

# Annual Report & Accounts 2017-18





# **York Teaching Hospital NHS Foundation Trust**

## **Annual Report & Accounts 2017-18**

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paragraph 25(4)(a) of the National Health Service  
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## **Our shared commitment: 'Caring with pride'**

**Our ultimate objective:** To be a valued and trusted partner within our care system delivering safe effective care to the population we serve.

### **Our vision for healthcare in the population we serve:**

- We will treat every patient as an individual, providing the care they need, where they need it, to save and improve lives
- We will develop alliances with our partners to deliver integrated care for our patients in the communities in which they live
- We will be innovative in our approach to delivering care
- We will work with our partners to promote the public health agenda and support healthy lifestyles

**Our values:** We put patients at the centre of everything we do, by:

- caring about what we do
- always doing what we can to be helpful
- respecting and valuing each other
- listening in order to improve

## Foreword and introduction

### Statement from the Chair

#### Welcome to York Teaching Hospital's Annual Report

At her recent appraisal, our Senior Independent Director described the year gone by as being “like white water rafting”. This seems an accurate reflection of our year. The challenges we have faced have tested our skills and courage, they have created an environment of uncertainty and pressure and required us to dig deep into our collective resilience. However, as with all difficult journeys in uncharted territories there have been glimpses of greatness: most of all, our Trust has maintained its clear focus, whatever the current, on our patients and their safety.

Alongside many Trusts, we began our year with priorities we knew would challenge us: maintaining financial balance, achieving the Emergency Care Standard, finding ways to recruit to our Trust in a diminishing market and finding new ways with our partners to continually improve services while living within our means. As well as the challenges we could anticipate, we also encountered challenges that were unforeseen, including a cyber-attack and the longest of winters, creating prolonged pressures on our acute hospital beds, which impacted on smooth patient flow throughout our Trust.

For us all, these challenges have come together in such a way as to create an ‘annus horribilis’ for our Trust.

Collectively, the Board, and indeed all the staff, at all levels in our Trust have demonstrated resilience and tenacity, facing into the weather, remaining steadfastly focused on our patients and their quality of care. The cornerstone of this Trust in good times and bad is a shared commitment to our values:

- Caring about what we do;
- Always doing what we can to be helpful;
- Listening in order to improve;
- Respecting and valuing each other.

This commitment shone through in the CQC Inspection which took place in the early autumn, where our services were rated Good for being caring and effective: inspectors saw staff working together as teams for the benefit of patients, they saw our staff care for our patients with compassion, providing emotional support to patients to minimise distress. Our patients told inspectors that staff treated them well and with kindness. It is this culture of care and kindness which we collectively value, and which the Trust leadership will treat as precious and nurture and maintain carefully.

Despite difficult times, the Trust chose to hold its Celebration of Achievement event in Bridlington in the late summer. On this occasion more than 300 staff came together to learn about each other's successes and triumphs and to celebrate together the critical value of our patient-centred culture.

A spirit of innovation has continued to permeate our Trust with the launch of a mobile chemotherapy unit, purchased with funds raised by York Against Cancer, to serve our

patients living in rural areas with the vital medication that they need. The development of our Urology Clinic in Malton again seeks to bring care to our patients in ways which are specialised and appropriate.

Looking ahead into 2018-19, the Trust has a renewed focus on delivering both our financial and performance targets, while maintaining the enduring focus which has served us well, on our patients and their care.

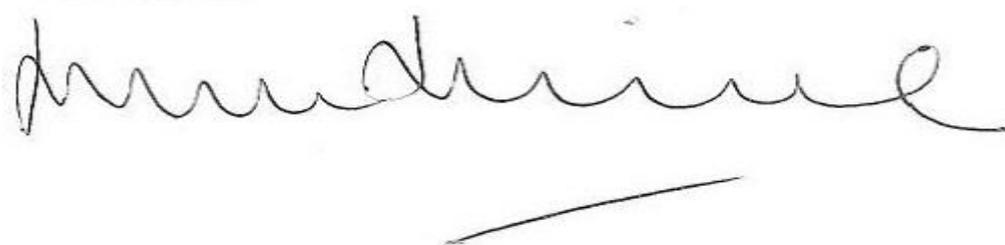
We are set to launch a new 5-year strategy which captures our vision to deliver safe quality services, in partnership with our communities, in ways which are wholly sustainable and in line with our values.

Our overarching priorities are:

1. Delivering safe high-quality care for our patients;
2. Supporting and developing an engaged, healthy and resilient workforce;
3. Ensuring the financial stability of the Trust.

We know that to achieve our priorities we will need to focus on the delivery of clinically sustainable services, developing our leadership capability across the Trust, to work in partnership and alliances which serve our patients the best, to be driven by a desire to deliver care close to home for our patients and to ensure that every penny of tax-payers' money is used effectively to these ends.

In many ways the year ahead is set to be equally as challenging as the year gone by: however, a positive course is set. We have faith and confidence in our staff, whom we thank for their commitment to our Trust and to our patients in the year gone by, and whose spirit, tenacity and values will ensure that 2018-19 will keep us on course to achieve our Trust's important priorities.

A handwritten signature in black ink, appearing to read 'Susan Symington', with a horizontal line underneath it.

**Susan Symington**  
Chair

**25 May 2017**

# Performance Report

## Statement from the Chief Executive

Every person in the NHS knows all too well that the environment we are working in is the most challenged it has ever been. Given this context it is inevitable that our priority during 2017-18 was to focus on consolidating our position as a Trust, and arresting wherever possible any deterioration in our financial and operational performance.

Each year we are managing with fewer resources in real terms, and in the last few years this has equated to a reduction of around 5% in our spending power year on year.

The demand for services continues to rise, due to the growing population and the changing nature of their health and care needs. Demand for services will predictably grow as the numbers requiring support increase but equally, and perhaps more importantly, the nature of the demand placed on us changes as we all live longer, and we are already seeing the effects of this in higher numbers of our patients requiring more complex support and simply being more acutely unwell.

Our patients perhaps expect more of us, whilst being understanding of the pressure we face, but our own expectations of ourselves have also never been higher and I am determined that we use these factors as a motivation to continue to focus on doing the right thing for our patients, our community and our staff.

The winter months were exceptionally busy, particularly for our acute sites, and a number of factors had an impact on our services during this time. High levels of flu (particularly in York which was a regional hotspot) meant increased admissions for flu and flu-related conditions. The complexity and severity of some of these patients meant that we could not discharge as many patients as we needed to create capacity, which put the bed base under pressure. Flu inevitably led to higher staff sickness levels which further compounded the pressure as we went into the New Year.

NHS England asked all Trusts to review where possible, postpone, non-urgent appointments, operations and other activities in order to free up capacity for our sickest patients, and to ensure our medical staff were available in the areas of greatest need. This meant that we cancelled a number of elective operations and procedures and, in line with others, saw a deterioration in waiting times overall.

Despite these peaks in activity levels, we saw an improvement in our overall performance against the Emergency Care Standard, and towards the end of the year reported achievement of all cancer targets for the first time in many months.

In terms of our financial performance, we ended the year with a £20.1m deficit. Last year was, without a doubt, the most financially challenging in our history, and we cannot ignore that fact that we ended the year adrift of our original planned deficit of £9m, missing out on sustainability funding as a result.

Throughout the second half of the year we worked closely with NHS Improvement, our regulator, on the development and implementation of our Financial Recovery Plan. As a result we were able to arrest the further deterioration of our financial position, which was welcomed by our regulators.

In this context it is all the more pleasing to report that we exceeded our efficiency target, achieving savings of £23.3m, £0.5m over our original plan. It is worth recognising that last year was the eighth year of efficiency requirements at this level, and the efforts of all staff who contributed to this achievement should be applauded.

One of the key pressures on our finances was staffing spend. Agency use remained high, and a number of decisions were made in-year to strengthen staffing numbers in key areas in order to improve the safety of these services. Recruitment remains difficult in many areas, and we continue to evolve our recruitment strategy, as attracting and retaining key clinical staff is essential to our future stability and the continued safe delivery of services.

The Trust was also subject to a planned inspection by the CQC during the autumn. The overall rating for the Trust was Requires Improvement, however the majority of the Trust is rated Good and there are evident improvements across our most challenged services despite the very difficult context we work in.

The report also highlights areas where we recognised the need for continuous improvement, and we will respond positively to the recommendations.

Looking ahead, we are at a pivotal stage in our strategic development, as it is now five years since the merger of York and Scarborough Trusts. The context we are working in today is very different to that which we faced in the lead-up to the merger, and far more challenging than the worst-case scenario we were able to envisage at that time.

As a Board we are refreshing our strategy and mapping out our direction for the next five years. Inevitably there will be a focus on our finances, on recruiting and retaining staff, and ensuring our services are as safe as they can be. We will also consider how we can deliver services out of hospital wherever we can, and how we can work differently with our partners to create services that best suit the needs of our population.

There is also recognition at a national level of the difficulties in delivering services in remote coastal areas, and the East Yorkshire region is amongst the most remote and economically challenged in the country. Our challenges cannot be wholly resolved without better access to staffing and resources.

Access to services in an area the size of North Yorkshire is clearly important, and this may present opportunities as well as potentially difficult decisions. This can only be done by working with our partners, particularly our commissioners, on how we respond as a system, be it through the STP, our clinical alliances, or other networks and system-wide partnerships.

As the NHS approaches its 70th anniversary, I have no doubt that you will see detailed throughout this report that we continue to promote a genuine sense of partnership, development and community responsibility, despite the pressures we face.



**Chief Executive**  
**29 May 2018**

## Performance Overview

The purpose of the overview is to provide a short summary of the organisation, its purpose, key risks and how it has performed during the year.

### Statement of Purpose and Activities

The principal purpose of the Trust is the provision of goods and services for the purpose of the health service in England.

The Trust is registered with the Care Quality Commission to provide safe care that is responsive and effective. It provides a comprehensive range of acute hospital, specialist healthcare and community services and serves a population of 800,000 residents covering the area around York, North Yorkshire, North East Yorkshire and Ryedale (3,400 square miles). The main sites are York, Scarborough and Bridlington Hospitals, two Community Hospitals (Selby, Malton, Whitby\*), and three Community Rehab Hospitals. (\*The Trust ceased to provide services to Whitby from April 2016 and Archways was closed in December 2016).

The Trust provides:

- Outpatient and diagnostic services;
- Surgical procedures;
- Management and assessment of medical conditions;
- Family planning and sexual health services;
- Maternity services;
- Terminations of pregnancy;
- Management and supply of blood derived products;
- Treatment of patients detained under the Mental Health Act;
- Out of hospital care (community services).

### Brief History

York Hospital opened on its current site, on Wigginton Road in 1976. When it first opened the Hospital had 600 beds and replaced numerous smaller sites including Acomb Hospital, City Hospital, York County Hospital, Deighton Grove Hospital, Fulford Hospital, Military Hospital and Yearsley Bridge Hospital.

York Health Authority became a single district Trust in April 1992, known as York Health Services NHS Trust and became York Hospitals NHS Foundation Trust on 1 April 2007. The Trust then decided to adopt 'Teaching' into its name, which was approved by NHS Improvement (formerly Monitor) and came into effect from 1 August 2010.

In April 2011 we took over the management of community-based services in Selby, York, Scarborough, Whitby and Ryedale and in July 2012 acquired Scarborough and North East Yorkshire Healthcare NHS Trust, bringing Scarborough and Bridlington Hospitals into the organisation.

The Trust provides specialist services from other sites, including renal dialysis in Easingwold and Harrogate, and sexual health services in Monkgate Health Centre in

York. The Trust also works collaboratively in certain specialties through clinical alliances with Harrogate and District NHS Foundation Trust, and Hull Teaching Hospital NHS Trust to strengthen the delivery of services across North and East Yorkshire.

## **Strategic Aims of the Trust**

This section provides examples of the Trust's activities and achievements against the ambitions. The Trust reviewed the four strategic aims in 2016 and developed them further to be strategic ambitions. The framework for the four ambitions is embedded in the organisation through the Board Committees – Finance and Performance, Quality and Safety, Workforce and Organisational Development and Environment and Estates. Each Committee focuses on aspects of the Trust's ambitions. The Trust has published a document called 'Our shared commitment' which outlines the four strategic ambitions as follows:

**Our Quality and Safety Ambitions** - Our patients must Trust us to deliver safe and effective healthcare.

- To improve patient safety, the quality of our patient experience and patient outcomes, all day, every day;
- To listen to patients and staff, act on their feedback, and share with them the changes we make;
- To be innovative in our approach to providing the best possible care, sympathetic to different communities and their needs;
- To separate the acute and elective care of our patients;
- To reform and improve emergency care;
- To embrace existing and emerging technology to develop services for patients..

**Our Finance and Performance Ambitions** - Our sustainable future depends on providing the highest standards of care within our resources.

- To achieve and maintain financial stability alongside our partners, building alliances to benefit our patients;
- To provide the very best value for money, time and effort;
- To exceed all national standards of care;
- To plan with ambition to create a sustainable future.

**Our People and Capability Ambitions** - The quality of our services is wholly dependent on our teams of staff.

- To ensure that our organisation continues to develop and is an excellent place to work;
- To creatively attract the right people to work in our Trust, in the right places, at the right time;
- To retain our staff;
- To care for the wellbeing of our staff;
- To provide first class learning and development opportunities, enabling our staff to maximise their potential;
- To develop learning and promote innovation, creating new knowledge through research and sharing this widely.

**Our Facilities and Environment Ambitions** - We must continually strive to ensure that our environment is fit for our future

- To work as part of our overall community to provide the very best health outcomes, in the most appropriate setting;
- To respect the privacy and dignity of all of our patients;
- To positively manage our impact on the wider environment and keep our own environment clean and tidy;
- To develop our facilities and premises to improve our services and patient care.

The Trust held a Strategy Time Out in February 2018 to discuss and review its strategic aims. Following the Time Out the strategic aims will be refreshed for 2018-19.

## Key Issues and Risks

### Financial Sustainability

Current NHS funding is the most constrained we have seen in recent history; the NHS has seen average long term, real term, increases of 4% since the NHS was established and, using projections from the Office for Budget Responsibility (OBR), forecast health spending will need to rise at 4.3% a year going forward. Following the 2017 Autumn Budget health spending per head will now increase by 0.7% in 2018-19, and by 0.02% in 2019-20 (source - The Kings Fund). This is set against a back drop of the NHS being recognised as one of the industrialised world's most efficient health care systems, with lower costs than many other advanced European countries.

The Trust has been able to develop a credible financial plan and accept its financial control total for 2018-19, although it must be noted this is not without significant risk; however the York and Scarborough health system (the system) which includes the Trust and our two main CCGs remains under significant financial constraint.

Following the Capped Expenditure Process (CEP) in 2017-18, the system has continued to respond to this challenge by continuing to work collaboratively under the System Transformation Board (STB); the STB is overseeing the development of a multi-year system recovery plan.

The Trust is also in positive dialogue with its 3 main clinical commissioners to develop an Aligned Incentive Contract (AIC) for 2018-19, similar to models in place in the Bolton and Hull health economies. The Trust remains fully engaged in the Humber, Coast & Vale (HCV) STP work programme on the development of an STP multi-year financial recovery plan.

The Board of Directors is fully sighted on this challenge and has approved the plan which underpins the delivery of this challenging position, but it is recognised this is not without significant risks, including the availability of key staff, delivery of commissioner QIPP plans, the development of an AIC approach and the availability of external capital funding required to further develop and maintain key services and assets.

## ISA 570 Going concern statement

**Introduction** - This report outlines the concept of the going concern accounting basis and considers the appropriateness of this for the 2017-18 Trust Annual Accounts. International Accounting Standard (IAS) 1 requires management to assess, as part of the accounts preparation process, the Trust's ability to continue as a going concern. International Standards for Auditors (ISA) 570 requires the auditor to consider the appropriateness of management's assessment as part of the Annual Accounts audit.

**Going Concern Concept** - The going concern basis assumes that the Trust will be able to realise its assets and liabilities in the normal course of business and that it will continue in business for the foreseeable future. The future should be at least, but is not limited to, a period of twelve months from the end of the reporting period. For Foundation Trusts there is no automatic presumption that they will always be a going concern, particularly where difficult economic conditions and/or financial difficulties prevail.

