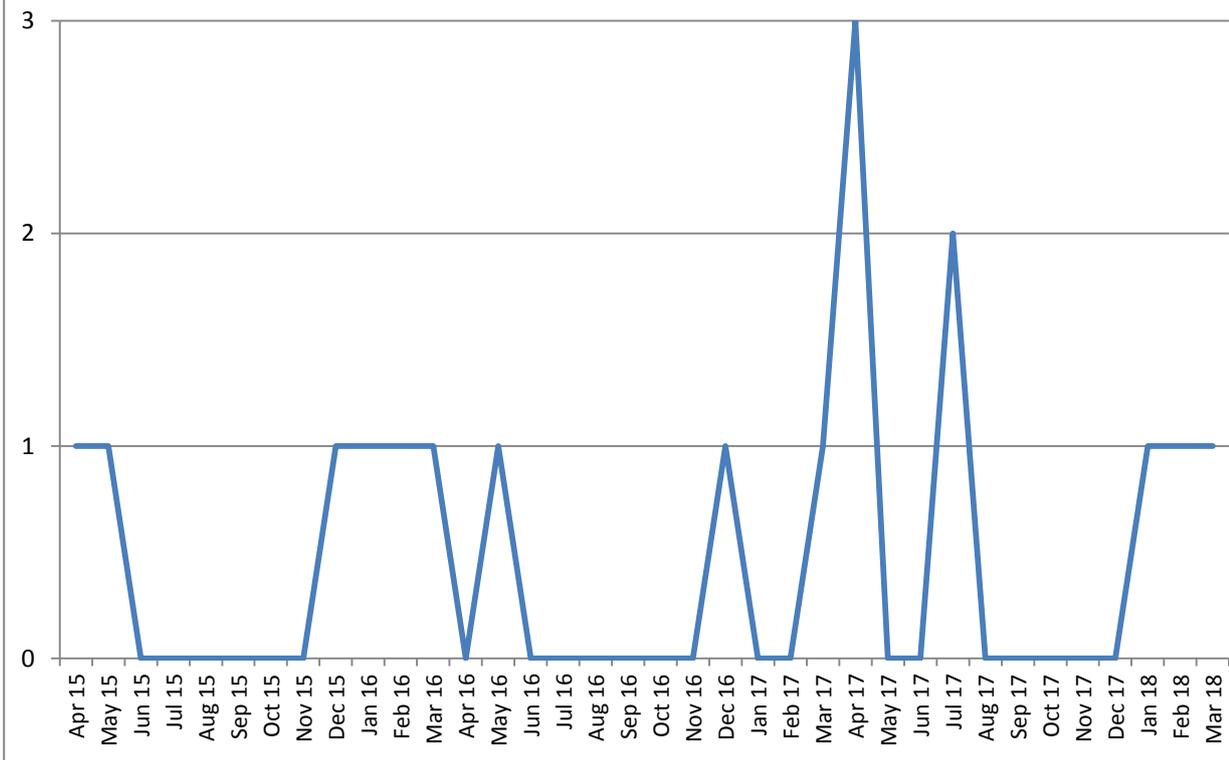
The number of AWOL incidents showed a steady increase during the months of August 2017 to December 2017. This figure has now reduced but we continue to address this through our quality improvement work. Further action has been taken by the establishment of a task and finish group to focus on AWOL incidents which has helped deliver timely learning.

**Cumulative total numbers of suspected suicides, AWOL incidents, A&E attendances due to severe self-harm, and face down restraints**

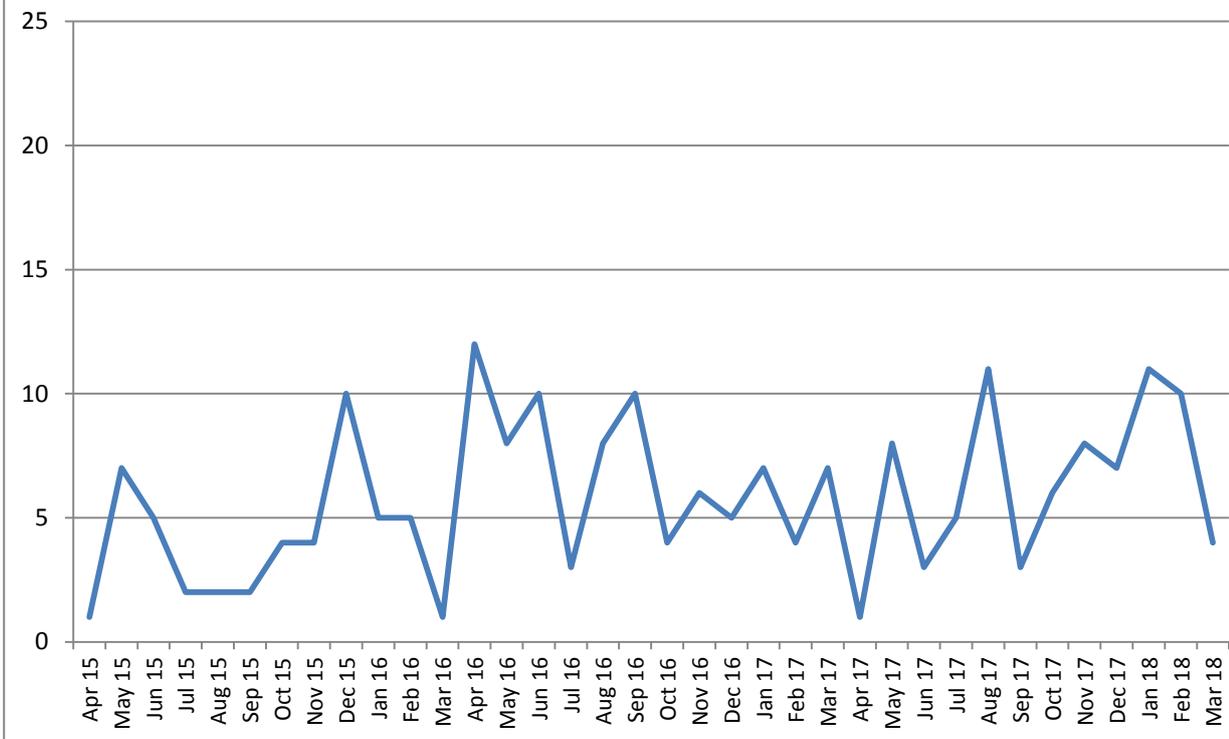


Source: Local data recorded on our risk and safety incident reporting system, Datix

**Suspected suicides of people on the acute care pathway**

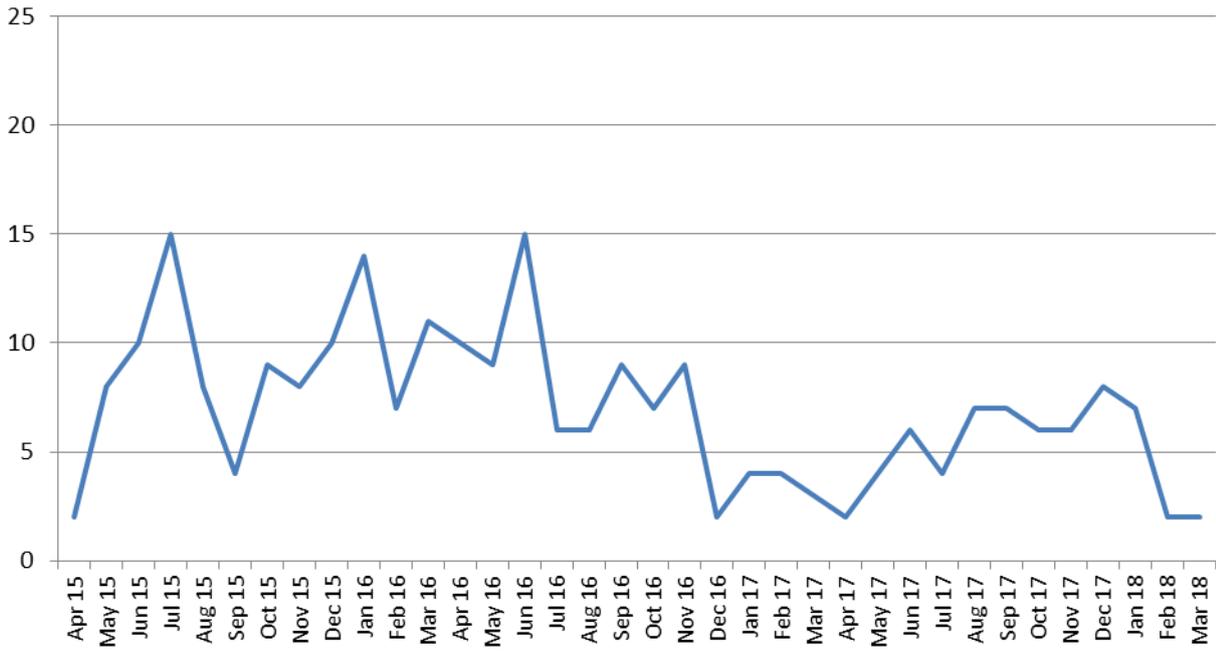


**A&E attendances resulting from severe self-harm, for people in receipt of inpatient care**

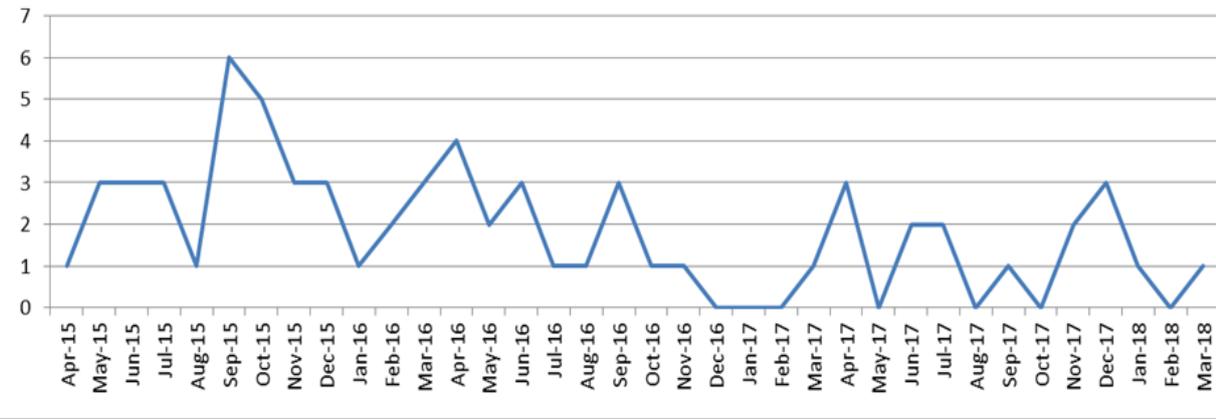


Source: Local data recorded on our risk and safety incident reporting system, Datix

### AWOL incidents



### Face down restraints



Source: Local data recorded on our risk and safety incident reporting system, Datix

**Clinical Quality Priority 9 Progress**

**To reduce the number of patient safety incidents resulting in severe harm or death from the number in 2016/17**

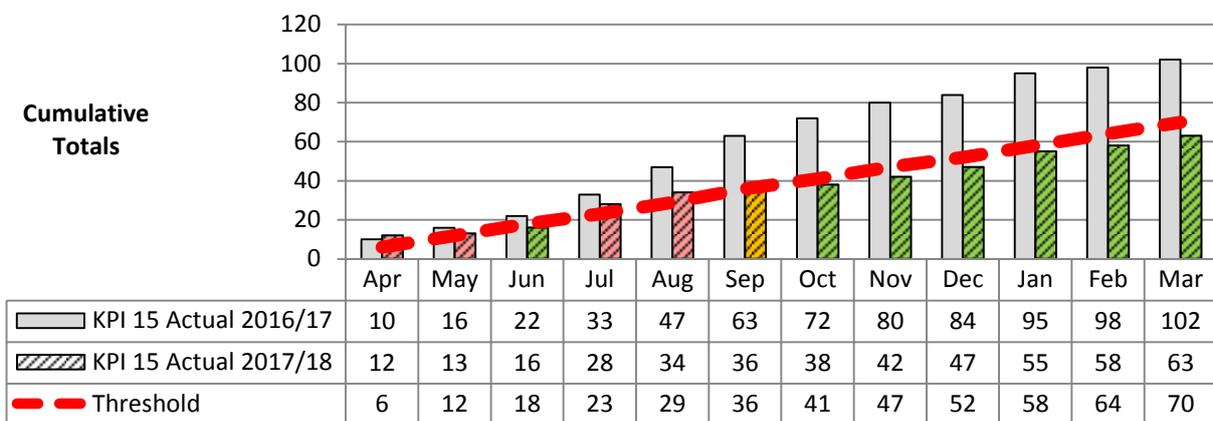
A total of 63 serious incidents resulting in severe or extreme harm were reported during 2017/18. This is 39 fewer incidents than last year. We achieved our ambition to reduce the number of serious incidents resulting in severe or extreme harm to less than the 2012/13 baseline of 70 incidents.

This reduction in numbers is due to the following changes:

- Deaths of people that are known to drug and alcohol services are reviewed through the mortality work stream to determine if there are any care of service delivery problems
- All reported incidents are reviewed on a daily basis by the Risk & Safety Team to identify the immediate remedial action that needs to be delivered, appropriate investigation required and identify the pre-investigation risk assessment
- Development of Task & Finish Groups to review incident themes with increased reporting to better understand issues and concerns, with the aim of identifying improvement actions which lead to change. For example there are currently Task & Finish Groups running to address the themes of AWOL, Reception Security, Violence and Aggression and Suicide Prevention in High Risk Groups
- Monitoring of identified actions implementation to ensure improvement

**Evidence**

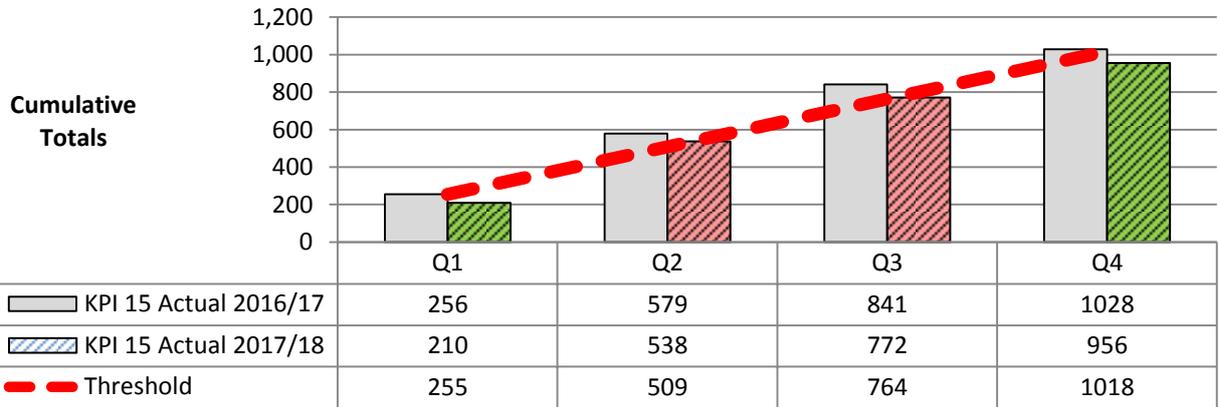
**Cumulative total number of serious incidents that resulted in severe or extreme harm**



Source: Local data recorded on our risk and safety incident reporting system, Datix

Clinical Quality Priority 10	Progress
<p><b>To reduce the number of incidents of abuse (including discriminatory abuse) experienced by staff in the work place</b></p>	<p>The security and safety of our staff, people who use our services and visitors continue to be a key priority for our Trust. It is recognised that our staff working in inpatient settings are at risk of verbal and/or physical assault due to the acute needs of the people being supported in those settings.</p> <p>A total of 956 incidents of abuse against staff were reported during 2017/18. This is 72 fewer incidents than the previous year. We achieved our ambition to reduce the number of incidents or abuse experienced by staff to less than the 2015/16 benchmark of 1,018 incidents.</p> <p>Through quarters 1 to 3 there was a slight reduction in the number of incidents of abuse across working age adult inpatient services when compared to the 2016/17 figures. During April, May and June 2017 there was one individual that was involved in 19 incidents of abuse towards staff on a working age adult ward.</p> <p>The RESPECT programme was relaunched in November 2017 and has been used in 47 situations of aggressive behaviour towards staff across community and inpatient services. It has also been used to prohibit visitors from the ward who have caused a disturbance.</p> <p>During April 2017 to February 2018 the Police were contacted by staff 375 times either to report an incident or for support.</p> <p>The total recorded incidents of physical assaults on staff for the period April 2017 to March 2018 was 415 physical assaults and 19 assaults with weapons. This is a slight increase of assaults on staff (+5). There was a reduction in incidents of assault by weapons from 24 to 19 (-5) and a reduction in assaults on staff in working age adults mental health services, from 239 to 202 (-37).</p> <p>Staff are supported by their Managers, the Trust's Local Security Management Specialist and Police whilst the Staff Incident Support Team are available to provide staff with post incident support. Staff teams conduct a de-briefing exercise following serious incidents of abuse, and incidents are discussed at weekly Datix meetings held on each ward.</p> <p>Clinicians are encouraged to provide mental capacity forms to inform Police investigations of abuse incidents where staff have been assaulted by a patient or there is extensive criminal damage. The Local Security Management Specialist supports police with investigations as required.</p> <p>Our Local Security Management Specialist has continued to emphasise the use of our RESPECT programme to new staff at induction.</p>

Cumulative total numbers of incidents of abuse experienced by staff



Source: Local data recorded on our risk and safety incident reporting system, Datix

## Duty of Candour

The Duty of Candour is a legal duty on hospital, community and mental health Trusts to inform and apologise to people if there have been mistakes in their care that have led to significant harm.

Our Trust fully complies with our Duty of Candour and we continue to be open and transparent with all people who use our services, families and significant others about their care and treatment, including when it goes wrong. In accordance with our Trust values we have systems in place to ensure that we are open and that we provide people with support, truthful information, and when things go wrong we provide a written apology. We accept that being open and honest and discussing safety incidents promptly, fully and compassionately can help people who use our services, their families and our staff to cope better with the after effects of an incident.

We will write to all families following the death of a loved one, offering our condolences and the opportunity for them to be involved in the serious incident investigation. We will continue to maintain contact with the family, updating them on the stage of the investigation, including offering the opportunity to discuss the outcome of the investigation.

In order to continue strengthening our compliance to the Duty of Candour framework, we will be running a pilot to introduce the role of Family Liaison Lead. This person will be responsible for the following in 2018/19:

- Day-to-day management of the interaction of the family in the investigation
- Working closely with members of the Risk and Safety Team to ensure that families are treated appropriately, professionally and with respect of their needs during an investigation
- Being the point of contact for all families and loved ones involved in an investigation
- Ensuring Being Open and Duty of Candour is implemented
- Sharing information about the investigation with people who use services and/or families

## Patient Safety Improvement Plan

We are using a quality improvement approach to support teams to continuously improve the safety and quality of the care they provide. In our Trust, this is being done through use of 'The Model for Improvement'. This comprises the use of specific techniques to improve quality such as:

- Using a cycle of improvement which involves defining the problem, testing of change ideas, collecting and analysing data, implementation and evaluation
- Using tools and techniques that support people using our services and staff to implement improvements
- Co-production in developing Qi ideas, real engagements and involvement of everyone

- Embracing our visions and our values and aspiring to embed an improvement culture that is built on good clinical and managerial leadership

The information below summarises progress with implementation of the strategy to date. The headings used represent the key areas of focus outlined in our strategy.

### **Building the Will and Building Capability (Training)**

We have a foundation level training programme in Qi which runs once a month. Qi training is also in place at the Trust induction and as part of the junior doctor's induction. Our Qi team are also scheduled to present at the Medical Advisory Committee (MAC) and at the Psychotherapy Committee.

We also have an advanced level training programme, called Qi champions, which provides people with skills in how to coach Qi. The programme lasts for six months, with one study day a month. One cohort are now about to complete their training with the second cohort starting in May 2018.

To date, 924 people in the organisation have completed Qi training since it commenced in April 2017.

It has been agreed to include Qi in inductions for new student nurses from September 2018. Meetings have been arranged with both Surrey and Kingston Universities to look at how Qi can be embedded with undergraduate and postgraduate taught modules, and how our Qi team can be involved in supporting the delivery of the programmes.

### **Building Qi Foundations**

Our Qi team have now formed links with the Qi team at St Peters Hospital. The teams have been able to work together to share ideas and to provide a peer supervision network. The two teams have agreed to present and support each other at future Qi conferences for each organisation. A Qi project which crosses the boundaries between mental and physical healthcare is also being planned.

We have developed a process whereby the outcome of clinical audits and accreditation assessments are shared with our Qi team, so that services can be supported to use Qi to implement action plans and recommendations. An example of positive work that demonstrates this link is work around rapid tranquilisation and restraint.

An action plan following last year's audit has focussed on four key areas with each of our inpatient services at Farnham Road Hospital taking a lead in one area with the aim being to bring successful projects together to create a resource bundle. The areas include: debrief of people using services; debrief of staff; post-incident physical monitoring; and incident recording. Guidance videos have also been created to support these projects and there is a Trust-wide working group steering this work and collecting a centralised data dashboard.

Development work with our Executive Board has commenced so that we can ensure we have services and structures in place that will fully support the adoption of Qi across the organisation.

## **Testing New Ideas and Fidelity to the Qi Model**

To date, 109 projects have been registered in the organisation. 49 projects are active. 23 are ideas which need support and development before commencing, 13 of these are paused, 16 have been completed and eight have been closed as they have been found to no longer be viable. Reasons for the pause or closure of projects have been given as staff shortages, changes in staff, lack of finance, lack of leadership support, lack of time and conflicting service priorities.

Trust-wide Qi working groups are in place for suicide prevention, rapid tranquilisation and restraint, and falls.

## **Holding the Gains**

It is hoped that the use of Trust-wide Qi working groups will enable the development of resource bundles and interventions that can then be shared across multiple services. Scaling up and spreading successful project initiatives is key in how we hold the gains around Qi. There are two projects which have achieved successful scale up and spread to date. These are:

### ➤ **Inpatient Physical Health Clinics**

Inpatient physical health clinics enable people who have been admitted for mental health needs to also have support around their physical health. The implementation of physical health clinics commenced on Clare ward. This has now been successfully spread to Magnolia, Mulberry and Anderson wards. Juniper and Rowan wards are currently in the preparation stages for clinics to commence.

Since commencement of this initiative, 264 people using inpatient services have attended a physical health clinic, and 79% of people who are encouraged to attend the clinic take up the opportunity. The most frequent concerns within clinics are around foot health, dental health, sexual health, nutritional needs and health anxiety.

### ➤ **SBAR Handover Project**

SBAR (Situation, Background, Assessment, Recommendation) is a well-recognised model for the safe and reliable handover of information. It is used across health services, the military and other industry. We aspire to use the SBAR model for all of our clinical handovers. The model has been utilised in the Trust for several years, so this project focused on refining the use of the model.

The implementation of the SBAR handover project commenced on Magnolia ward and has now been completed with sustained reliability of 100% in handover assessments. This was achieved by the development of guidance and the use of 'talk tiles', which gave an auditory example for agency staff who were not familiar with SBAR. SBAR work is now being undertaken on Mulberry, Juniper and Victoria wards and at the Deacon Unit.

## Celebrating Success

We continue to be a member of the South of England Mental Health Patient Safety and Quality Improvement Collaborative. In March 2018, our Qi team presented our approach to Qi at the collaborative network, which was very well received and we discussed developments of our work around suicide prevention. We have also had several opportunities to showcase and share some of our Qi initiatives at this event.

Two abstracts regarding Qi projects - inpatient physical health clinics and SBAR handover processes - have been accepted for poster presentations at the IHI International Forum on Quality and Safety in Healthcare, and these will be showcased in May 2018. We are actively nominating the Qi work from our teams for award opportunities such as the Nursing Times Awards and the HSJ Awards.

## NHS Staff Survey Results for the Workforce Race Equality Standard

The scores presented below are the un-weighted question level scores for NHS Staff Survey 2017 key findings, allocated by White and BME staff, as required for the Workforce Race Equality Standard. Our results are much more positive than the average for mental health but we note that experience is less positive for BME staff, though improved from last year. To address these differences we have been working with our BME Staff Network to co-design and co-produce an action plan to improve the experience of our staff from BME communities.

		Our Trust		Average (median) for Mental Health	
		2016/17	2017/18	2016/17	2017/18
<b>KF26:</b>	White	27%	16%	31%	21%
Percentage of staff experiencing harassment, bullying or abuse from staff in last 12 months	BME	38%	19%	38%	26%
<b>KF21:</b>	White	90%	91%	89%	87%
Percentage of staff believing that the organisation provides equal opportunities for career progression or promotion	BME	81%	82%	79%	77%

Source: National Staff Survey

## Care Quality Commission

### Our Healthcare Services Rating at 31 March 2018

The table below illustrates the most recent Care Quality Commission (CQC) ratings for our health care core services from our February 2016 Comprehensive inspection across our healthcare core service areas and our July 2017 Well Led inspection. We are now rated as 'Good' overall following publication of the Well Led report in October 2017. Definitions for the column headings shown in the table below can be found on the CQC website.

Core service area	Overall rating	Is the service safe?	Is the service effective?	Is the service caring?	Is the service responsive?	Is the service well-led?
Acute wards for adults of working age and psychiatric intensive care units	Requires Improvement	Requires Improvement	Good	Good	Good	Requires Improvement
Long stay /rehabilitation mental health wards for working age adults	Good	Good	Good	Good	Good	Good
Wards for older people with mental health problems	Good	Requires Improvement	Good	Good	Good	Good
Wards for people with learning disabilities	Good	Good	Requires Improvement	Good	Good	Good
Community based mental health services for adults of working age	Good	Good	Good	Good	Requires Improvement	Good
Mental health crisis services and health based places of safety	Requires Improvement	Requires Improvement	Good	Good	Good	Requires Improvement
Specialist community mental health services for children and young people	Good	Requires Improvement	Good	Good	Good	Good
Community based mental health services for older people	Good	Good	Good	Good	Good	Good
Community mental health services for people with learning disabilities or autism	Good	Good	Good	Good	Good	Good
Trust wide	Good	Requires Improvement	Good	Good	Good	Good

## Our Social Care Homes and Short-Break Services Ratings at 31 March 2018

The table below illustrates Care Quality Commission ratings for our social care inspections. This table details the most recent ratings.

Service	Overall rating	Is the service safe?	Is the service effective?	Is the service caring?	Is the service responsive?	Is the service well-led?
Redstone House Care Home	Good	Good	Good	Good	Good	Good
Ashmount Care Home	Good	Good	Good	Good	Good	Good
Rosewood Care Home	Good	Good	Good	Good	Good	Good
Derby House Care Home	Good	Good	Good	Good	Good	Good
Court Hill House Care Home	Good	Good	Good	Good	Good	Good
Hillcroft Care Home	Good	Good	Good	Good	Good	Requires Improvement
Larkfield Care Home	Good	Good	Good	Good	Good	Good
Kingscroft Short Break Service	Good	Good	Good	Good	Good	Good
Oakwood Care Home	Good	Good	Good	Good	Good	Good
Shielings Care Home	Good	Good	Good	Good	Good	Good
Jasmine Short Break Service	Good	Good	Good	Good	Good	Good

All our homes are now rated as ‘Good’ overall and ‘Good’ for all five domains, apart from Hillcroft with the well led domain rated as ‘Requires Improvement’.

Over the year, we have focused on improving the quality of our social care homes and people’s experience. There has been an increase in the opportunities for people to be supported in a variety of individualised activities, environmental improvements, training and team support/development underpinned by a consistent value base.

Four homes have been re-inspected during in 2017/18 with Derby House, Oakwood and Redstone now all rated as ‘Good’ in all five CQC domains.

Our Trust-wide rating improved from ‘Requires Improvement’ to ‘Good’ as the result of our well-led inspection in July 2017.

## Clinical Quality Priorities for 2018/19

Our clinical quality priorities for 2018/19 are outlined below. We identified these quality improvement priorities by consulting our Executive Board and Council of Governors.

This year we will focus on national quality indicators from the Single Oversight Framework and the Five Year Forward View. We have also taken into account our equality objectives, mandated indicators, our monitoring of previous performance, our Your Views Matter experience surveys, and results from national surveys.

We will monitor our progress throughout the year against the definitions for each indicator. Where national definitions are not available we will develop local ones.

Our Deputy Chief Executive will report our progress against these indicators to our Trust Board and Council of Governors throughout the year and we will publish our progress in our Quality Accounts for 2018/19 at year end.

No	Measure	Source
1	Percentage of people completing a course of IAPT treatment moving to recovery	SOF <sup>1</sup> and 5YFV <sup>2</sup>
2	Inappropriate out-of-area placements for adult mental health services	SOF
3	Collection of acute mental healthcare waiting times data	SOF
4	Collection of dementia care waiting times data	SOF
5	Written complaints – rate	SOF
6	Percentage of people who would recommend the organisation's services to their friends and family (Friends and Family Test Mental Health)	SOF
7	Staff sickness	SOF
8	Percentage of staff who would recommend the organisation as a place to work or receive treatment (annual Staff Survey)	SOF
9	Delayed bed days	Exec Board
10	The proportion of total detentions under the Mental Health Act 1983 of people from a black or minority ethnic background	SOF and 5YFV
11	Staff turnover	SOF
12	Proportion of temporary staff	SOF

<sup>1</sup> NHS Improvement, Standard Operating Framework

<sup>2</sup> NHS England, Five Year Forward View

## 2.2 Statements of Assurance from the Board

### Review of Services

During 2017/18 Surrey and Borders Partnership NHS Foundation Trust provided and/or sub-contracted 170 relevant Health and Social Care Services:

Division	Services provided
Adult Mental Health	57
Children and Young People	47
Learning Disabilities	36
Older People Mental Health	16
Specialist Services	14
<b>Total</b>	<b>170</b>

Surrey and Borders Partnership NHS Foundation Trust has reviewed all the data available to them on the quality of care in all 170 of these relevant health and social care services.

The income generated by the relevant health and social care services reviewed in 2017/18 represents 100% of the total income generated from the provision of relevant health services by Surrey and Borders Partnership NHS Foundation Trust for 2017/18.

### Participation in Clinical Audits and National Confidential Enquiries

During 2017/18, eight national clinical audits and three national confidential enquiries covered the relevant health services that Surrey and Borders Partnership NHS Foundation Trust provides.

During 2017/18, Surrey and Borders Partnership NHS Foundation Trust participated in 87.5% of national clinical audits and 100% of national confidential enquiries which it was eligible to participate in. Our Chief Pharmacist made a decision for our Trust not to take part in Topic 15b Prescribing Valproate for Bipolar Disorder which was a re-audit. This was to enable staff to concentrate on the change process that had been introduced to ensure that people had consent in place.

The national clinical audits and national confidential enquiries that Surrey and Borders Partnership NHS Foundation Trust was eligible to participate in during 2017/18 are as follows:

- National Confidential Enquiry into Suicide and Homicide by People with Mental Illness  
Sudden unexplained Death of Psychiatric Inpatients
- National Confidential Enquiry into Suicide And Homicide By People With Mental Illness  
– Suicide In Children And Young People
- National Confidential Enquiries – Young People’s Mental Health Study
- Delivering Single Sex Accommodation (Unify return)
- POMH-UK: Topic 17a Use of depot/LA Antipsychotic Injections for Relapse Prevention
- POMH-UK: Topic 15b Prescribing Valproate for Bipolar Disorder

- Mental Health CQUIN indicator 3a – Improving Physical Health Care to Reduce Premature Mortality in People with a Serious Mental Illness
- Mental Health CQUIN indicator 3b – Collaborating with GPs
- Early Intervention in Psychosis
- National Audit of Psychosis
- Social Care Audit – Service Users’ Experience of Social Care and Mental Health Services

The national clinical audits and national confidential enquiries that Surrey and Borders Partnership NHS Foundation Trust participated in during 2017/18 are as follows:

- National Confidential Enquiry into Suicide and Homicide by People with Mental Illness Sudden Unexplained Death of Psychiatric Inpatients
- National Confidential Enquiry into Suicide And Homicide By People With Mental Illness – Suicide In Children And Young People
- National Confidential Enquiries – Young People’s Mental Health Study
- Delivering Single Sex Accommodation (Unify return)
- POMH-UK: Topic 17a Use of depot/LA Antipsychotic Injections for Relapse Prevention
- Mental Health CQUIN indicator 3a = Improving Physical Health Care to Reduce Premature Mortality in People with Serious Mental Illness
- Mental Health CQUIN indicator 3b – Collaborating with GPs
- Social Care Audit – Service Users’ Experience of Social Care and Mental Health Services
- National Audit of Psychosis
- Early Intervention in Psychosis

The national clinical audits and national confidential enquiries that Surrey and Borders Partnership 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 clinical audits and national confidential enquiries our Trust participated in, for which data collection was completed during 2017/18	No of cases submitted as % of registered cases required by the terms of the enquiry/audit %
National Confidential Enquiry into Suicide and Homicide by People with Mental Illness Sudden unexplained Death of Psychiatric Inpatients	100%
National Confidential Enquiry into Suicide And Homicide By People With Mental Illness – Suicide In Children And Young People	100%

National clinical audits and national confidential enquiries our Trust participated in, for which data collection was completed during 2017/18	No of cases submitted as % of registered cases required by the terms of the enquiry/audit %
National Confidential Enquiry: Young People’s Mental Health Study: <ul style="list-style-type: none"> <li>• organisational questionnaires</li> <li>• individual case questionnaires</li> </ul>	100% 18%
Delivering Single Sex Accommodation (Unify return)	100%
POMH-UK: Topic 17a Use of depot/LA Antipsychotic Injections for Relapse Prevention	100%
National Audit of Psychosis	98%
Early Intervention in Psychosis	100%
Mental Health CQUIN indicator 3a = Improving Physical Health Care to Reduce Premature Mortality in People with Serious Mental Illness	98%
Mental Health CQUIN indicator 3b – Collaborating with GPs	100%
Social Care Audit – Service Users’ Experience of Social Care and Mental Health Services	26% response rate from people using services

Reports in relation to 10 of our priority clinical audits have been reviewed by the provider in 2017/18 and Surrey and Borders Partnership NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided:

- Raising awareness of, and improving compliance with, National Institute for Health and Care Excellence (NICE) guidelines
- A Qi initiative is being undertaken initially focusing on inpatient care to improve the quality of Risk Assessments, in particular ensuring that formulation summaries are completed
- A Qi initiative is being undertaken to improve the quality of care plans
- A Qi initiative is being undertaken to improve the care and safety of people being restrained
- To improve the physical care of people with severe mental health problems, a single integrated Health Assessment tool is now operational on SystemOne and is being embedded for adult services. In addition training will be rolled out for cardio metabolic assessment
- To improve the quality of our communication to GPs we plan to develop and implement e-document formats of documents sent to GPs to enable efficient and consistent electronic communication between primary and secondary care
- Consideration is being given to introducing a Qi initiative in our Older Adult’s Mental Health Services to improve the quality of our Behavioural Support Plans

The reports of 22 local clinical audits were reviewed by the provider in 2017/18 and Surrey and Borders Partnership NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided:

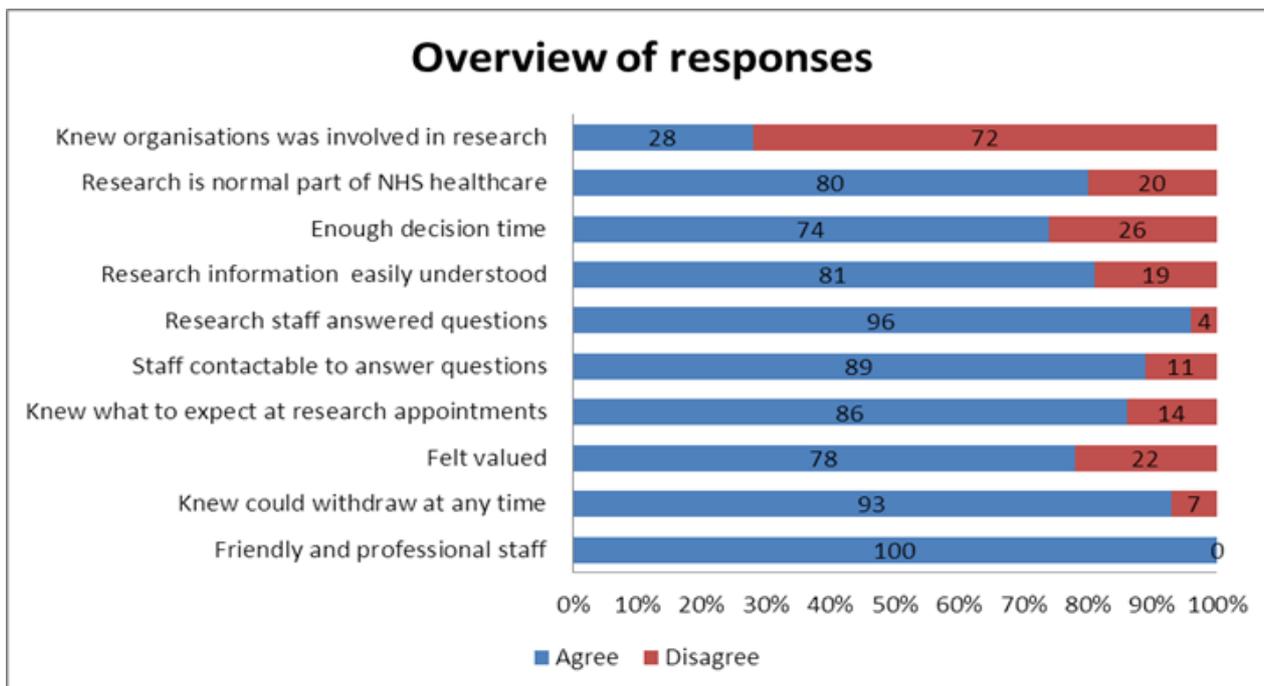
- Improve the uptake by young asylum seekers of physical health assessments by our Community Paediatricians and also working with social services to ensure that interpreters are in attendance
- Improve the care and safety of people prescribed high dose methadone by ensuring ECG checks are undertaken and also the risks and benefits are discussed regularly with the person
- Improve the care and safety of people undergoing Electroconvulsive therapy treatment by ensuring people's cognition is assessed before and after treatment by improving the documentation and making the guidance for prescribers more readily accessible on the policy
- Improve the care and safety of people with osteoporosis at risk of fractures in our over 65 age group by initiating treatment with calcium, vitamin D and Bisphosphonates in people who do not need further investigation and also for GPs to be asked to arrange dual-energy x-ray absorptiometry (DEXA) scanning for people where further investigation is indicated
- To improve our care of people with this disorder by developing a group for people with Bipolar Disorder with the aim of rolling it out across our Community Mental Health Recovery Service in east Surrey

### Participation in Clinical Research

The National Institute for Health Research (NIHR) sets a recruitment target for each financial year. In 2016/17, the recruitment target for our Trust was set to 750 people and we recruited 877 people during that period to participate in research approved by a research ethics committee, which is 17% above the target. Our 2017/18 target was 825 patients receiving relevant health services provided, or sub-contracted, by our Trust. We recruited 1,003 participants which is 22% above the set target.

In 2016/17 we recruited to 39 national portfolio research studies. From those eight were Clinical Trials of an Investigational Medicinal Product and three were own portfolio studies. In 2017/18 we opened and recruited to 36 national portfolio research studies. From those nine were Clinical Trials of an Investigational Medicinal Product and five were own portfolio studies.

In 2017/18 we have collected feedback from people using our Trust's services who participated in research. The patient experience questionnaire is designed by NIHR and overview of responses is provided in the table below.



In 2017 the TIHM for dementia trial won the EHI Award for Best Mental Health Initiative, [www.ehilive.co.uk/en/ehiAwards2017/2017-ehilive-winners.html](http://www.ehilive.co.uk/en/ehiAwards2017/2017-ehilive-winners.html).

### Use of the Commissioning for Quality & Innovation (CQUIN) Payment Framework 2017/18

A proportion of Surrey and Borders Partnership NHS Foundation Trust’s income in 2017/18 was conditional on achieving quality improvement and innovation goals agreed between Surrey and Borders Partnership NHS Foundation 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. Further details of the agreed goals for 2017/18 and for the following 12-month period are available on request from email: [performance@sabp.nhs.uk](mailto:performance@sabp.nhs.uk) or telephone: 01372 216056.

The table below identifies the Trust’s CQUINs for 2017/18:

#### Adult and Older Adult Services

Goal No	Goal Name
National 1a Option B	Improvement of health and wellbeing initiatives
National 1b	Healthy food for NHS staff, visitors and patients
National 1c	Improving uptake of influenza vaccinations
National 3a	Cardio Metabolic assessment and treatment for patients with psychosis
National 3b	Collaboration with primary care clinicians
National 4	Improving services for people with mental health needs who present at A&E
National 5	Transition of children and young people’s mental health services
National 9a	Preventing ill health by risky behaviour’s tobacco – smoking
National 9b	Preventing ill health by risky behaviours tobacco – brief advice
National 9c	Preventing ill health by risky behaviours tobacco – referral and medication offer
National 9d	Preventing ill health by risky behaviours alcohol – screening
National 9e	Preventing ill health by risky behaviours alcohol – brief advice of referral
Local 1	Complex trauma and trauma related dissociation

## Child and Adolescent Mental Health Service (CAMHS)

Goal No	Goal Name
1a	Improvement in health and wellbeing initiatives
1b	Healthy food for NHS staff visitors and patients
1c	Improving the uptake of flu vaccinations for front line staff
5	Transition of children and young people's mental health services
4	Improving services for people with mental health needs who present to A&E
Local	Improving health (risky behaviours and communication with GPs)
Local	Care plans and how we engage with children and young people

## Learning Disabilities Service

Goal No	Goal Name
1a	Improvement of health and wellbeing initiatives
1b	Healthy food for NHS staff visitors and patients
1c	Improving the uptake of flu vaccinations for front line staff
Local	Dementia Screening for LD

The monetary total for the amount of income in 2017/18 conditional upon achieving quality improvement and innovation goals is not yet agreed but is against a target of £2,508,310. The monetary total for the associate payment in 2016/17 was £1,824,900.

## Registration with Care Quality Commission

Surrey and Borders Partnership NHS Foundation Trust is required to register with the Care Quality Commission and its current registration status is registered without conditions. All of our health and social care services are appropriately registered.

The Care Quality Commission has not taken enforcement action against Surrey and Borders Partnership NHS Foundation Trust during 2017/18.

Surrey and Borders Partnership NHS Foundation Trust has not participated in any special reviews or investigations by the Care Quality Commission during the reporting period.

In July 2017 a 'well-led' review was undertaken by the Care Quality Commission. We are pleased to report this resulted in our overall Trust rating moving from 'Requires Improvement' to 'Good'.

## Hospital Episode Statistics

Surrey and Borders Partnership NHS Foundation Trust submitted records during 2017/18 to the Secondary Uses Service for inclusion in the Hospital Episode Statistics which are included in the latest published data. The percentage of records in the latest published data which included the patient's valid:

- NHS Number was 99.9% for admitted patient care and 100% for outpatient care
- General Practitioner Registration Code was 100% for admitted patient care and 100% for outpatient care

## Information Governance

Surrey and Borders Partnership NHS Foundation Trust's annual Information Governance Toolkit submitted score is 74%. This is due to only 90% of our staff being compliant with their Information Governance (IG) training on 29 March 2018 instead of meeting the required 95% compliance. This was largely because of the new IG training module introduced by NHS Digital in July 2017. There were technical problems and it took a significant amount of time to complete compared with the previous version. Winter pressures and staff resources were contributing factors as well. This means the score is 'Unsatisfactory'. An action plan has been put in place to address this and by 20 April 2018 97% of staff were compliant with the training.

## Payment by Results Clinical Coding Audit

Surrey and Borders Partnership NHS Foundation Trust was not subject to the Payment by Results clinical coding audit during 2017/18 by the Audit Commission. This has been replaced by the local audit framework. During 2017/18, the Trust sub-contracted a clinical coding consultancy firm to carry out a clinical coding audit based on the methodology detailed in the NHS Digital Clinical Classifications Service publication, Clinical Coding Audit Methodology Version 10.0. The audit was completed in February 2018 and the outcome of the audit has met Level 3 of the IG Toolkit for the specific requirement.

## Data Quality

Surrey and Borders Partnership NHS Foundation Trust has further improved the systems and processes to ensure that a sustainable, continuous improvement for data quality remains a top priority. The following actions are in progress to improve data quality:

- All new staff are inducted and provided systems training based on roles and services
- Operational managers and professional leads continue to have discussions within respective divisional, team and Quality Action Group meetings
- Data leads and data co-ordinators offer training and briefing sessions as required to teams
- Monthly performance reports are reviewed by services and teams to check data completeness
- Operational managers and teams have access to DART reports on a monthly basis to check the progress
- Individual staff have access to My DATA through DART where individual clinical performance can be tracked and monitored
- A record keeping audit has been introduced through the Meridian reporting tool since November 2017. The results are holding teams to account in improving data quality

## Learning from Deaths

The Trust has a mortality process in place to review each death of people using our services, including those who may have been discharged but were using services up to 12 months before their death, to ensure learning is obtained. Therefore the data below includes deaths of people who may not have been on the caseload of any of our services at the time of their death but may have been up to 12 months before their death.

During 2017/18 there were 2,220 patients who had engaged with Surrey and Borders Partnership NHS Foundation Trust services in the 12 months before they died. This comprised the following number of deaths which occurred in each quarter of that reporting period:

- Q1: 534
- Q2: 490
- Q3: 532
- Q4: 664

By 31 March 2018, 1,177 case record reviews and 74 investigations have been carried out in relation to 1,251 of the 2,220 deaths mentioned above. For the deaths of 72 people there was both a case record review and an investigation carried out. The number of deaths in each quarter for which a case record review or an investigation was carried out was:

- Q1: 485
- Q2: 473
- Q3: 366
- Q4: 619

During 2017/18 there were 35 deaths that were investigated as serious incidents. It was concluded that for 13 people who died no suboptimal care was given, for four people there was suboptimal care, but different management would not have made a difference to the outcome, and for five people there was suboptimal care and different care might have affected the outcome. There are still 12 deaths that are being investigated.

In 2017/18 we have identified the below themes from our serious incident and high level incident investigations:

- Individuals' risk assessments not being updated in a timely manner
- Care plans not being updated in a timely manner
- Risk not being recorded in the allocated place in the Electronic Patient Record
- Carers of people who use our services feeling left out in relation to their care
- The Trust's Search Policy not being correctly implemented following a person going AWOL from an inpatient unit
- Underestimation of a person's current risk to themselves

The actions below have taken place or are expected to be completed in relation to what we have learnt from our investigations during the reporting period:

- Reiteration to staff through team meetings/supervision/Quality Action Groups of any process that has been found to be incorrectly followed
- Audits of records to ensure that correct practice is being followed
- Updates and additions made to policies and procedures where it has been deemed necessary
- Ensure that training needs are fulfilled and any gap in skills is identified
- Agreements for the sharing of information between services

During the previous reporting period the reporting template used for serious incident and high level incident investigation and mortality case note reviews did not include a post–investigation harm level assessment. Therefore this information was captured within the reports but not in a way that is easy to report from.

## 2.3 Reporting Against Core Indicators

### 1. The percentage of people supported by Care Programme Approach who were followed up within 7 days after discharge from inpatient care during the reporting period

2016/17				
	Q1	Q2	Q3	Q4
Our Trust	79.0%*	95.0%	94.3%	96.4%
National	96.2%	96.8%	96.6%	96.7%
Lowest National	71.4%	73.9%	73.3%	84.6%
Highest National	100.0%	100.0%	100.0%	99.4%
2017/18				
	Q1	Q2	Q3	Q4
Our Trust	98.2%	98.6%	92.9%	93.7%
National	96.7%	96.7%	95.4%	95.5%
Lowest National	71.4%	87.5%	69.2%	68.8%
Highest National	100.0%	100.0%	100.0%	100.0%

Source: The figures for our Trust are local data from SystmOne. The national figures are from the Mental Health Community Teams’ activity statistics published by NHS England

Surrey and Borders Partnership NHS Foundation Trust considers that this data is as described for the following reasons:

- Our procedural guidance instructs staff how to record information accurately. The data is based on reports that have been tested to ensure they accurately reflect information recorded by service teams
- Our data quality leads and their managers investigate and sign off any breaches. The results are sense checked by the Quality Assurance and Reporting team before they are submitted to NHS Improvement and NHS England

\*Note: The figure of 79.0% for Quarter 1 2016/17 has not been validated by our data quality leads because the move to a new data warehouse meant this was not possible. Based on previous and subsequent validation work, it is likely that some of the apparent breaches for Quarter 1 2016/17 are due to data input errors and some will be discharges that should have been excluded from the analysis (such as people transferred into the care of another provider). The un-validated figure for Quarter 1 2016/17 is therefore likely to understate the percentage of people followed up within 7 days of discharge.

Surrey and Borders Partnership NHS Foundation Trust has taken the following actions to maintain and improve the percentage of people followed up within 7 days, and so the quality of its services: daily conference calls across teams to help prepare for discharge and to ensure community services are available to follow up with individuals; and weekly team meetings within community services to discuss all cases and ensure follow up. The results are shared with operational managers and professional leads and presented to the respective teams on their performance and they are advised on areas which require improvement.

## 2. The percentage of admissions to acute wards for which the Crisis Resolution Home Treatment Team acted as a gatekeeper during the reporting period

2016/17				
	Q1	Q2	Q3	Q4
Our Trust	91.7%*	96.6%	95.6%	97.8%
National	98.1%	98.4%	98.7%	98.8%
Lowest National	93.9%	87.5%	88.3%	90.0%
Highest National	100.0%	100.0%	100.0%	100.0%
2017/18				
	Q1	Q2	Q3	Q4
Our Trust	94.4%	95.8%	97.7%	93.7%
National	98.7%	98.6%	98.5%	98.7%
Lowest National	88.9%	94.0%	84.3%	88.7%
Highest National	100.0%	100.0%	100.0%	100.0%

Source: The figures for our Trust are local data from SystmOne. The national figures are from the Mental Health Community Teams Activity statistics published by NHS England.

Surrey and Borders Partnership NHS Foundation Trust considers that this data is as described for the following reasons:

- Our procedural guidance instructs staff how to record information accurately. The data is based on reports that have been tested to ensure they accurately reflect information recorded by service teams
- Our data quality leads validate each record on the report. The results are sense checked by the quality assurance and reporting team before they are submitted to NHS Improvement and NHS England

\* Note: The figure of 91.7% for Quarter 1 2016/17 has not been validated by our data quality leads because the move to a new data warehouse meant this was not possible.

Based on previous and subsequent validation work, it is likely that some of the apparent breaches for Quarter 1 are due to data input errors and some will be admissions that should have been excluded from the analysis (such as people transferred into our care from another provider). The un-validated figure for Quarter 1 2016/17 is therefore likely to understate the percentage of admissions that were gate-kept by our Home Treatment Team.

Surrey and Borders Partnership NHS Foundation Trust has taken the following actions to maintain and improve the percentage of admissions that are gate-kept by our Home Treatment Team, and so the quality of its services: staff are fully aware of the protocols in place to ensure all admissions go through the Home Treatment Team who act as gatekeepers to our acute wards. The results are shared with operational managers and professional leads and presented to the respective teams on their performance and they are advised on areas which require improvement.

### 3. Readmissions within 28 days of discharge

Readmissions within 28 days of discharge				
	Q1	Q2	Q3	Q4
2016/17	6.6%	8.8%	9.1%	7.6%
	Q1	Q2	Q3	Q4
2017/18	11.3%	10.5%	12.3%	14.2%

Source: Local data recorded on SystmOne

The table shows readmissions with 28 days for people discharged from our adult acute and intensive care services, adult rehabilitation services, older adult's acute services, and inpatient services for people with learning disabilities. A number of people were readmitted within 28 days more than once during 2017/18. These are primarily people with a personality disorder or who need treatment for substance misuse.

National data and figures for other providers are not available. This is because NHS Digital has suspended publication of the 'Hospital Episode Statistics: Emergency readmissions to hospital within 28 days of discharge' data, pending a methodology review and results of the HSCIC statistics consultation.

Surrey and Borders Partnership NHS Foundation Trust considers that this data is accurate and up to date as entered onto SystmOne.

Surrey and Borders Partnership NHS Foundation Trust has taken the following actions to improve this percentage, and so the quality of its services:

- Discharge planning starts early during people's hospital stay to help them prepare better for discharge
- Crisis and contingency plans are put in place for all people prior to discharge
- Our community teams follow people up within seven days of discharge
- People can access their nominated care co-ordinator and the Home Treatment Team direct

- Our Crisis Line service is available 5.00pm - 9.00am Monday to Friday, with 24 hours cover at weekends and Bank Holidays
- Our Safe Havens provide access to face to face mental health support to people during weekends and evenings
- In partnership with the Police we have implemented the Surrey High Intensity Partnership Programme (SHIPP) to support people with complex needs, and whose behaviours can be challenging and risky, differently

**4. Patient experience of community mental health services indicator score with regard to patients' experience of contact with a health or social care worker during the reporting period**

Health and social care workers 2017	Our Trust's score	Lowest national score	Highest national score	Surveys completed
Section score	7.8	6.4	8.1	233
Did this person listen carefully to you?	8.3	7.2	8.7	218
Were you given enough time to discuss your needs and treatment?	7.9	6.2	8.1	216
Did the person or people you saw understand how your mental health needs affect other areas of your life?	7.2	5.8	7.8	210

Health and social care workers 2016	Our Trust's score	Lowest national score	Highest national score	Surveys completed
Section score	7.4	6.9	8.1	233
Did this person listen carefully to you?	8.0	7.3	8.6	229
Were you given enough time to discuss your needs and treatment?	7.5	6.8	8.2	229
Did the person or people you saw understand how your mental health needs affect other areas of your life?	6.6	6.2	7.8	221

Health and social care workers 2015	Our Trust's score	Lowest national score	Highest national score	Surveys completed
Section score	7.6	6.8	8.2	233
Did this person listen carefully to you?	8.2	7.6	8.7	267
Were you given enough time to discuss your needs and treatment?	7.4	6.8	8.0	259
Did the person or people you saw understand how your mental health needs affect other areas of your life?	7.0	6.0	7.8	254

Source: National data from the CQC Community Mental Health Survey

Surrey and Borders Partnership NHS Foundation Trust considers that this data is as described for the following reasons:

- NHS Surveys designed the Care Quality Commission Community Mental Health Survey and collated the results. Service teams encourage people using services to complete experience and satisfaction surveys
- This year, we have scored the ‘same as others’ in all main areas, however better than other Trusts for five individual questions, which is an improvement on last year where we only scored better than other Trust’s for one question. Last year, we looked to make improvements to five areas where we scored within the lowest 20% of other Trusts (‘Health and Social Care Workers’, ‘Organising Care’ and ‘Planning Care’), all of which we have scored better in this year’s survey. Regionally, we are the highest scoring Trust for people’s overall experience of our community mental health services.