The Department of Health Group Accounting Manual (DH GAM) 2017-18 outlines the interpretation of Going Concern for the public sector context.

**Paragraph 4.12 states:** For non-trading entities in the public sector, the anticipated continuation of the provision of a service in the future, as evidenced by inclusion of financial provision for that service in published documents, is normally sufficient evidence of going concern. DH group bodies should therefore prepare their accounts on a going concern basis unless informed by the relevant national body of the intention for dissolution without transfer of services or functions to another entity.

**Paragraph 4.15 states:** "Where a DH group body is aware of material uncertainties in respect of events or conditions that cast significant doubt upon the going concern ability of the entity, these uncertainties should be disclosed. This may include for example where continuing operational stability depends on finance or income that has not yet been approved."

**Paragraph 4.16 states:** Should a DHSC group body have concerns about its "going concern" status (and this will only be the case if there is a prospect of services ceasing altogether) it must raise the issue with its sponsor division or relevant national body as soon as possible.

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

**Directors' Assessment** - The specific factors that the Directors should consider include:

- a) Financial conditions.
  - A poor financial risk rating;

- Significant operating losses, historical or projected;
  - Loss of income from commissioners, actual or anticipated;
  - Major cost improvement programme with high risk of non-achievement;
  - Major losses and/or cash flow problems;
  - Inability to repay loans.
- b) Operating conditions.
- Loss of key staff and/or management without replacement;
  - A poor governance risk rating;
  - Significant failure to achieve Care Quality Commission standards;
  - Fundamental market changes to which the Trust is unable to adapt;
- c) Other conditions.
- Serious non-compliance with regulatory or statutory requirements;
  - Pending legal or regulatory proceedings against the Trust;
  - Changes in legislation or Government policy expected to adversely affect the Trust.

**National & Trust Context - Financial Year 2017-18** - At the end of the 2017-18 financial year, the Trust reported an income and expenditure deficit of £20.1m taking into account all adjustments and a positive cash position of £16.8m. Excluding the general unallocated STF allocation of £3.1m, the Trust's deficit of £23.2m fell £14.5m short of its pre-STF control total of an £8.7m deficit.

This financial position is clearly disappointing in terms of the overall deficit and shortfall from plan. However, the Trust position must be read in the context of the wider NHS acute sector position which posted a deficit of £1.974b at the end of Q3, with 79% of acute providers in deficit. In spite of this extremely challenging financial position, the Trust has continued to provide uninterrupted, high quality clinical services to its patients and the Directors fully expect this to continue for the foreseeable future.

The main component of this variance related to additional staff costs linked to agency/locum usage, bank usage and decisions made to supplement staffing above budgeted levels in the interests of safety.

As noted above, the Trust did not receive any of its original STF allocation (£11.8m), but did receive £3.1m from the general unallocated STF distribution at the end of the financial year.

The Trust has applied for and received revenue support loans to the value of £23.135m in 2017-18.

**Financial Year 2018-19** - The issues noted above, in particular the financing of the Trust's operational plan, represents a uncertainty that may cast significant doubt about the Trust's ability to continue as a going concern. However, this is mitigated by the following:-

## **Planning and Budgets**

- Following the recent release of the planning guidance, the Trust prepared a 1 year operational plan, which the Board of Directors considered and agreed prior to submission to NHSI on the 30 April 2018;
- Trust management have engaged with the NHSI regional team on the significant components of the operational plan, the plan has been prepared on the basis of being both 'stretching and realistic'. The final plan meets the NHSI control total for 2018-19;
- The final Board agreed plan will be used to set the Trust's operational budgets.

## **Working Capital & Liquidity**

- The Trust continues to operate enhanced cash management with weekly operational cash meetings and a fortnightly cash meeting with the Director of Finance and the Senior Finance Team;
- The main commissioner contracts have been substantially agreed for 2017-18 which ensures no significant activity, cash or payment risk will carry over into 2018-19;
- The Trust will continue to receive sparsity income of £2.6m from Scarborough & Ryedale CCG in 2018-19;
- The Trust has received revenue support loans in 2017-18 and we forecast this support will be a continuing requirement in 2018-19; it is fully expected any further application will be supported by both NHSI and the DHSC

## **Sustainable Resource Deployment**

- Full engagement with the NHSI Operational Productivity team on an extensive programme of work using the Model Hospital. This work is expected to continue for the next 12-18 months and the Trust is a national pilot for this work;
- Positive engagement with Lord Carter to support the development of a strategic solution for financially-challenged health economies with diverse geographies;
- The Trust has a well-developed plan and business case for the creation of an Alternative Delivery Model (ADM), which will provide significant future service and financial benefits to the Trust;
- The Trust has a solid record in over delivery of its Cost Improvement Programme (CIP);
- The Trust continues to make progress in reducing agency and locum expenditure and has reduced expenditure in this area to £18m, which is £2m lower than 2016-17.

## **Financial and Operational Risk Management**

- The Trust continues to address shortfalls in meeting the 4 hour Emergency Care Standard (ECS). Actions are being taken to meet the Standard and improve patient flows across the Trust, including full engagement with regulators. The Trust has also commissioned a specific piece of work with Ernst & Young to review and support improvement in this area;
- The Trust continues to address shortfalls in Referral to Treatment (RTT) performance and to achieve long term sustainability in this area. This position will now be managed in line with the revised planning guidance;
- The Trust has a well-developed performance management framework with all Directorates attending an executive or operational performance management meeting monthly;

- Corporate governance continues to be high on the Trust's agenda. Revised arrangements are now implemented and governance continues to be monitored, reviewed and strengthened where applicable.

### **Partnership Working**

- Following on from the CEP, the system continues to work collaboratively under the STB, the membership includes the Trust CEO, and our 2 main Commissioners Chief Officers and a number of other executives and senior managers; the STB is overseeing the development of a multi-year system recovery plan;
- The Trust is in positive dialogue with its 3 main clinical commissioners to develop an AIC for 2018-19, similar to models in place in the Bolton and Hull health economies;
- The Trust is fully engaged in the Humber, Coast & Vale (HCV) STP work programme on the development of an STP multi-year financial recovery plan;
- The Trust is a member of the local Health & Wellbeing Board.

As is the case for most of the NHS, the Trust is facing extremely challenging trading conditions given the overall financial climate. However, the Trust has taken significant actions to mitigate and manage these and the Board of Directors are fully sighted on this challenge.

In summary, after making enquiries, the Directors have a reasonable expectation that the Trust has adequate resources, or access to appropriate support should this be necessary, to continue in operational existence and to continue to provide all licensed services for the foreseeable future. Therefore, they consider it appropriate to prepare the Trust accounts on a going concern basis.

### **Stability in Staffing**

The Trust benefits from clinical engagement in the workforce planning cycle. Workforce plans are submitted to Health Education England (HEE) and NHSI on an annual basis to inform the commissioning of places through Higher Education. The workforce plan forecasts demand for all staff groups for the next five years. Having a fully established substantive workforce remains one of the key challenges for the Trust.

The Trust continues to collaborate with partners across the STP to deliver efficiencies in line with Carter recommendations. These include, but are not limited to, improved management of sickness absence; principles for medical job planning and improving the effectiveness of electronic rostering for nursing staff. Reductions in agency expenditure are planned to achieve the most significant element of the pay bill savings the Trust is required to make, with temporary staffing usage reviewed by the Trust's Carter Steering Group on a monthly basis.

As well as improved management of the substantive workforce as described above, actions have been taken to ensure that where temporary staffing is still required this is as cost effective as possible. These actions include: growing the numbers on the internal bank and incentivising bank through initiatives such as maintaining a weekly payroll; senior nursing staff are involved in managing day-to-day changes to staffing to ensure there are appropriate levels of staff and skill mix in all areas; vacant shifts only

go to agencies for fulfilment once all opportunity to fill via the internal bank have been explored.

In addition to reviewing recruitment practices, including the review of the Trust employment brand and the delivery of recruitment events across our different sites (see Being attractive to new staff), the Trust is also remodelling services and reviewing skill mix to ensure services can be delivered closer to home and seven days a week. We continue to work with our Local Workforce Action Board (LWAB) to deliver our strategy across Humber, Coast and Vale STP, which includes fully utilising the apprenticeship levy to develop and increase the number of support staff based in hospitals and across the community in social care (see Developing a workforce fit for the future) and increasing the number of Advance Practitioners and Physician Associates employed within the region. Our local initiatives will be supported by the GP Five Year Forward View which aims to increase the growth rate in GPs through new incentives for training, recruitment, retention and return to practice.

The Board of Directors' bi-monthly workforce report details key workforce metrics. In addition, the Workforce and Organisational Development Committee (a sub-committee of the Board of Directors) receives further detailed information relating to all workforce matters.

### **Clinical Sustainability**

The Trust has continued to work with some of our most challenged and pressured specialties across all sites to improve outcomes for patients and ensure service provision in the long term.

As a main strategic objective for 2018-19, the Trust will undertake a dedicated work programme to formally assess the clinical sustainability of key clinical services at its main sites. This will allow dedicated and targeted programme of work to be developed, with the specific aim of improving the long term sustainability of our most important clinical services. The work will include an analysis of the current and future workforce requirements, current and future activity in that service and an assessment of how dependent other clinical services are on that service in order to function safely and efficiently.

Notwithstanding the work that will be undertaken in 2018-19, the Trust has already been working on a number of transformational initiatives and service changes to improve the clinical sustainability of some of its services. In working with STP partners on a larger geographical footprint, the Trust has been part of working groups for radiology and pathology services. Both groups look at how cross organisational reporting hubs can be established which will serve to share risk across partner Trusts, improve access to specialist reporting and maximize flexibility and working patterns for our staff.

Outside of the STP, the Trust continues to work and develop its longstanding relationship with Harrogate Trust on a number of service areas, where there are mutual benefits. This includes working together on vascular, cardiology and renal services to improve clinical quality and sustainability for patients in our region

The Trust recognises that the retention of existing staff and recruitment of new staff is a crucial part of the sustainability work. With that in mind, the Trust has approached a specialist recruitment company called "Jupiter", who have already reported back their

initial findings and have begun suggesting ways in which the Trust could improve their future recruitment campaigns. An updated recruitment campaign will be fundamental to our clinical sustainability focus in 2018-19 and beyond.

## Performance Analysis

### How Performance is Measured in the Organisation

The Trust provides services within the hospital and to the community at large. The Trust uses a number of key performance measures to assess the success of the organisation, looking at both hospital and community measures. These measures include the 4-hour ECS, cancer targets; infection controls standards, 18-week wait targets; data completeness targets and delivery of healthcare for people with learning disabilities.

On a monthly basis the Finance and Performance Committee and the Board considers performance against the access targets, and on a quarterly basis the Board confirms the position of each of these metrics to NHSI, formally known as Monitor. Details of the Trust's performance during the year can be seen in the following table.

The Board also reflects on the achievement of the key objectives identified in the Trust's strategy aims. The Quality and Safety Committee considers the achievements against the quality indicators and infection control measures through the Quality Report.

### Performance against key healthcare targets 2017-18

Indicator	Target	Q1	Q2	Q3	Q4
Total time in ED under 4 hours – national	95%	90.89	86.16	86.97	81.46
Referral to treatment time, 18 weeks in aggregate, incomplete pathways	92%	89.2	87.5	86.8	84.4
Cancer 2 week wait (all)	93%	86.6	83.6	90.8	94.2
Cancer 2 week wait Breast Symptomatic	93%	93.8	97.9	94.9	97.5
Cancer 31 days from diagnosis to first treatment	96%	97.2	98.0	98.2	98.9
Cancer 31 days for second or subsequent treatment – surgery	94%	94.5	95.2	92.9	96.4
Cancer 31 days for second or subsequent treatment – drug treatment	98%	100	100	100	100
Cancer 62 day wait for first treatment (urgent GP)	85%	80.3	80.6	82.7	84.2
Cancer 62 day wait for first treatment (NHS Cancer Screening Referral Service)	90%	93.3	93.4	90.3	92.9
Diagnostics – 6 week wait referral to test	99%	98.1	99	98.1	97.6

The Trust has continued to implement the comprehensive performance recovery plan across the ECS, RTT, Diagnostic performance and Cancer Waiting times. The Recovery Plan has included ongoing implementation of the Acute Medical Model at Scarborough and enhancing streaming at the front door of ED as well as looking at Acute floor transformation and embedding assessment approaches and investment in flow management across sites. The Trust has implemented a refreshed performance management framework, including the creation of the Acute and Planned Care Boards, overseeing the transformation programmes of work. The Trust has fully reviewed the

Cancer Governance structure and targeted work on long wait patients and timed pathways. The Trust has engaged with the NHSI Intensive Support Team to support cancer performance improvements on 62 day wait times.

The performance position has been challenging across the year, with the organisation significantly affected by the winter pressures, experienced nationally. There has been improvement from last year on quarterly performance on ECS in Q1 and Q3, and through the year have seen significant improvements in cancer 2 week waits. The Trust has not been able to improve performance on 18 week RTT times; routine capacity has been affected by emergency care pressures through the year.

The Trust is working with partners across the system to improve performance through the A&E Delivery Board, Cancer Alliance, with CCGs on planned care and through engagement with the STP.

In 2018-19 the Trust will build on the existing recovery plan and recommendations from the Ernst & Young diagnostic to implement 6 High Impact Actions targeting ECS performance. This includes a focus on zero tolerance to non-admitted breaches, extending ambulatory and assessment pathways and continuing implementation of SAFER. The Complex Discharge working group continue to implement the Flow/ DToC High Impact Actions. In 2018-19 targeted work at Scarborough Hospital includes a workforce and bed modelling review and working with the new provider to improve bed occupancy levels.

### **New and Significantly Revised Services**

The Trust has continued to innovate in the areas of acute care in 2017-18. In York work has continued to make the new medical and surgical acute assessment areas as effective as possible. The impact of the Surgical Assessment Unit has led to shorter waiting times in the Emergency Department for surgical patients and senior prompt decision making in the unit has led to reduced length of stay for patients and an increased number of patients going home on the same day as attendance.

The Trust has also continued to work closely with Yorkshire Doctors (who provide Urgent Care and Out of Hours Primary Care on both sites) to ensure that patients attending the Emergency Department who need primary care input are streamed to them efficiently.

As a result of these and other changes and improvements at the York Hospital site, it has been possible to close an old surgical ward on site. This helps the staffing levels on other wards, improving staff morale and the flow of patients around our sites.

The new mobile Chemotherapy service commenced this year. This innovative model of care, funded jointly by the Trust and the York Against Cancer Charity, means that a mobile Chemotherapy Unit moves around our sites to treat patients closer to their home throughout their programme of cancer treatment. The initiative is proving popular with patients and staff alike and is helping reduce pressure on the other main hospital sites. In 2017-18 The Trust made the difficult decision to pull its remaining outpatient clinic services out of the Whitby Hospital site. There were two principal reasons for this decision; firstly, to support the clinical sustainability of services at the main acute hospital site on the East Coast in Scarborough, and secondly to support the Trust's

financial recovery plan – as delivering these services in Whitby was at a significant cost to the Trust.

From 1 May 2018 the Trust will pass the responsibility for the provision of adult community services for Scarborough and Ryedale to Humber Teaching NHS Foundation Trust.

These community services will include:

- district nursing;
- physiotherapy;
- occupational therapy;
- dietetics;
- speech and language therapy;
- specialist respiratory, including pulmonary rehabilitation and home oxygen therapy;
- specialist continence;
- diabetes, including type 1 and 2 education;
- cardiac care and rehabilitation;
- heart failure specialists;
- tissue viability;
- stroke service;
- rapid response service;
- musculoskeletal physiotherapy outpatient service.

### **Significant Planned Developments**

The Trust was pleased to have two applications for capital loans approved in 2017-18 by the Foundation Trust Loans Service for a new Endoscopy Unit and Vascular Imaging Unit at the York site. The total combined value of both schemes is in the region of £16 million. Work has already commenced on the new Endoscopy Unit, with work planned to commence on the new Vascular Unit by the end of the calendar year.

The Trust has a priority list of other significant developments that it wishes to make, but recognises that many of them will be difficult to fund, especially with limited internal capital funds. However, the Trust will continue to look for national opportunities as and when they arise to bid for further monies, and invest them in a targeted way to improve care for our patients.