**5. The number and rate of patient safety incidents reported within the Trust during the reporting period, and the number and percentage of such patient safety incidents that resulted in severe harm or death**

	Number of incidents reported by our Trust per 1,000 bed days	Average number of incidents reported per 1,000 bed days: Mental Health Trusts	Lowest number of incidents reported per 1,000 bed days: Mental Health Trusts	Highest number of incidents reported per 1,000 bed days: Mental Health Trusts
Apr 2016 – Sept 2016	40.03	46.23	10.28	88.97
Oct 2016 – Mar 2017	28.51	44.33	11.00	89.00
Apr 2017 – Sept 2017	24.69	51.50	16.00	126.47

Source: Local data recorded on our risk and safety incident reporting system, Datix

Surrey and Borders Partnership NHS Foundation Trust submits data to the National Reporting and Learning System (NRLS) on a monthly basis for all incidents that occur, and are recorded on Datix, relating to people who use our services. This data is collected by the NRLS who release data overviews twice a year for each NHS Trust in relation to occurrence of incidents per 1,000 bed days and also compares submitted data to other Trusts throughout the country.

Over previous years we have featured in the lower end of the NRLS national comparison of incidents reported per 1,000 bed days, a trend which has continued throughout 2017/18. We are still under-reporting and are behind the average of other Mental Health Trusts by over 10 incidents per 1,000 bed days.

Surrey and Borders Partnership NHS Foundation Trust considers that this data is as described for the following reason: Incident reporting has improved year on year in recent years and we have taken a proactive approach to increase the number of incidents being reported to encourage an open and transparent culture where we can learn from one another and to improve the services we offer to people. Historically staff have actively reported those incidents that result in extreme harm or death but did not always recognise occurrences resulting in a lesser degree of harm or near miss as an incident to be reported. The more recent reduction in reporting is due to large scale changes being made to the Datix Incident form. To do this the NRLS codes had to be mapped against the Datix system and this work has not yet been completed.

Surrey and Borders Partnership NHS Foundation Trust has taken the following actions to improve these results, and so the quality of its services:

- The continued use of Datix huddles to review and sign off reported incidents increasing awareness of the process and importance of reporting incidents and the learning and how this is embedded
- Dedicated Datix incident reporting training directed to specific teams
- Monthly reports delivered to each divisional Quality Action Group explaining what happens with the data reported and how this creates themes and trends to learn from and encourages reporting

The latest NRLS release of data (March 2018) also includes the ratio of those incidents reported as deaths of people who use our services in relation to 1,000 bed days and comparison with other Mental Health Trusts.

	Number of deaths reported by our Trust to NRLS	Deaths as a percentage of total number of incidents reported by our Trust to NRLS	Mental Health Trusts average: deaths as a percentage of total number of incidents reported to NRLS
Apr 2016 – Sept 2016	26	1.8%	1.1%
Oct 2016 – Mar 2017	19	2.0%	0.8%
Apr 2017 – Sept 2017	29	3.4%	0.7%

Source: Local data recorded on our risk and safety incident reporting system, Datix

On first view it appears that we have a much higher than average reporting rate of deaths as a percentage of the total number of deaths of people who use our services. According to the NRLS website:

- Nationally, 72% of incidents are reported as no harm, and just under 1% as severe harm or death. However, not all organisations apply the national coding of degree of harm in a consistent way, which can make comparison of harm profiles of organisations difficult

The 29 deaths of people recorded between April 2017 and September 2017 can be broken down as follows:

- Unexpected deaths/suspected suicide of people who use, or have in the past used, our services
- Deaths of people that have been classified as natural causes – these deaths are not reportable to NRLS. A delay in establishing a cause of death can lead to these deaths to be reported to NRLS. Our mortality work stream is now ongoing and part of its function is to confirm causes of death

### **Caveats to This Declaration**

Surrey and Borders Partnership NHS Foundation Trust considers that the data above is as described for the following reasons:

- We are actively driving up the numbers of incidents being reported and logged as incidents. There is an element of local clinical judgement in the reported figures which we have tried to manage by providing training and there are various policies and processes in place relating to incident reporting to support this process. However this does not provide sufficient assurance that could be subject to audit to ensure that all incidents are being reported. This is in line with all other Trusts
- There is also clinical judgement needed in the classification of an incident as ‘severe harm’ as it requires moderation and judgement against subject criteria and processes. This can be evidenced as classifications can change once they are reviewed

# Part Three: Other Information

The following is an overview of the care offered by our Trust based on performance in 2017/18 against indicators we provided in last year’s Quality Account. We feel that this part of the Quality Account gives us the opportunity to demonstrate our performance in other areas that are not mentioned in the Quality Account thus far.

## Performance Against Locally-selected Indicators

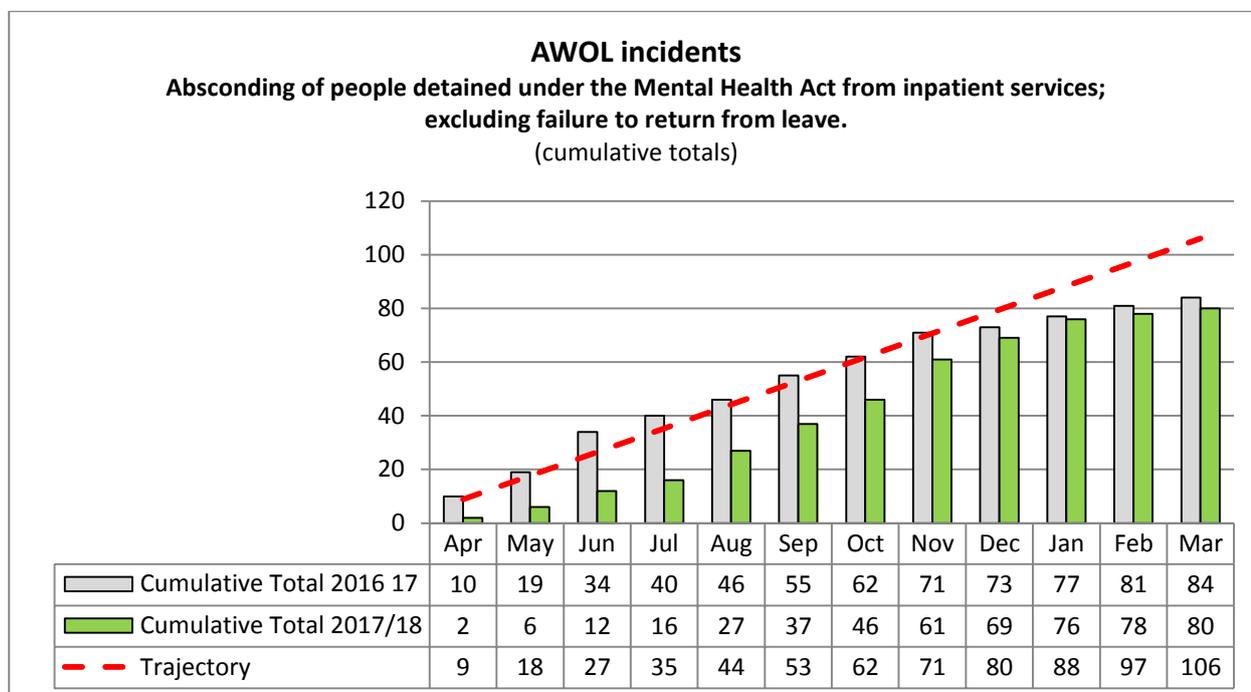
The data for the Friends and Family Test and the Children and Young People’s Eating Disorders Services waiting times in this section are governed by standard national definitions. The data for the other indicators in this section is based on local definitions.

### Patient Safety

#### 1. Absent Without Leave Incidents (AWOLs)

We saw a reduction of the numbers of AWOL incidents from inpatient services for the period of March 2017 to August 2017. This number then started to rise which led to the establishment of an AWOL Task and Finish Group which is meeting monthly to address the identified issues.

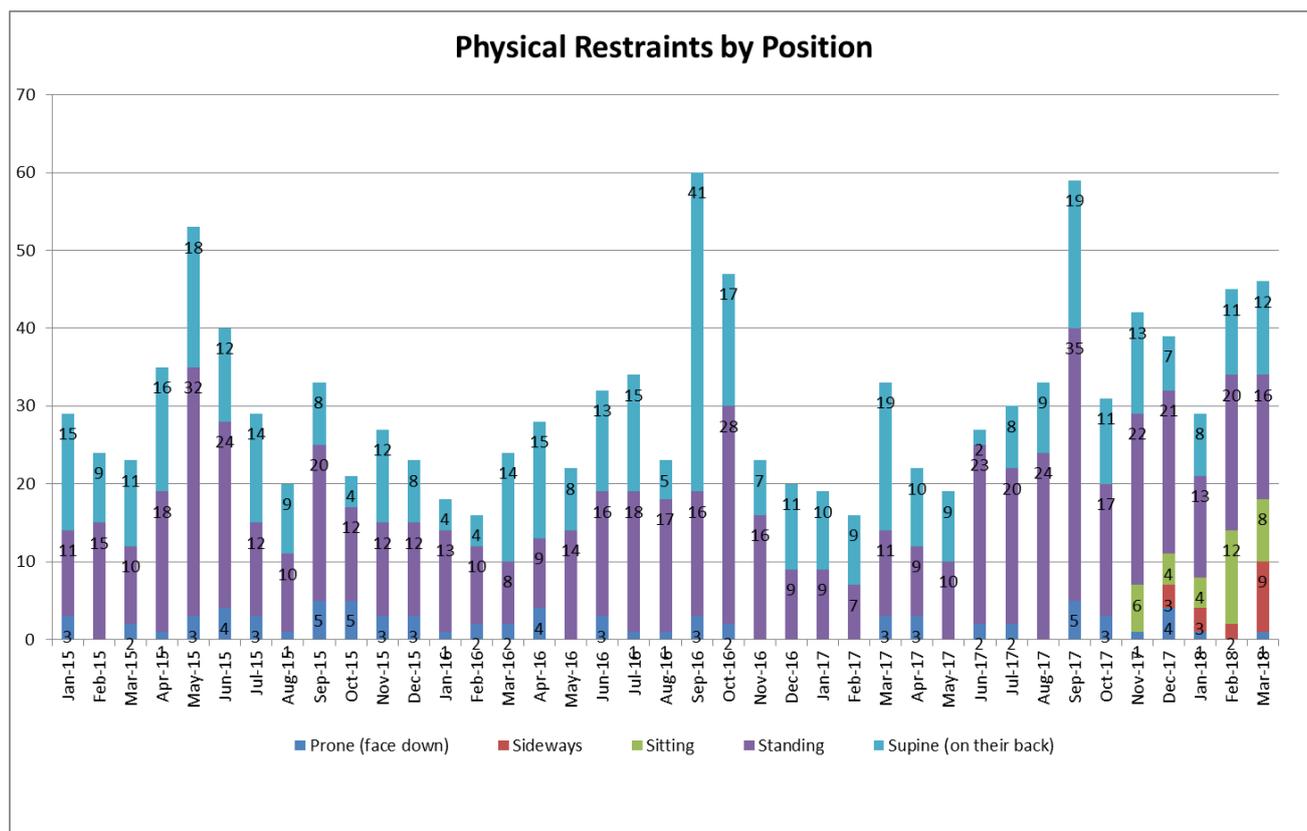
The number of AWOLs has now begun to reduce again but the AWOL Task and Finish Group continue to meet and review each incident.



Source: Local data recorded on our risk and safety incident reporting system, Datix

## 2. Physical Restraints by Position

Our data has shown a considerable reduction in the use of prone restraint which continues to remain very low. We have reported no prone restraints in seven separate months since October 2016. This shows that the positive and safe restrictive practice reduction plan continues to work across our inpatient services. As the use of prone restraint has decreased, there has been a slight increase in the use of supine restraint, as this has become the dominant position held when a person who is being restrained goes to the floor. We have also made an addition to the Datix Incident Management System whereby restraints in the sitting position and sideways can be specified. The rise of prone restraints in December 2017 involved one individual who was acutely unwell.



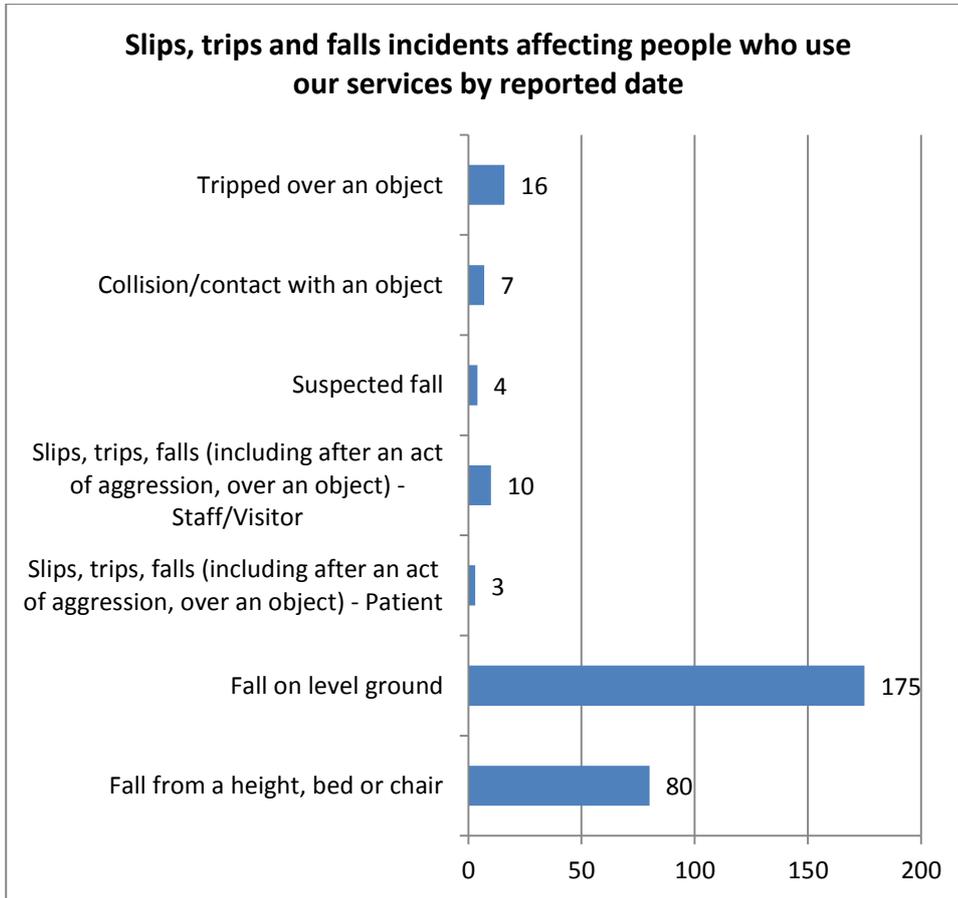
Source: Local data recorded on our risk and safety incident reporting system, Datix

## 3. Falls

A total of 295 falls were reported in the 12 months from April 2017 to March 2018. The total for the previous year was 427 falls.

The graph below shows a breakdown of the 295 falls reported in 2017/18 by type of fall; 59% were classified as being a fall on level ground.

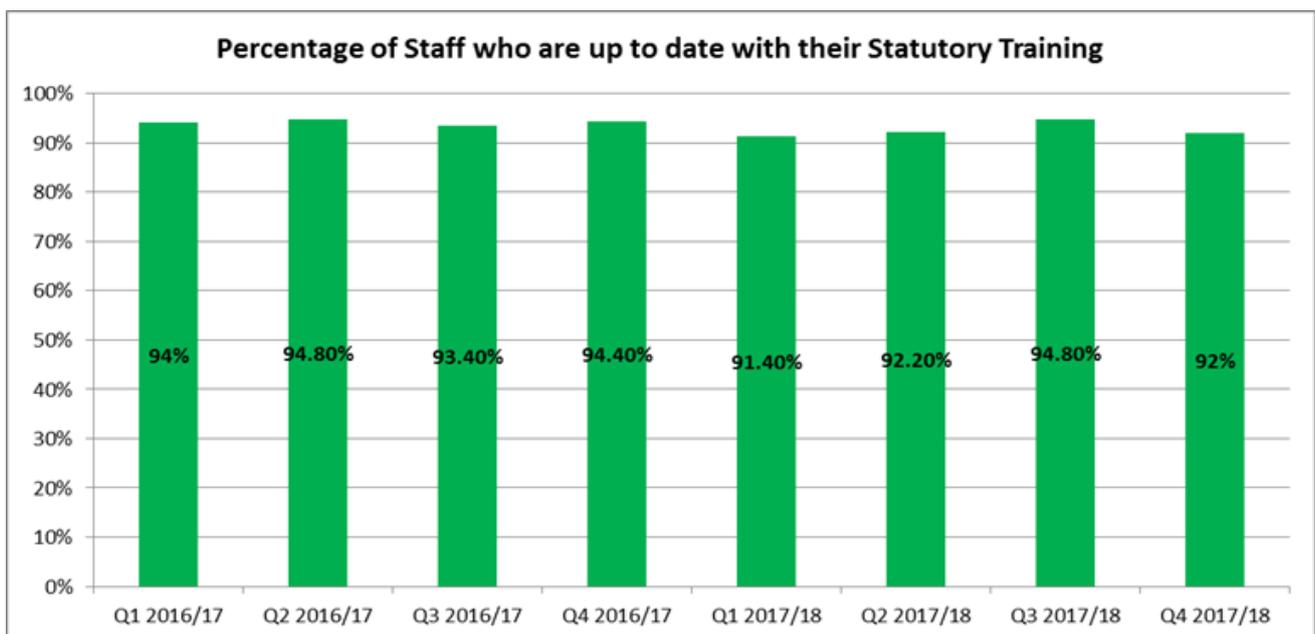
The Falls Working Group is now established within the Trust, and is focusing on falls prevention, monitoring falls, and best practice falls safety initiatives.



Source: Local data recorded on our risk and safety incident reporting system, Datix

#### 4. Statutory Training

At the end of Quarter 4, our compliance with this indicator remains good at 92%. The Education Department provides both in-house classroom based training and e-learning. Additional support is provided where needed to address key training issues where employees, and teams, have slipped behind in their compliance.

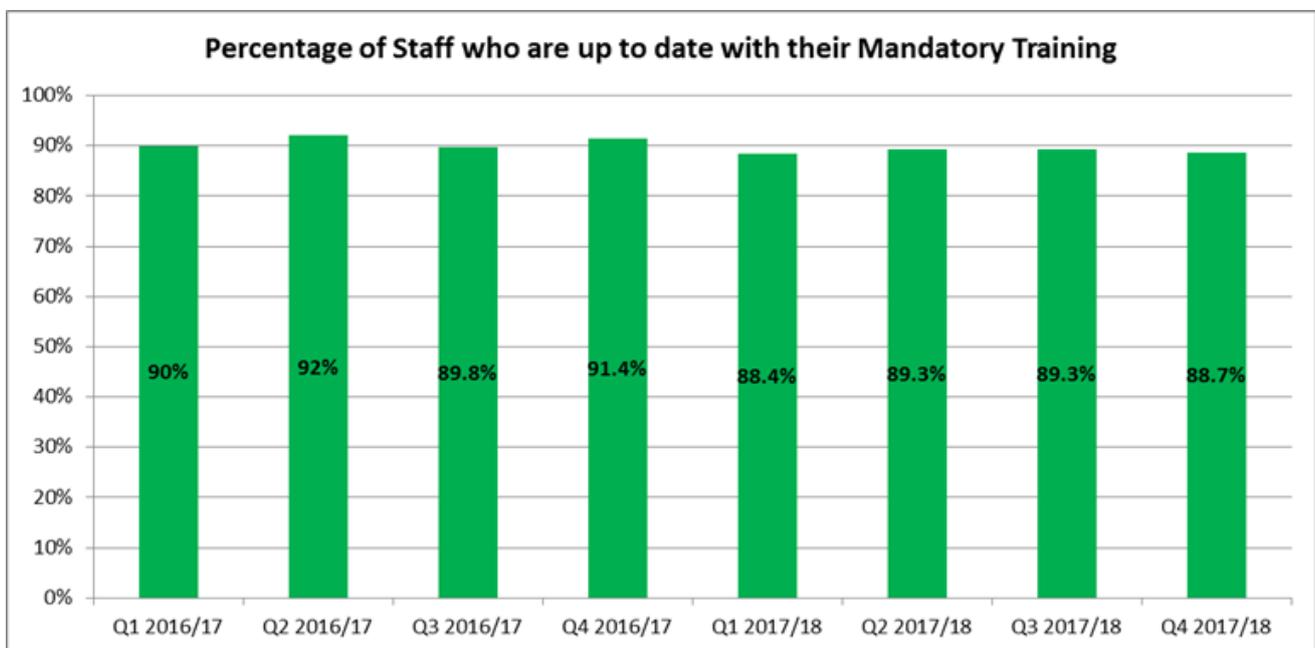


Source: Electronic Staff Record

## 5. Mandatory Training

At the end of Quarter 4, our compliance with this indicator remains good at 88.7%. The Education Department provides both in-house classroom based training and e-learning. During Quarter 4 we experienced disruption to our programme of Information Governance training. This was quickly resolved with the rapid identification of additional trainers, and additional support was provided to address key training issues where employees, and teams, had slipped behind in their compliance.

During the year we increased our number of in-house trainers to ensure we were able to meet the needs of staff and teams. Upgrades to the Electronic Staff Record in April and December resulted in periods where staff were unable to access e-learning or book classroom courses. Difficulties with automatic updating of Electronic Staff Record training records have been managed via manual updating by the Education Team.

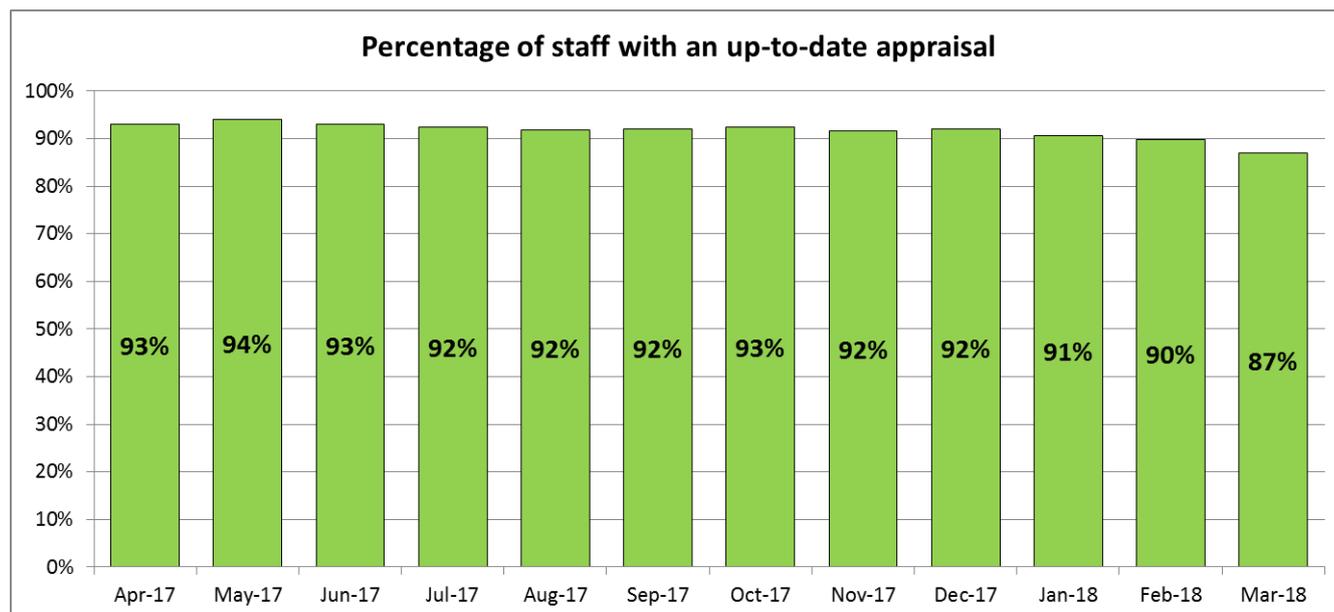


Source: Electronic Staff Record

## Clinical Effectiveness

### 1. Staff Appraisals

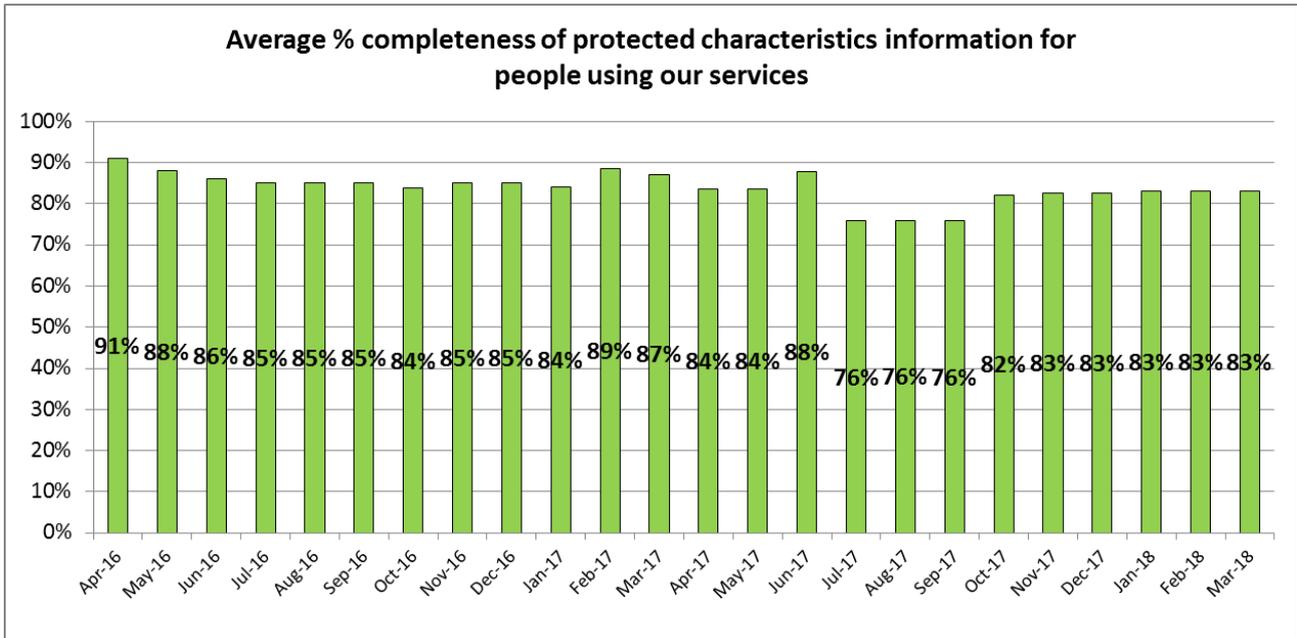
The aim of our appraisals is to ensure that our staff are supported to be able to undertake what is required of them in their role and to agree with our employees how they would like to develop and progress, either within our organisation or the wider NHS. Our overall reported appraisal position has reduced this year from 93% in April 2017 to 87% in March 2018. We are currently reviewing our appraisal system and are piloting a new scheme to ensure managers are able to sustain improvements by planning appraisals diligently and by ensuring that data entry is undertaken at the time of the appraisal.



Source: Electronic Staff Record

### 2. Protected Characteristics

We aim to support our adherence to the Equality Act 2010 by improving the collection of protected characteristics information of people who use our services. The protected characteristics are age, disability, gender, marriage and civil partnership, ethnicity, religion and belief and sexual orientation. We have embedded a culture in the Trust to ensure that clinicians are consistently recording the protected characteristics of people. The data quality leads address any data quality issues through their work within clinical teams.



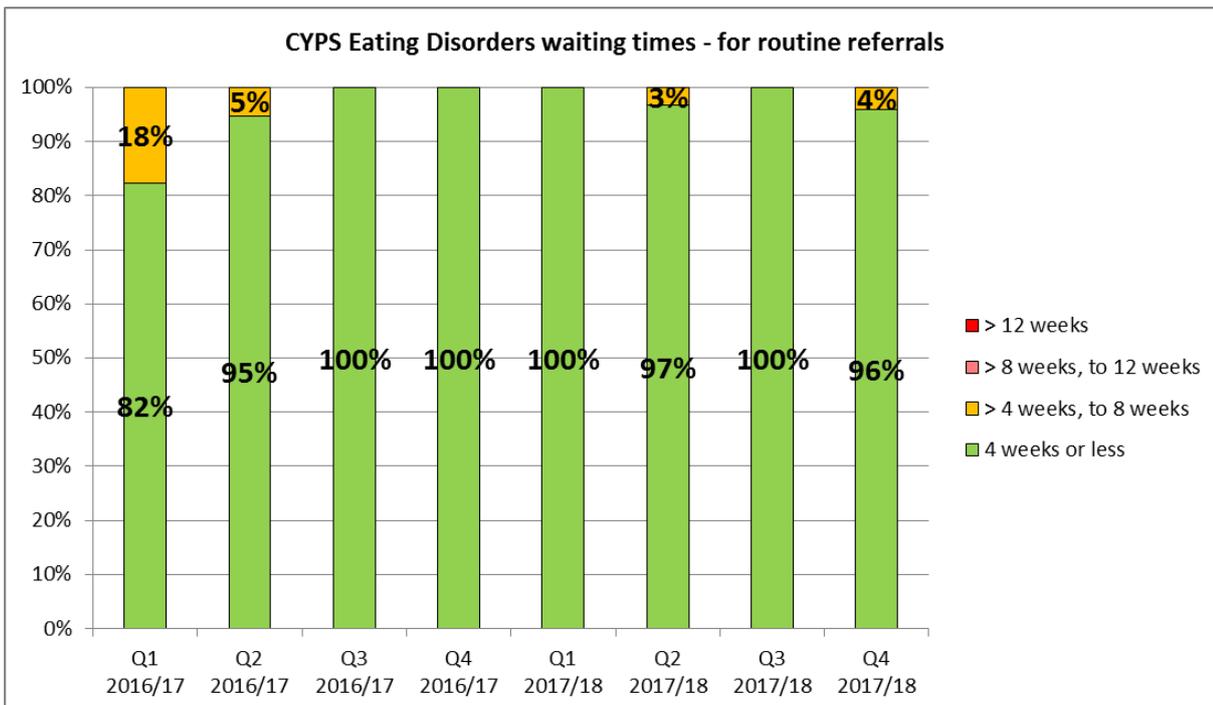
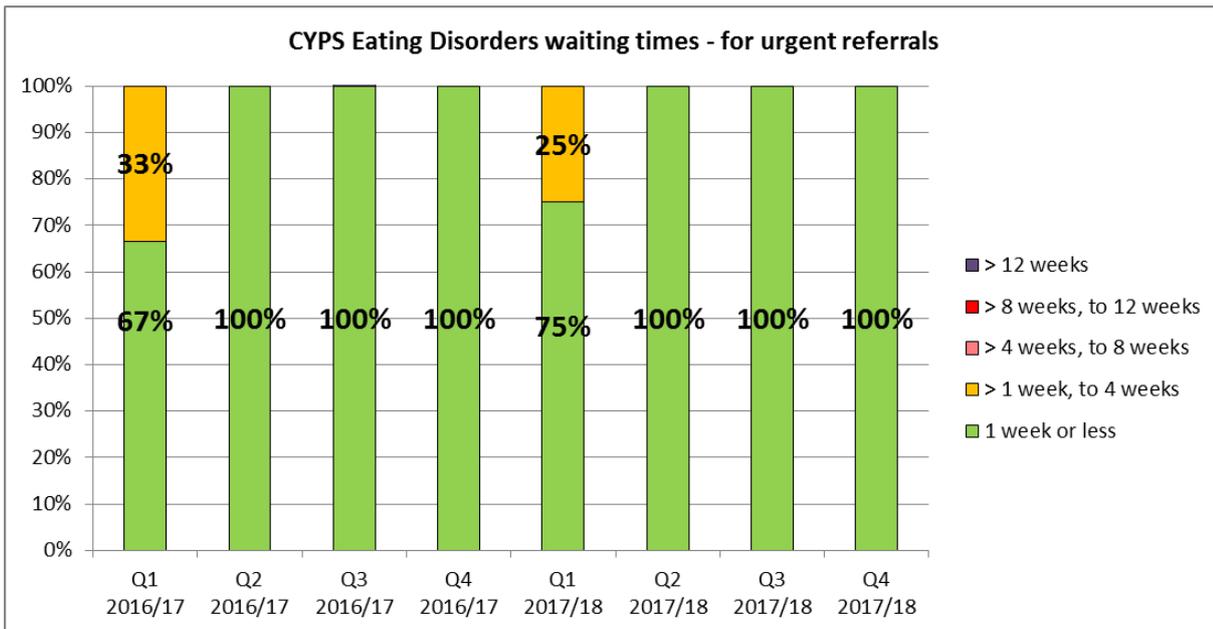
Source: Local data from SystmOne, as reported via DART

Information about the collection of protected characteristics data is now available from DART. The latest snapshot, at 31 March 2018, indicates that we are achieving an average of 83% data completeness across the seven protected characteristics. We know the age and gender of everyone who uses our services but we need to improve our recording of other characteristics, particularly religion (67% data completeness) and sexual orientation (69%).

Note: To calculate the figures shown in the chart we first calculate, for each of the seven protected characteristics, the percentage of people where information about the characteristic has been recorded on SystmOne. We then calculate the average of the percentage figures across the seven protected characteristics.

The historical data shown in the graph for April 2016 to June 2017 is based on a combination of 'stop-gap' reports and caseload audit results (for the disability and sexual orientation components). The drop from 88% in June 2017 to 76% in July 2017 could be a discontinuity caused by the change of data source. Historical data on a consistent basis is not available from DART at the current time.

### 3. Children and Young People’s Eating Disorders Service Waiting Times



Source: The local waiting times figures shown in the charts are calculated from manually collated information provided by the Children and Young People’s Eating Disorders Service. We are currently unable to report directly to the Mental Health Services Dataset (MHSDS) from SystemOne.

Note: The figures are for people under the age of 18 as this is the age range covered by the service.

The NHS England Access and Waiting Time Standard states that children and young people (under the age of 19) referred for assessment or treatment for an eating disorder should receive National Institute for Health and Care Excellence (NICE) approved treatment with a designated healthcare professional within one week for urgent referrals and within four

weeks for routine referrals. Our Children and Young People's Eating Disorders Service has taken the following steps to achieve the waiting times standards during 2017/18:

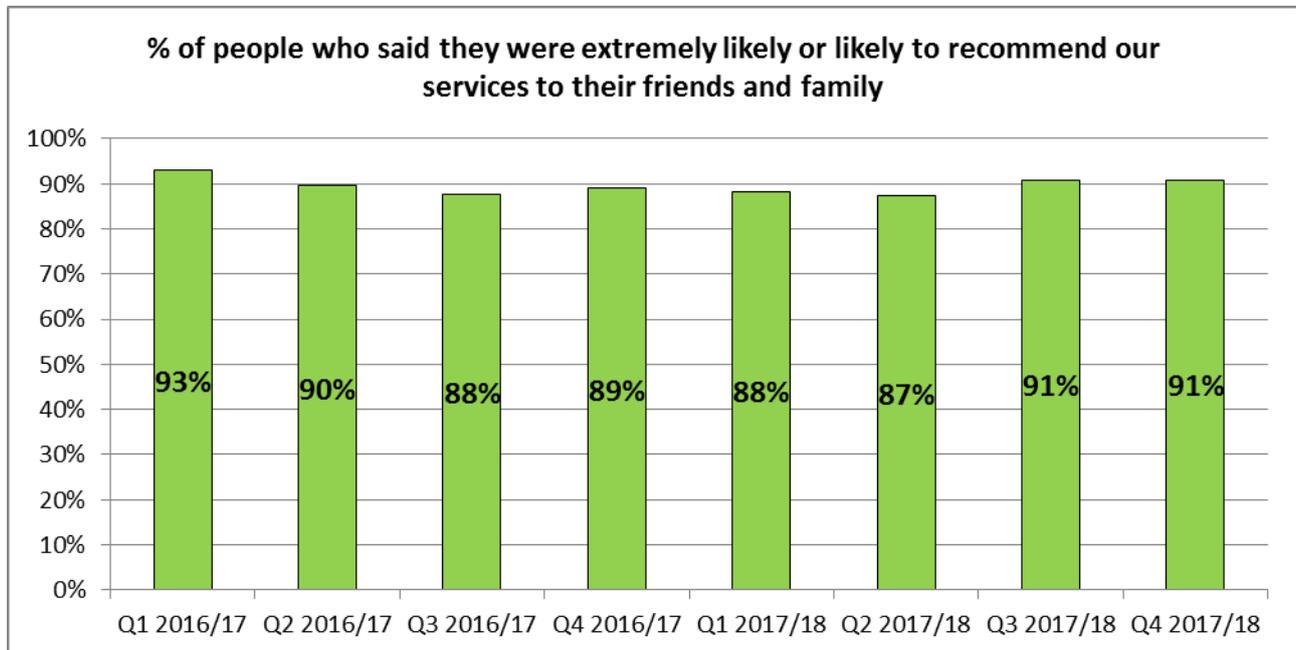
- We have maintained the increased number of weekly assessment slots in the team timetable at five, embedding two urgent assessment slots into the timetable
- All senior staff have been fully briefed on the actual waiting times standards for self-referrals, as these are slightly different, and have appraised junior staff. We have seen a significant increase in self-referrals in 2017
- Our Service Manager and clinical team liaise regularly with CAMHS One Stop (our single point of access for our children's services) to ensure that they allocate within the 24 hour timeframe
- We have produced a care pathway referral flowchart to support the CAMHS One Stop triage process
- The Children and Young People's Eating Disorders staff have attended the access and waiting times national training programme throughout 2017. There are plans for training in multi-family groups, cognitive remediation therapy, MANTRA (Maudsley Anorexia Nervosa Treatment for Adults) and adolescent focussed therapy
- We have a clear system in place to respond to all referrals in a timely way
- We have briefed our CAMHS colleagues about ensuring that they notify the Eating Disorders Service as soon as they detect an eating disorder and that they consult the team before making a referral
- We have revised the Child and Adolescent Mental Health Service/Eating Disorders Service/HOPE interface document to ensure that all transitions between services are completed within three months
- We have continued to increase our therapy staff to meet the National Institute for Care Excellence (NICE) requirements
- The whole team has undergone the family based therapy training
- We have developed an enhanced pathway to be able to rapidly respond to young people who may need support from Tier 4 services (specialist children's inpatient unit) in order to prevent admissions where possible. We expect to be working much more closely with the Tier 4 units in 2018 to ensure that admissions are as succinct as possible. We hope to be able to use the funding from the New Care Models work to recruit four additional junior staff to further enhance the Enhanced Pathway Team

## People's Experience

### 1. Your Views Matter – Friends and Family Test

4,325 people answered the following Your Views Matter survey question during 2017/18. Based on your experience, how likely are you to recommend our service to friends and family if they needed similar care or treatment?

Of these people, 89% answered 'Extremely likely' or 'Likely'.

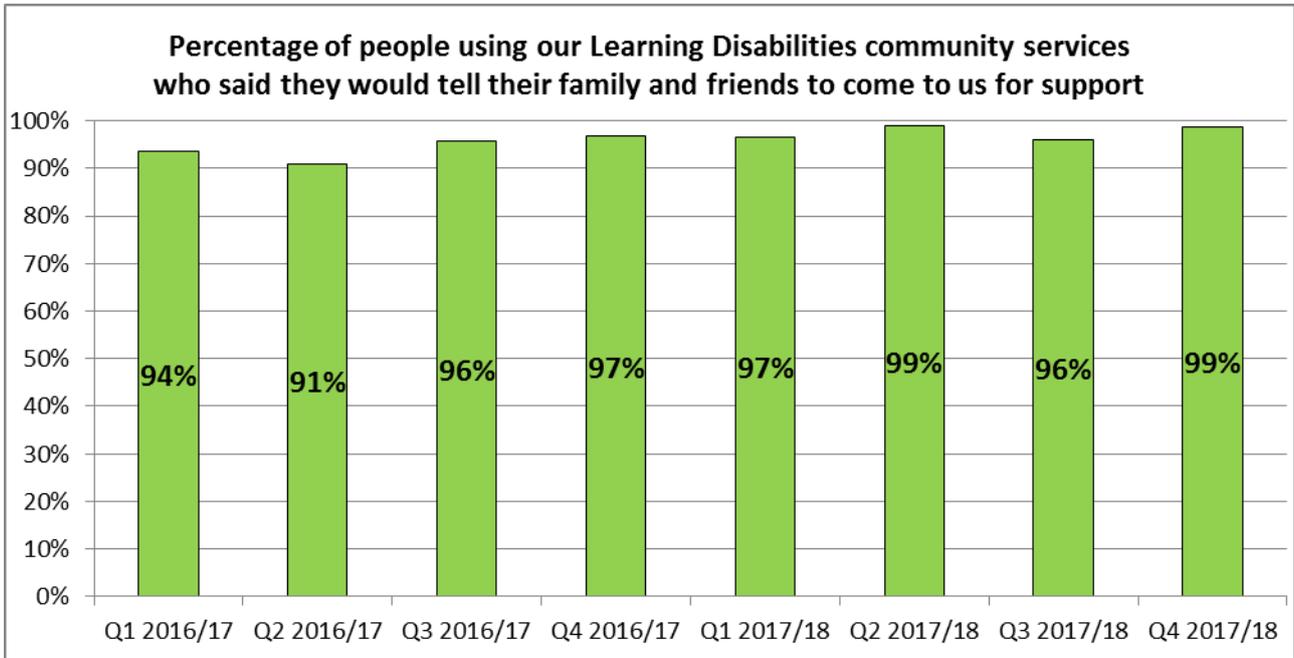


Source: Our local people's experience feedback survey, Your Views Matter. The figures include results from all of the Your Views Matter surveys that ask the Friends and Family Test question

### 2. Your Views Matter – People with a Learning Disability

Our Learning Disabilities services strive to ensure that everyone with a learning disability would want their families and friends to come to us for support. We are aware that many people we support may not be able to answer the Your Views Matter questions, so we have introduced other methods of finding out whether people are having a good experience. For example in our MyTime Reigate Day opportunities, people are supported to indicate whether they have liked or disliked a particular activity through the use of coloured balls.

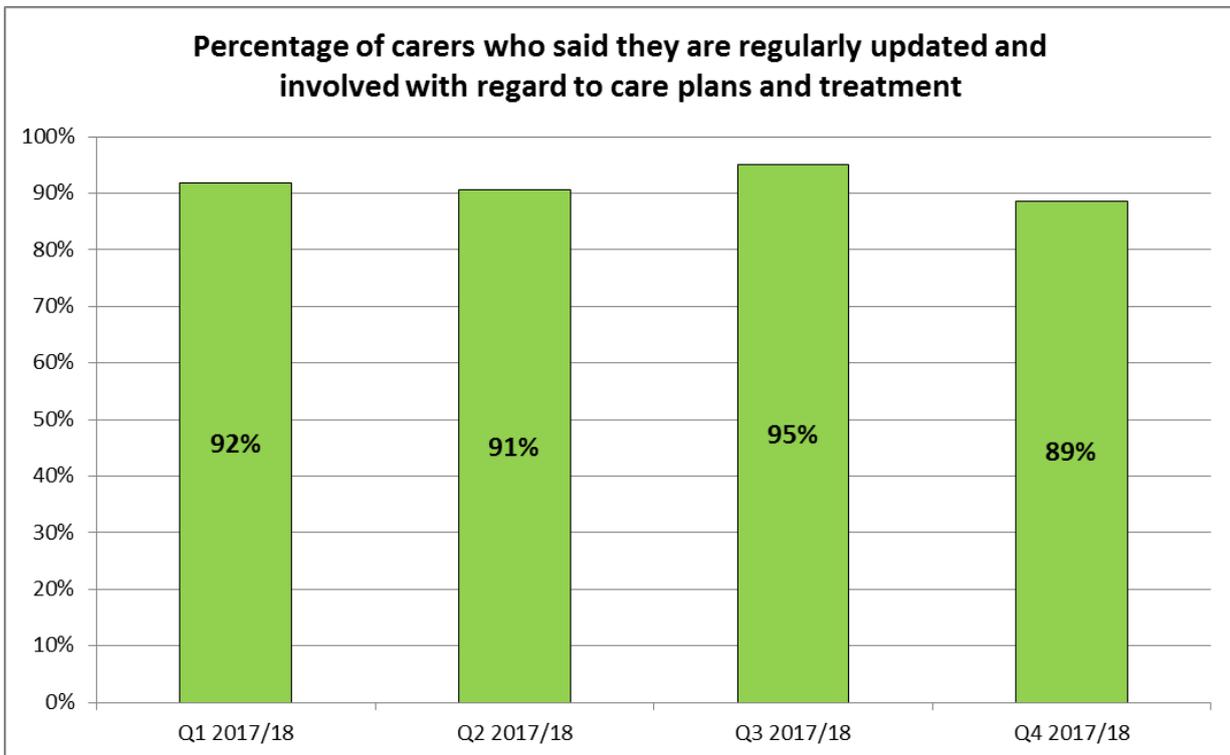
352 people using our Learning Disabilities community services answered the Your Views Matter survey question 'Would you tell your family and friends to come to us for support?' during 2017/18. Of these people, 97% answered 'Yes a lot' or 'Yes a little'.



Source: Our local people’s experience feedback survey, Your Views Matter

### 3. Your Views Matter – Carers

291 carers answered the following Your Views Matter survey question during 2017/18. As a carer, I was/am regularly updated and involved with regard to care plans and treatment. Of these carers, 92% answered ‘Strongly agree’ or ‘Agree’.



Source: Our local people’s experience feedback survey, Your Views Matter

## Performance Against Key National Priorities

The following gives an overview of performance against the key national priorities from the Department of Health's Operating Framework. This includes performance against the relevant indicators and performance thresholds which appear in both the NHS Improvement Risk Assessment Framework and the Single Oversight Framework.

### Early Intervention in Psychosis (EIP)

Definition/notes	Data period	Target	2016/17			
			Q1	Q2	Q3	Q4
EIP: first experience treated with a NICE-approved package within two weeks	Q – Actual	50%	64.3%	85.5%	85.9%	75.4%
Numerator: The number of referrals to and within the Trust with suspected first episode of psychosis or at 'risk mental state' that start a NICE-recommended package care package in the reporting period within two weeks of referral			2017/18			
Denominator: The number of referrals to and within the Trust with suspected first episode psychosis or at 'risk mental state' that start a NICE-recommended care package in the reporting period			Q1	Q2	Q3	Q4
			76.9%	77.4%	79.5%	82.1%

Source: Our local EIP waiting times figures are calculated from manually-collated information provided by the service

### Improving Access to Psychological Therapies (IAPT)

Definition/notes	Data period	Target	2017/18			
			Q1	Q2	Q3	Q4
Proportion of people completing treatment who move to recovery	Q – Actual	50%	53.51	49.75	51.14	50.10
People with common mental health conditions referred to the IAPT programme will be treated within six weeks of referral	Q – Actual	75%	97.6%	95.1%	99.6%	99.2%
People with common mental health conditions referred to the IAPT programme will be treated within 18 weeks of referral	Q – Actual	95%	99.5%	99.6%	100.0%	100.0%

Source: Local data recorded on IAPTUS, the electronic record system used for IAPT

## Cardio-metabolic Assessments

Definition/notes	
<p>Ensure that cardio-metabolic assessment and treatment for people with psychosis is delivered routinely in the following service areas:</p> <p>a) inpatient wards</p> <p>b) early intervention in psychosis services</p> <p>c) community mental health services (people on Care Programme Approach)</p>	<p>We have completed the College Centre for Quality Improvement (CCQI) audit for Early Intervention in Psychosis and the National Clinical Audit for Psychosis in 2017/18. The results of these audits have not been published at the time of writing our Quality Accounts.</p> <p>The most recent available evidence of our performance in this area is our cardio-metabolic CQUIN results for 2016/17. These results show a significant improvement within our inpatient services in undertaking physical health checks and offering interventions when people are identified as at risk as per the red zone of the Lester Tool. The only parameters where the majority of people are not offered interventions are for hypertension and dyslipidaemia. Qi work is in progress in order to embed physical healthcare clinics within inpatient services.</p> <p>In our Community Services, the majority of people were assessed for smoking, alcohol and also substance misuse and had their blood pressure checked. However there were a number of areas identified for further improvement which relate to physical health checks for BMI, glucose levels and cholesterol which were only checked in the following cases: 52%, 41% and 40% respectively. In addition in the following areas people were not consistently offered an intervention which indicated: smoking, alcohol misuse, weight management, managing blood glucose levels and dyslipidaemia (where no-one received an intervention).</p>

## Under 16 Admissions to Adult Inpatient Services

Definition/notes	Data period	2017/18			
		Q1	Q2	Q3	Q4
Admissions to adult facilities of patients under 16 years old	Q – Actual	0	0	2	0

Source: Local data recorded on SystemOne

## Out of Area Placements

Definition/notes	Data period	2017/18			
		Q1	Q2	Q3	Q4
Total number of bed days patients have spent out of area	Q – Actual	316	435	154	190

Source: Local data recorded on Clinical Audit Platform

## Meeting Commitment to New EIIP Cases

Our EIIP teams served 214 new cases during 2017/18.

New cases of psychosis served by EIIP teams												
Meeting commitment to serve new psychosis cases by early intervention teams	Apr 17	May 17	Jun 17	Jul 17	Aug 17	Sep 17	Oct 17	Nov 17	Dec 17	Jan 18	Feb 18	Mar 18
Cumulative Total	19	36	52	76	94	114	130	143	158	176	196	214

Source: Our local EIIP waiting times figures are calculated from manually-collated information provided by the service

## Data completeness: Identifiers

Definition/notes	Target	2017/18			
		Q1	Q2	Q3	Q4
Data completeness: identifiers					
Numerator: count of valid entries for each data item below	97%	99.67%	95.76%	92.50%	99.76%
Denominator: total number of entries					
NHS Number	97%	99.84%	99.88%	99.88%	100%
Date of Birth	97%	100.00%	100.00%	100.00%	99.99%
Postcode	97%	99.01%	98.94%	98.86%	99.98%
Gender	97%	99.99%	99.99%	99.99%	100%
GP Practice	97%	99.60%	87.89%	78.15%	98.68%
Commissioner	97%	99.60%	87.89%	78.15%	100%

Source: Local data recorded on SystmOne

## Data Completeness: Outcomes for People on Care Programme Approach

Definition/notes	Target	2017/18			
		Q1	Q2	Q3	Q4
Data completeness: outcomes for patients on Care Programme Approach					
Definition is for those adult patients on a Care Programme Approach with a Health of the Nation Outcome Scales (HONOS) employment status, and settled accommodation data	50%	82.36%	84.60%	84.38%	84.37%
Completed %					
Numerator: count of valid entries (valid, other, default)					
Denominator: total number of entries					

Source: Local data recorded on SystemOne

The data completeness figures shown in the table above are the average of the percentage completeness figures for Employment Status and Settled Accommodation. Completeness figures for the Health of the Nation Outcome Scales (HONOS) 12 months' element of the indicator are not available following the move from RiO to SystemOne.

## Minimising Delayed Transfers of Care

Definition/notes	Data period	2016/17				2017/18			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
The delayed transfers rate is the number of delayed bed days as a percentage of the total number of occupied bed days (excluding leave) during the quarter	Q – Actual	3.88%	3.85%	2.99%	1.26%	0.30%	0.00%	0.00%	5%

Source: Local data recorded on SystemOne

Note: From February 2018 following a review by NHS Improvement the Trust agreed to report Medically Fit Delayed Discharges and Safe to Discharge. Prior to this the Trust was reporting Safe to Discharge only.

# Annex 1: Statements from Commissioners, local Healthwatch Organisations and Overview and Scrutiny Committees

## Response by Council of Governors

Governors were pleased to receive a presentation from the Deputy Chief Executive on the Quality Accounts that explained the changes that NHS Improvement implemented for 2017/18 submissions.

Governors are focused on care plans because we recognise the need to improve the use and the quality of them across the Trust's services. We are pleased to see that a Quality Improvement initiative is being undertaken for these plans. We would like to see care coordinators involving more carers in the care plans for people who use services and the social care needs considered and included in these plans whenever appropriate. The staff need to ask at every level if a carer is involved. We are pleased that the importance of physical health needs are recognised and are being included too, for example the importance of physical exercise for wellbeing and understanding that some antipsychotic drugs and gaining weight can lead to type 2 diabetes.

Last October saw the implementation of the Smoke Free Trust initiative. Some Governors have seen this as a politically motivated, centrally imposed, Populist agenda with no basis in law and a breach of civil liberties at a time when someone is held under section of the Mental Health Act in hospital without leave, however it is also an indication that improvements in physical health provision for some service users are being implemented.

Governors would like to see more consistency within the Trust so that it is not a postcode lottery as to what services are provided to whom. We would also like to improve and increase the ways of gathering feedback to include more anonymous surveys and comments.

Carer Governors were concerned to see that although there were high levels of carer satisfaction, there was a low percentage of carers receiving a carers' assessment within three months recorded in the Clinical Quality Priorities. Unfortunately our electronic system is still not Care Act compliant for carers but we were reassured to hear that the Trust is undertaking a manual audit of SystmOne to identify carers that appear not to have carers' assessment so as to understand what the issues are. There is a need to ensure carers' assessments and a whole family approach is adopted across the whole Trust.

We feel there is still more work needed to embed a good staff culture around carers, but are pleased that moving forwards the Clinical Commissioning Groups (CCGs) are including a focus on carers including funding for Healios.

It was good to see continually increasing engagement by staff in the form of completing staff surveys at a time when the pressures on staff must be high due to poor staff retention and the difficulties we have with recruitment.

Governors are pleased that health inequalities of people with learning disabilities have started to be measured in the community and in the community teams using the Health Equality Framework (HEF), and it will be interesting to see the themes that develop from this so that further improvements can be implemented. More progress is also noticed in the reduced use of prone restraint used this year, decreasing numbers of A&E attendances after self-harm on the wards and fewer suspected suicides of people on the acute care pathway. We have highlighted the reporting of the absconding without leave, face down restraint and self-harm and asked for more clarity in the reports so that we can better understand for example what safe means against what criteria and how this relates to the bed numbers. We asked the Trust to consider changing how the data is presented using SPC charts. We have also requested information on what type of patients are absconding and were reassured that if possible this information will be reflected in the accounts in future.