**Estates & Facilities** - The Estates and Facilities Directorate provide a range of essential services to ensure that the clinical teams can operate in a safe and appropriate environment and that our patients have the best experience. The way that we operate Estates and Facilities has not changed for many years, and it is becoming increasingly difficult to maintain standards with the pressures from our efficiency programme. The Trust is planning to establish an Alternative Delivery Model which will bring commercial advantage and allow the service to look for new opportunities.

The Trust's Board of Directors approved the establishment of an Alternative Delivery Model for Estates and Facilities, which will remain wholly owned by the NHS. At their meeting in February, the Board considered the models available and agreed to set up a

Limited Liability Partnership (LLP), with Northumbria Healthcare Facilities Management Limited as a minority partner.

Northumbria established its alternative delivery model in 2012 and has a strong track record of working in this way. Their expertise will be extremely valuable throughout this process and it will prove beneficial to share their experience.

A detailed plan for setting up the organisation is being developed. The plan will include timeframes for full consultation with all affected staff about transferring to the new organisation.

The Trust will ensure that any staff moving to the new organisation will be able to keep their current NHS terms and conditions. The LLP will be wholly owned by the NHS, as staff have told us that this is important to them. In recognition of this, the company name will be York Teaching Hospital Facilities Management to mirror the name of the Trust and to underline the importance of keeping estates and facilities staff as part of the NHS and part of the Trust family.

### **Out of Hospital Care**

In 2016, the Trust agreed an out of hospital strategy that presented a vision based on 'Community First'. The three key themes for the strategy are to:

- Develop integrated community services for localities;
- Develop the interface between acute and community services;
- Move services from acute to community settings.

In last year's report we set out a range of innovations that would support us in delivering the strategy. These included:

- We have worked with our public reference group to develop a 'One Team' approach in York, bringing together a range of services that provide short term support to people at home (intermediate care and reablement) – preventing admissions to hospital and supporting people to return home sooner following a hospital stay;
- We have done further work to understand why patients are waiting in hospital, informing plans that have developed with partner organisations to reduce unnecessary delays and taking a multi-agency approach to implementing these;
- We have invested in 180 mobile devices to allow clinical staff in the community to access and update patients' electronic records during their visit; improving real-time recording of information and reducing duplicate recording;
- We re-launched the services we provide to people with muscle and joint problems – including the [www.yourphysio.org.uk](http://www.yourphysio.org.uk) website that provides a range of self-care support and advice. We also became the provider of these services to people who live in the East Riding of Yorkshire, working in partnership with City Health Care Partnerships;
- We have undertaken an extensive workforce project with our community nursing teams, designing roles that are fit for the future and a training programme to equip our staff with the skills that they need to meet the ambitions of our strategy;

- We continue to work with the Child Health Directorate, local authority colleagues and our commissioners to design and deliver elements of the Child Health Strategy;
- We have worked closely with a range of partners, including building closer alliances with general practice, developing integrated models of care with social care, testing innovative contracting arrangements with the voluntary sector and strengthening our relationships with neighbouring hospital Trusts – an example of this has been developing a service with Age UK to provide evening and overnight support to patients to prevent the need for a patient to come into hospital or to support them in their return home.

We have worked closely with Scarborough and Ryedale CCG as they have undertaken their procurement of a Multi-Specialty Community Provider model of care for their local population.

### **What is Next for 2018-19?**

Since the agreement of our strategic approach in 2016, we have seen two years of intense work to develop new ways of working and forge strong partnerships with fellow service providers. We therefore expect that 2018-19 will provide a period of consolidation where we seek to ensure that the changes we have tested are implemented sustainably. We will continue on our journey of integration with primary and social care services, continuing to develop and strengthen our links with the community and voluntary sector and mental health services.

We will be active participants in the development of local ‘place-based’ plans, working with emerging new models of primary care to build integrated teams that support their local communities.

Given the harm associated with the deconditioning that takes place during a hospital stay, we will continue to focus efforts on reducing unnecessary delays in hospital for our patients. This will include reviewing our internal systems and processes, supporting staff in different ways of working and working with our commissioners to develop additional capacity in the community to support people to return home as soon as they are able. An example of this will be continuing to develop the Integrated Discharge Hub which brings together discharge specialists from the Trust with hospital social work teams and Continuing Health Care (CHC) assessment staff, working with patients, their families and carers to improve the experience of being discharged from hospital for those with more complex needs.

We will also work with local groups to explore what a ‘Home First’ approach should look like for our communities and what we will need to do differently to achieve this. We will seek to learn from national best practice and social movements such as the #endPjparalysis campaign.

We will develop the business case for further roll-out of mobile working and investment in a new workforce model for community nursing. This will allow us to implement the reforms designed through our community nursing workforce project.

We will continue to develop our partnership with City Health Care Partnerships as we deliver care to our patients who live in the East Riding, particularly pathways out of hospital for patients living in the Bridlington area.

As the Trust will no longer be the community services provider for the Scarborough and Ryedale populations from 1 May 2018, we will work closely with the new provider (Humber NHS FT) to ensure that we can continue to deliver on our aspirations for improving the interface between acute and community services.

We will seek to develop further innovative partnerships with the voluntary sector, recognising their unique contribution and the opportunities that this can bring to improve the holistic care we offer.

We will work with partners on the City of York Health and Wellbeing Board to implement the recommendations from the recent CQC review of the health and social care interface in the city. These will allow us to continue to improve the experience of older people living in the city, promoting independence and wellbeing and making it easier to obtain the right support, in the right place at the right time.

### **Performance against Strategic Ambitions**

The Trust has four strategic ambitions centred around Quality & Safety, Finance and Performance, People and Capability and Facilities and Environment (detailed on page 13). This section of the report highlights some of the work being done in the Trust to ensure continuous improvement and the development of strong partnerships.

**Trust strives for dementia friendly care for all** - This year's Dementia Awareness week offered the perfect opportunity for the Trust to highlight its work in this important area, and launch new initiatives. From implementing the new dementia strategy, to opening a new dementia café and activity room at York Hospital; the Trust used the week as an impetus to become even more dementia friendly.

Ward 37 at York Hospital officially opened its new 'Café 37' dementia activity room - a safe space on the ward open to patients and their visitors. Having a dementia activity room will bring so many benefits for everyone associated with the ward. The space is invaluable for relatives and carers to have more involvement in the care of patients, providing them with familiar faces and improved surroundings. Patients will be able to relax in the new café area with their family or a volunteer, helping to keep them engaged. For staff it will be great to have a place to take patients when they become agitated so that we can divert their attention and calm them down.

The café was funded with money raised by York Teaching Hospital Charity's Roaring 20's Ball, held in July 2016. The ball inspired the charity's Dementia Appeal which aims to raise £200,000 to provide a better experience for patients living with dementia throughout the Trust. The charity's Dementia Appeal will fund new equipment and projects that will revolve around the everyday work of our hospitals to make sure they quickly deliver benefits for patients and their carers, families and friends.

**Patient Safety Conference** - Over 560 staff and colleagues from primary and secondary healthcare attended the Trust's Patient Safety Conference, at York Racecourse on Friday 9 June 2017. The conference, which attracted a mixture of

medical staff, nurses, midwives and allied health professionals from right across the region and further afield, was the third conference of its kind for the Trust.

Chaired by the Trust's Medical Director, James Taylor, Chief Nurse, Beverley Geary and Chief Executive Patrick Crowley, the day was planned to coincide with the Trust's clinical governance day to give as many staff as possible the opportunity to attend. The day's agenda featured international and national speakers, as well as a number of local speakers. The keynote speaker was Dr Lori Paine from The Johns Hopkins Hospital and Armstrong Institute for Patient Safety and Quality, Baltimore, who presented on 'Leading to High Reliability: A Cultural Transformation'.

Dr Nigel Penfold also presented York Hospital Anaesthetics Department with an Anaesthesia Clinical Services Accreditation (ACSA) from the Royal College of Anaesthetists - the department is only the sixth in the north of England and the fifteenth in the UK to receive this prestigious accreditation.

Sign up to Safety is a national initiative to help NHS organisations and their staff achieve their patient safety aspirations and care for their patients in the safest way possible. Organisations who Sign up to Safety commit to strengthen patient safety by setting out the actions they will undertake in response to five Sign up to Safety pledges, one of which is listening and learning.

During the day nearly 40 exhibitions from both internal, external and partner organisations showcased their work and improvements in patient safety. One of the exhibitions was for the Trust's new 'Institute' - an innovative approach which will bring together a wealth of knowledge, expertise and experience from across the Trust to drive innovation and change.

Sign up to Safety's three year objective is to reduce avoidable harm by 50 percent and save 6,000 lives.

**Mobile Chemotherapy Unit** - The Trust launched the first mobile chemotherapy unit in Yorkshire, funded jointly by the Trust and the charity York Against Cancer to serve patients of the York Teaching Hospital NHS Foundation Trust.

The £700,000 unit gives patients from outlying areas, who would otherwise travel to the Trust's main hospitals in York or Scarborough, the chance to be treated closer to home. It will also ensure capacity at the main hospitals for longer or more complex procedures. Patients under the care of the Trust, who meet a number of strict criteria, can now be offered chemotherapy treatment on the mobile unit, which will be staffed by highly trained specialist nurses and will have dedicated parking on each site.

The unit has been donated as part of events to mark York Against Cancer's 30th anniversary year. The charity, founded in 1987, has raised £15,000,000 to support cancer care, research and education in North and East Yorkshire. The charity has also launched a £100,000 anniversary appeal to help support the running of the unit.

The unit calls at Malton, Selby, Scarborough and Bridlington. With four treatment chairs, it can accommodate up to 10 patients a day in modern, comfortable surroundings.

**Urology One Stop Clinic** - A new Urology One Stop Clinic (OSC) was officially opened at Malton Community Hospital in January 2017. The new OSC is providing an enhanced service for all urology patients across the region allowing fast access to diagnosis and treatment. In contrast to traditional services, patients only require one appointment and leave the clinic with a treatment plan.

Elements of the service were designed with patient input and with learning from the Trust's other one-stop services. The concept of a single assessment and diagnostic centre successfully brings together the common aspects of urological diagnosis and outpatient services under one roof. Consultation and diagnosis mean that patients stay within the clinic, while stopping off at various points to see a specialist, have an examination and undergo various tests.

The OSC is led by a team of highly trained urology specialists headed by consultant urologists. To enable the clinic to run as efficiently as possible the specialist team also includes doctors, specialty registrars, urology nurse specialists, radiographers and ultrasonographers.

The majority of adult first referrals into the urology service attend this clinic and follow-up appointments, including surgery, continue to take place at the Trust's other sites.

The purpose built clinic space was created within the old vacant day theatres suite and involved extensive construction works. The OSC includes a new reception and waiting area and a whole suite of rooms for examinations, consulting and treatment. Included in the new facilities are three state-of-the-art pieces of diagnostic equipment, which were purchased from generous charitable donations from the Malton Hospital League of Friends. The Friends donated over one hundred and twenty thousand pounds to help purchase an ultrasound, trans-rectal ultrasound and urodynamics machines which will benefit thousands of patients, right across North Yorkshire for years to come.

**Acute Medical Model** – In Scarborough, a key part of our service transformation agenda has been on the nationally recognised new Acute Medical Model. The challenges for the Trust are in relation to recruitment and retention of key staff, maximizing efficiency of the existing workforce, keeping costs down and improving clinical quality for patients. These challenges have driven us to develop something new at the front door in Scarborough. The model uses the new role of Advanced Clinical Practitioners (ACPs) to deliver quality First Assessment of patients within 15 minutes of their arrival in the ED. Using ACPs has given rise to several benefits; we can train our own staff to become ACPs - so we're less dependent on external recruitment, it reduces the reliance on doctors to run every function in the department, and it improves the consistency of patient assessment.

This work is based around trying to gain benefits through: Improved identification and treatment of patients attending with sepsis; quicker initial assessment of all patients attending the ED and more accurate identification of which patients should be referred to which specialties. The model was nominated for a National Patient Safety Award in 2017 and won the Trust award for innovation last year. This area will continue to be a key area of focus for the Trust in 2018-19 with further ambitious plans around the estate of the department and working practices.

### **Significant Capital Investments - Endoscopy & Vascular Imaging Unit Schemes -**

The two most significant capital investment projects for the Trust's estate are the York Endoscopy Unit Project and the York Cardio-Vascular Imaging Unit Project. Both projects will be loan-funded using finance secured from the ITFF. The York Endoscopy Unit Project will cost £12m and will deliver a purpose-built Endoscopy Unit at York Hospital that will provide much-needed capacity to meet the forecast increased activity requirements and create a unit that meets the compliance requirements of the Joint Advisory Group for Gastrointestinal Endoscopy (JAG). The construction work got underway in earnest in January 2018 and is forecast to be completed in June, at which point the endoscopy service in York will move from its current unit with only three treatment rooms into the brand new, fit-for-purpose unit. The new unit will be an over-build to the existing Physiotherapy Department and will have two floors, briefly comprising seven treatment rooms and a range of much needed ancillary facilities, including expanded recovery facilities, staff accommodation, staff training facilities and consultation / pre-assessment rooms.

The Cardio-Vascular Imaging Unit Project will cost circa £15.1m and will deliver an extension to the existing cardio-vascular facilities at York Hospital that will address the main challenges of capacity, patient safety, dignity and confidentiality, infection prevention and service development that are being faced by the Cardiology and Vascular Imaging Unit. The project is currently progressing through the detailed design stages of project delivery via an extensive stakeholder engagement process. The current project programme shows the start of construction at the beginning of 2019 and completion of the facilities in the second half of 2020. The project, when complete, will deliver a two-storey extension to the existing Cardiology and Vascular Imaging Services that is comprised of double the number of labs currently available to these services from two to four and a range of much needed support accommodation facilities, including expanded recovery facilities, staff facilities, staff training space and a brand new, fit-for-purpose Post Anaesthesia Care Unit in the Main Theatre Department.

**Jointly Co-ordinated STP Schemes** - The following three projects, involving senior clinicians and managers from the three Acute Trusts, are being managed and coordinated jointly by the STP In Hospital Group and the Diagnostic Work Stream of the Humber Coast and Vale Cancer Alliance.

**1. Demand and Capacity Modelling** - Funding has been obtained for the York Health Economics Consortium to develop and populate a demand and capacity model for the Radiology, Pathology, Endoscopy and Ultrasound services across the patch.

Demand data has been collected for the agreed range of tests across the services for use in cancer and non-cancer pathways. Data collection has been standardised as far as possible with the current sense check providing a further opportunity to spot any inconsistencies. An approach to gathering the capacity data is being agreed, with data collection to commence shortly.

The outputs of this work will help define the features of a future model of service across the patch as well as providing up to date evidence to support an imminent collaborative STP bid for individual diagnostic capital projects in the respective acute Trust organisations.

## **2. Radiology Reporting Hub and Additional Workforce Capacity** - The recent Royal College of Radiology review of sustainable service delivery confirmed that:

- Radiology networks would make best use of existing resources, given that radiology capacity has not kept pace with the rapidly increasing demand for imaging services;
- Local/regional networking is preferable to outsourcing;
- Teams working together across traditional boundaries have the potential to deliver significant gains for the NHS and to deliver the required quality of expert reporting;
- Different information technology structures and security issues between Trusts will need to be addressed and appropriate technical resources will need to be in place.

Building on the above themes and following discussion within the STP Radiology Service Group, a successful application in summer 2017 was made for Cancer Transformation monies (£1.5m) to support the development of a Radiology reporting hub across the three Provider Organisations.

It is envisaged that procurement of a linked technical workflow solution that is interoperable across multiple Radiology Information Systems (RIS) and Picture Archiving and Communication Systems (PACS) systems will have the following benefits:

- Sharing of workload efficiently across constituent sites with confirmed capacity;
- Delivery of standardised performance and quality standards;
- Improved patient experience as an outcome of rapid diagnosis and efficient pathway delivery (including access to timely MDT review and specialist opinion);
- Management of worklists, work allocation and reallocation through a rules engine;
- Delivery of timed pathways to support delivery of 28, 31 and 62 day standards;
- Reduction in current outsourcing and associated transport costs.

The STP Radiology Group has secured Procurement and IT technical support and assistance from each of the three organisations and has consulted with the national NHSI Imaging Transformation Lead. Contact has been made with colleagues in East Midlands and NHS Scotland who have undergone similar exercises. More specifically there is a developing close collaboration with the North West London STP who are procuring a reporting hub across six Trusts with different RIS and PACS systems, working to an identical cost envelope and timescale for implementation (end of March 2019).

The requirement for interaction outside the Humber Coast and Vale patch will be built into the specification to future proof against any future footprint changes, to support natural patient flow and to enable additional reporting support to be accessed if required/possible.

Work is also being progressed to ensure an agreed set of standards, protocols and rules for work allocation and turnaround times are developed for the reporting hub collaboration.

Options will be explored to ensure that home work stations will also be provided to increase the flexibility of the workforce and maximise reporting capabilities.

As part of the successful bidding process against Cancer Transformation monies in the summer of 2017, to increase workforce capacity, each acute Trust provider in the patch has received eighteen months' funding for two full time Radiographer posts. This will enable Practitioners from all three Providers to complete reporting courses, enhancing existing Consultant reporting capacity.

Funding was also secured for time limited Project Manager support to help oversee and implement the Procurement process and the deployment of this resource will be kept under review as discussions with colleagues from NW London STP and NHSI develop. A series of engagement events with Radiology staff from the three Provider Organisations will also be planned and arranged once the agreed technical solution is finalised in specification form.

### **3. Pathology Digital Slide Scanning Capabilities and Additional Reporting**

**Capacity** - As a result of the challenges of shortages of histopathologists and technical capability to share samples quickly between sites, the STP Pathology Services Group were successful in securing funding as part of the bid against Cancer Transformation Fund monies in the Summer of 2017.

Digital slide scanning kit will be purchased for the Trust and Hull and East Yorkshire NHS Trust respectively to link in with similar North Lincolnshire and Goole (Pathlinks) equipment. This will enable diagnostic material to be shared remotely between sites within our network. The development will allow efficient workload deployment across available HCV histopathologists and elsewhere if required, supporting faster referral to tertiary experts for opinion and MDT review and reducing variation in reporting times. Over time, this will also reduce the cost of outsourcing.

The procurement process for the purchase of the scanning kit has commenced in consultation with NHS Supplies. Contact has been made with other parts of the region to ensure that the equipment purchased is compatible with similar kit in place in neighbouring STP areas.

Funding for additional workforce capacity has been secured to create six new Advanced Practitioner roles (two for each acute Trust) in specimen dissection, reporting to common quality standards and protocols across the patch. The recruitment process for the Advanced Practitioner roles has commenced, which will involve intensive training.

Home work stations will also be provided to increase the flexibility of the workforce and maximise reporting capabilities.

A pan STP footprint overall networking infrastructure involving the three organisations is also being developed for submission to NHSI.

**Chinese Doctors Clinical Health Management Programme** - The Trust supported and participated in a clinical health management programme for Chinese Doctors run by the Valette's Business School in Manchester from early March 2017 for a period of six weeks. It was piloted successfully in a number of acute Trusts in the North West of

England last year (in partnership with Health Education England) and the Trust participated with these Trusts and Barnsley Hospital NHS Foundation Trust in 2017. The Programme involved eight Chinese doctors at Consultant level being attached to the Trust in the specialty areas of Anaesthetics, Critical Care, Renal, Maxillofacial Surgery, ENT, Orthopaedics, Urology and Radiology. The doctors shadowed and observed clinical practice in the respective specialty area and participated in Directorate meetings and governance activities.

A programme of interactive training and development sessions involved Directorate and Corporate staff on Trust strategic priorities, research and ethics, quality assurance, quality improvement, governance and audit. The visiting doctors completed a project of their own choosing which clinical supervisors in the specialty areas were able to support and advise on.

In more general terms, the programme linked in well with the Trust's interest in and commitment to overseas healthcare partnership work. The Trust is a member of the recently formed United Kingdom International Healthcare Management Association(UKIHMA) which has been set up to identify potential areas for collaborative working between the NHS and other healthcare systems in terms of shared clinical and management expertise.

Participation in this particular programme will:

- Help the Trust to pilot the concept of clinical placements at Directorate level and governance framework training;
- Enable further links with the Chinese health authorities to be established in general terms that could be utilised in the future for placements;
- Act as the means for the development of promotional material that could be used through the UKIHMA website;
- Be a valuable two way learning/educational opportunity for the Chinese doctors.

**Yorkshire and the Humber Local Health Resilience Partnership (LHRP)  
Emergency Preparedness, Resilience and Response (EPRR) assurance 2017-2018**

The Trust is required to publish its statement of compliance in this annual report.

**STATEMENT OF COMPLIANCE**

York Teaching Hospital NHS Foundation Trust has undertaken a self-assessment against required areas of the [NHS England Core Standards for EPRR v5.0](#). Following assessment, the organisation has been self-assessed as demonstrating the Partial compliance level (from the four options in the table below) against the core standards.

Compliance Level	Evaluation and Testing Conclusion
Full	Arrangements are in place and the organisation is fully compliant with all core standards that the organisation is expected to achieve. The Board has agreed with this position statement.

Substantial	Arrangements are in place however the organisation is not fully compliant with one to five of the core standards that the organisation is expected to achieve. A work plan is in place that the Board or Governing Body has agreed.
Partial	Arrangements are in place however the organisation is not fully compliant with six to ten of the core standards that the organisation is expected to achieve. A work plan is in place that the Board or Governing Body has agreed.
Non-compliant	Arrangements in place do not appropriately address 11 or more core standards that the organisation is expected to achieve. A work plan has been agreed by the Board or Governing Body and will be monitored on a quarterly basis in order to demonstrate future compliance.

Where areas require further action, this is detailed in the attached core standards improvement plan and will be reviewed in line with the organisation's EPRR governance arrangements.

I confirm that the organisation has undertaken the following exercises on the dates shown below:

A live exercise (required at least every three years)	Scheduled for July 2018
A desktop exercise (required at least annually)	Ran July 2017 x 2. Further scheduled for Nov 2017 and April 2018
A communications exercise (required at least every six months)	To be undertaken as part of run up to LIVEX in July 2018

I confirm that the relevant teams in my organisation have considered the debrief reports and actions required from the cyber incidents at North Lincolnshire and Goole NHS FT and Leeds Teaching Hospitals NHS Trust. A plan for the identified actions arising is available.

I confirm that the above level of compliance with the core standards has been agreed by the organisation's board / governing body along with the enclosed action plan and governance deep dive responses.

Original signed by Wendy Scott, Interim Chief Operating Officer  
Signed by the organisation's Accountable Emergency Officer

\_\_\_\_\_  
Date of board / governing body meeting

\_\_\_\_\_  
27 September 2017

## Improve our Facilities and Protect the Environment

**Estates and Facilities Management Compliance** - The Head of Facilities Management compliance role was born out of the Estates and Facilities Management re-structure which took place in 2016-2017. The post focuses on the further

development of compliance, improvement and efficiency across the Estates and Facilities Directorate linked to the management of NHS Improvement initiatives and the recommendations made within the Carter Report and Premises Assurance arrangements.

To date strategies for local directorate management of cost and quality based efficiencies have been identified and developed, working closely with the Estates & Facilities Managers, and Finance and Efficiency Teams in implementation of both strategic and tactical cost improvement programmes, linked efficiency schemes and treatment plans and a completed NHS Premises Assurance Model Return with supporting action plan.

In the past year the Head of FM Compliance has introduced a robust internal environmental audit process which is carried out on a quarterly basis (TAPE inspections). This process is designed to provide a culture in which continuous improvement around premises, environment and equipment can develop.

The cleanliness monitoring team within the Trust is now managed by the FM Compliance team, providing a greater level of independence in the work of this team and an annual audit programme has been introduced to provide improved opportunities to demonstrate assurance against the Department of Health NHS Premises Assurance Model.

Additional public engagement work to further cement and improve reporting against the National PLACE Assessment has also been undertaken, with training and networking events for Governors, patient assessors and Trust staff held at both York and Scarborough Hospital sites.

**Medical Engineering** –The number of medical devices managed by Medical Engineering has risen since the 2016-17 report by 7000 devices to 22000. Re-usable medical device contracts across the Trust sites have been moved from directorates to centralised management through Medical Engineering, Procurement and the third party supplier Leaseguard. During the period of 2017-18 several audits of the medical device function were completed by the British Standards Institute (BSI), Audit Yorkshire and FM Compliance.

Despite these significant changes to the scope of Medical Engineering's work, there is still a high level of achievement. FM Compliance's audit at the end of the financial year found that medical devices were maintained at a level that met a 90% benchmark. The internal audit carried out in 2017 by Audit Yorkshire found that, "The maintenance, commissioning, disposal and training in the use of medical equipment is effectively carried out and monitored" and that "we therefore offer an opinion of Significant Assurance".

Much work has been carried out to gain certification to the updated standard of ISO9001:2015 Quality Management Systems, and it is pleasing to report that the latest audit found that only minor improvement was required to gain certification at the final inspection scheduled for June 2018.

Centralisation of medical device contracts has been successfully implemented throughout the year and has produced several benefits for the organisation such as:

- consolidation of many separate contracts;
- improved management and audit of third party suppliers;
- reduced cost through economies of scale and multiyear agreements;
- an increase in medical device tender processes.

The healthcare industry is finding it difficult to recruit to skilled posts and the Medical Engineering Department is no different. We are aware that there is a need for succession planning of technical staff if there is to be a consistent and appropriate level of service in future. We are currently part of an Estates and Facilities Group that is engaging in the introduction of an apprenticeship scheme. The scheme will be supported by funds made available by the Government levy system and will provide an exciting opportunity to introduce new people into medical engineering. The long term aim is that we continue to have staff with the high skill levels required to fulfil this role and give the organisation assurance that the requirements of Regulation and MHRA Guidance are met.

## **Sustainability**

Over the last 12 months, the Trust has progressed the objectives set out in its Board approved Sustainable Development Management Plan (SDMP), including its commitments to continue to review its performance against the national bench-marking tool – the Good Corporate Citizenship Assessment model - and to review and improve its action plan and carbon baseline information in line with the NHS Sustainable Development Unit (SDU) guidance.

**Governance, Vision and Corporate Approach** - The Trust's Director of Estates and Facilities), as the Board's lead representative, continues to chair the Sustainable Development Group (SDG, which manages and monitors the Trust's sustainable management development plan. This Group reports to the Non-Executive chaired Environment and Estates Committee (EEC) Board sub-committee who provide oversight on behalf of the Board and elevate matters of major interest or concern relating to sustainability which impact the Trust.

The SDG has agreed with the EEC an SDMP mission statement as follows: *The York Teaching Hospital Foundation Trust strives to actively encourage, promote and achieve environmental sustainability in all that it does.* It should be noted that whereas the Trust appreciates that sustainability is achieved when social, economic and environmental needs are met, our SDMP mission statement is aimed at ensuring that sustainability goes beyond that and is not focused solely on the financial and social aspects of "sustainability" as defined in the context of the Sustainability and Transformation Plan Guidance.

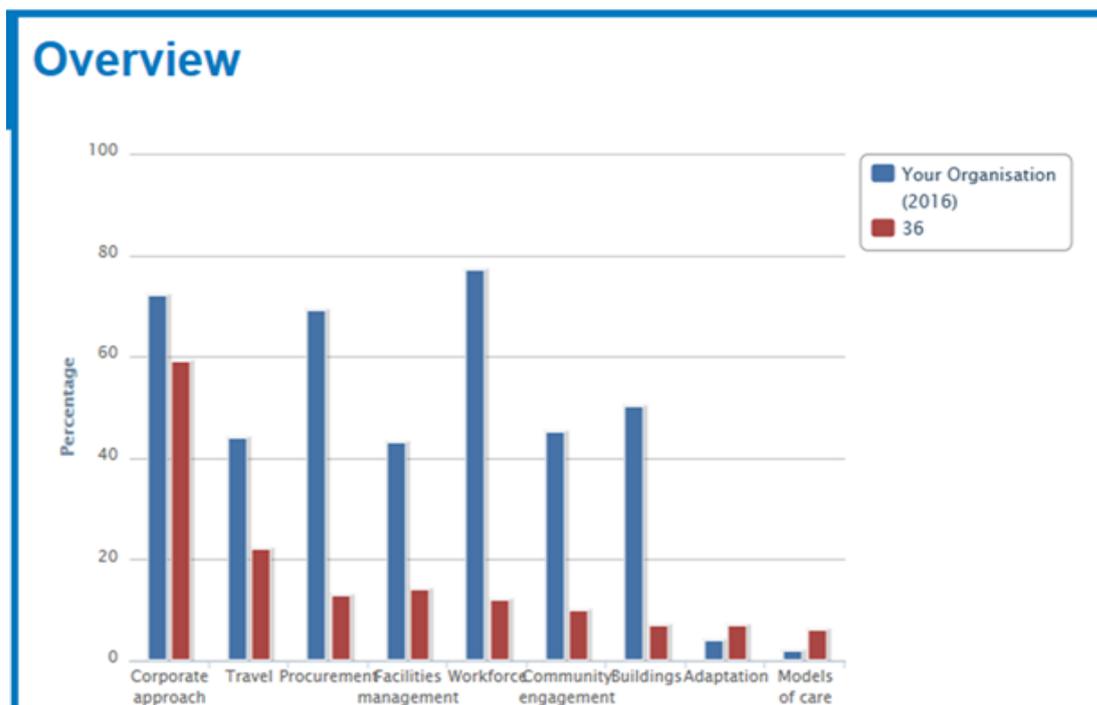
The Trust has made significant progress in many areas and further actions have been implemented this year as detailed in the sections below.

The last assessment against the Good Corporate Citizen (GCC) tool template achieved an overall score of 44% in November 2016. During 2016, this Trust improved its' score by 11% and since then further work by the Adaptation and Models of Care Leads suggests that the 2017 score would have been approximately 50%. The GCC model was withdrawn nationally before these updates could be entered in favour of a new Sustainable Development Assessment Tool (SDAT), the replacement for the GCC

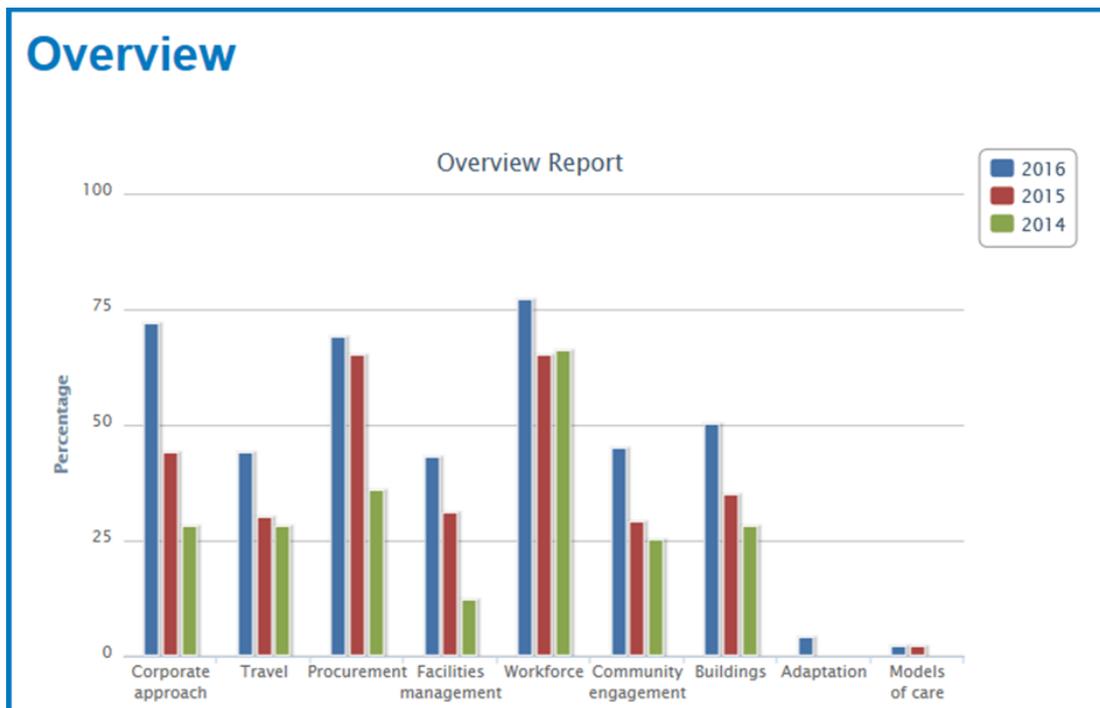
model. The SDAT has updated and stream-lined the old GCC model and set up a new process aligned with the UK's commitment to the United Nations Sustainable Development Goals. Work is now underway to assess the Trust's current score with this replacement national benchmarking SDAT model.