Governors feel it is important to say that we have been disappointed that the Children and Young People's Services (CAMHS) have developed long waiting times, with high caseloads for staff that have resulted in staff leaving. We are aware of the hidden waits where a child has been assessed but is waiting to be seen. We understand that there is insufficient funding to meet the unexpectedly high demands and we have asked for advice from the Trust as to how we can support them in working to address and improve our CAMHS challenges.

We acknowledge the success of the excellent work that is being done in the Recovery Colleges and hope this work can be extended for further training for carers and also for recovery for people.

We noted the significant amount of reporting on deaths within the accounts and can see that we have a consistently high level as a percentage of reported incidents compared to other Mental Health Trusts. This is of concern to Governors and we know that there are multiple factors that can affect this and hope that the implementation of better ways of working will bring a reduction.

The Quality Improvement initiative was introduced this year to our Trust and we feel positive that the use of this tool will quickly bring many improvements to our services. We are pleased to see so many initiatives listed in the report and hope that the necessary quality improvements are achieved to secure extra funding and to enhance the wellbeing of the people who use our services, carers and families and our staff.

## Response by Clinical Commissioning Group (CCG)

Guildford and Waverley Clinical Commissioning Group (G&W CCG) welcomes the opportunity to comment on the Surrey and Borders Partnership NHS Foundation Trust (SABP) Quality Account for 2017/18.

Having reviewed the draft Quality Account document for 2017/18, the CCG is satisfied that it gives an overall accurate account and analysis of the quality of services provided. The detail is in line with the data supplied by SABP during the year 1st April 2017–31st March 2018, and reviewed as part of performance under the contract with G&W CCG as the lead Commissioner. There is evidence of the Trust's quality improvement progress in some areas, although some areas of concern remain ongoing. Our aim is to support the Trust in their efforts to resolve certain issues highlighted within this document.

Following our review, we are assured that the Trust's Quality Account is clearly set out and meets the mandated requirements to a large extent. Performance on last year's priorities is clearly summarised. Where performance has not been met, objectives and actions for improvement have been outlined in the report.

### Quality improvement priorities for 2017/18

The Trust is commended for their continued good work and emphasis on the quality of patient care. The CCG is satisfied that the priorities identified by the Trust largely comply with the Quality Account requirements in relation to Patient Safety, Clinical Effectiveness and Patient Experience. Where compliance has not been achieved, we as Commissioners are seeking assurances and continue to monitor progress closely, through monthly Clinical Quality Review Meetings with the Trust. These apply to Adult Mental Health as well as Child and Adolescent Mental Health Services.

The Quality Account provides a summary of progress made against the 2017/18 Quality and Safety priorities. In particular, the CCG would like to note the following areas of achievement and ongoing development:

- **Your Views Matter:** The Trust continues to make efforts in carer support and satisfaction, and aims to deliver a consistent approach to carer across all teams. There is a bi-monthly Carers Action Group which holds the Trust to account for the delivery of two action plans in this area of work. The average percentage of people who were satisfied with the service they received (score of 9-10) was 66% across the four quarters. A recent audit and data analysis have shown that 73% of people identified as carers have received or have been offered a carer's assessment. We feel that further improvements are imperative in this area, to increase the numbers of responses which will help to provide a clearer picture of people's experiences of the service.
- **Staff Experience:** The Trust has seen an increase in staff responses for the National Staff Survey compared to last year (68% compared to the previous 65%), which is positive news. However, some further work needs to be done in this area, to meet the target of 80% in 2020.

- **Improving Access to Psychological Therapy (IAPT) measures in CAMHS:** As part of this important programme, the Trust has implemented a person-level outcome tool which aims to measure whether a person has benefited from their clinical treatment. An electronic system called CheckWare records outcomes for people using the CYPs IAPT service.
- **Smoke-free Trust:** In October 2017, the Trust became smoke-free. Therefore, service users, staff and visitors are no longer able to smoke on any of the Trust's premises, including gardens and carparks. This initiative is part of a wider Health and Wellbeing drive for the Trust, which aims to promote the important link between physical and mental health.
- **Health Equality Framework (HEF) across all health services:** This framework ensures that the health needs of people with learning disabilities are assessed and health outcomes can therefore be improved. The Trust aims to increase the number of HEF assessments for people referred to the Community Team for People with Learning Disabilities (CTPLD) to 75%. At present, 50% of all people referred to CTPLD have been assessed within two months of referral as part of the HEF framework. Our hope is that application of this framework will continue to grow.
- **Suicide Prevention & Absconding without Leave (AWOL):** There is ongoing work and good progress made in all of these areas. Suicide Prevention is a significant area of focus for the Trust, with workshops and forums dedicated to raising awareness for staff, service users and the public, and focusing on a range of risk factors for suicide. AWOL incidents showed an increase between August and December 2017, but due to a number of concrete actions taking place, AWOL incidence appears to have reduced. However, this remains an area of focus and ongoing work through a dedicated Task and Finish Group that will concentrate on this area and ensure there are sustainable plans in place to prevent reoccurrence.
- **Care Plans:** The need to improve the use and quality of care plans is recognised across the Trust's services, and has been an area of concern for the Commissioners. A Quality Improvement initiative is being undertaken in this area, and we are satisfied that sustained efforts are being made to (a) improve the quality and prompt timing of care plans, and (b) involve service users and carers in this process.
- **CQC Healthcare Services Ratings:** Over the years, the Trust has focused on improving the quality of its social care homes and people's experience in this area. All homes are now rated as 'Good' overall. Only one home 'Requires Improvement' in the 'Well-led' domain, whilst it has been rated 'Good' in all other domains of safety, effectiveness, care and responsiveness.
- **Learning from Deaths:** The Trust has established a robust mortality process which reviews all deaths of people who have used its services in the last 12 months before their death. This ensures that understanding and learning are obtained and embedded in daily practice. Increased awareness and training for staff have resulted from this process. However, there is still an ongoing necessity for lessons learnt to be better understood, so that they inform risk assessments and clinical decision making.

- **Workforce:** There are good outcomes and achievements in keeping staff training up to date, with 92% for statutory and 88.7% for mandatory training. During 2017/18, the Trust increased the number of in-house trainers to ensure that it is capable of meeting the needs of staff and teams. The Commissioners continue to monitor this area closely through monthly Clinical Quality Review Meetings, to ensure and evidence the Trust's workforce compliance in all aspects of NHS statutory and mandatory training.

The following performance shortfalls are noted, against which the Trust has summarised plans for improvement:

- Continue to work on CAMHS referral times for routine assessments and treatment; this is a significant area of concern and ongoing work, monitored through dedicated monthly Clinical Quality Review Meetings. Harm reviews are being undertaken on all children waiting over 18 weeks for routine referrals ensuring appropriate signposting is in place until they will be seen.
- Continue to learn from serious incident investigations and the mortality review process, so as to reduce the number of deaths that are identified as being connected to care delivery, and improve patient safety across all areas of service provision.

### **Data Quality**

The Commissioners are satisfied with the accuracy of the data contained in the Quality Account, pending completion of final validation by auditors. We will continue to work with the Trust to ensure that quality data is reported in a timely manner that adheres to clear information schedules.

In conclusion, G&W CCG would like to thank SABP for sharing the draft Quality Account, and is satisfied that it accurately reflects the priority work undertaken by the Trust in Quality and Patient Safety. As a Commissioner, we have a positive relationship with the Trust and will continue to work together to ensure continuous improvement in the delivery of safe and effective services for our patients.

Kind regards



**Clare Stone**

Executive Director of Quality

Surrey Heartlands CCGs (Guildford and Waverley, North West Surrey and Surrey Downs CCGs)

## Response by Adults and Health Select Committee

Department of Health Guidance places a statutory responsibility on NHS Trusts to submit annual quality accounts to the Health Overview and Scrutiny Committee of the local authority area in which they are headquartered. The Guidance subsequently provides four key areas that Health Overview and Scrutiny Committees should have regard to when producing quality accounts statements, these are:

- does a providers priorities match those of the public;
- whether the provider has omitted any major issues; and
- has the provider demonstrated they have involved patients and the public in the production of the Quality Account;
- any comment on issues the OSC is involved in locally

The Adults and Health Select Committee has therefore assessed Surrey and Borders Partnership NHS Foundation Trust's Quality Account for 2017/18 in line with these considerations and has provided the following statement:

### **Do the provider's priorities match those of the public?**

Surrey and Borders Partnership NHS Foundation Trust (SABP) has assessed itself against ten Clinical Quality Priorities spanning five broad areas for its Quality Account 2017/18. As in all areas of health care delivery, the public wishes to ensure that mental health trusts provide safe, caring and effective services to those who require them and this is broadly achieved by the Clinical Quality Priorities identified. The Committee also welcomes the focus on Child and Adolescent Mental Health Services (CAMHS) although is disappointed that this focus hasn't been continued in the priorities for this year given the ongoing challenges that exist around the delivery of CAMHS. The Committee is also encouraged to see, that the Clinical Quality priorities for 2018/19 assess SABP's progress against key issues such as acute mental healthcare waiting times and tackling inappropriate out of area placements. There are a couple of areas where public priorities in respect of mental health services could be more clearly reflected in the Quality Account. In particular, the Select Committee feels that the Trust's priorities could focus more on the outcomes achieved for those who require in-patient, community or IAPT services in Surrey. The priorities could also do more to capture growing public interest in the link between mental and physical health which could be assessed through the prism of integration as part of Sustainability and Transformation Partnerships (STPs).

### **Has the provider has omitted any major issues?**

The Quality Account doesn't make any specific reference to SABP's plans for developing its inpatient services in Surrey which surprises the Select Committee given that the scale and ambition of these plans. The Trust is also working with Surrey County Council to review the delivery of Tier 4 Substance Misuse Services in the County which also appears to be omitted from the Quality Account.

### **Has the provider demonstrated they have involved patients and the public in the production of the Quality Account?**

The Quality Account does show evidence of patient and public involvement in its production. The Adults and Health Select Committee was particularly encouraged to see that surveys were used as indicators to assess performance against Clinical Quality priorities for 2017/18. Moreover, patients and the public have also had some participation in developing SABP's priorities for the upcoming year although the extent to which they were given the opportunity to directly shape these is unclear from the Quality Account. The Select Committee strongly promotes patient and public participation in all aspects of health and social care delivery and so would encourage SABP to continue its efforts in utilising service users and residents in shaping its priorities for the future.

### **Comment on issues that the Adults and Health Select Committee has been involved in locally**

SABP has attended the Adults and Health Select Committee once in the past year during which representatives from the Trust contributed to a meeting of the Committee which focussed specifically on mental health. This included providing an update on the relocation of some inpatient services in Surrey as well as outlining future plans for the configuration of these services over the coming years. In addition, Members of the Select Committee also reviewed Surrey's local Suicide Prevention Plan which is led by the County Council but included strong input from SABP representatives.

Finally, the Chairman of the Select Committee held an assurance meeting with the Medical Director and Deputy Chief Executive of the Trust to review data on unexpected deaths and serious incidents of those patients receiving care from SABP. The Chairman of the Select Committee was content that efforts to reduce both unexpected deaths and serious incidents at the Trust had been successful.

### **Response by Healthwatch Surrey**

As the independent consumer champion for health and social care, Healthwatch Surrey is committed to ensuring the people of Surrey have a voice to improve, shape and get the best from their health and social care services by empowering individuals and communities.

This year we have decided that we will not to get involved in commenting on the Quality Accounts. With limited resources we do not believe this is the best way to use our time to make a difference for the people of Surrey. We have chosen to concentrate this year on ensuring we feed back what we've heard on NHS and social care services to commissioners on a regular basis; and that we have the processes and relationships in place to escalate any cases of particular concern to the providers involved and seek outcomes.

*Kate Scribbins.*

**Kate Scribbins**  
Chief Executive  
Healthwatch Surrey, May 2018

**healthwatch**  
Surrey

# Statement of Directors’ Responsibilities in Respect of the Quality Account

The Directors are required under the Health Act 2009, 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 Foundation Trust boards should put in place to support the data quality for the preparation of the Quality Account.

In preparing the Quality Account, Directors are required to take steps to satisfy themselves that:

- The content of the Quality Account meets the requirements set out in the NHS Foundation Trust Annual Reporting Manual 2017/18 and supporting guidance
- The content of the Quality Account is not inconsistent with internal and external sources of information including:
  - Board minutes and papers from the period April 2017 to March 2018
  - Papers relating to quality reported to the Board over the period April 2017 to March 2018
  - Feedback from the commissioners dated 16/05/2018
  - Feedback from local Healthwatch dated 09/05/2018
  - Feedback from our Council of Governors dated 04/05/2018
  - Feedback from the Adults and Health Select 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 15/08/2017. This is the most recent available report at the time of writing the Quality Account
  - The 2017 national patient survey dated 15/11/2017
  - The 2017 national staff survey dated 06/03/2018
  - The Head of Internal Audit’s annual opinion over the Trust’s control environment dated 30/04/2018
  - Care Quality Commission inspection report dated 04/10/2017

- The Quality Accounts presents a balanced picture of the Trust's performance over the period covered
- The national performance information reported in the Quality Account is materially reliable and accurate. We are developing our quality assurance processes for the local information presented in this report
- There are proper internal controls over the collection and reporting of the measures of performance included in the Quality Account, 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 Account is robust and reliable, conforms to specific data quality standards and prescribed definitions, is subject to appropriate scrutiny and review
- The Quality Account has been prepared in accordance with NHS Improvement's annual reporting guidance (which incorporates Quality Accounts regulations) as well as the standards to support data quality for the preparation of the Quality Account

The Directors confirm to the best of their knowledge and belief they have complied with the above requirements in preparing the Quality Account with the exception of being able to satisfy themselves that local information presented in the report is materially reliable and accurate, we are developing our quality assurance processes to improve on this reporting.

By order of the Board



**Dr Ian McPherson**  
**Chairman**



**Prof Jonathan Warren**  
**Acting Chief Executive**

23 May 2018

# Independent Auditor's Report

## **Independent Auditor's Report to the Council of Governors of Surrey and Borders Partnership NHS Foundation Trust on the Quality Report**

We have been engaged by the Council of Governors of Surrey and Borders Partnership NHS Foundation Trust to perform an independent assurance engagement in respect of Surrey and Borders Partnership 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: 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
- inappropriate out-of-area placements for adult mental health services

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 16 May 2018;
- feedback from governors, dated 4 May 2018;
- feedback from local Healthwatch organisations, dated 9 May 2018;
- feedback from Adults and Health Select 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;
- the 2017 national patient survey, dated 15 November 2017;
- the 2017 national staff survey, dated 6 March 2018;
- Care Quality Commission Inspection, dated 4 October 2017;
- the 2017/18 Head of Internal Audit's annual opinion over the Trust's control environment, dated 30 April 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 Surrey and Borders Partnership 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 Surrey and Borders Partnership 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 Surrey and Borders Partnership NHS Foundation Trust.

### **Conclusion**

Based on the results of our procedures, nothing has come to our attention that causes us to believe that, for the year ended 31 March 2018:

- the Quality Report is not prepared in all material respects in line with the criteria set out in the NHS Foundation Trust Annual Reporting Manual and supporting guidance;
- the Quality Report is not consistent in all material respects with the sources specified in the Guidance; and

- the indicator in the Quality Report subject to limited assurance has not been reasonably stated in all material respects in accordance with the NHS Foundation Trust Annual Reporting Manual and the six dimensions of data quality set out in the Guidance.

KPMG LLP

Chartered Accountants  
15 Canada Square, London, E14 5GL

24 May 2018

# Annual Accounts

## 2017/18



**Staff and volunteers from our Recovery College win the Gold Team of the Year Award at our annual CARE awards**



# Independent auditor's report

## to the Council of Governors of Surrey and Borders Partnership NHS Foundation Trust

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

#### 1. Our opinion is unmodified

We have audited the financial statements of Surrey and Borders Partnership NHS Foundation Trust ("the Trust") for the year ended 31 March 2018 which comprise the Group and Trust statement of comprehensive income, statement of financial position, statement of cash flows and statement of changes in equity, and the related notes, including the accounting policies in note 1.

#### In our opinion:

- the financial statements give a true and fair view of the state of the Group and the Trust's affairs as at 31 March 2018 and of the Group and Trust's income and expenditure for the year then ended; and
- the Group 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 Group 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

<b>Materiality:</b>	£3.6m (2016/17: £3.0m)
Group financial statements as a whole	2% (2016/17: 2%) of operating income

<b>Coverage</b>	87.5% (2016/17:100%) of operating income
-----------------	--

#### Risks of material misstatement vs 2016/17

<b>Recurring risks</b>	Valuation of land and buildings	▲
	Recognition of NHS and non-NHS income and valuation of doubtful debt provision	◀▶

## 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):

All of these key audit matters relate to the Group and the parent Trust.

	The risk	Our response
<p><b>Property, plant and equipment</b></p> <p>(£93.4 million; 2016/17: £123.5 million)</p> <p><i>Refer to page 54 (Audit Committee Report), page 161-164 (accounting policy) and page 180 (financial disclosures)</i></p>	<p><b>Subjective valuation:</b></p> <p>NHS land and building property values have been generally stably increasing in recent years, but the impact of impairments at individual trusts can be volatile.</p> <p>The Trust engaged a professional valuer to carry out valuations in 2017/18. The valuation figures included in the Group accounts are estimates.</p> <p>Estimates are inherently risky due to their subjectivity and reliance on the valuer's credentials, assumptions used and choice of methodology.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> <li>— <b>Tests of details:</b> For a sample of assets we agreed the accuracy of the estate base data provided to the valuer to complete the valuation in order to ensure the data provided accurately reflected the Trust's estate;</li> <li>— <b>Assessing valuer's credentials:</b> We assessed the scope, qualifications and experience of the Trust's valuer, Montagu Evans;</li> <li>— <b>Methodology choice:</b> We assessed the overall methodology of the valuation performed to understand whether the approach was in line with industry practice. We utilised our own valuation specialist to aid us in our assessment;</li> <li>— <b>Our valuation expertise:</b> We inspected the instructions provided to the Trusts' valuer to assess whether they were appropriate for the requirements;</li> <li>— <b>Benchmarking assumptions:</b> We assessed the assumptions used in preparing the valuation of the Trust's land and buildings to understand whether these were appropriate. We used our own valuation specialist to aid us in our assessment; and</li> <li>— <b>Tests of details:</b> We assessed how management and the valuer assessed the need for an impairment across the asset base either due to loss of value or reduction in future benefits.</li> </ul>
<p><b>NHS and non-NHS Income</b></p> <p>(£169.2 million; 2016/17: £164.5 million)</p> <p><i>Refer to page 54 (Audit Committee Report), page 160 (accounting policy) and page 172-173 (financial disclosures).</i></p>	<p><b>2017/18 Income:</b></p> <p>The Trust largely receives income on a block contract basis so there is certainty in the future forecasts at the start of the financial year but variation can occur. 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><b>Accounting treatment:</b></p> <p>Income from local authorities presents a greater risk to the Trust as this income can take longer to collect, meaning there is more judgement regarding the level of income to recognise at the year end.</p> <p>The Trust is eligible to receive Sustainability and Transformation Plan funding (STF) based on meeting the control total set by NHS Improvement. The final income from STF may be notified late in the financial year.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> <li>— <b>Tests of details:</b> We undertook the following tests of details: <ul style="list-style-type: none"> <li>• For a sample of contracts with commissioners we reconciled the income per the signed contracts to the financial statements;</li> <li>• We agreed income for three months to the contract and the bank statement for the Trust's six largest commissioners;</li> <li>• We assessed a sample of contract variations;</li> <li>• We compared third party confirmations from commissioners to the values disclosed within the financial statements. We sought explanations for variances over the National Audit Office reconciliation threshold as part of the AOB exercise; and</li> <li>• We sampled material NHS and non-NHS income (including local authority income) and agreed income to invoices, and the receipt of funds in the bank to determine that the income had been recorded in the correct period. This included confirming assumptions in relation to the accrual of STF funding.</li> </ul> </li> </ul>

### 3. Our application of materiality and an overview of the scope of our audit

Materiality for the Group financial statements as a whole was set at £3.6 million (2016/17: 3.0 million), determined with reference to a benchmark of operating income (of which it represents approximately 2%). We consider operating income to be more appropriate than a surplus related benchmark.

Materiality for the parent Trust's financial statements as a whole was set at £3.2 million (2016/17: £3 million), determined with reference to a benchmark of operating income (of which it represents approximately 2%).

We agreed to report to the Audit Committee any corrected and uncorrected identified misstatements exceeding £180k (2016/17: £150k), in addition to other identified misstatements that warranted reporting on qualitative grounds.

Of the Group's two (2016/17: one) reporting components, we subjected one (2016/17: one) to full scope audits for group purposes and one to specified risk-focused audit procedures using materiality of £250k over income, expenditure, receivables and payables.

The Group team approved the parent materiality which was £2.2 million, having regard to the mix of size and risk profile of the Group across the components. The work on one of the two reporting components (2016/17: one of the one components) was performed by the Group team. The remaining component audit was not performed by the Group team and will be concluded after the approval of these financial statements. KPMG did complete risk focused audit procedures as outlined above.

### 4. We have nothing to report on going concern

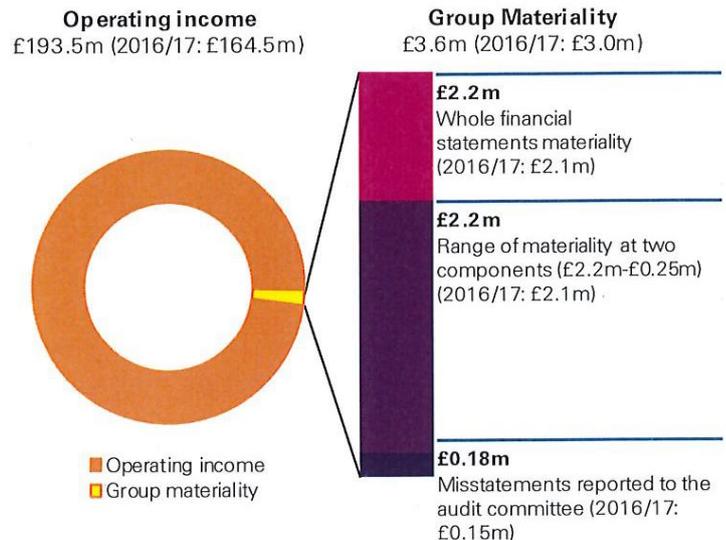
We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the 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 Group'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 Group 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 pages 64-65, 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 Group and parent 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 Group and parent 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](http://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 to secure 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 below together with the findings from the work we carried out on each area.

Significant Risk	Description	Work carried out
<b>Financial sustainability</b>	<p>The Trust needs to deliver national efficiency savings targets and also meet any local targets. In making savings it also needs to ensure high quality patient care responding to commissioner intentions around service improvements.</p> <p>Across Surrey, the health and care system changes are being made to how local people live and access care. Increasingly, delivering preventative care. This means the Trust services will change and may come under increased financial pressure.</p>	<p>Our work included:</p> <ul style="list-style-type: none"> <li>— Considering the Trust's position within the single oversight framework;</li> <li>— Critically assessing management's view of going concern and the future funding available for Trust services;</li> <li>— Considering financial and other performance information reported to the Board;</li> <li>— Considering in year financial performance.</li> </ul>

## **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 Surrey and Borders Partnership NHS Foundation Trust in accordance with the requirements of Schedule 10 of the National Health Service Act 2006 and the Code of Audit Practice issued by the National Audit Office.



**Neil Thomas**

**for and on behalf of KPMG LLP (Statutory Auditor)**

*Chartered Accountants*

15 Canada Square, London, E14 5GL

24 May 2018

# Foreword to the Accounts

## Surrey and Borders Partnership NHS Foundation Trust

These accounts, for the period to 31 March 2018, have been prepared by Surrey and Borders Partnership NHS Foundation Trust in accordance with paragraphs 24 and 25 of Schedule 7 to the National Health Service Act 2006 and are presented to Parliament pursuant to Schedule 7, paragraph 25 (4) (a) of the National Health Service Act 2006.



**Prof Jonathan Warren**  
**Acting Chief Executive**

23 May 2018

# Statement of Comprehensive Income for the year ended 31 March 2018

	Note	Group		Trust	
		2017/18 £000	2016/17 £000	2017/18 £000	2016/17 £000
Revenue from patient care activities	3	173,447	140,421	149,245	140,421
Other operating income	4	20,027	24,044	20,027	24,044
Operating expenses	6, 8	(212,428)	(148,681)	(188,226)	(148,681)
<b>Net operating surplus/(deficit)</b>		<b>(18,954)</b>	<b>15,784</b>	<b>(18,954)</b>	<b>15,784</b>
Finance income	11	37	18	37	18
Finance costs	12	(24)	(152)	(24)	(152)
PDC dividends payable		(3,371)	(3,359)	(3,371)	(3,359)
<b>Net finance costs</b>		<b>(3,358)</b>	<b>(3,493)</b>	<b>(3,358)</b>	<b>(3,493)</b>
Other gains / (losses)	13	2,718	3,323	2,718	3,323
Share of profit / (losses) of associates / joint arrangements	23	-	-	-	-
<b>Surplus / (deficit) for the year</b>		<b>(19,594)</b>	<b>15,614</b>	<b>(19,594)</b>	<b>15,614</b>
<b>reclassified to income and expenditure:</b>					
Impairments and reversals taken to revaluation reserve	7	(14,110)	391	(14,110)	391
Gain on revaluations	21	8,679	15,106	8,679	15,106
<b>Total comprehensive income / (expense) for the period</b>		<b>(25,025)</b>	<b>31,111</b>	<b>(25,025)</b>	<b>31,111</b>

The comprehensive income/(expense) includes significant non-recurring expenditure items. When these are excluded from the operating position - in line with NHS accounting practice - the Trust achieved its agreed control total, which was calculated on a different basis than in 2016/17, as shown below:

<b>Surplus / (deficit) for the year</b>	(19,594)	15,614	(19,594)	15,614
Net impairments (shown in operating expenses)	24,176	(6,888)	24,176	(6,888)
(Profit) / loss on disposals	13	-	(3,323)	(3,323)
Prior year Sustainability and Transformation Funding	(697)	-	(697)	-
Total Sustainability and Transformation Funding	-	(5,217)	-	(5,217)
<b>Operating surplus / (deficit) from continuing operations</b>	<b>3,885</b>	<b>186</b>	<b>3,885</b>	<b>186</b>
<b>Control total</b>	<b>2,521</b>	<b>1,060</b>	<b>2,521</b>	<b>1,060</b>
Additional sustainability and transformation funding	1,294	-	1,294	-
Planned sustainability and transformation funding	-	960	-	960
<b>Performance surplus / (deficit) for the year against control total</b>	<b>70</b>	<b>86</b>	<b>70</b>	<b>86</b>

Surrey and Borders Partnership NHS Foundation Trust is accounting for its relationship with the Surrey Healthy Children and Families Limited Liability Partnership (LLP) as a subsidiary consolidated into Group accounts with a 50% non-controlling interest. The Trust reassessed its charitable fund in 2016/17, in line with the definition in IAS 1, and no longer considers the charitable fund material to its financial statements. The Group position recorded in these financial statements reflects the LLP as the sole subsidiary. All income and expenditure is derived from continuing operations. The notes on pages 158 to 193 form part of these accounts.