The charts below from the last National GCC formal assessment, demonstrate how:

1. York Trust is significantly ahead of others in the majority of GCC areas when compared with 36 other acute Trusts.
2. The Trust has made year on year improvement in its scoring over the last three years. The Models of Care and Adaptation modules were introduced more recently to the GCC tool and initially the Trust struggled to find suitable leads to take forward this work. The work undertaken in 2017 led to the achievement of 25% in each of these areas.



## Overview



The Trust's Sustainable Development Group is continuing to monitor performance indicator information and progress can be seen against a 2013-14 baseline on carbon, energy, waste produced and waste recycled.

Indicator	KPI	Targets	Baseline value 2013-14	2014-15 value	2015-16	2016-17
Total Carbon Footprint	Total tonnes CO2	28% reduction by 2020 from 2013-14 80% by 2050	115,582	118,487	121,202	111,708 (3.35% decrease from 2013/14)
Energy efficiency of estate	KgCO2/m2	To be in the green rating of the Carter efficiency figures i.e. better than average	160	120 (25% reduction) Target achieved	114.5 (28.4% reduction on 2013-14) Target achieved	102.9 (35.7% reduction on 2013-14) Target achieved
Total energy carbon	Tonnes CO2	-10% in 2016-17	25,423	23,176 (9% reduction)	22,311 (12% reduction on 2013-14)	19,683 (23% reduction on 2013/14)

Indicator	KPI	Targets	Baseline value 2013-14	2014-15 value	2015-16	2016-17
Energy Costs	£/units	To be in the green rating of the Carter efficiency figures i.e. better than average	0.06	0.05 (17% reduction)	0.04 (33% reduction on 2013/14)	0.03 (50% reduction on 2013/14)
Waste recycled	Tonnes recycled	25% of Trust total waste tonnage	325 (14% of Trust total waste tonnage)	314 (14%)	496 (24%)	599 (25%)
Total waste	Tonnes waste	To reduce total tonnes of waste	2,232	2,166 (3% reduction)	2,058 (8% reduction from 2013-14)	2,380 (7% increase)

In 2014-15 and 2015-16, the total carbon footprint increased largely due to an increase in the information recorded on the procurement of good and services through the introduction of a “no purchase order= no payment” policy. In 2016-17, the total tonnage of waste increased probably due to an increase in activity. In 2018-19, further work is planned to review data collation.

Work is also on-going to develop a set of transport KPIs based on an updated travel plan, and other monitoring information has been recorded in relation to the specific projects undertaken this year, namely Carbon Targets and Emissions, Energy, Water, Waste and Travel. Details of these projects are set out below:

**1. Carbon Targets and Emissions** - The 2009 approved targets were to achieve NHS **carbon emission targets of 10 per cent by 2015** (from a 2007 baseline) and **80 per cent by 2050**. These targets were re-stated in 2015 and other targets were adopted in line with national NHS guidance, including **34 per cent by 2020** from a 1990 baseline (which is stated to be equivalent for Health and Social Care England to be **28 per cent from a 2013 baseline**).

The Trust’s Sustainable Development Group has looked in more detail at the carbon emissions using the NHS Sustainable Development Unit assessment template in order to monitor progress and highlight the areas where further work is required to reduce emissions.

The Trust’s total measured emissions will be reviewed at least every year whilst the carbon emissions from our utilities will be reviewed monthly, the amount of waste recycled and transport mileage is measured and reviewed quarterly.

This is the third Annual Carbon Emissions Report and provides the Trust with an indication of its environmental and sustainability impact. Each year the quality and

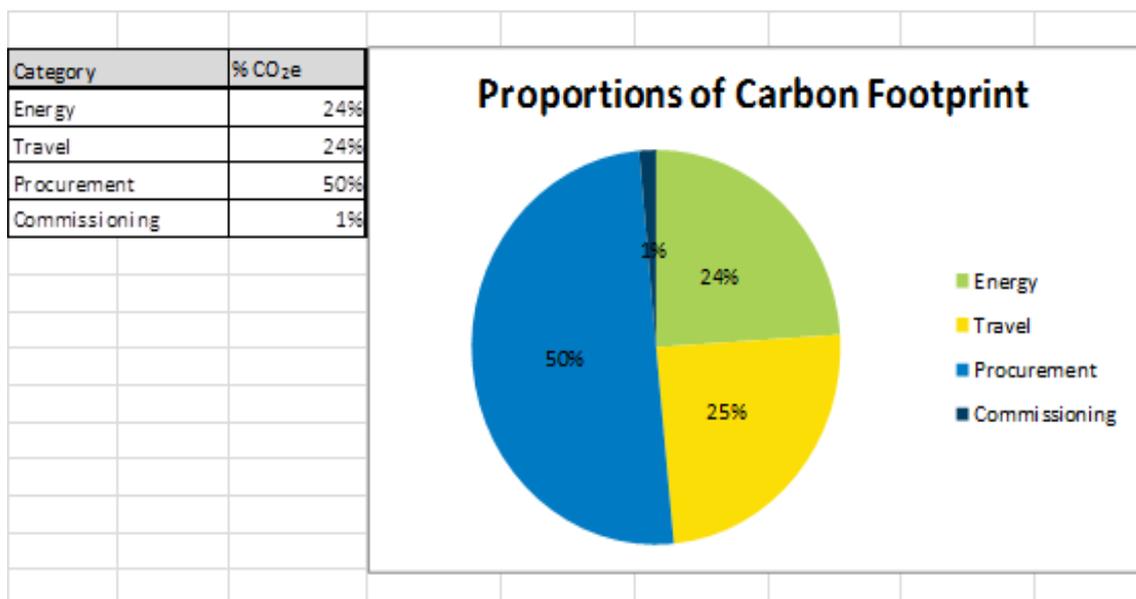
quantity of the data is improved through better recording of information, so this year's report is more robust than earlier years.

This year's report shows an 8% reduction in carbon emissions from 2015-16 levels. This is the first time the Trust has been able to record an overall reduction in annual carbon emissions since adopting the NHS Sustainable Development Unit Annual Report format, and the Trust is also able to report a 3% reduction against the 2013-14 baseline. Although this is a good result, carbon emission levels are still significantly higher than the original adopted baseline year of 2007-08 and our ultimate objective is to reduce total carbon emissions below this baseline number, and also work towards the 28% reduction target from 2013-14 by 2020-21.

The emissions for the base year of 2007-08 is assessed to be 91,493 tonnes CO<sub>2</sub>e (carbon emissions) and relates only to the York site. In 2013-14, the emissions are recorded as 115,582 tonnes of CO<sub>2</sub>e as a consequence of the merger of the York Trust with Scarborough Trust. Since that time several major projects, namely the York, Scarborough and Bridlington energy efficiency projects, have been completed and these are contributing very significantly to the Trust's expected achievement of the 2020 target of 28% (from the 2013-14 baseline).

The last reported total emissions for the year 2016-2017 were 111,708 tonnes CO<sub>2</sub>e. This represents an increase of 22 % since 2007. Following the acquisition of Scarborough and Bridlington total emissions have had a general upward trend year on year up until 2016-17 when an 8% reduction was achieved against the previous year.

However, it is important to note that the largest increase in actual carbon emissions attributable to the Trust arises through procurement and some of this is reported increase can be explained by the better recording of information, particularly within the last 2 years, following the introduction of the compulsory use of purchase orders for all invoices. More work is required to better understand the actual trends in specific areas, but approximately half of the reduction in total emissions is due to reduction in procurement spend this year once inflation has been taken into account.



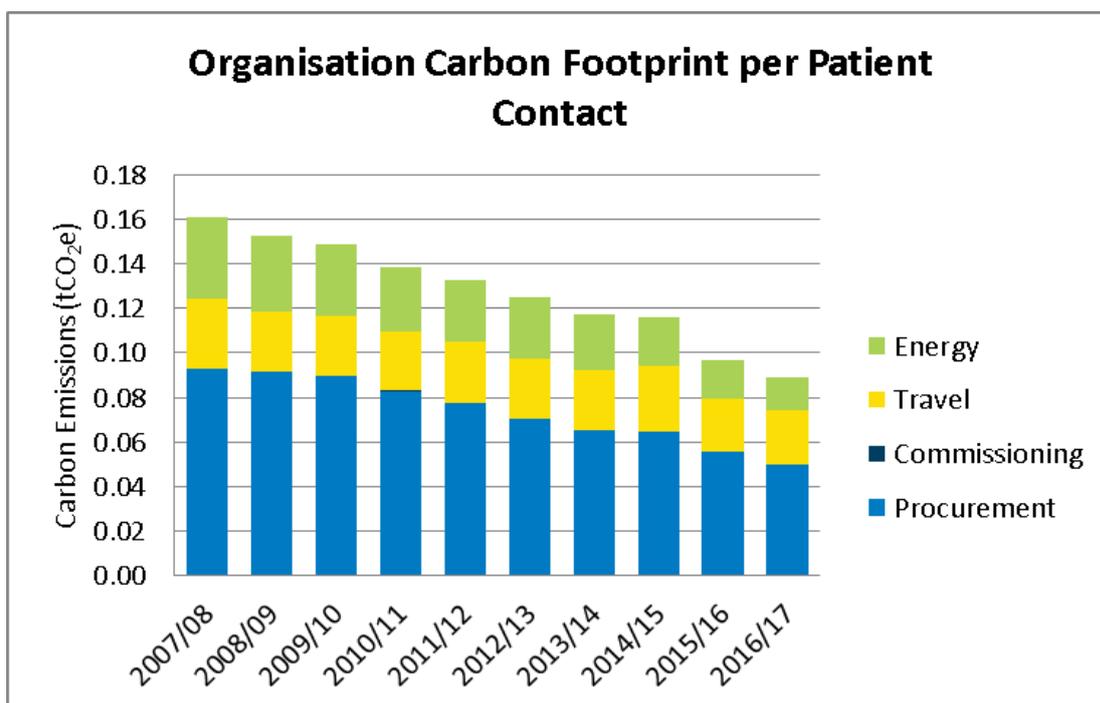
The Trust follows the Treasury methods for reporting emissions which are summarised below

	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Total	91,493	94,355	100,158	101,174	108,555	110,863	115,582	118,497	121,177	111,708
Scope 1	12,500	12,029	12,474	12,304	13,343	14,690	14,018	15,504	16,509	16,841
Scope 2	9,024	9,730	10,068	9,962	10,144	10,724	10,811	8,220	6,492	3,947
Scope 3	69,969	72,596	77,617	78,908	85,068	85,450	90,753	94,773	98,176	90,919

Scope 1 are carbon emissions from gas use, scope 2 are from grid electricity use and scope 3 is indirect emissions. The Scope 3 emissions are set out the table below:

(tCO <sub>2</sub> e)	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Total	69,969	72,596	77,617	78,908	85,068	85,450	90,753	94,773	98,176	90,919
Procurement (eClass)	47,453	51,367	54,902	54,453	58,174	56,748	58,010	59,494	63,502	56,042
Commissioning	166	180	192	191	0	346	21	182	222	196
Travel	18,714	17,323	18,688	20,434	22,891	24,150	27,797	30,928	30,654	31,397
Waste	439	392	420	462	352	330	333	313	275	271
Water	196	198	187	185	210	203	248	252	250	247
Energy Well to Tank and T	3,000	3,137	3,226	3,183	3,441	3,674	4,345	3,604	3,272	2,765

Also, it should be noted that the number of patients treated by the Trust have continued to rise steadily since the baseline year and that the **carbon savings per patient contact have improved year on year giving an overall decrease of 48 per cent since 2007-08**. Patient contacts include in- patients, out-patients and emergency department patients.



Decreases were noted in relation to carbon emissions from energy, which achieved a **23** per cent reduction against the 2013-14 levels. It should be noted that some of this reduction could be due to the milder weather experienced in recent years, but the emissions from electricity have decreased since 2013-14 by 64% and much of this can be explained by the York, Scarborough and Bridlington Energy Projects which have been implemented since 2013-14. Whilst the Trust has 2007-8 baseline data, the

accuracy of the data collation at that time cannot be verified but the change in energy emissions suggest a 4% decrease. By comparison, information from the NHS Sustainable Development Unit has noted that there has been a 4.3 per cent decrease in building energy carbon footprint across NHS Providers in England between the 2007-08 baseline and the 2016 reports. It is important to note that the totality of the annual savings from this Trust's Energy Projects was not achieved until 2017 when all of these projects were completed, so whilst it appears that the Trust was lagging behind in 2016 reports, the 2017 report covering the year 2016-17 shows an improved position.

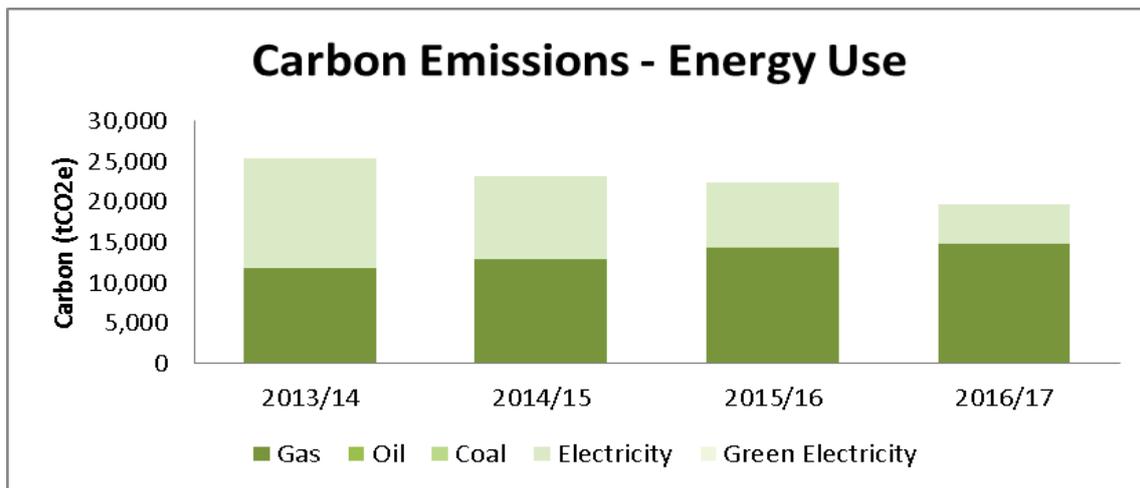
During 2016-17, due to delays beyond our control, in relation to the Scarborough and Bridlington Energy Project, the Trust's achievements were savings of 400 tonnes of CO<sub>2</sub> (and £160,000) from Bridlington and 990 tonnes of CO<sub>2</sub> from Scarborough, when the Trust expected 2,400 tonnes of CO<sub>2</sub> from both Scarborough and Bridlington, but going forward we expect an annual saving of 2,800 tonnes of CO<sub>2</sub> from both projects, which have now been completed. This is a saving of more than 25% of the original emissions at both sites.

Whilst carbon emissions from energy are now reducing as a result of the Carbon Energy Fund investments at York, Scarborough and Bridlington, there is an urgent need to concentrate our efforts on the contribution that procurement can make to achieving our targets as the growth in carbon emissions related to procurement have increased by 18% per cent since the baseline year and currently represents approximately 50 per cent of the Trusts current carbon footprint. It is recognised that when investment decisions are being made there is a need to consider the related carbon emissions and take mitigating action, wherever possible. To assist in this process in April 2017, the Trust introduced a mandated internal consultation with the Head of Sustainability as part of the Business Case procedure for all proposals over £50,000.