# Statement of Financial Position as at 31 March 2018

	Note	Group		Trust	
		31 March 2018 £000	31 March 2017 £000	31 March 2018 £000	31 March 2017 £000
<b>Non-current assets</b>					
Intangible assets	16	6,144	5,425	6,144	5,425
Property, plant and equipment	18	93,386	123,505	93,386	123,505
<b>Total non-current assets</b>		<b>99,530</b>	<b>128,930</b>	<b>99,530</b>	<b>128,930</b>
<b>Current assets</b>					
Inventories	27	77	99	77	99
Trade and other receivables	28	19,647	16,810	18,001	16,810
Non-current assets for sale and assets in disposal groups	30	951	504	951	504
Cash and cash equivalents	31	18,131	13,056	18,131	13,056
<b>Total current assets</b>		<b>38,806</b>	<b>30,469</b>	<b>37,160</b>	<b>30,469</b>
<b>Current liabilities</b>					
Trade and other payables	32	(22,629)	(18,012)	(20,983)	(18,012)
Provisions	37	(2,030)	(3,319)	(2,030)	(3,319)
Other liabilities	34	(1,302)	(306)	(1,302)	(306)
<b>Total current liabilities</b>		<b>(25,961)</b>	<b>(21,637)</b>	<b>(24,315)</b>	<b>(21,637)</b>
<b>Total assets less current liabilities</b>		<b>112,375</b>	<b>137,762</b>	<b>112,375</b>	<b>137,762</b>
<b>Non-current liabilities</b>					
Provisions	37	(8,957)	(9,689)	(8,957)	(9,689)
<b>Total non-current liabilities</b>		<b>(8,957)</b>	<b>(9,689)</b>	<b>(8,957)</b>	<b>(9,689)</b>
<b>Total assets employed</b>		<b>103,418</b>	<b>128,073</b>	<b>103,418</b>	<b>128,073</b>
<b>Financed by</b>					
Public dividend capital		191,494	191,124	191,494	191,124
Revaluation reserve		25,222	31,294	25,222	31,294
Other reserves		(13,391)	(13,391)	(13,391)	(13,391)
Income and expenditure reserve		(99,907)	(80,954)	(99,907)	(80,954)
Non-controlling Interest		-	-	-	-
<b>Total taxpayers' equity</b>		<b>103,418</b>	<b>128,073</b>	<b>103,418</b>	<b>128,073</b>

The notes on pages 158 to 193 form part of these accounts.

The financial statements on pages 153 to 157 were approved by the Board and signed on its behalf by:



**Prof Jonathan Warren**  
**Acting Chief Executive**

23 May 2018

## Statement of Changes in Equity for the year ended 31 March 2018

Group	Public dividend capital £000	Revaluation reserve £000	Other reserves £000	Income and expenditure reserve £000	Non-controlling interest £000	Total £000
<b>Taxpayers' and others' equity at 1 April 2017 - brought forward</b>	<b>191,124</b>	<b>31,294</b>	<b>(13,391)</b>	<b>(80,954)</b>	-	<b>128,073</b>
Surplus / (deficit) for the year	-	-	-	(19,594)	-	(19,594)
Other transfers between reserves	-	(632)	-	632	-	-
Impairments	-	(14,110)	-	-	-	(14,110)
Revaluations	-	8,679	-	-	-	8,679
Transfer to retained earnings on disposal of assets	-	(9)	-	9	-	-
Share of comprehensive income from associates and joint ventures	-	-	-	-	-	-
Public dividend capital received	370	-	-	-	-	370
<b>Taxpayers' and others' equity at 31 March 2018</b>	<b>191,494</b>	<b>25,222</b>	<b>(13,391)</b>	<b>(99,907)</b>	-	<b>103,418</b>

The Surrey Healthy Children and Families LLP was capitalised with £10 share capital from each partner. Therefore, on the basis of materiality, the above Statement of Changes in Equity relates solely to the Trust.

## Statement of Changes in Equity for the year ended 31 March 2017

Group	Public dividend capital £000	Revaluation reserve £000	Other reserves £000	Income and expenditure reserve £000	Non-controlling interest £000	Total £000
<b>Taxpayers' and others' equity at 1 April 2016 - brought forward</b>	<b>191,167</b>	<b>16,240</b>	<b>(13,391)</b>	<b>(97,011)</b>	-	<b>97,005</b>
Surplus / (deficit) for the year	-	-	-	15,614	-	15,614
Other transfers between reserves	-	(321)	-	321	-	-
Impairments	-	391	-	-	-	391
Revaluations	-	15,106	-	-	-	15,106
Transfer to retained earnings on disposal of assets	-	(122)	-	122	-	-
Share of comprehensive income from associates and joint ventures	-	-	-	-	-	-
Other movements in public dividend capital in year	(43)	-	-	-	-	(43)
<b>Taxpayers' and others' equity at 31 March 2017</b>	<b>191,124</b>	<b>31,294</b>	<b>(13,391)</b>	<b>(80,954)</b>	-	<b>128,073</b>

# Information on Reserves

## **Public Dividend Capital**

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. Additional PDC may also be issued to trusts by the Department of Health and Social Care. A charge, reflecting the cost of capital utilised by the Trust, is payable to the Department of Health as the public dividend capital dividend.

## **Revaluation Reserve**

Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse impairments previously recognised in operating expenses, in which case they are recognised in operating income. Subsequent downward movements in asset valuations are charged to the revaluation reserve to the extent that a previous gain was recognised unless the downward movement represents a clear consumption of economic benefit or a reduction in service potential.

## **Other Reserves**

A negative other reserve was created in 2007/08, which related to the 2004/05 revaluation of property plant and equipment.

## **Income and Expenditure Reserve**

The balance of this reserve is the accumulated surpluses and deficits of the Trust.

## **Non-Controlling Interest Reserve**

The Children and Family Health Surrey reserve for the year ended 31 March 2018 is nil.

# Statement of Cash Flows for the year ended 31 March 2018

	Note	Group		Trust	
		2017/18 £000	2016/17 £000	2017/18 £000	2016/17 £000
<b>Cash flows from operating activities</b>					
Operating surplus / (deficit)		(18,954)	15,784	(18,954)	15,784
<b>Non-cash income and expense:</b>					
Depreciation and amortisation	6.1	6,247	5,582	6,247	5,582
Net impairments	7	24,176	(6,888)	24,176	(6,888)
(Increase) / decrease in receivables and other assets		(2,560)	(2,956)	(914)	(2,956)
(Increase) / decrease in inventories		22	(12)	22	(12)
Increase / (decrease) in payables and other liabilities		5,303	(2,694)	3,657	(2,694)
Increase/(decrease) in provisions		(2,045)	573	(2,045)	573
<b>Net cash flows from / (used in) operating activities</b>		<b>12,189</b>	<b>9,389</b>	<b>12,189</b>	<b>9,389</b>
<b>Cash flows from investing activities</b>					
Interest received		37	18	37	18
Purchase of intangible assets		(1,577)	(1,567)	(1,577)	(1,567)
Purchase of PPE and investment property		(5,740)	(10,330)	(5,740)	(10,330)
Sales of PPE and investment property		3,444	6,112	3,444	6,112
<b>Net cash flows from / (used in) investing activities</b>		<b>(3,836)</b>	<b>(5,767)</b>	<b>(3,836)</b>	<b>(5,767)</b>
<b>Cash flows from financing activities</b>					
Public dividend capital received		370	-	370	-
PDC dividend (paid) / refunded		(3,648)	(3,760)	(3,648)	(3,760)
<b>Net cash flows from / (used in) financing activities</b>		<b>(3,278)</b>	<b>(3,760)</b>	<b>(3,278)</b>	<b>(3,760)</b>
<b>Increase / (decrease) in cash and cash equivalents</b>		<b>5,075</b>	<b>(138)</b>	<b>5,075</b>	<b>(138)</b>
<b>Cash and cash equivalents at 1 April - b/f</b>		<b>13,056</b>	<b>13,194</b>	<b>13,056</b>	<b>13,194</b>
Prior period adjustments		-	-	-	-
<b>Cash and cash equivalents at 1 April - restated</b>		<b>13,056</b>	<b>13,194</b>	<b>13,056</b>	<b>13,194</b>
<b>Cash and cash equivalents at 31 March</b>	31	<b>18,131</b>	<b>13,056</b>	<b>18,131</b>	<b>13,056</b>

# Notes to the Accounts

## **Note 1 Accounting Policies and Other Information**

### **Note 1.1 Basis of Preparation**

NHS Improvement, in exercising the statutory functions conferred on Monitor, has directed that the financial statements of the Trust shall meet the accounting requirements of the Department of Health and Social Care Group Accounting Manual (GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the GAM 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 GAM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the Trust for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. These have been applied consistently in dealing with items considered material in relation to the accounts.

#### **Note 1.1.1 Accounting Convention**

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets, inventories and certain financial assets and financial liabilities.

#### **Note 1.1.2 Going Concern**

Surrey and Borders Partnership NHS Foundation Trust 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.

### **Note 1.2 Critical Judgements in Applying Accounting Policies**

The following are the judgements, apart from those involving estimations (see below), that management has made in the process of applying the Trust's accounting policies (as required by IAS 1.122) and that have the most significant effect on the amounts recognised in the financial statements:

- The Trust has provisions for irrecoverable debts which are assessed on an annual basis using an estimate of probability of collection. Refer to Note 28.2.
- The Trust does not allow staff to carry over any unused leave, so no accrual for the estimated cost of the annual leave entitlement earned but not taken by employees at the end of the financial year has been included

#### **Note 1.2.1 Sources of Estimation Uncertainty**

The following are assumptions about the future and other major sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year (as required by IAS 1.125).

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates and the estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

- The Trust considers the value of its non-current assets each year. Asset valuations are provided by independent, qualified valuers. Valuations are subject to general price changes in property values across the UK. Asset values might vary from their real market value when assets are disposed of. The Trust's non-current assets were revalued at 31 December 2017, on an alternative site basis where

this would meet the location requirements of the service being provided, per the DH Group Accounting Manual. Refer to Note 1.7.2.

- Determination of useful lives for property, plant and equipment - estimated useful lives for the Trust's assets - are based on common, widely used assumptions for each asset type, except where specialist information is available from professional bodies. The Trust reviews these lives on a regular basis as part of the process to assess whether assets have been impaired. Refer to Note 1.7.6.
- Provisions for pension and legal liabilities are based on the information provided from NHS Pension Agency, NHS Litigation Agency and the Trust's own sources. Pension provision is based on the life expectancy of the individual pensioner, as stated in the UK Actuarial Department most recent life tables, which change annually. All provisions are estimates of the actual costs of future cash flows and are dependent on future events. Any differences between expectations and the actual future liability will be accounted for in the period when such determination is made. Refer to Note 37.1.

### **Note 1.3 Consolidation**

#### **Note 1.3.1 Subsidiaries**

Entities over which Surrey and Borders Partnership NHS Foundation Trust has the power to exercise control are classified as subsidiaries and are consolidated. Surrey and Borders Partnership NHS Foundation 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.

The Trust entered into a Limited Liability Partnership (LLP) called Surrey Healthy Children and Families, incorporated on 19 December 2016 (partnership number OC415159), in which Surrey and Borders Partnership NHS Foundation Trust and Central Surrey Health CIC are partners, each holding a 50% interest. Under clause 17.1 of the Partnership Agreement that governs the LLP, the Trust will provide a guarantee on demand to commissioners that the Trust will guarantee the provision of services to be provided by the LLP under the service contract. The Trust has assessed its relationship with the LLP in the light of this guarantee and judged that the materiality of losses incurred by LLP partners means that, whilst the Trust has not triggered its additional rights, it would be justified in doing so and, on that basis, the Trust is accounting for its relationship with the LLP as a subsidiary consolidated into Group accounts with a 50% non-controlling interest.

The accounts of the LLP are coterminous with those of the Trust. The LLP's period end is 31 March 2018 and its first accounts will cover an initial 15 month period.

The Trust also owns SABP Care Ltd, incorporated on 9 May 2014, a dormant company.

Subsidiaries that are classified as 'held for sale' are measured at the lower of their carrying amount or 'fair value less costs to sell'.

#### **Note 1.3.2 NHS Charitable Funds**

The charitable fund's statutory accounts are prepared to 31 March in accordance with the UK Charities Statement of Recommended Practice (SORP), which is based on UK Financial Reporting Standard (FRS)102.

The NHS Foundation Trust is the corporate Trustee to Surrey and Borders Partnership NHS Foundation Trust General Purposes Charity and Related Charities (Charity number 1126477). The Trust had previously assessed its relationship to the charitable fund and, determining it to be a subsidiary, had consolidated the charitable fund's statutory accounts into a Group position with the Trust. However, in 2016/17, the Trust considered the definition in IAS 1, which requires materiality to be judged 'in the surrounding circumstances', and determined that, from the viewpoint of both the Trust and the charitable fund, consolidation no longer aids the users of the accounts. The value of the funds at 31 March 2018 was £0.792m.

DH Group bodies are required to disclose as a related party all linked charities (unless formally consolidated), including the nature of the relationship and details of material transactions between the Trust and the linked charity. Refer to Note 46.

### **Note 1.3.3 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 statements using the equity method of accounting. 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 (eg revaluation gains on the entity's property, plant and equipment) following acquisition. It is also reduced when any distribution, eg share dividends, are received by the Trust from the associate.

Surrey and Borders Partnership NHS Foundation Trust is a 25% partner in the Collaborative Procurement Partnership LLP (CPP LLP), with three other NHS foundation trusts. The partnership was registered at Companies House on 18 January 2017 and began implementation on 8 November 2017, following a successful tender process to deliver services to the Department of Health from 8 May 2018. For the year ended 31 March 2018, the CPP LLP is transacting based on a reimbursement of cost model for implementation and transactions have amounted to £0.093m charged to the Trust by CCP LLP and £0.194m charged to CCP LLP by the Trust.

The Trust is accounting for its relationship with CPP as an investment in an associate. Movement in the value of the investment is recognised in the Statement of Comprehensive Income.

Associates which are classified as held for sale are measured at the lower of their carrying amount and "fair value less costs to sell".

### **Note 1.4 Income**

The main source of revenue for the Trust is contracts with commissioners in respect of healthcare services. Income in respect of services provided is recognised when, and to the extent that, performance occurs and is measured at the fair value of the consideration receivable. The main source of income for the Trust is contracts with commissioners in respect of health care services. At the year end, the Trust accrues income relating to activity delivered in that year, where a patient care spell is incomplete.

Where income is received for a specific activity which is to be delivered in a subsequent financial 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.

The Trust receives income under the NHS Injury Cost Recovery Scheme, designed to reclaim the cost of treating injured individuals to whom personal injury compensation has subsequently been paid, for instance by an insurer. The Trust recognises the income when it receives notification from the Department of Work and Pension's Compensation Recovery Unit that the individual has lodged a compensation claim. The income is measured at the agreed tariff for the treatments provided to the injured individual, less a provision for unsuccessful compensation claims and doubtful debts.

### **Note 1.4.1 Revenue Grants and Other Contributions to Expenditure**

Government grants are grants from government bodies other than income from commissioners or trusts for the provision of services. Where a grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure.

The value of the benefit received when accessing funds from the Government's apprenticeship service is recognised as income at the point of receipt of the training service. Where these funds are paid directly to an accredited training provider, the corresponding notional expense is also recognised at the point of recognition for the benefit.

## **Note 1.5 Expenditure on Employee Benefits**

### **Note 1.5.1 Short-Term Employee Benefits**

Salaries, wages and employment-related payments, such as social security costs and the apprenticeship levy, are recognised in the period in which the service is received from employees. The cost of annual leave entitlement earned but not taken by employees at the end of the period would be recognised in the financial statements to the extent that employees are permitted to carry-forward leave into the following period. The Trust does not permit employees to carry over unused leave, so no accrual for the estimated cost of unused leave has been included in the accounts.

### **Note 1.5.2 Pension Costs**

#### **NHS Pension Scheme**

Past and present employees are covered by the provisions of the NHS Pension Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, general practices and other bodies, allowed under the direction of Secretary of State, in England and Wales. The scheme is not designed in a way that would enable employers to identify their share of the underlying scheme assets and liabilities. Therefore, the schemes are accounted for as though they are defined contribution schemes. The cost to Surrey and Borders Partnership NHS Foundation Trust of participating in a scheme is taken as equal to the contributions payable to the scheme for the accounting period.

Employer's pension cost contributions are charged to operating expenses as and when they become due.

Additional pension liabilities arising from early retirements are not funded by the scheme except where the retirement is due to ill-health. The full amount of the liability for the additional costs is charged to operating expenses at the time the Trust commits itself to the retirement, regardless of the method of payment.

### **Note 1.6 Expenditure on Other Goods and Services**

Expenditure on goods and services is recognised when, and to the extent that, they have been received and is measured at the fair value of those goods and services. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset, such as property, plant and equipment.

### **Note 1.7 Property, Plant and Equipment**

#### **Note 1.7.1 Recognition**

Property, plant and equipment is capitalised where:

- it is held for use in delivering services or for administrative purposes
- it is probable that future economic benefits will flow to, or service potential be provided to, the Trust
- it is expected to be used for more than one financial year
- the cost of the item can be measured reliably
- the item has cost of at least £5,000, or
- collectively, a number of items have a cost of at least £5,000 and, individually, have a cost of more than £250, where the assets are functionally interdependent, had broadly simultaneous purchase dates, are anticipated to have similar disposal dates and are under single managerial control
- form part of the initial setting-up cost of a new building or refurbishment of a ward or unit, irrespective of the individual or collective cost

Where a large asset, for example a building, includes a number of components with significantly different asset lives, eg plant and equipment, then these components are treated as separate assets and depreciated over their own useful economic lives.

## **Note 1.7.2 Measurement**

### **Valuation**

All property, plant and equipment assets are measured initially at cost, representing the costs directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management. Assets 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. An item of property, plant and equipment which is surplus with no plan to bring it back into use is valued at fair value under IFRS 13, if it does not meet the requirements of IAS 40 or IFRS 5.

Revaluations of property, plant and equipment 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. Current values in existing use are determined as follows:

- Land and non-specialised buildings – market value for existing use
- Specialised buildings – depreciated replacement cost, modern equivalent asset basis

Assets held at depreciated replacement cost have been valued on an alternative site basis where this would meet the location requirements of the service being provided.

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.

IT equipment, transport equipment, furniture and fittings and plant and machinery that are held for operational use are valued at depreciated historic cost where these assets have short useful economic lives or low values or both, as this is not considered to be materially different from current value in existing use.

A full revaluation was carried out as at 31 December 2017. The valuation was carried out by Montagu Evans, professionally qualified valuers, in accordance with the Royal Institution of Chartered Surveyors (RICS) Appraisal and Valuation Manual.

### **Subsequent Expenditure**

Subsequent expenditure relating to an item of property, plant and equipment is recognised as an increase in the carrying amount of the asset when it is probable that additional future economic benefits or service potential deriving from the cost incurred to replace a component of such item will flow to the enterprise and the cost of the item can be determined reliably. Where a component of an asset is replaced, the cost of the replacement is capitalised if it meets the criteria for recognition above. The carrying amount of the part replaced is de-recognised. Other expenditure that does not generate additional future economic benefits or service potential, such as repairs and maintenance, is charged to the Statement of Comprehensive Income in the period in which it is incurred.

### **Depreciation**

Items of property, plant and equipment are depreciated over their remaining useful economic lives in a manner consistent with the consumption of economic or service delivery benefits. Freehold land is considered to have an infinite life and is not depreciated.

Property, plant and equipment which has been reclassified as 'held for sale' ceases to be depreciated upon the reclassification. Assets in the course of construction and residual interests in off-Statement of Financial Position PFI contract assets are not depreciated until the asset is brought into use or reverts to the Trust, respectively.

### Revaluation Gains and Losses

Revaluation gains are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease that has previously been recognised in operating expenses, in which case they are recognised in operating income.

Revaluation losses are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned and, thereafter, are charged to operating expenses.

Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

### Impairments

In accordance with the GAM, impairments that arise from a clear consumption of economic benefits or of service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of (i) the impairment charged to operating expenses and (ii) the balance in the revaluation reserve attributable to that asset before the impairment.

An impairment that arises from a clear consumption of economic benefit or of service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss are reversed. Reversals are recognised in operating expenditure to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised. Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

### Note 1.7.3 De-recognition

Assets intended for disposal are reclassified as 'held for sale' once all of the following criteria are met:

- The asset is available for immediate sale in its present condition subject only to terms which are usual and customary for such sales
- The sale must be highly probable, ie:
  - management are committed to a plan to sell the asset
  - an active programme has begun to find a buyer and complete the sale
  - the asset is being actively marketed at a reasonable price
  - the sale is expected to be completed within 12 months of the date of classification as 'held for sale' and
  - the actions needed to complete the plan indicate it is unlikely that the plan will be dropped or significant changes made to it

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged. 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 Statement of Comprehensive Income. On disposal, the balance for the assets on the revaluation reserve is transferred to Income and Expenditure reserve.

There was one asset held for sale at 31st March 2018 - Shaws Corner at Redhill. Refer to Note 30.1.

Property, plant and equipment which is to be scrapped or demolished does not qualify for recognition as 'held for sale' and, instead, is retained as an operational asset and the asset's economic life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

#### **Note 1.7.4 Donated and Grant Funded Assets**

Donated and grant funded property, plant and equipment assets are capitalised at their fair value on receipt. The donation/grant is credited to income at the same time, unless the donor has imposed a condition that the future economic benefits embodied in the grant are to be consumed in a manner specified by the donor, in which case, the donation/grant is deferred within liabilities and is carried forward to future financial years to the extent that the condition has not yet been met.

The donated and grant funded assets are subsequently accounted for in the same manner as other items of property, plant and equipment.

The Trust has no donated or grant funded assets.

#### **Note 1.7.5 Private Finance Initiative (PFI) and Local Improvement Finance Trust (LIFT) Transactions**

PFI and LIFT transactions which meet the IFRIC 12 definition of a service concession, as interpreted in HM Treasury's FReM, are accounted for as 'on-Statement of Financial Position' by the Trust. In accordance with IAS 17, the underlying assets are recognised as property, plant and equipment, together with an equivalent finance lease liability. Subsequently, the assets are accounted for as property, plant and equipment and/or intangible assets, as appropriate.

The annual contract payments are apportioned between the repayment of the liability, a finance cost and the charges for services.

The service charge is recognised in operating expenses and the finance cost is charged to finance costs in the Statement of Comprehensive Income.

Surrey and Borders NHS Foundation Trust has no PFI or LIFT arrangements.

#### **Note 1.7.6 Useful Economic Lives of Property, Plant and Equipment**

Useful economic lives reflect the total life of an asset and not the remaining life of an asset. The range of useful economic lives is shown in the table below:

	<b>Min life</b>	<b>Max life</b>
	<b>Years</b>	<b>Years</b>
Land	-	-
Buildings, excluding dwellings	15	80
Dwellings	3	38
Plant & machinery	5	15
Transport equipment	2	7
Information technology	2	8
Furniture & fittings	2	25

Finance-leased assets (including land) are depreciated over the shorter of the useful economic life or the lease term, unless the Trust expects to acquire the asset at the end of the lease term, in which case the assets are depreciated in the same manner as owned assets above.

#### **Note 1.8 Intangible Assets**

##### **Note 1.8.1 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 £5000.

### **Internally Generated Intangible Assets**

Internally generated goodwill, brands, mastheads, publishing titles, customer lists and similar items are not capitalised as intangible assets.

Expenditure on research is not capitalised.

Expenditure on development is capitalised only where all of the following can be demonstrated:

- The project is technically feasible to the point of completion and will result in an intangible asset for sale or use
- The Trust intends to complete the asset and sell or use it
- The Trust has the ability to sell or use the asset
- How the intangible asset will generate probable future economic or service delivery benefits, eg the presence of a market for it or its output, or where it is to be used for internal use, the usefulness of the asset
- Adequate financial, technical and other resources are available to the Trust to complete the development and sell or use the asset and
- The Trust can measure reliably the expenses attributable to the asset during development

### **Software**

Software that is integral to the operating of hardware, eg 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, eg application software, is capitalised as an intangible asset.

### **Note 1.8.2 Measurement**

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management.

Subsequently intangible assets are measured at current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluation gains and losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value under IFRS 13, if it does not meet the requirements of IAS 40 or IFRS 5.

Intangible assets held for sale are measured at the lower of their carrying amount or “fair value less costs to sell”.

### **Amortisation**

Intangible assets are amortised over their expected useful economic lives in a manner consistent with the consumption of economic or service delivery benefits.

### **Note 1.8.3 Useful Economic Life of Intangible Assets**

Useful economic lives reflect the total life of an asset and not the remaining life of an asset. The range of useful economic lives is shown in the table below:

	<b>Min life Years</b>	<b>Max life Years</b>
Information technology	2	5
Development expenditure	2	5
Websites	2	5
Software licences	2	8
Licences & trademarks	2	5
Patents	2	5
Other (purchased)	2	5
Goodwill	2	10

**Note 1.9 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 1.10 Investment Properties**

Investment properties are measured at fair value. Changes in fair value are recognised as gains or losses in income/expenditure.

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, to 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.

The Trust has no investment properties.

**Note 1.11 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 1.12 Carbon Reduction Commitment Scheme (CRC)**

The CRC scheme is a mandatory cap and trade scheme for non-transport CO2 emissions. The Trust is registered with the CRC scheme and is, therefore, required to surrender to the Government an allowance for every tonne of CO2 it emits during the financial year. A liability and related expense is recognised in respect of this obligation as CO2 emissions are made.

The carrying amount of the liability at the financial year end will, therefore, reflect the CO2 emissions that have been made during that financial year, less the allowances (if any) surrendered voluntarily during the financial year in respect of that financial year.

The liability will be measured at the amount expected to be incurred in settling the obligation. This will be the cost of the number of allowances required to settle the obligation.

Allowances acquired under the scheme are recognised as intangible assets.

## **Note 1.13 Financial Instruments and Financial Liabilities**

### **Recognition**

Financial assets and financial liabilities which arise from contracts for the purchase or sale of non-financial items (such as goods or services), which are entered into in accordance with the Trust's normal purchase, sale or usage requirements, are recognised when, and to the extent which, performance occurs, ie when receipt or delivery of the goods or services is made.

Financial assets or financial liabilities in respect of assets acquired or disposed of through finance leases are recognised and measured in accordance with the accounting policy for leases described below.

All other financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the instrument.

### **De-Recognition**

All financial assets are de-recognised when the rights to receive cash flows from the assets have expired or the Trust has transferred substantially all of the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

### **Classification and Measurement**

Financial assets are classified into the following categories: financial assets at fair value through income and expenditure; 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.

The only financial assets held by the Trust are loans and receivables.

Financial liabilities are classified as "fair value through income and expenditure" or as "other financial liabilities". The Trust has no such financial liabilities.

### **Loans and Receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market.

The Trust's loans and receivables comprise: cash and cash equivalents, NHS receivables, accrued income and other receivables.

Loans and receivables are recognised initially at fair value, net of transactions costs, and are measured subsequently at amortised cost, using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash receipts through the expected life of the financial asset or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

Interest on loans and receivables is calculated using the effective interest method and credited to the Statement of Comprehensive Income.

### **Financial Liabilities**

All financial liabilities are recognised initially at fair value, net of transaction costs incurred, and measured subsequently at amortised cost using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash payments through the expected life of the financial liability or, when appropriate, a shorter period, to the net carrying amount of the financial liability.

They are included in current liabilities except for amounts payable more than 12 months after the Statement of Financial Position date, which are classified as long-term liabilities.

Interest on financial liabilities carried at amortised cost is calculated using the effective interest method and charged to finance costs. Interest on financial liabilities taken out to finance property, plant and equipment or intangible assets is not capitalised as part of the cost of those assets.

### **Determination of Fair Value**

For financial assets and financial liabilities carried at fair value, the carrying amounts are determined from quoted market prices, independent appraisals and discounted cash flow analysis.

### **Impairment of Financial Assets**

At the Statement of Financial Position date, the Trust assesses whether any financial assets, other than those held at “fair value through income and expenditure” are impaired. Financial assets are impaired and impairment losses are recognised if, and only if, there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset’s carrying amount and the present value of the revised future cash flows discounted at the asset’s original effective interest rate. The loss is recognised in the Statement of Comprehensive Income and the carrying amount of the asset is reduced directly.

### **Note 1.14 Leases**

Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

#### **Note 1.14.1 The Trust as Lessee**

##### **Finance Leases**

Where substantially all risks and rewards of ownership of a leased asset are borne by the Trust, the asset is recorded as property, plant and equipment and a corresponding liability is recorded. The value at which both are recognised is the lower of the fair value of the asset or the present value of the minimum lease payments, discounted using the interest rate implicit in the lease.

The asset and liability are recognised at the commencement of the lease. Thereafter, the asset is accounted for as an item of property plant and equipment.

The annual rental is split between the repayment of the liability and a finance cost so as to achieve a constant rate of finance over the life of the lease. The annual finance cost is charged to Finance Costs in the Statement of Comprehensive Income. The lease liability, is de-recognised when the liability is discharged, cancelled or expires.

##### **Operating Leases**

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.

#### **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 1.14.2 The Trust as Lessor**

##### **Finance Leases**

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.

##### **Operating Leases**

Rental income from operating leases is recognised on a straight-line basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

### **Note 1.15 Provisions**

The Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using the discount rates published and mandated by HM Treasury.

### **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. 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 37.3 but is not recognised in the Trust's accounts.

### **Non-Clinical Risk Pooling**

The Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the Trust pays an annual contribution to NHS Resolution and in return receives assistance with the costs of claims arising. The annual membership contributions and any "excesses" payable in respect of particular claims are charged to operating expenses when the liability arises.

### **Note 1.16 Contingencies**

Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the Trust's control) are not recognised as assets but are disclosed in Note 38 where an inflow of economic benefits is probable.

Contingent liabilities are not recognised but are disclosed in Note 38, 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

### **Note 1.17 Public Dividend Capital**

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

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.

A charge, reflecting the cost of capital utilised by the Trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the Trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for:

- (i) donated assets (including lottery funded assets)
- (ii) average daily cash balances held with the Government Banking Services (GBS) and National Loans Fund (NLF) deposits, excluding cash balances held in GBS accounts that relate to a short-term working capital facility, and
- (iii) any PDC dividend balance receivable or payable

In accordance with the requirements laid down by the Department of Health and Social Care (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the “pre-audit” version of the annual accounts. The dividend thus calculated is not revised should any adjustment to net assets occur, as a result of the audit of the annual accounts.

#### **Note 1.18 Value Added Tax**

Most of the activities of the Trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

#### **Note 1.19 Corporation Tax**

Section 148 of the Finance Act 2004 amended S519A of the Income and Corporation Taxes Act 1988, to provide power to the Treasury to make certain non-core activities of Foundation Trusts potentially subject to corporation tax. This legislation became effective in the 2005/06 financial year.

In determining whether or not an activity is likely to be taxable, a three-stage test may be employed:

- The provision of goods and services for purposes related to the provision of healthcare authorised under Section 14(1) of the Health and Social Care Act 2003 (HSCA) is not treated as a commercial activity and is, therefore, tax exempt
- Trading activities undertaken in house which are ancillary to core healthcare activities are not entrepreneurial in nature and not subject to tax. A trading activity that is capable of being in competition with the wider private sector will be subject to tax
- Only significant trading activity is subject to tax. Significant is defined as annual taxable profits of £50,000 per trading activity

The majority of the Group's activities are related to core healthcare and are not subject to tax.

#### **Note 1.20 Foreign Currencies**

The Trust's functional currency and presentational currency is pounds sterling and figures are presented in tables in thousands of pounds unless expressly stated otherwise. Transactions denominated in a foreign currency are translated into sterling at the spot exchange rate on the date of the transaction. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the spot exchange rate on 31 March.

Exchange gains and losses on monetary items (arising on settlement of the transaction or on retranslation at the Statement of Financial Position date) are recognised in the Statement of Comprehensive Income in the period in which they arise.

The Trust has had no transactions in foreign currency.

#### **Note 1.21 Third Party Assets**

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the Trust has no beneficial interest in them. However, they are disclosed in a separate note to the accounts in accordance with the requirements of HM Treasury's FReM. Refer to Note 31.2.

#### **Note 1.22 Losses and Special Payments**

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are, therefore, subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had the Trust not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure).

However the losses and special payments Note 44 is compiled directly from the losses and compensations register which reports on an accrual basis, with the exception of provisions for future losses.

#### **Note 1.23 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 1.24 Transfers of Functions to / from other NHS Bodies / Local Government Bodies**

For functions that have been transferred to the Trust from another NHS or local government body, the assets and liabilities transferred are recognised in the accounts as at the date of transfer. The assets and liabilities are not adjusted to fair value prior to recognition. The net gain / loss corresponding to the net assets / liabilities transferred is recognised within income / 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 / local government body, the assets and liabilities transferred are de-recognised from the accounts as at the date of transfer. The net loss / gain corresponding to the net assets / 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 Trust's accounting policies are applied after initial recognition and are adjusted directly in taxpayers' equity.

#### **Note 1.25 Early Adoption of Standards, Amendments and Interpretations**

No new accounting standards or revisions to existing standards have been early adopted in 2017/18.

#### **Note 1.26 Standards, Amendments and Interpretations in Issue but not yet Effective or Adopted**

As required by IAS 8, trusts should disclose any standards, amendments and interpretations that have been issued but are not yet effective or adopted for the public sector and an assessment subsequent application will have on the financial statements.

The 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 1 January 2018 but not yet adopted by the FReM: early adoption is not, therefore, permitted. The Trust has undertaken a review of all of its debts outstanding as at 31 March 2018 for impairment of receivables and concluded that the new standard will not have a material impact on the Trust debtor provision that has already been provided for in the 2017/18 financial statements
- IFRS 15 Revenue from Contracts with Customers – Application required for accounting periods beginning on or after 1 January 2018 but not yet adopted by the FReM: early adoption is not, therefore, permitted. The Trust has considered its income stream and almost all of the income received is based on block contract or cost and volume. The value of the remaining income is not expected to have a material impact under IFRS15
- IFRS 16 Leases – Application required for accounting periods beginning on or after 1 January 2019 but not yet adopted by the FReM: early adoption is not, therefore, permitted
- IFRS 17 Insurance Contracts – Application required for accounting periods beginning on or after 1 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 1 January 2018
- IFRIC 23 Uncertainty over Income Tax Treatments – Application required for accounting periods beginning on or after 1 January 2019

## Note 2 Operating Segments

The Group financial statements recognise four segments as shown below. This is consistent with internal reporting within the Trust to the chief operating decision maker, which is the Board of Directors.

2017/18	Healthcare	Delegated Commissioning	NHS Commercial Solutions	Children & Family Health Surrey	Total
	£000	£000	£000	£000	£000
Income	158,856	5,654	2,176	26,788	<b>193,474</b>
Surplus / (deficit)	(20,282)	442	246	-	<b>(19,594)</b>
Net assets	103,418	0	0	0	<b>103,418</b>
2016/17	Healthcare	Delegated Commissioning	NHS Commercial Solutions	Children & Family Health Surrey	Total
	£000	£000	£000	£000	£000
Income	156,572	5,494	2,399	0	<b>164,465</b>
Surplus / (deficit)	15,532	62	20	0	<b>15,614</b>
Net assets	128,073	0	0	0	<b>128,073</b>

## Note 3 Revenue from Patient Care Activities

### Note 3.1 Revenue from Patient Care Activities (by Nature)

	Group		Trust	
	2017/18 £000	2016/17 £000	2017/18 £000	2016/17 £000
Cost and volume contract income	2,379	1,889	2,379	1,889
Block contract income	116,453	114,876	118,950	114,876
Clinical partnerships providing mandatory services (including S75 agreements)	18,094	14,693	16,299	14,693
Other clinical income from mandatory services	34,881	6,141	9,976	6,141
Other clinical income	1,640	2,822	1,640	2,822
<b>Total revenue from activities</b>	<b>173,447</b>	<b>140,421</b>	<b>149,244</b>	<b>140,421</b>

### Note 3.2 Revenue from Patient Care Activities (by Source)

	Group		Trust	
	2017/18 £000	2016/17 £000	2017/18 £000	2016/17 £000
<b>Revenue from patient care activities received from:</b>				
NHS England	3,594	1,198	3,594	1,198
Clinical commissioning groups	135,992	117,734	120,537	117,734
Other NHS providers	906	1,102	906	1,102
NHS other	-	73	-	73
Local authorities	29,590	18,005	18,302	18,005
Other non NHS patient care income	3,365	2,309	5,906	2,309
<b>Total revenue from activities</b>	<b>173,447</b>	<b>140,421</b>	<b>149,245</b>	<b>140,421</b>

The variance between Group and Trust income is wholly related to the activities of Children and Family Health Surrey.

### Note 3.3 Overseas Visitors (Relating to Patients Charged Directly by the Provider)

The Group has not received income from overseas visitors (where the patient is charged directly by the Trust) in excess of £100,000 during 2017/18.

### Note 4 Other Operating Revenue

	Group	
	2017/18	2016/17
	£000	£000
Research	1,235	1,422
Education and training	3,805	4,447
Non-patient care services to other bodies	370	595
Sustainability and transformation fund income	2,906	5,217
Rental revenue from operating leases	-	-
Income in respect of staff costs (where treated gross)	7,011	6,947
Other income	4,700	5,416
<b>Total other operating revenue</b>	<b>20,027</b>	<b>24,044</b>

All other operating revenue relates solely to Trust business. Other income includes £2.175m of income relating to NHS Commercial Solutions, £0.705m of income from Appletree Nursery and £0.377m day services income relating to Learning Disability services.

Sustainability and Transformation Funding (STF) includes £1.294m of additional incentive and bonus funding awarded at year end, as well as £0.697m that was awarded post accounts finalisation in 2016/17 that relates to 2016/17.

### 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 activities that has arisen from commissioner requested and non-commissioner requested services. Commissioner requested services are defined in the provider licence and are services that commissioners believe would need to be protected in the event of provider failure. This information is provided in the table below:

	Group		Trust	
	2017/18	2016/17	2017/18	2016/17
	£000	£000	£000	£000
Income from services designated as commissioner requested services	154,004	123,462	129,446	123,462
Income from services not designated as commissioner requested services	39,470	41,003	39,826	41,003
<b>Total</b>	<b>193,474</b>	<b>164,465</b>	<b>169,272</b>	<b>164,465</b>

### Note 4.2 Profits and Losses on Disposal of Property, Plant and Equipment (Group)

In 2017/18 we completed the sale of two properties. Old Moat Garden Centre was not used for commissioner requested services. The Meadows at Knaphill had been vacant for several years.

### Note 5 Fees and Charges (Group)

The Group had no fees and charges in this category.

## Note 6.1 Operating Expenses

	Group		Trust	
	2017/18	2016/17	2017/18	2016/17
	£000	£000	£000	£000
Purchase of healthcare from NHS bodies	3,071	1,390	3,071	1,390
Purchase of healthcare from non NHS bodies	28,705	6,901	4,503	6,901
Staff and executive directors' costs	116,720	108,616	116,720	108,616
Chair and non executive directors' costs	74	71	74	71
Supplies and services - clinical	3,158	2,245	3,158	2,245
Supplies and services - general	3,797	2,569	3,797	2,569
Drug costs	3,678	2,656	3,678	2,656
Consultancy services	894	1,212	894	1,212
Establishment	2,028	2,126	2,028	2,126
Premises	11,458	10,182	11,458	10,182
Transport	2,314	2,216	2,314	2,216
Depreciation on property, plant and equipment	5,371	4,895	5,371	4,895
Amortisation on intangible assets	876	687	876	687
Net impairments	24,176	(6,888)	24,176	(6,888)
Increase / (decrease) in provision for impairment of receivables	(667)	263	(667)	263
Increase / (decrease) in other provisions	(550)	1,443	(550)	1,443
Change in provisions discount rate(s)	95	276	95	276
Audit fees payable to the external auditor				
audit services - statutory audit	63	86	63	86
other auditor's remuneration	14	14	14	14
Internal audit expenditure	120	152	120	152
Clinical negligence	1,077	1,029	1,077	1,029
Legal fees	374	419	374	419
Insurance	40	96	40	96
Research and development	97	346	97	346
Education, training and conferences	1,164	1,132	1,164	1,132
Rentals under operating leases	3,236	3,651	3,236	3,651
Early retirements	-	-	-	-
Redundancy	-	367	-	367
Hospitality	-	17	-	17
Losses, ex gratia & special payments	307	66	307	66
Other services, eg external payroll	113	121	113	121
Other	625	325	625	325
<b>Total</b>	<b>212,428</b>	<b>148,681</b>	<b>188,226</b>	<b>148,681</b>

The variance between Group and Trust expenditure is wholly related to the activities of Children and Family Health Surrey.

## Note 6.2 External Auditor Remuneration (Group)

	2017/18 £000	2016/17 £000
<b>Audit Services - Statutory Audit</b>		
Audit of the financial statements	53	53
Fees incurred in relation to audit of the prior year financial statements	-	19
	<u>53</u>	<u>72</u>
	2017/18 £000	2016/17 £000
<b>Other auditor remuneration paid to the external auditor:</b>		
Audit-related assurance services	11	11
<b>Total</b>	<u>11</u>	<u>11</u>

Amounts shown in Note 6.2 are exclusive of VAT. Audit-related assurance services consist of assurance on the Quality Report (£11,000).

## Note 6.3 Limitation on Auditor's Liability (Group)

The limitation on auditor's liability for external work carried out in the year is £0.500m (2016/17: £1m).

## Note 7 Impairment of Assets (Group)

	2017/18 £000	2016/17 £000
<b>Net impairments charged to operating surplus / deficit resulting from:</b>		
Changes in market price	24,176	(7,314)
Other	-	426
<b>Total net impairments charged to operating surplus / deficit</b>	<u>24,176</u>	<u>(6,888)</u>
Impairments charged to the revaluation reserve	14,110	(391)
<b>Total net impairments</b>	<u>38,286</u>	<u>(7,279)</u>

All impairments have arisen from the revaluation of the Trust's land and buildings carried out as at 31 December 2017. All relate to Trust assets and to the Healthcare operating segment. Further information is included in Note 1.7.2 Accounting Policies. As a result of a total impairment of Trust assets of £38.286m, a net amount of £24.176m was charged to the expenditure statement (being impairments of £27.219m less impairment reversals of £3.043m). In addition, £14.110m was credited to the revaluation reserve.

The Trust has sought advice from its valuers, Montagu Evans, who have considered the movement in the average BCIS cost data and concluded that there has been no material change from 31 December 2017 to 31 March 2018 that would impact on the 2017/18 asset valuation.

## Note 8 Employee Benefits (Group)

	2017/18	2016/17
	Total	Total
	£000	£000
Salaries and wages	81,892	82,284
Social security costs	8,298	7,978
Apprenticeship levy	385	-
NHS pension costs	10,539	10,193
Pension cost – other	6	-
Temporary staff (including agency)	17,267	10,737
NHS charitable funds staff	-	-
<b>Total gross staff costs</b>	<b>118,387</b>	<b>111,192</b>
Less recoveries in respect of outward secondments (where treated net)	-	-
<b>Total staff costs</b>	<b>118,387</b>	<b>111,192</b>
<b>Of which</b>		
Costs capitalised as part of assets	1,667	2,576

Employee benefits all relate to the Trust. Children and Family Health Surrey does not employ any staff.

### Note 8.1 Retirements due to ill-health (Group)

During 2017/18 there was one early retirement from the Trust agreed on the grounds of ill-health (three in the year ended 31 March 2017). The estimated additional pension liabilities of these ill-health retirements is £32,000 (£0.397m in 2016/17). The cost of such ill-health retirements will be borne by the NHS Business Services Authority - Pensions Division.

### Note 9 Pension Costs

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at [www.nhsbsa.nhs.uk/pensions](http://www.nhsbsa.nhs.uk/pensions). Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme; ie the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that “the period between formal valuations shall be four years, with approximate assessments in intervening years”. An outline of these follows:

#### a) Accounting Valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary’s Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2018 is based on valuation data as at 31 March 2017, updated to 31 March 2018 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

## b) Full Actuarial (Funding) Valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience) and to recommend contribution rates payable by employees and employers.

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2012. The Scheme Regulations allow for the level of contribution rates to be changed by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and employee and employer representatives, as deemed appropriate.

The next actuarial valuation was to be carried out as at 31 March 2016 and is currently being prepared. The direction assumptions are published by HM Treasury, which are used to complete the valuation calculations, from which the final valuation report can be signed off by the scheme actuary. This will set the employer contribution rate payable from April 2019 and will consider the cost of the Scheme relative to the employer cost cap. There are provisions in the Public Service Pension Act 2013 to adjust member benefits or contribution rates if the cost of the Scheme changes by more than 2% of pay. Subject to this 'employer cost cap' assessment, any required revisions to member benefits or contribution rates will be determined by the Secretary of State for Health, after consultation with the relevant stakeholders.

### Note 10 Operating Leases (Group)

#### Note 10.1 Surrey and Borders Partnership NHS Foundation Trust as a Lessor

This note discloses income generated in operating lease agreements where Surrey and Borders Partnership NHS Foundation Trust is the lessor.

The Group has no future lease receipts due under operating lease arrangements where Surrey and Borders Partnership NHS Foundation Trust is the lessor.

#### Note 10.2 Surrey and Borders Partnership NHS Foundation Trust as a Lessee (Group)

This note discloses costs and commitments incurred in operating lease arrangements where Surrey and Borders Partnership NHS Foundation Trust is the lessee.

	2017/18 £000	2016/17 £000
<b>Operating lease expense</b>		
Minimum lease payments	3,236	3,651
Contingent rents	-	-
Less sublease payments received	-	-
<b>Total</b>	<b>3,236</b>	<b>3,651</b>
	<b>31 March 2018 £000</b>	<b>31 March 2017 £000</b>
<b>Future minimum lease payments due:</b>		
- not later than one year	3,632	1,921
- later than one year and not later than five years	12,120	7,020
- later than five years	23,502	12,625
<b>Total</b>	<b>39,254</b>	<b>21,566</b>
Future minimum sublease payments to be received	-	-

All leases relate to Trust business. Of the total operating lease payments, £2.520m (2016/17: £3.038m) relates to leases on property. Property leases are for differing lease terms but the latest expiry date is May 2038.

Equipment leases are for 3 years from date of agreement. Vehicle leases are for between 3 and 5 years from date of agreement.

**Note 11 Finance Income (Group)**

Finance income represents interest received on assets and investments in the period.

	<b>2017/18</b>	<b>2016/17</b>
	<b>£000</b>	<b>£000</b>
Interest on bank accounts	37	18
<b>Total</b>	<b>37</b>	<b>18</b>

All finance income relates to Trust business.

**Note 12.1 Finance Costs (Group)**

Finance expenditure represents interest and other charges involved in the borrowing of money.

	<b>2017/18</b>	<b>2016/17</b>
	<b>£000</b>	<b>£000</b>
<b>Interest expense:</b>		
Unwinding of discount on provisions	24	152
<b>Total finance costs</b>	<b>24</b>	<b>152</b>

This item of expenditure relates to the unwinding of discount on the Trust's provisions.

**Note 12.2 The Late Payment of Commercial Debts (Interest) Act 1998 / Public Contract Regulations 2015 (Group)**

Neither the Trust nor Children and Family Health Surrey had any interest or costs payable under this legislation.

**Note 13 Other Gains / (Losses) (Group)**

	<b>2017/18</b>	<b>2016/17</b>
	<b>£000</b>	<b>£000</b>
Gains on disposal of assets	2,718	3,323
Losses on disposal of assets	-	-
<b>Total other gains / (losses)</b>	<b>2,718</b>	<b>3,323</b>

Gains on disposal of assets relates primarily to the sale of two Trust properties. The Old Moat Garden Centre generated £0.568m in sales proceeds after costs (gain of £0.359m). The Meadows at Knaphill - a long vacant property - generated £2.862m after costs (gain of £2.527m). The gain was offset by £0.159m costs related to the Ridgewood Centre, disposed of in the prior year.

**Note 14 Trust Income Statement and Statement of Comprehensive Income**

In accordance with Section 408 of the Companies Act 2006, the Trust is exempt from the requirement to present its own Income Statement and Statement of Comprehensive Income. However, it has elected to do so and has provided full disclosure in its primary income statements.

**Note 15 Discontinued Operations (Group)**

The Group had no discontinued operations in 2017/18.

**Note 16.1 Intangible Assets - 2017/18**

<b>Group</b>	<b>Software licences</b>	<b>IT – in-house and 3<sup>rd</sup> party software</b>	<b>Development expenditure</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Valuation / gross cost at 1 April 2017 - brought forward</b>	<b>65</b>	<b>6,926</b>	<b>-</b>	<b>6,991</b>
Additions	-	1,427	170	1,597
Reclassifications	-	139	(141)	(2)
Disposals / derecognition	-	-	-	-
<b>Valuation / gross cost at 31 March 2018</b>	<b>65</b>	<b>8,492</b>	<b>29</b>	<b>8,586</b>
<b>Amortisation at 1 April 2017 - brought forward</b>	<b>65</b>	<b>1,501</b>	<b>-</b>	<b>1,566</b>
Provided during the year	-	876	-	876
Reclassifications	-	-	-	-
Disposals / derecognition	-	-	-	-
<b>Amortisation at 31 March 2018</b>	<b>65</b>	<b>2,377</b>	<b>-</b>	<b>2,442</b>
<b>Net book value at 31 March 2018</b>	<b>-</b>	<b>6,115</b>	<b>29</b>	<b>6,144</b>
<b>Net book value at 1 April 2017</b>	<b>-</b>	<b>5,425</b>	<b>-</b>	<b>5,425</b>

As at 31 March 2018, all intangible assets carried on the balance sheet belong solely to the Trust.

**Note 16.2 Intangible Assets - 2016/17**

<b>Group</b>	<b>Software licences</b>	<b>IT – in-house and 3<sup>rd</sup> party software</b>	<b>Development expenditure</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Valuation / gross cost at 1 April 2016 - brought forward</b>	<b>65</b>	<b>5,394</b>	<b>-</b>	<b>5,459</b>
Additions	-	1,532	-	1,532
Reclassifications	-	-	-	-
Disposals / derecognition	-	-	-	-
<b>Valuation / gross cost at 31 March 2017</b>	<b>65</b>	<b>6,926</b>	<b>-</b>	<b>6,991</b>
<b>Amortisation at 1 April 2016 - brought forward</b>	<b>59</b>	<b>820</b>	<b>-</b>	<b>879</b>
Provided during the year	6	681	-	687
Reclassifications	-	-	-	-
Disposals / derecognition	-	-	-	-
<b>Amortisation at 31 March 2017</b>	<b>65</b>	<b>1,501</b>	<b>-</b>	<b>1,566</b>
<b>Net book value at 31 March 2017</b>	<b>-</b>	<b>5,425</b>	<b>-</b>	<b>5,425</b>
<b>Net book value at 1 April 2016</b>	<b>6</b>	<b>4,574</b>	<b>-</b>	<b>4,580</b>

**Note 17.1 Intangible Assets - 2017/18**

Children and Family Health Surrey has no intangible assets. Therefore, the Trust table of intangible assets is exactly the same as for the Group.

**Note 17.2 Intangible Assets - 2016/17**

Children and Family Health Surrey has no intangible assets. Therefore, the Trust table of intangible assets is exactly the same as for the Group.

**Note 18.1 Property, Plant and Equipment - 2017/18**

<b>Group</b>	<b>Land</b>	<b>Buildings excluding dwellings</b>	<b>Dwellings</b>	<b>Payments on account &amp; assets under construction</b>	<b>Plant &amp; machinery</b>	<b>Transport equipment</b>	<b>Information technology</b>	<b>Furniture &amp; fittings</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Valuation/gross cost at 1 April 2017 - brought forward</b>	<b>40,640</b>	<b>83,324</b>	<b>223</b>	<b>296</b>	<b>347</b>	<b>27</b>	<b>4,500</b>	<b>2,130</b>	<b>131,487</b>
Additions	-	3,065	-	1,135	79	-	1,745	6	6,030
Impairments	(11,171)	(32,578)	(216)	-	-	-	-	-	(43,965)
Reversals of impairments	2,659	3,020	-	-	-	-	-	-	5,679
Revaluations	5,455	922	(10)	-	-	-	-	-	6,367
Reclassifications	-	335	3	(349)	10	-	-	-	(1)
Transfers to/ from assets held for sale	(672)	(289)	-	-	-	-	-	-	(961)
Disposals / derecognition	-	(172)	-	(40)	-	-	(57)	-	(269)
<b>Valuation/gross cost at 31 March 2018</b>	<b>36,911</b>	<b>57,627</b>	<b>-</b>	<b>1,042</b>	<b>436</b>	<b>27</b>	<b>6,188</b>	<b>2,136</b>	<b>104,367</b>
<b>Accumulated depreciation at 1 April 2017 - brought forward</b>	<b>-</b>	<b>5,093</b>	<b>-</b>	<b>-</b>	<b>33</b>	<b>24</b>	<b>2,387</b>	<b>445</b>	<b>7,982</b>
Provided during the year	-	4,200	10	-	37	3	904	217	5,371
Impairments	-	-	-	-	-	-	-	-	-
Reversals of impairments	-	-	-	-	-	-	-	-	-
Revaluations	-	(2,302)	(10)	-	-	-	-	-	(2,312)
Reclassifications	-	(3)	-	-	-	-	-	-	(3)
Transfers to / from assets held for sale	-	(10)	-	-	-	-	-	-	(10)
Disposals / derecognition	-	(13)	-	-	-	-	(34)	-	(47)
<b>Accumulated depreciation at 31 March 2018</b>	<b>-</b>	<b>6,965</b>	<b>-</b>	<b>-</b>	<b>70</b>	<b>27</b>	<b>3,257</b>	<b>662</b>	<b>10,981</b>
<b>Net book value at 31 March 2018</b>	<b>36,911</b>	<b>50,662</b>	<b>-</b>	<b>1,042</b>	<b>366</b>	<b>-</b>	<b>2,931</b>	<b>1,474</b>	<b>93,386</b>
<b>Net book value at 1 April 2017</b>	<b>40,640</b>	<b>78,231</b>	<b>223</b>	<b>296</b>	<b>314</b>	<b>3</b>	<b>2,113</b>	<b>1,685</b>	<b>123,505</b>

At 31 March 2018, all property, plant and equipment carried on the balance sheet belongs solely to the Trust.