The Trust procurement team use the e Class Procurement data, which is a method of classifying purchases, which allows the carbon emissions to be quantified, but there is still more work to undertake to improve the reliability of the procurement data used.

Although the information shows a good level of reduction this year and also a significant reduction in carbon emissions per patient contact, generally carbon emission levels are still significantly higher than the originally adopted baseline year of 2007-08 and the additional baseline of 2013-14. Our ultimate objective is to reduce total carbon emissions by 28% below this 2013-14 baseline number. In summary, this is an encouraging year, but there is a long way still to go.

**2. Energy** - The Trust's energy related carbon emissions have gradually reduced over the last three years as a result of the introduction of the energy saving and carbon reduction plans for the three major acute hospitals which are the Trust's biggest energy users and carbon emitters. The Carbon and Energy Fund Projects have now been completed at York, Scarborough and Bridlington Hospitals and a further plan has been developed in 2017-18 for tackling the behaviour and the culture of this Trust, particularly with regard to energy saving for implementation in 2018-19.



At York hospital, the resulting operational savings from the first year of the fifteen year Carbon and Energy Fund energy performance contract with Vital Energi were £902,500 and 3,000 tonnes of carbon (approximately 25% reduction of the site's emissions). The savings were significantly higher than the £692,941 guaranteed under the contract. However, during 2016-2017 a design fault in the CHP engine at York meant that the level of savings was considerably reduced, but as the contract contains a minimum carbon savings guarantee the shortfall against that minimum has been reimbursed to the Trust. The faulty CHP engine was replaced in May 2017 bringing the carbon savings for York back on track for 2017-18.

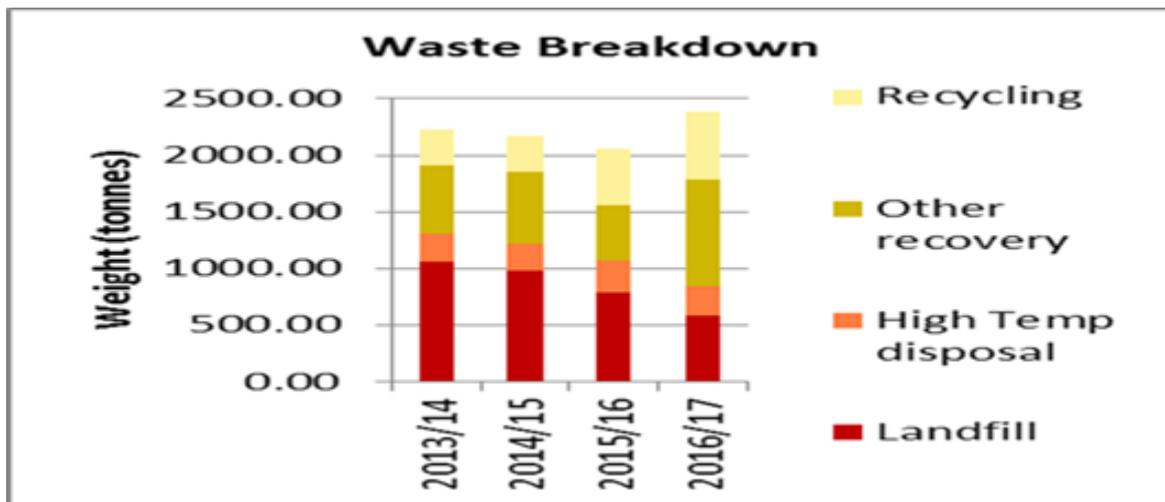
The equivalent projects at Bridlington Hospital (completed in 2016), and Scarborough Hospital (completed in 2017), are anticipated to save another 2,800 tonnes of carbon and approximately £300,000 in operating costs per annum. Due to the late completion of the Scarborough project, the Scarborough and Bridlington CO<sub>2</sub> savings were only 1,391 tonnes although the £300,000 energy savings target was achieved.

These Carbon and Energy Fund projects have achieved the following awards:

- Combined Heat and Power Association- Integrated Energy Project Winner (2014);
- Heating & Ventilation News Retrofit Project of the Year Winner (2016);
- NHS Sustainable Development Unit – Innovation Award;
- Highly commended runner up (2016);
- Building Better Health Care - Efficiency Award – Highly commended runner up (2016).

**3. Water** - Water consumption is monitored and reported internally at all sites on a monthly basis (along with electricity and gas use). Any significant variation in consumption and cost from the budget projections is reviewed and investigated as necessary.

**4. Waste** - The Trust has a Waste Management Plan which aims to prevent, reduce and recycle waste in order to reduce the amount of waste going to landfill. This important plan is further supported by specific action plans for each of the Trust's sites to help to maximise every opportunity for waste recycling or waste reduction wherever feasible.



Whilst the total tonnage of waste produced continues to increase, carbon emissions have decreased as waste segregation across the Trust has been significantly improved. Recycling levels have increased from 15% in 2013-14 to 25% in 2016-17 (equating to 599 tonnes) and in the current year (2017-18) the rate has further been increased to achieve 27%. During 2016-17 the amount of clinical waste being sent for expensive incineration has reduced by approximately 24 tonnes. This has resulted in cost savings of approximately £8k per annum with the added bonus of a further reduction in carbon emissions.

The Trust's domestic waste is now being sent to the new Waste Recovery Plant at Allerton Park (between York and Harrogate) and in the third quarter of 2017-18 alone the 630 tonnes of waste produced were disposed of as below:

- 223 tonnes of domestic waste were sent for Waste Recovery = 35%;
- 178 tonnes of waste were recycled = 28%;
- 126 tonnes of clinical waste were sent for incineration = 20%;
- 103 tonnes of offensive waste were sent to landfill = 17%.

NHS Health Technical Memorandum 07:01 stipulates that the offensive waste MUST be disposed of via deep landfill. Our current waste contractor has submitted a request to the Environment Agency requesting permission for our offensive waste to be a recognised as an RDF (refuge devised fuel) for Waste Recovery. A response is awaited.

The Trust has also approved the rollout of waste paper consoles across the Bridlington Hospital site so that the Trust's confidential and other paper waste can be recycled. This will further increase the paper waste being recycled instead of going into the domestic waste stream. In addition work is also underway with our clinical waste contractor to explore the feasibility of recycling single use metal items such as scalpels.

**5. Travel** - The Trust works closely with the City of York Council (CYC) and North Yorkshire County Council to promote sustainable travel options and to implement and deliver activities with patients, visitors and staff. The Trust and CYC share the post of Travel Co-ordinator and this has led to the promotion of joint initiatives such as iTravel promoting healthy travel choices, including cycling and healthier options for commuting.

Travel on behalf of work is subject to an expenses travel choices flow chart to help reduce the need to travel through arrangement for meetings, teleconferencing etc, use public transport, share travel and use lower carbon options.

Much of the focus of the work in 2017-18 has been around consultation on a draft travel plan and the implementation of activities which raise awareness and tackle carbon emissions and air pollution whilst promoting healthy choices and cost effective solutions. The Trust has also looked at the Sustainable Development Unit's Health Outcomes of Travel Tool and is planning to use this to help to quantify the impact of Trust related travel and to use it to model future plans and set targets.

The 2017 NICE Guidance (NG70) on Air Pollution: Outdoor Air Quality and Health, which covers road-traffic-related air pollution and its links to ill health, served to highlight the need for action based on the links between action to improve air quality and the prevention of a range of health conditions and deaths. The Trust has recorded its current status on NG70 as 'Partially compliant with an action plan'. The action plan includes the completion of the travel plan to achieve a Board approved healthy travel and transport plan, incorporating elements such as the expansion of the electric vehicle charging infrastructure, the use of low and zero carbon emission vehicles, reviewing car parking policies, supporting active travel and healthier choices, and reducing emissions through driver training and monitoring to reduce emissions and fuel use.

In addition to the above the following projects have continued to report success in terms of cost and carbon savings within the last year:

**i) Staff Enterprise Pool car service** using a lower carbon and more efficient vehicles.

The scheme was first launched at York Hospital in 2014 and subsequently re-launched and expanded in 2016 to Scarborough, Tadcaster, Bridlington and Malton hospital sites. The scheme has over 500 staff members who use the associated pool car system (across 5 locations). The staff pool car system has delivered the following savings:

#### **Carbon Savings**

- 40% reduction in CO2 emissions (as compared to staff using their own cars);
- over 1000 journeys per month transferred from costly staff mileage claims to economical, low CO2 cars.

#### **Cost Savings**

- Financial savings of £70,000 per annum ( with the opportunity to grow when more members are recruited);
- 1.5 million miles removed from 'grey fleet' travel mileage claims.

The pool cars all have 1 litre petrol engines which are no more than 2 years old, ensuring that they run at 99gm CO2 per km.

**ii) York Trust Hospitals Liftshare scheme** – to encourage staff to share their journey to work so as to reduce congestion, carbon and pollution.

The scheme is promoted through various events and staff communications which increases the numbers registered on the scheme year on year. As of March 2018, the

scheme has 448 members, with 257 journeys added and 52 registered Liftshare 'teams' using the 32 designated / reserved car share spaces. Over the next 12 months, those figures will result in

### **Carbon Savings**

- CO2 reduction of 68 tonnes (plus 177.61 kg NOx reductions);
- Staff mileage savings of 346,225 miles.

### **Cost Savings for Staff**

- Collectively staff save £39,937 on fuel with Liftshare.

More information at [www.yorkhospitals.liftshare.com](http://www.yorkhospitals.liftshare.com)

**iii) Sustainable and Active Travel Promotions** - Promotional activities have been undertaken at both York and Scarborough Hospitals to raise awareness of sustainable and active travel choices through the City Council's iTravel and Winter Challenge (active travel) initiatives. Alongside this there is advice on personal travel planning, public transport and cycling. The Trust took part in National Clean Air Day promoting "no idling" at Trust premises.

**iv) Electric Vehicles (EV)** - Electric charging points have been installed at York and Scarborough for fleet vehicle use and the Trust now has 9 electric service delivery vans in operation out of the 33 Trust owned fleet (27% electric vehicles). EV charging units have been installed as follows:

3 units at the Transport depot on Amy Johnson way, Clifton Moor;  
2 units at the Estates building at York Hospital, Wigginton Road;  
1 unit at Scarborough hospital;  
1 unit at Bridlington hospital;  
1 unit at Selby hospital;  
1 unit at Malton hospital.

And more are under discussion.

The Trust is also active in other sustainability related activities as detailed below:

**a) Procurement** - From April 2017 the Trust introduced a mandated internal consultation with the Head of Sustainability as part of the Business Case development procedure for all proposals over £50,000. The aim is to ensure that the business case author is aware of the environmental impacts of what is being proposed and gives due consideration to mitigation measures to make the proposal more sustainable and more cost effective in the long-term. The Trust recognises that approximate 50% of its carbon emissions come from procurement activities and, where there is an opportunity, it considers the supply chain for new contracts and the option of buying from local suppliers e.g. food, taxi service. Tenders also include questions about the Social Value impacts.

**b) Workforce and Employment** - The Trust has a Workforce Strategy and also a Staff Health, Well-being and Engagement Strategy with a 3 year action plan and a Steering Group.

In 2015, the Trust was deemed an Exemplar Organisation in staff health and wellbeing by NHS England. The Trust offers a range of benefits which it continues to update and review through its employment practices (e.g. Flexible Working Policy, Special Leave Policy and Childcare Vouchers which help to accommodate and support the specific needs of parents and carers, it is a Living Wage Employer, runs apprenticeships schemes, and works with Job Centre Plus to recruit staff from 'return to work' schemes). This work has resulted in our Trust piloting further initiatives for NHS England to further improve staff health and wellbeing.

NHS Health Checks are now offered to all staff over 40 years of age, with advice provided which is tailored to the individual. In addition, positive management behaviours training has been introduced, particularly in relation to supporting mental wellbeing and staff with mental ill health.

The Trust has introduced or enhanced its services for staff as follows:

Physiotherapy – recruited an additional part-time physiotherapist to increase clinic time for staff referrals as well as undertake preventative / education / promotion work.

Talking Therapies – recruited additional psychologist to increase capacity, for which the referral is via an occupational health specialist.

In relation to physical activity / sedentary behaviour, the Trust is continuing to widen and improve the offers around physical activity via Staff Benefits. The key challenge for this year is tackling sedentary behaviour in the workplace and at home.

The Trust has a Modern Slavery statement on its website and also promotes fair opportunities through its Fairness Champions.

In 2018-19, work is planned with consultants WRM on a behaviour change programme including an action to establish green champions and work to promote sustainability opportunities more widely with new staff, existing staff and also introduce Board learning and development.

**c) Partnerships and Engagement** - The Sustainable Development Group has continued to deliver sustainability communication and engagement work through a range of events and activities across several sites e.g. personal travel planning and active travel advice, electric vehicles promotions, NHS Sustainability Day, National Clean Air Day, recycling promotions, energy efficiency advice, energy centre open day and staff messages on a variety of climate change, sustainability and carbon/energy reduction measures. Many of these activities have been undertaken in partnership with others, for example local Councils, Citizens Advice, contractors and are often based on best practice from other Trusts and the Sustainable Development Unit.

During the last 12 months, the Trust has worked closely with a number of partners on a range of initiatives, including the One Planet York Pledge and Leadership group which was set up by City of York where knowledge is shared between over 20 commercial, public and community organisations and the organisations to assist each other with the delivery of sustainable initiatives. One of these initiatives in 2016-17 was the promotion of free insulation in homes where patients have cold related illnesses, and also for the last 2 years, the Trust has offered energy efficiency advice to staff and visitors to the

hospital. Other issues under discussion are feasibility studies for deploying solar panels and potential upgrades or additions to the electric vehicle charging infrastructure. One Planet York now holds an annual event with involvement from the Trust where all organisations can promote their work and consider whether there are other opportunities of mutual interest.

NHS Sustainability Day events were held for visitors and staff to find out more about the work of the Trust's Sustainable Development Group and also to invite them to offer their ideas about sustainability opportunities.

The Trust's Sustainable Development Management Plan is available on the Trust website and also a "plan on a page" strategy poster was prepared and used at a number of events in the last year.

In terms of promoting healthy food in the community, the Trust signed up to the catering pledge to play our part in improving public health and encouraging people to choose a healthier diet. An action plan has been established and work is underway to achieve specific targets on the percentages of healthy food choices available in our in-house staff restaurants and vending facilities. Healthy Choices have been rolled out across all sites and, following discussion with dieticians, information relating to healthy food choices will start to be made available to patients and their relatives.

In 2018-19, further work will be undertaken to better integrate the sustainability principles and practices throughout the Trust and to encourage the public and staff to offer ideas on how to improve our environment and sustainability.

**d) Buildings** - A draft sustainable building design guide has been developed and will be introduced in 2018-19 to incorporate capital project procedures and sustainability checklists together with the objective of achieving BREEAM 'Excellent'/'Very Good' ratings, including the need to gain 'innovation credits' in the field of sustainable performance by incorporating innovative technology where practicably feasible and economically viable to do so, while also tackling issues around resilience, biodiversity and the use of green space. The Trust's Capital Project meetings include input from the Head of Sustainability and the Estates Strategy also includes a section on sustainability and sets out how the Trust's buildings can serve the needs of sustainable healthcare in the local community.

**e) Models of care** - Significant progress has been made in the last year to take this agenda forwards and a few examples are given below:

- The Trust's Out of Hospital Care Directorate (16% of workforce) have undertaken a series of strategy roadshows (over twenty held) and produced a video animation to explain about moving care closer to home. The video is available through the Trust staff intranet and has been emailed to all Directorate staff.
- The Out of Hospital Care Directorate is working with the Corporate Learning team to develop a health coaching educational programme to provide staff with the skills to enable patients to self-manage and be less reliant on services. The aim of 'health coaching' is to encourage patients to be more involved in their condition and treatment and this shifts the emphasis of care. This also covers 'prevention' and

links to the “every contact counts” agenda. A cohort of staff are currently being trained (in house) and this is then to be rolled out to all community nurses.