**Note 18.2 Property, Plant and Equipment - 2016/17**

<b>Group</b>	<b>Land</b>	<b>Buildings excluding dwellings</b>	<b>Dwellings</b>	<b>Payments on account &amp; assets under construction</b>	<b>Plant &amp; machinery</b>	<b>Transport equipment</b>	<b>Information technology</b>	<b>Furniture &amp; fittings</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Valuation / gross cost at 1 April 2016 - restated</b>	<b>29,975</b>	<b>76,556</b>	<b>223</b>	<b>15</b>	<b>204</b>	<b>27</b>	<b>3,883</b>	<b>1,963</b>	<b>112,846</b>
Additions	-	8,531	-	281	143	-	617	167	9,739
Impairments	(1,559)	(208)	-	-	-	-	-	-	(1,767)
Reversals of impairments	159	1,985	14	-	-	-	-	-	2,158
Revaluations	12,522	(475)	(14)	-	-	-	-	-	12,033
Reclassifications	-	-	-	-	-	-	-	-	-
Transfers to / from assets held for sale	(457)	(76)	-	-	-	-	-	-	(533)
Disposals / derecognition	-	(2,989)	-	-	-	-	-	-	(2,989)
<b>Valuation/gross cost at 31 March 2017</b>	<b>40,640</b>	<b>83,324</b>	<b>223</b>	<b>296</b>	<b>347</b>	<b>27</b>	<b>4,500</b>	<b>2,130</b>	<b>131,487</b>
<b>Accumulated depreciation at 1 April 2016 - restated</b>	<b>-</b>	<b>11,494</b>	<b>15</b>	<b>-</b>	<b>8</b>	<b>22</b>	<b>1,583</b>	<b>234</b>	<b>13,356</b>
Provided during the year	-	3,842	11	-	25	2	804	211	4,895
Impairments	246	2,685	-	-	-	-	-	-	2,931
Reversals of impairments	(1,566)	(8,241)	(12)	-	-	-	-	-	(9,819)
Revaluations	1,320	(4,379)	(14)	-	-	-	-	-	(3,073)
Reclassifications	-	-	-	-	-	-	-	-	-
Transfers to/ from assets held for sale	-	(29)	-	-	-	-	-	-	(29)
Disposals/ derecognition	-	(279)	-	-	-	-	-	-	(279)
<b>Accumulated depreciation at 31 March 2017</b>	<b>-</b>	<b>5,093</b>	<b>-</b>	<b>-</b>	<b>33</b>	<b>24</b>	<b>2,387</b>	<b>445</b>	<b>7,982</b>
<b>Net book value at 31 March 2017</b>	<b>40,640</b>	<b>78,231</b>	<b>223</b>	<b>296</b>	<b>314</b>	<b>3</b>	<b>2,113</b>	<b>1,685</b>	<b>123,505</b>
<b>Net book value at 1 April 2016</b>	<b>29,975</b>	<b>65,062</b>	<b>208</b>	<b>15</b>	<b>196</b>	<b>5</b>	<b>2,300</b>	<b>1,729</b>	<b>99,490</b>

**Note 18.3 Property, Plant and Equipment Financing - 2017/18**

Group	Land	Buildings excluding dwellings	Dwellings	Payments on account & assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Net book value at 31 March 2018</b>									
Owned - purchased	36,911	50,662	-	1,042	366	-	2,931	1,474	<b>93,386</b>
<b>NBV total at 31 March 2018</b>	<b>36,911</b>	<b>50,662</b>	<b>-</b>	<b>1,042</b>	<b>366</b>	<b>-</b>	<b>2,931</b>	<b>1,474</b>	<b>93,386</b>

**Note 18.4 Property, Plant and Equipment Financing - 2016/17**

Group	Land	Buildings excluding dwellings	Dwellings	Payments on account & assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Net book value at 31 March 2017</b>									
Owned - purchased	40,640	78,231	223	296	314	3	2,113	1,685	<b>123,505</b>
<b>NBV total at 31 March 2017</b>	<b>40,640</b>	<b>78,231</b>	<b>223</b>	<b>296</b>	<b>314</b>	<b>3</b>	<b>2,113</b>	<b>1,685</b>	<b>123,505</b>

**Note 19.1 Property, Plant and Equipment - 2017/18**

Children and Family Health Surrey has no property, plant and equipment. Therefore, the Trust table of property, plant and equipment is exactly the same as for the Group.

**Note 19.2 Property, Plant and Equipment - 2016/17**

Children and Family Health Surrey has no property, plant and equipment. Therefore, the Trust table of property, plant and equipment is exactly the same as for the Group.

**Note 19.3 Property, Plant and Equipment Financing - 2017/18**

Children and Family Health Surrey has no property, plant and equipment. Therefore, the Trust table of property, plant and equipment is exactly the same as for the Group.

**Note 19.4 Property, Plant and Equipment Financing - 2016/17**

Children and Family Health Surrey has no property, plant and equipment. Therefore, the Trust table of property, plant and equipment is exactly the same as for the Group.

**Note 20 Donations of Property, Plant and Equipment (Group)**

Neither the Trust nor Children and Family Health Surrey had any donated assets at 31 March 2018

**Note 21 Revaluations of Property, Plant and Equipment (Group)**

The Trust instructed Montagu Evans, independent valuers, to revalue its land and buildings as at 31 December 2017. This valuation was prepared in accordance with the Royal Institution of Chartered Surveyors (RICS) Red Book - the RICS Valuation, Global Standards 2017, which came into effect on 1st July 2017 - and in compliance with the following Standards:

- International Financial Reporting Standards published by the International Accounting Standards Board
- International Valuation Standards 2017 published by the International Valuation Standards Committee
- RICS Valuation – Professional Standards UK January 2014 (revised April 2015)
- HM Treasury Financial Reporting Manual and
- Department of Health Group Accounting Manual

The standard requires the statement of assets at Fair Value. Assets have been valued at Market Value (MV), Existing Use Value (EUV) or, if no market exists for a property, which may be rarely sold or it is a specialised asset, an income or depreciated replacement cost (DRC) approach has been adopted.

The operational buildings owned by the Trust are specialised assets which have been valued on a DRC approach assuming modern equivalent assets, with replacement buildings extending to the same operational floor area as those existing and offering the same service potential. Land has been valued on an Existing Use Value (comparative) basis, with the Trust's residential staff accommodation assessed in line with the principles of Existing Use Value for Social Housing (EUV-SH). Assets which have been declared as surplus to the Trust's requirements or have a third party agreement have been valued using the Market Value basis.

**Note 22.1 Investment Property (Group)**

The Group has no investment property.

**Note 22.2 Investment Property Income and Expenses (Group)**

The Group has no investment property income or expenditure.

**Note 23 Investments in Associates and Joint Ventures (Group)**

The Trust's principal subsidiary undertakings included in the consolidation at 31 March 2017 are the Surrey Healthy Children and Families Limited Liability Partnership (LLP) - trading as Children and Family Health Surrey (CFHS), which it is consolidating as a subsidiary with 50% non-controlling interest (see Note 1.3.1), and a 25% interest in the Collaborative Procurement Partnership (CCP) LLP (see Note 1.3.2). The CFHS LLP's turnover for the period ended 31 March 2018 was £26.788m, inclusive of £2.585m sales to the Trust.

The CCP LLP is a Joint Venture. There was no initial equity investment. In addition to the Trust, the other partners are Guys and St Thomas' NHS Foundation Trust, Leeds and York Partnership NHS Foundation Trust and West Suffolk NHS Foundation Trust. The LLP will commence buying goods on behalf of the NHS in May 2018.

**Note 24 Other Investments / Financial Assets (Non-Current)**

Neither the Trust nor Children and Family Health Surrey has any other investments, current or non-current.

**Note 24.1 Other Investments / Financial Assets (Current)**

Neither the Trust nor Children and Family Health Surrey has any other financial assets.

### Note 25 Disclosure of Interests in Other Entities (Group)

In addition to its interest in Children and Family Health Surrey and its 25% interest in the Collaborative Procurement Partnership (CCP) LLP (see Note 23), the Trust also owns SABP Care Ltd, incorporated on 9 May 2014, a dormant company.

The Trust no longer consolidates its Charitable Fund into its Group position. Refer to Notes 1.3.2 and 26.

### Note 26 Analysis of Charitable Fund Reserves

The Trust has an interest in its unconsolidated Charitable Fund for which the Trust is the corporate trustee. The Trust had, prior to 2016/17, previously assessed its relationship to the charitable fund and determined it to be a subsidiary because of the Trust's exposure or rights to variable returns and other benefits for itself, its staff or the people who use its services, from its involvement with the charitable fund, and its ability to affect those returns and other benefits through its power over the fund. It had, therefore, previously (prior to 2016/17) consolidated the charitable fund's statutory accounts into a Group position with the Trust. However, the Trust considered the definition in IAS 1, which requires materiality to be judged 'in the surrounding circumstances', and determined that, from the viewpoint of both the Trust and the charitable fund, consolidation no longer aids the users of the accounts. Refer to Note 46 Related Parties.

### Note 27 Inventories (Group)

	Group	
	31 March 2018 £000	31 March 2017 £000
Drugs	76	98
Other	1	1
<b>Total inventories</b>	<b>77</b>	<b>99</b>
<b>of which:</b>		
Held at fair value less costs to sell	-	-

Inventories relate solely to Trust business. Inventories recognised in expenses for the year were £22,000 (2016/17: £7,000). Write-down of inventories recognised as expenses for the year were £0k (2016/17: £0k).

### Note 28.1 Trade Receivables and Other Receivables

	Group		Trust	
	31 March 2018 £000	31 March 2017 £000	31 March 2018 £000	31 March 2017 £000
<b>Current</b>				
Trade receivables	11,433	7,996	11,214	7,996
Accrued income	7,071	8,522	4,746	8,522
Provision for impaired receivables	(1,090)	(1,787)	(1,090)	(1,787)
Prepayments (non-PFI)	841	939	841	939
PDC dividend receivable	359	82	359	82
VAT receivable	167	751	167	751
Other receivables	866	307	1,764	307
<b>Total current trade and other receivables</b>	<b>19,647</b>	<b>16,810</b>	<b>18,001</b>	<b>16,810</b>
<b>Of which receivables from NHS and DHSC group bodies:</b>				
Current	13,253	12,440	10,575	12,440
Non-current	-	-	-	-

The Group has no non-current trade and other receivables.

**Note 28.2 Provision for Impairment of Receivables (Group)**

	Group	
	2017/18	2016/17
	£000	£000
<b>At 1 April</b>	<b>1,787</b>	<b>1,593</b>
Increase in provision	898	1,660
Amounts utilised	(30)	(69)
Unused amounts reversed	(1,565)	(1,397)
<b>At 31 March</b>	<b>1,090</b>	<b>1,787</b>

All impairments of receivables relate to Trust receivables.

**Note 28.3 Credit Quality of Financial Assets**

Group	31 March 2018	31 March 2017
	Trade and other receivables	Trade and other receivables
	£000	£000
<b>Ageing of impaired financial assets</b>		
0 - 30 days	187	142
30 - 60 Days	57	44
60 - 90 days	59	100
90 - 180 days	205	269
Over 180 days	600	1,232
<b>Total</b>	<b>1,108</b>	<b>1,787</b>
<b>Ageing of non-impaired financial assets past their due date</b>		
0 - 30 days	945	2,244
30 - 60 Days	862	293
60 - 90 days	493	301
90 - 180 days	676	715
Over 180 days	718	702
<b>Total</b>	<b>3,694</b>	<b>4,255</b>

The above analysis relates solely to Trust financial assets.

**Note 28.4 Credit Quality of Financial Assets (Continued)**

All impairments of receivables relate to Trust business and are provisions for bad debts assessed on an annual basis using an estimate of the probability of collection.

**Note 29 Other Assets (Group)**

The Group has no other assets.

**Note 30.1 Non-Current Assets Held for Sale and Assets in Disposal Groups (Group)**

	Group	
	2017/18	2016/17
	£000	£000
<b>NBV of non-current assets for sale and assets in disposal groups at 1 April</b>	<b>504</b>	<b>360</b>
Assets classified as available for sale in the year	951	504
Assets sold in year	(504)	(360)
	<u>          </u>	<u>          </u>
<b>NBV of non-current assets for sale and assets in disposal groups at 31 March</b>	<b><u>951</u></b>	<b><u>504</u></b>

Assets held-for-sale belong solely to the Trust, which has one property held for sale at 31 March 2018 - Shaws Corner at Redhill. It is expected that this property will be disposed of early in 2018/19.

**Note 30.2 Liabilities in Disposal Groups (Group)**

The Group has no liabilities in disposal groups.

**Note 31.1 Cash and Cash Equivalents Movements**

Cash and cash equivalents comprise cash at bank, in hand and cash equivalents. Cash equivalents are readily convertible investments of known value which are subject to an insignificant risk of change in value.

	Group		Trust	
	2017/18	2016/17	2017/18	2016/17
	£000	£000	£000	£000
<b>At 1 April</b>	<b>13,056</b>	<b>13,194</b>	<b>13,056</b>	<b>13,194</b>
Net change in year	5,075	(138)	5,075	(138)
<b>At 31 March</b>	<b><u>18,131</u></b>	<b><u>13,056</u></b>	<b><u>18,131</u></b>	<b><u>13,056</u></b>
<b>Broken down into:</b>				
Commercial banks and cash in hand	955	515	955	515
Government Banking Service	17,176	12,541	17,176	12,541
<b>Total cash and cash equivalents as in SoFP</b>	<b><u>18,131</u></b>	<b><u>13,056</u></b>	<b><u>18,131</u></b>	<b><u>13,056</u></b>
Bank overdrafts (GBS and commercial banks)	-	-	-	-
Drawdown in committed facility	-	-	-	-
<b>Total cash and cash equivalents as in SoCF</b>	<b><u>18,131</u></b>	<b><u>13,056</u></b>	<b><u>18,131</u></b>	<b><u>13,056</u></b>

Children and Family Health Surrey had no cash holdings at 31 March 2018.

**Note 31.2 Third Party Assets Held by the Trust**

Surrey and Borders Partnership NHS Foundation Trust held cash and cash equivalents which relate to monies held by the Trust on behalf of those who use our services or other parties. This has been excluded from the cash and cash equivalents figure reported in the accounts.

	Trust	Trust
	31 March 2018	31 March 2017
	£000	£000
Bank balances	349	335
Monies on deposit	754	751
<b>Total third party assets</b>	<b><u>1,103</u></b>	<b><u>1,086</u></b>

### Note 32.1 Trade and Other Payables

	Group		Trust	
	31 March 2018 £000	31 March 2017 £000	31 March 2018 £000	31 March 2017 £000
<b>Current</b>				
Trade payables	8,554	5,503	8,409	5,503
Capital payables	901	591	901	591
Accruals	9,299	8,289	7,798	8,289
Receipts in advance (including payments on account)	-	-	-	-
Social security costs	1,200	1,141	1,200	1,141
VAT payables	-	-	-	-
Other taxes payable	957	907	957	907
PDC dividend payable	-	-	-	-
Accrued interest on loans	-	-	-	-
Other payables	1,718	1,581	1,718	1,581
NHS charitable funds: trade and other payables	-	-	-	-
<b>Total current trade and other payables</b>	<b>22,629</b>	<b>18,012</b>	<b>20,983</b>	<b>18,012</b>
<b>Of which payables from NHS and DHSC group bodies:</b>				
Current	5,403	3,126	5,403	3,126
Non-current	-	-	-	-

Standard trading terms are 30 days from date of invoice, with the exception of tax and social security, which are paid within 18 days of the month end. The Group has no non-current trade and other payables.

### Note 32.2 Early Retirements in NHS Payables above (Group)

The Group has not bought out any early retirements.

### Note 33 Other Financial Liabilities (Group)

The Group has no other financial liabilities.

### Note 34 Other Liabilities

	Group	
	31 March 2018 £000	31 March 2017 £000
<b>Current</b>		
Deferred income	1,302	306
<b>Total other current liabilities</b>	<b>1,302</b>	<b>306</b>

All deferred income relates to Trust business. The Group has no non-current liabilities.

### Note 35 Borrowings (Group)

The Group has no current or non-current borrowings.

### Note 36 Finance Leases (Group)

#### Note 36.1 Surrey and Borders Partnership NHS Foundation Trust as a lessor

The Group has no future lease receipts due under finance lease agreements where either the Trust or Children and Family Health Surrey is the lessor.

#### Note 36.2 Surrey and Borders Partnership NHS Foundation Trust as a lessee

The Group has no obligations under finance leases where either the Trust or Children and Family Health Surrey is the lessee.

### Note 37.1 Provisions for Liabilities and Charges Analysis (Group)

Group	Early departure costs £000	Legal claims £000	Redundancy £000	Other £000	Total £000
<b>At 1 April 2017</b>	<b>10,461</b>	<b>609</b>	<b>261</b>	<b>1,677</b>	<b>13,008</b>
Change in the discount rate	95	-	-	-	95
Arising during the year	87	497	-	-	584
Utilised during the year	(773)	(315)	(58)	(500)	(1,646)
Reversed unused	(167)	(281)	(203)	(427)	(1,078)
Unwinding of discount	24	-	-	-	24
<b>At 31 March 2018</b>	<b>9,727</b>	<b>510</b>	<b>-</b>	<b>750</b>	<b>10,987</b>
<b>Expected timing of cash flows:</b>					
- not later than one year	770	510	-	750	2,030
- later than one year and not later than five years	3,080	-	-	-	3,080
- later than five years	5,877	-	-	-	5,877
<b>Total</b>	<b>9,727</b>	<b>510</b>	<b>-</b>	<b>750</b>	<b>10,987</b>

Early departure costs include the Trust's historic pension liability to former staff in respect of early retirement. This liability ceases on demise of the beneficiary.

Legal claims are in respect of the Trust's share of outstanding legal claims being brought against the Trust and likely to be settled within a year. Of this £0.168m relates to a potential breach of contract claim and £0.226m to a claim for damages following the sale of a Trust property in 2010.

Other includes provisions for dilapidations. All provisions relate to Trust business.

#### The following material provisions were released during 2017/18:

	Utilised £000	Reversed unused £000
Dilapidations - utilised	500	427
Soft FM redundancies	58	203
HSE settlement	300	250
NHSLA non clinical negligence	15	31
Post-employment benefits	773	167
	<b>1,646</b>	<b>1,078</b>

#### The following provisions arose during 2017/18:

	£000
Potential breach of contract claim	168
Claim for damages	226
NHSLA non clinical negligence	103
Post-employment benefits	87
	<b>584</b>

In 2017/18 the discount rate for Post-Employment Benefits recommended by HM Treasury was changed from 0.24% to 0.10%.

**Note 37.3 Clinical Negligence Liabilities (Group)**

At 31 March 2018, £1.608m was included in provisions of NHS Resolution in respect of clinical negligence liabilities of Surrey and Borders Partnership NHS Foundation Trust (31 March 2017: £1.028m).

**Note 38 Contingent Assets and Liabilities (Group)**

The Group has no contingent assets or liabilities for the year.

**Note 39 Contractual Capital Commitments (Group)**

	31 March 2018	31 March 2017
	£000	£000
Property, plant and equipment	188	77
Intangible assets	18	21
<b>Total</b>	<b>206</b>	<b>98</b>

Contractual capital commitments relate to Trust business.

**Note 39.1 Other Financial Commitments (Group)**

For the year ended 31 March there were no other financial commitments.

**Note 40 Defined Benefit Pension Schemes (Group)**

Past and present employees are covered by the provisions of the NHS Pension Scheme. The Group does not operate a defined benefit pension scheme.

**Note 41 On-SoFP PFI, LIFT or other Service Concession Arrangements (Group)**

The Group has no on-Statement of Financial Position PFI, LIFT or other service concession arrangements. It, therefore, has no imputed finance lease obligations or arrangement commitments in relation to such arrangements and has made no payments to service concession operators.

**Note 42 Off-SoFP PFI, LIFT and other Service Concession Arrangements (Group)**

Surrey and Borders Partnership NHS Foundation Trust incurred no charges in respect of off-Statement of Financial Position PFI and LIFT obligations.

**Note 43 Financial Instruments (Group)****Note 43.1 Financial Risk Management**

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. Because of the continuing service provider relationship that the Group has with commissioners and the way those commissioners are financed, the Group 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 financial reporting standards mainly apply. The Group 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 Group in undertaking its activities.

The Group's treasury management operations are carried out by the finance department, within parameters defined formally within Surrey and Borders NHS Foundation Trust's Standing Financial Instructions and policies agreed by the Board of Directors. Trust treasury activity is subject to review by the Trust's internal auditors.

**Currency Risk**

The Group is a wholly domestic organisation with all its transactions, assets and liabilities being in the UK and sterling based. The Group has no overseas operations and, therefore, has low exposure to currency rate fluctuations.

### Interest Rate Risk

The Group has no external borrowing and so is not exposed to any significant interest rate risk. However, the Trust could borrow from government for capital expenditure, subject to affordability, as confirmed by NHS Improvement.

### Credit Risk

Because the majority of the Group's income comes from contracts with other public sector bodies, the Group has low exposure to credit risk. The maximum exposures as at 31 March 2018 are in receivables from customers, as disclosed in the trade and other receivables Note 28.1.

### Liquidity Risk

The Group's operating costs are incurred under contracts with commissioners, which are financed from resources voted annually by Parliament. The Group funds its capital expenditure from funds obtained from government. The Group is not, therefore, exposed to significant liquidity risks and tracks its cashflow daily.

### Note 43.2 Carrying Values of Financial Assets

	Group		Trust	
	Loans and receivables £000	Total book value £000	Loans and receivables £000	Total book value £000
<b>Assets as per SoFP as at 31 March 2018</b>				
Trade and other receivables excluding non financial assets	18,280	<b>18,280</b>	16,634	<b>16,634</b>
Cash and cash equivalents	18,131	<b>18,131</b>	18,131	<b>18,131</b>
<b>Total at 31 March 2018</b>	<b>36,411</b>	<b>36,411</b>	<b>34,765</b>	<b>34,765</b>

	Group		Trust	
	Loans and receivables £000	Total book value £000	Loans and receivables £000	Total book value £000
<b>Assets as per SoFP as at 31 March 2017</b>				
Trade and other receivables excluding non financial assets	15,038	<b>15,038</b>	15,038	<b>15,038</b>
Cash and cash equivalents	13,056	<b>13,056</b>	13,056	<b>13,056</b>
<b>Total at 31 March 2017</b>	<b>28,094</b>	<b>28,094</b>	<b>28,094</b>	<b>28,094</b>

### Note 43.3 Carrying Values of Financial Liabilities

	Group		Trust	
	Other financial liabilities £000	Total book value £000	Other financial liabilities £000	Total book value £000
<b>Liabilities as per SoFP as at 31 March 2018</b>				
Trade and other payables excluding non financial liabilities	20,472	<b>20,472</b>	18,826	<b>18,826</b>
Provisions under contract	1,260	<b>1,260</b>	1,260	<b>1,260</b>
<b>Total at 31 March 2018</b>	<b>21,732</b>	<b>21,732</b>	<b>20,086</b>	<b>20,086</b>

	Other financial liabilities £000	Total book value £000	Other financial liabilities £000	Total book value £000
<b>Liabilities as per SoFP as at 31 March 2017</b>				
Trade and other payables excluding non financial liabilities	15,964	<b>15,964</b>	15,964	<b>15,964</b>
Provisions under contract	2,547	<b>2,547</b>	2,547	<b>2,547</b>
<b>Total at 31 March 2017</b>	<b>18,511</b>	<b>18,511</b>	<b>18,511</b>	<b>18,511</b>

#### Note 43.4 Maturity of Financial Liabilities

	Group		Trust	
	31 March 2018 £000	31 March 2017 £000	31 March 2018 £000	31 March 2017 £000
In one year or less	21,732	18,511	20,086	18,511
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	-	-	-	-
<b>Total</b>	<b>21,732</b>	<b>18,511</b>	<b>20,086</b>	<b>18,511</b>

#### Note 44 Losses and Special Payments

Group	2017/18		2016/17	
	Total number of cases Number	Total value of cases £000	Total number of cases Number	Total value of cases £000
<b>Losses</b>				
Cash losses	4	2	2	0
Bad debts and claims abandoned	25	30	-	-
<b>Total losses</b>	<b>29</b>	<b>32</b>	<b>2</b>	<b>0</b>
<b>Special payments</b>				
Compensation under court order or legally binding arbitration award	1	316	-	-
Ex-gratia payments	14	14	14	75
Special severance payments	1	3	-	-
<b>Total special payments</b>	<b>16</b>	<b>333</b>	<b>14</b>	<b>75</b>
<b>Total losses and special payments</b>	<b>45</b>	<b>365</b>	<b>16</b>	<b>75</b>
Compensation payments received		1		-

The Trust made a provision of £0.550m in 2016/17 for a potential fine in respect of an action taken by the Health and Safety Executive. The court case was heard on 22 June 2017 and the Trust was fined £0.316m (comprised of: fine £0.300m plus costs £0.160m plus other £120).

#### Note 45 Gifts (Group)

There were no gifts recorded.

#### Note 46 Related Parties (Group)

This related parties note has been prepared in accordance with IAS 24 and paragraphs 7.28 - 7.32 of the GAM.

During the year 2017/18, with the exception of the two instances listed below, there have been no material transactions or outstanding balances, including commitments, with any other parties related to Surrey and Borders Partnership NHS Foundation Trust.

Payments of £1.737m (2016/17: £1.562m) have been made and income of £0.721m (2016/17: £0.123m) have been received from Sussex Partnership NHS Foundation Trust (SPFT), a party related to the Chief Pharmacist, who is a key management staff member but not a voting member of the Trust Board. In addition, the accounts include a debtor of £0.053m and a creditor of £0.291m relating to SPFT.

Payments of £0.202m were made to the Care Quality Commission (CQC), a body for whom the Trust's Chief Nursing Officer and Deputy Chief Executive is a National Professional Advisor.

	<b>Payments to related party</b>	<b>Receipts from related party</b>	<b>Amounts owed to related party</b>	<b>Amounts due from related party</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Chief Nursing Office & Deputy Chief Executive - Care Quality Commission	202,239	-	-	-
Chief Pharmacist - Sussex Partnership NHS FT	1,737,000	721,000	291,000	53,000

The Department of Health is regarded as the Trust's parent department but the Trust is an independent body not controlled by the Secretary of State. It is, therefore, considered that Government departments and agencies are not related parties. However, the main entities within the public sector that the Trust has had dealings with are listed below:

- NHS England
- NHS Barnet CCG
- NHS Croydon CCG
- NHS East Surrey CCG
- NHS Guildford and Waverley CCG
- NHS Horsham and Mid Sussex CCG
- NHS North East Hampshire and Farnham CCG
- NHS North West Surrey CCG
- NHS Pension Scheme
- NHS Professionals
- NHS Property Services
- NHS Surrey Downs CCG
- NHS Surrey Heath CCG
- Ashford and St Peter's Hospitals NHS Foundation Trust
- Royal Surrey County Hospital NHS Foundation Trust
- Frimley Park Hospital NHS Foundation Trust
- Sussex Partnership NHS Foundation Trust
- Royal Surrey County Hospital NHS Foundation Trust
- Epsom and St Helier University Hospitals NHS Trust
- Health Education England
- NHS Business Services Authority
- NHS Litigation Authority
- Croydon London Borough Council
- Surrey County Council

None of the Trust Board members or members of the key management staff received any form of short-term employee benefits; post-employment benefits; other long term benefits; termination benefits or share-based payments.

The Trust is the corporate trustee to Surrey and Borders Partnership NHS Foundation Trust General Purposes Charity and Related Charities (Charity number 1126477). The Charitable Fund has not been consolidated, on the basis of materiality, as described in Accounting Policies Note 1.3.2. During the period, the funds produced a deficit of £18,000 (2016/17: deficit of £46,000) and the value of the funds as at 31 March 2018 was £0.792m (2016/17: £0.810m).

**Note 47 Transfers by Absorption (Group)**

There have been no transfers by absorption in the year where the Trust has been either the receiving or divesting party.

**Note 48 Prior Period Adjustments (Group)**

There have been no prior period adjustments.

**Note 49 Events after the Reporting Date (Group)**

There have been no non-adjusting events after the reporting date.





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