- There are now numerous examples of initiatives which use technology to reduce the need to travel to appointments and/or offer more empowering care: Specialist Nurses offer telephone support as well as telephone follow up appointments, telemedicine has been established for prisoners at Full Sutton prison who require an ED consultation, and telemedicine is to be rolled out further for OPD in various specialities. Patients who share their care in the community have access to Telehealth systems, and the Trust has also implemented an advice and guidance service to enable GPs to speak to consultants, thereby reducing the need for patients to be referred for outpatient appointments.
- There are also numerous additional examples of how the Trust is “Delivering Care Closer to Home” and “Delivering a systems approach to Care”. For example, the Trust has increased the provision of home-based intermediate care, so this is available across the whole Trust footprint. This includes the re-provision of a former bed-based intermediate care facility as a home based service allowing a significant increase in the numbers of people supported at home. The Trust will continue to develop this by integrating intermediate care services with those provided by the local authority and the voluntary sector. The Trust is working with the Vale of York CCG and a number of independent care providers on developing a suite of support to care homes to support residents to be cared for without need for hospital admission. Recent engagement with local Healthwatch colleagues included a co-production in developing integrated intermediate care and reablement services which included a number of focus groups and the setting up of a public reference group.

**f) Adaptation** - Formal emergency planning procedures are in place to deal with any adverse circumstances which would include current and future climate change risks.

The Trust’s Heat-wave plan was reviewed in March 2018 to link the plan to the Public Health / NHS England national heat-wave plan, and has been expanded what was initially an Estates and Facilities focused plan to include clinical as well as non-clinical actions.

Recent evidence of adaptation work was demonstrated in December 2015 floods when the Trust’s buildings, Tadcaster Health Centre, was flood damaged, and a nearby bridge was washed away. Pool cars were relocated to Tadcaster to improve accessibility whilst the bridge was repaired. Repairs to the health centre itself were completed in 2016-17, including additional work to improve the flood defences in the event that the area gets flooded again.

Work is on-going to review and update business continuity plans which require further consideration of the consequences arising from disruptive weather events and to raise awareness of longer term trends.

Workshop sessions have been delivered, in conjunction with the Estates, IT and HR departments that will provide a consistent Trust-wide directorate response to:

- Loss of power;

- Denial of access to building;
- Fuel shortages including Gases;
- Staffing shortages;
- Loss of IT.

The Business Continuity (BC) policy is being incorporated into an overarching Emergency Planning & Preparedness Policy, and this policy and discussions at the BC Steering Group will reinforce understanding & plans for “Adaptation to Climate Change”.

### **Modern Slavery and Human Trafficking Act 2015**

The Board of Directors approved a statement at its meeting in March 2018 confirming compliance with the requirements of the Slavery and Human Trafficking Act 2015. The required statement has been published on the Trust’s website.

### **Counter Fraud Policies and Procedures**

The Foundation Trust's counter fraud arrangements are in compliance with the NHS Standards for Providers: fraud, bribery and corruption. These arrangements are underpinned by the appointment of accredited Local Counter Fraud Specialists and a Trust-wide countering fraud and corruption policy. An annual counter fraud plan identifying the actions to be undertaken to create an anti-fraud culture, deter, prevent, detect and, where not prevented, investigate suspicions of fraud, is produced and approved by the Trust's Audit Committee.

### **Review of Financial Performance**

#### **Fair View of the Trust**

The table below provides a high level summary of the Trust’s financial results for 2017-18.

**Table 1 - Summary financial performance 2017-18**

	<b>Plan £million</b>	<b>Actual £million</b>	<b>Variance £million</b>
Clinical income	437.8	439.5	1.7
Non-clinical income	41.5	44.1	2.6
<b>Total income</b>	<b>479.3</b>	<b>483.6</b>	<b>4.3</b>
Pay spend	-324.5	-333.2	-8.7
Non-pay spend	-146.1	-158.0	-11.9
<b>Total spend before dividend, and interest</b>	<b>-470.6</b>	<b>-491.2</b>	<b>-20.6</b>
<b>Operating surplus (loss) before exceptional items</b>	<b>8.7</b>	<b>-7.6</b>	<b>-16.3</b>
Sparsity Funding	2.6	2.6	0.0
Sustainability & Transformation Funding	11.8	3.1	-8.7
Dividend, finance costs and interest	-19.8	-18.2	1.6
<b>Net loss</b>	<b>3.3</b>	<b>-20.1</b>	<b>-23.4</b>

**Statement of Comprehensive Income 2017-18** - Clinical income totalled £439.4m, and arose mainly from contracts with NHS Commissioners, including Vale of York CCG, Scarborough CCG, East Riding CCG, NHS England and Local Authorities (£435.9m), with the balance of (£3.5m) from other patient-related services, including private patients, overseas visitors and personal injury cases.

Other income totalled £44.1m and comprised funding for education & training, research & development, and for the provision of various non-clinical services to other organisations and individuals.

As part of the action to strengthen financial performance and accountability in the NHS, a Sustainability and Transformation Fund (STF) was created nationally in 2016-17 and all Trusts with an emergency care contract were allocated a proportion of the fund. The maximum Trust allocation in 2017-18 was £11.8m.

Access to the funding was linked to both financial performance (70%) based on the achievement of agreed quarterly financial control totals and operational performance criteria (30%), which was directly linked to the achievement of improvement trajectories against the ECS. The Trust did not achieve its financial control total or the required ECS improvement in 2017-18, therefore did not receive any of our £11.8m allocation. However, the Trust was allocated £3.1m from a general STF distribution at the end of the 2017-18 financial year.

The Trust re-values all of its property fixed assets, including land, buildings and dwellings, at the end of each year, to reflect the true value of land and buildings, taking into account in year changes in building costs, and the initial valuation of new material assets. In 2017-18, there was a significant increase in the national and regional building indices; this, coupled with a significant amount of work undertaken by the Trust, gave rise to an impairment gain of £1.8m, which is included in the operating loss above.

At the end of the financial year, the Trust reported an income and expenditure deficit of £20.1m taking into account all adjustments. Excluding the general unallocated STF allocation of £3.1m, the Trust's deficit of £23.2m fell £14.5m short of its pre-STF control total of an £8.7m deficit. The main component of this variance related to additional staff costs linked to agency/locum usage, bank usage and decisions made to supplement staffing above budgeted levels in the interests of safety.

**Accounting Policies** - The Trust has adopted International Financial Reporting standards (IFRS), to the extent that they are applicable under the Department of Health Group Accounting Manual (DH GAM).

**Cash** - The Trust's cash balance at the end of the year totalled £16.8m.

**Capital Investment** - During 2017-18, the Trust invested £18.0m in capital projects across the estate. The major projects on site during that period included:

- York - Theatre 10 upgrade;
- Scarborough – Radiology lift replacement;
- Scarborough and York – Radiology equipment replacement;
- Scarborough – Modular building replacement;

- York – Endoscopy development;
- York & Scarborough – Essential fire alarm replacement.

The Trust continued its programme of essential replacement of medical and IT equipment and plant across all sites, through a combination of purchasing and lease finance.

**Planned Capital Investment** - Capital investment plans for 2018-19 include:

- York - Endoscopy Unit;
- York - Vascular Imaging Unit;
- Scarborough – MRI;
- Scarborough – Pathology/Blood Sciences project.

A key Trust focus remains on reducing backlog maintenance and investing in our IT infrastructure.

**Land Interests** - There are no significant differences between the carrying amount and the market value of the Trust's land holdings.

**Investments** - There are no significant differences between the carrying amount and the market value of the Trust's investment holdings.

**Value for money** – 2017-18 proved to be an extremely challenging year both financially and operationally, with demand on services continuing to grow. This has led to the most difficult and financially challenging position the Trust has ever faced, as noted in table 1 above. Coupled with this, the Trust failed to achieve the required EC and RTT Standards.

In spite of these challenges, 2017-18 saw the Trust over deliver its £22.8m efficiency target by £0.5m, which is a tremendous organisational effort. The Trust also reduced the level of agency and locum expenditure by £2m in the year, from £20m in 2016-17 to £18m, which was marginally over our £17.2m agency cap set by NHSI.

The Trust has a proven record of implementation and delivery of a resource management cost improvement programme aimed at delivering efficiencies, to support the Trust in making outstanding use of its available money, staff, equipment and premises. Good resource management provides clarity of focus and is usually linked to improved patient care. The work involves linking across the Trust to identify and promote efficient practices.

The Trust has engaged in two significant pieces of work this financial year to further improve its use of resources; firstly the NHSI Operational Productivity team are working closely with the Trust in a national pilot aimed at fully exploiting the opportunities within the Model Hospital and secondly work is underway with the Trust's 3 main commissioners on the development of an AIC. The potential benefit of this arrangement is that it allows the system to work much more closely together, particularly in the areas of system savings, efficiencies and potential service re-design.

**Better Payment Practice** - The Better Payment Practice Code requires the Trust to aim to pay all undisputed invoices by the due date, or within 30 days of receipt of goods or receipt of a valid invoice, whichever is later. The Trust's in year performance is detailed in Table 2 below:-

It should be noted the Trust's performance has deteriorated in this area from the 2016-17 position, due to in-year cash restraint and the introduction of a new financial ledger in Q4 which has caused some delays in payments to suppliers.

The Trust has complied with the cost allocation and charging requirements set out in the HM Treasury and Office of Public Sector Information guidance.

**Table 2**

	Number	Value (£'000)
Total Non-NHS trade invoices paid in year	108,156	243,857
Total Non-NHS trade invoices paid within target	13,157	99,552
Percentage of Non-NHS trade invoices paid within target	12.2%	40.8%
Total NHS trade invoices paid in year	3,057	9,715
Total NHS trade invoices paid within target	206	782
Percentage of NHS trade invoices paid within target	6.7%	8.0%

**Income Disclosure** - Section 43 (2A) of the National Health Service Act 2006 (as amended by the Health and Social Care Act 2012) requires that the income from the provision of the goods and services for the purpose of the health service in England must be greater than its income for the provision of goods and for any other purposes. The Trust can confirm it has met these requirements.

**Insurance Cover** - The Trust has purchased Officer and Liability Insurance that covers all officers of the Trust against any legal action, as long as the officer was not acting outside their legal capacity.

**Political and Charitable Donations** - No political or charitable donations were made during the year.

**Accounting Policies for Pensions and Other Retirement Benefits** - Past and present employees are covered by the provisions of the NHS pension scheme. The scheme is accounted for as a defined contribution scheme. Further details are included in the accounting policies notes to the Trust's annual accounts.

## **Significant Events Since Balance Sheet Date**

**Transfer of Functions - Scarborough & Ryedale Community Services** - Following a formal tender process by the commissioner, in which the Trust decided not to participate, the Scarborough & Ryedale Community Services contract and associated SLAs transferred to Humber NHS Foundation Trust on 1 May 2018.

**Overseas operations** - The Trust has no overseas operational activity and has received no commercial income from overseas activity during the year.

**Statement as to Disclosure to Auditors** - So far as the Directors are aware, there is no relevant audit information of which the NHS Foundation Trust's Auditors are unaware and the Directors 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 NHS Foundation Trust's Auditors are aware of that information.

# Accountability Report

## Directors' Report

### Composition of the Board of Directors

The Board membership during the year was as follows:

Ms Susan Symington – Chair;  
Mr Patrick Crowley – Chief Executive;  
Mr Philip Ashton – Non-executive Director, Chair of the Audit Committee and Senior Independent Director, left the organisation in August 2017;  
Mrs Jennifer Adams – Non-executive Director;  
Mr Mike Keaney – Non-executive Director;  
Ms Libby Raper – Non-executive Director and Vice Chair from September 2017;  
Mr Michael Sweet – Non-executive Director;  
Professor Dianne Willcocks – Non-executive Director, Vice Chair until August 2017 and Senior Independent Director from September 2017;  
Mrs Jenny McAleese - Non-executive Director, Chair of the Audit Committee from September 2017;  
Mr Andrew Bertram – Executive Finance Director;  
Mr Jim Taylor – Executive Medical Director;  
Mr Mike Proctor – Deputy Chief Executive;  
Mrs Beverly Geary – Chief Nurse;  
Mrs Juliet Walters – Chief Operating Officer, left the organisation at the end of August 2017;  
Mrs Wendy Scott – Interim Chief Operating Officer from September 2017.

The Board of Directors has included additional non-voting Directors in the membership of the Board. They are:

Mrs S Rushbrook – Director of Systems and Networks;  
Mr B Golding – Director Estates and Facilities;  
Mrs W Scott – Director of Out of Hospital Services until August 2017.

The following changes occurred in the Board membership during the year:

Mrs J McAleese, Non-executive Director, joined the Board in March 2017 and replaced Mr P Ashton who left at the end of August 2017.

Mrs S Rushbrook, Director of Systems & Networks stepped down from the Board in June 2017, but rejoined the private Board in December 2017.

Mrs J Walters, Chief Operating Officer, left the Trust at the end of August 2017.

Mrs W Scott, Director of Out of Hospital Care, was a non-voting member of the Board from April to August 2017. In September 2017, Mrs W Scott took up the post of Interim Chief Operating Officer and became an Executive Director.

The Trust took the decision to recruit 2 Associate NEDs in Autumn 2017 and, following a recruitment process by the Governors, 2 Associate NEDs took up their role in the Trust in April 2018. These roles will be extra to the 7 NEDs in post and will form part of the succession planning system in place for the NEDs leaving in 2018-19. The Associate NEDs do not have any voting capacity.

The gender balance in the Board at 31 March 2018 was:

	Female	Male
Non-executive Directors	5	2
Executive Directors	2	4
Corporate Directors	1	1

The age profile of the board is as follows:

Age	Number of Directors
18-39	0
40-49	2
50-59	7
60-69	4
70+	2

### Directors' Biographies

Under section 17 and 19 of Schedule 7 of the National Health Service Act 2006, the Chair, Chief Executive, Executive and Non-executive Directors were appointed to the Board of Directors as follows:



**Chair – Susan Symington**  
**Initially appointed 1 April 2015 to 31 March 2018**  
**Reappointed 1 April 2018 to 31 March 2021**

Prior to being appointed as Chair of our Trust on 1 April 2015, Susan was a Non-executive Director and Vice Chair of Harrogate and District NHS Foundation Trust. She served on the Board at Harrogate District NHS Foundation Trust from 2008 and continues to act as a Non-executive Director at the Beverley Building Society since appointment in 2013. Susan's executive background is within human resources/organisational development. She was previously HR Director for Bettys and Taylors of Harrogate.



**Chief Executive – Patrick Crowley**  
**Appointed November 2007**

Patrick has worked with the Trust since 1991 in a variety of finance and performance management roles, and was appointed to the role of Director of Finance and Performance in 2001. He played a significant role in securing the required Trust's licence to become a Foundation Trust in April 2007 and was subsequently appointed Chief Executive in November 2007. Patrick currently also has executive responsibility for operational HR matters.



**Non-executive Director – Jennie Adams**  
**Initially appointed 1 September 2012 to 31 August 2014**  
**Reappointed 1 September 2014 to 31 August 2017**  
**Reappointed 1 September 2017 to 31 August 2018**

Jennie joined the Trust in September 2012. She has a first class honours degree in Economics from Southampton University and has a professional background in investment management. She moved to Scarborough 18 years ago with her husband (a hospital consultant) and young family and has taken on a number of Non-executive roles within the private and public sector.



**Non-executive Director (Senior Independent Director until August 2017)**  
**– Philip Ashton**  
**initially appointed 1 September 2008 to 31 August 2011**  
**Reappointed 1 September 2011 to 31 August 2014**  
**Reappointed 1 September 2014 to 31 August 2017**

Born in Yorkshire and a graduate of Oxford University, Philip worked primarily in London before returning to the York area in 2003. During his years at PricewaterhouseCoopers he specialised in technical aspects of the audit practice, developing audit techniques and technology, particularly internal control and risk management.



**Non-executive Director – Mike Keaney**  
**Initially appointed 1 September 2012 to 31 August 2014**  
**Reappointed 1 September 2014 to 31 August 2017**  
**Reappointed 1 September 2017 to 31 August 2018**

Mike was appointed as a Non-executive Director in September 2012. He is a Business Director with over 40 years' experience in the private sector, mainly in manufacturing, and has held senior management positions including CEO, Managing Director and been a Board Member with companies operating in Europe and North America.



**Non-executive Director (Vice Chair from September 2017) – Libby Raper**  
**Initially appointed 1 August 2009 to 31 July 2012**  
**Reappointed 1 August 2012 to 31 July 2015**  
**Reappointed 1 August 2015 to 31 July 2018**

Libby joined the Board in 2009, bringing over 25 years' experience as Chief Executive and Chair within the public, private and charitable sectors. She is a Director of Yellowmead, a boutique management consultancy, Chair of Leeds College of Music, a Governor of Leeds City College and a member of the University of Leeds Court.



**Non-executive Director – Michael Sweet**  
**Initially appointed 1 February 2010 to 31 January 2013**  
**Reappointed 1 February 2013 to 31 January 2016**  
**Reappointed 1 February 2016 to 31 January 2019**

The greater part of Michael's career has been in the commercial sector. In Unilever he held senior positions in planning and logistics, where he describes himself as a "commissioner" of services. He became a "provider" following the acquisition of his business unit by an international logistics company. This resulted in board level appointments responsible for operational management, customer relations and business development in the UK and, latterly, Central Europe. Michael has also spent 5 years as a Non-executive Director of the Selby and York Primary Care Trust and its successor the North Yorkshire and York Primary Care Trust, during which time he served as a Governor of this Trust.



**Non-executive Director (Vice Chair until August 2017 – Senior Independent Director from September 2017) – Dianne Willcocks**  
**Initially appointed 1 May 2010 to 30 April 2013**  
**Reappointed 1 May 2013 to 30 April 2016**  
**Reappointed 1 May 2016 to 30 April 2019**

Professor Dianne Willcocks, Emeritus Professor at York St John University, is a Leadership Consultant, advocate and practitioner for socially inclusive citizenship. As former Vice Chancellor at York St John University, Professor Willcocks engages contemporary debates around new learners and new learning styles in higher education and the distinctive role and contribution of Church Colleges and Universities. She is an Associate of the Leadership Foundation for Higher Education.



**Non-executive Director - Jenny McAleese**  
**Appointed 1 March 2017 to 28 February 2020**

After graduating from Jesus College, Oxford in French and German, Jenny joined Grant Thornton and qualified as a chartered accountant. She remained with the firm for ten years, becoming an Audit Manager and then a Senior Healthcare Financial Consultant advising NHS Trusts. For 18 months she was seconded to the NHS Management Executive as a Business Analyst. In 1996, Jenny joined The Retreat Psychiatric Hospital in York as Director of Finance and a year later became Chief Executive until retiring in October 2016.



**Executive Finance Director – Andrew Bertram**  
**Appointed January 2009**

Andrew took up the position of Finance Director for the Trust in January 2009. He has previously held a number of roles at the Trust, first joining in 1991 as a Finance Trainee as part of the NHS Graduate Management Training Scheme. On qualifying as an accountant, he undertook a number of finance manager roles supporting many of the Trust's clinical teams. He then moved away from finance taking a general management role as Directorate Manager for

Medicine. Andrew then joined the senior finance team, firstly at York, subsequently at Harrogate and District NHS Foundation Trust, as their Deputy Finance Director, and then returning to York to undertake his current role.



**Executive Chief Nurse – Beverley Geary**  
**Appointed to the Trust 2011**  
**Appointed as Chief Nurse October 2014**

Beverley took up the position of Chief Nurse for the Trust in October 2014. She started her nursing career in the acute sector training as an RGN in 1987, working in cardiology and acute medicine before undertaking further qualifications in mental health in the early 1990s. Beverley worked in a specialist cardiothoracic unit in Leeds where she gained a keen interest in teaching and mentorship and began the Certificate in Education programme. She worked in education for a number of years before returning to full-time clinical practice in 2001 and then worked in Quality and Governance. Beverley is Director of Infection Prevention and has professional responsibility for Nursing and Midwifery, Patient Experience, Quality of Care and is Executive Lead for Safeguarding (adults and children).



**Executive Deputy Chief Executive– Mike Proctor**  
**Appointed 1993**

Mike joined the NHS in 1975 as a Trainee Operating Department Assistant in Sheffield. He undertook nurse training from 1982-85 before working in a variety of clinical roles at the Royal Hallamshire Hospital Sheffield. He became a Charge Nurse in Intensive Care Northern General Hospital, Sheffield in 1987. Mike undertook various nurse and business manager roles at York before becoming Director of Nursing in 1998. Mike was then appointed to Chief Operating Officer/Deputy Chief Executive in 2005. Mike continues as Deputy Chief Executive and has taken executive responsibility for education, training and organisational development and research.



**Executive Medical Director – Jim Taylor**  
**Appointed October 2015**

Jim graduated with a dental degree from Glasgow University in 1983. He then worked in posts in Bristol, Manchester and Greater London before re-entering medical school and graduating from Charing Cross and Westminster Medical School in 1993. Jim was appointed Medical Director for the Trust in October 2015. He has served as a Consultant Maxillofacial Surgeon with the Trust since 2001, providing services across North Yorkshire, including Scarborough and Bridlington, during that time.



**Executive Chief Operating Officer – Juliet Walters**  
**Appointed February 2015**  
**Left the Trust in August 2017**

Juliet was appointed Chief Operating Officer in February 2015 and is responsible for leading the effective operational management and strategic service development of the Trust. Juliet has extensive operational experience, having held Director posts in six hospital Trusts ranging from leading teaching/research hospitals to hospitals with significant challenges. Juliet has a strong track record of transformational change, service and performance delivery, which is underpinned by her passion and skills for organisation and people development.

Providing additional support to the Board are three further Directors:



**Director of Systems and Network – Mrs Sue Rushbrook**  
**Member of the Board from September 2013**

Sue has worked within the NHS since 1975 in a variety of roles including as a Nurse and Manager in services for people with a learning disabilities. She was appointed Head of Systems and Network Services in 1996 and more latterly as the Director of Systems and Network Services. She has led the successful implementation of a Trust-wide Electronic Patient Record and other systems that support the delivery of safe effective healthcare in both the hospital and community services. She has ensured an integrated information technology platform is in place across the enlarged Trust to support all of these services in the ever changing environment. Mrs Sue Rushbrook, Director of Systems & Networks stepped down from the Board in June 2017, but rejoined the private Board in December 2017.



**Director of Estates and Facilities – Mr Brian Golding  
Member of the Board from September 2013**

Brian is a Chartered Engineer with over 30 years' experience delivering complex public sector projects. He started his career as a Design Engineer with the Property Services Agency and having progressed into project management spent 5 years on the Trident Submarine shore facilities in Scotland. After a brief spell in Saudi Arabia, commissioning hardened aircraft shelters, Brian returned to the UK and joined the NHS at Guy's and St. Thomas' where he managed a range of projects rationalising services across the two sites. In 2009, he became Director of Estates and Facilities and now leads the operational Estates and Facilities Teams across our diverse estate.



**Director of Out of Hospital Services until August 2017  
Interim Chief Operating Officer from September 2017 – Mrs Wendy Scott  
Member of the Board from May 2015**

Wendy joined York Hospital NHS Foundation Trust in July 2012, managing Scarborough, Whitby and Ryedale and York and Selby Community Services. She was appointed to the position of Director of Out of Hospital Care in October 2015 and has an operational and strategic portfolio focused on the delivery and development of out of hospital services, in partnership with local stakeholders/partners. Wendy is a nurse by background and then moved into commissioning roles.

**Register of Directors' Interests**

The Trust holds a register listing any interest declared by members of the Board of Directors. They must disclose details of company directorships or other positions held, particularly if they involve companies or organisations likely to do business or possibly seeking to do business with the Trust. The public can access the register at [www.york.nhs.uk](http://www.york.nhs.uk) or by making a request in writing to:

The Foundation Trust Secretary  
York Teaching Hospital NHS Foundation Trust  
Wigginton Road  
York YO31 8HE

or by e-mailing [enquiries@york.nhs.uk](mailto:enquiries@york.nhs.uk)

## **Board Committees**

The Trust has six Board Committees as follows:

- The Remuneration Committee;
- The Corporate Risk Committee;
- The Audit Committee;
- The Finance and Performance Committee;
- The Quality and Safety Committee;
- The Workforce and Organisational Development Committee;
- The Environment and Estates Committee.

Each of the Committees is chaired by a Non-executive Director and its membership is drawn from the Non-executive Directors. Each Committee is supported by the Executive Directors and Managers of the Trust.

### **The Remuneration Committee**

Details of the Remuneration Committee can be found on page 82.

### **The Corporate Risk Committee – Chaired by Susan Symington**

The Corporate Risk Committee met four times during the year. The membership of the Committee was as follows:

Ms S Symington – Chair of the Trust;  
Mr P Ashton – Non-executive Director until August 2017;  
Mrs J McAleese – Non-executive Director;  
Mr P Crowley – Chief Executive;  
Ms F Jamieson – Deputy Director of Healthcare Governance;  
Mrs L Provins – Foundation Trust Secretary;

(Directors are invited periodically to discuss their risk registers)

### **The Audit Committee – Chaired by Philip Ashton until August 2017 and Jenny McAleese from September 2017**

The membership of the Audit Committee during 2017-18 consisted of:

Mr P Ashton – Non-executive Director and Chair of the Committee until August 2017;  
Mr M Keaney – Non-executive Director;  
Mrs J McAleese – Non-executive Director and Chair of the Committee from September 2017;  
Mrs J Adams – Non-executive Director from December 2017.

The Committee was supported by a number of officers from the Trust including:

Mr A Bertram – Director of Finance;  
Mr S Kitching – Head of Corporate Finance and Resource Management;  
Mrs L Provins – Foundation Trust Secretary.

The Trust and the Committee is further supported by the Internal Audit Service provided by Audit Yorkshire:

Mrs H Kemp-Taylor – Head of Internal Audit;  
Mr J Hodgson – Audit Manager;  
Mr S Moss – Counter Fraud Officer.

Externally the Trust and Committee is supported by the External Auditors – Grant Thornton:

Ms S Howard – Engagement Partner (from January 2017 – November 2017);  
Mr G Kelly – Engagement Manager until November 2017 then Engagement Lead from December 2017;  
Mr S Nixon – Engagement Manager from December 2017.

The Committee receives reports from Internal and External Auditors and undertakes reviews of financial, value for money and clinical reports on behalf of the Board of Directors.

The Committee's terms of reference require the Committee to:

- Monitor the integrity of the activities and performance of the Trust and any formal announcement relating to the Trust's financial performance;
- Monitor governance and internal control;
- Monitor the effectiveness of the Internal Audit function;
- Consider the appointment of the External Auditors, providing support to the appointment made by the Council of Governors;
- Review and monitor External Audit's independence and objectivity and the effectiveness of the audit process;
- Develop and implement policy on the employment of the External Auditors to supply non-audit services;
- Review standing orders, financial instructions and the scheme of delegation;
- Review the schedule of losses and compensation;
- Review the annual fraud report;
- Provide assurance to the Board of Directors on a regular basis;
- Report annually to the Board of Directors on its work in support of the Annual Governance Statement.

The Committee has met six times during the year. Each meeting considers the business that will enable the Committee to provide the assurance to the Board of Directors that the systems and processes in operation within the Trust are functioning effectively.

<b>Member</b>	<b>Attended</b>
Mr P Ashton	3/3
Mr M Keaney	6/6
Mrs J McAleese	6/6
Mrs J Adams	1/2

The Trust has an independent Internal Audit function provided by Audit Yorkshire. The Internal Audit service also provides audit services to a number of other Foundation Trusts and Clinical Commissioning Groups in the region. To coordinate the governance and working arrangements of the service, all Trusts that obtain services from the Internal Audit Service are members of the Board of Audit Yorkshire.

The Internal Audit Service agrees a work programme at the beginning of the financial year with the Trust. The service reports to each Audit Committee meeting on the progress of the work programme and provides detailed reports on the internal audits that have been completed during the previous quarter.

The list of activities below shows some of the work the Committee has undertaken during the year:

- Considered of internal audit reports and reviewed the recommendations associated with the reports;
- Reviewed the progress against the work programme for Internal and External Audit and the Counter Fraud Service;
- Considered the annual accounts and associated documents and provided assurance to the Board of Directors;
- Considered, provided challenge and approved various ad hoc reports about the governance of the Trust;
- Received the work of the Data Quality Group and cross related it to other Audit Committee information;
- Considered the external audit report, including interim and annual reports to those charged with governance and external assurance review of the Quality Report;
- Reviewed and monitored the Clinical Audit process, triangulating information with the Quality and Safety Committee to ensure there is also assurance around effectiveness of the processes in place;
- Considered the effectiveness of the Committee and Internal Audit;
- Provided a focus on risk management, the Corporate Risk Register and Board Assurance Framework processes in order to challenge and evolve the documents.

### **Role of Internal Audit**

The Trust's Internal Audit and Anti-Crime services are provided by Audit Yorkshire. Audit Yorkshire provides independent assurance to the Board of Directors via the Audit Committee.

The Head of Internal Audit and Managing Director is supported by two Deputy Directors and a Management Team, all of whom are CCAB qualified. All Audit Yorkshire's auditors are either qualified or working towards an externally validated professional qualification to ensure the organisation has the correct skill set to deliver a wide range of assurance reviews and demonstrate proficiency and due professional care. At the start of the financial year, or on commencement of employment with Audit Yorkshire during the year, all Internal Auditors complete a declaration and certify that they have no conflicts of interest which might compromise their independence as an auditor working for Audit Yorkshire.

Audit Yorkshire has extensive experience of delivering award winning, high quality and cost effective Internal Audit services to their members. Their approach and methodology:

- Provides an independent and objective opinion on risk management and governance, compliant with prevailing Public Sector Internal Audit Standards;
- Provides professional, high quality audit coverage of key risks;
- Gives clear opinions on systems of internal control;
- Uses the audit coverage and collates the opinions drawn to provide a meaningful Head of Internal Audit Opinion to support the Annual Governance Statement;
- Offers value-added work to assist the Trust in making business improvements and achieving its corporate objectives.

As well as undertaking specific audits and other pieces of work commissioned by the Trust, Audit Yorkshire also provide general advice on governance, counter-fraud and systems/process issues and undertakes consultancy/advisory work as required.

### **Role of External Audit**

External Auditors are invited to attend every Audit Committee meeting. The appointed External Auditors have right of access to the Chair of the Audit Committee at any time.

The objectives of the External Auditors fall under two broad headings. To review and report on:

- The audited body's financial statements, and on its Statement on Internal Control;
- Whether the audited body has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

In each case, the Audit Committee sees the resulting conclusions.

External Audit also prepares an annual audit plan, which is approved by the Audit Committee. This annual plan sets out details of the work to be carried out, providing sufficient detail for the Audit Committee and other recipients to understand the purpose and scope of the defined work and the level of priority. The Audit Committee discusses with the External Auditors the main issues and parameters for audit planning in the meeting before the annual audit plan is due to be approved. This allows the Committee members time and space to:

- Discuss the organisation's audit needs;
- Reflect on the previous years' experience;
- Be updated on likely changes and new issues;
- Ensure co-ordination with other bodies.

In reviewing the draft plan presented to the Committee, members concentrate on the outputs from the plan, and what they will receive from the External Auditors, balanced against an understanding of the Auditors' statutory functions. Review of the audit fee is an important role, but the focus should be on consistency with the NHS Improvement's guidelines and appropriateness, in the context of the organisation's needs, and the statutory functions of the External Auditors.

The annual audit plan is kept under review to identify any amendments needed to reflect changing priorities and emerging audit needs. The Audit Committee approves material changes to the annual audit plan.

External audit works with both management and other assurance functions to optimise their level of coverage. The Committee seeks, and gains assurance, that duplication with Internal Audit is minimised wherever possible, consistent with the requirements of *ISA (UK and Ireland) 610* that External Audit should never direct the work of Internal Audit and must be satisfied as to the role of Internal Audit as a whole, and review and re-perform similar items for any piece of work on which it intends to place reliance.

### **The Data Quality Group – Chaired by Mr P Ashton until August 2017 and Mrs J McAleese from September 2017**

The Data Quality Group, a sub-group of the Audit Committee, examines and understands data quality issues relating to finance, human resource, risk and legal services and patient information systems. This work has continued throughout the year. The group has received presentations from information system owners and actively sought assurances from these owners on aspects of data quality. The assurance work has specifically explored issues in relation to the integration and development of systems. The group uses the intelligence it is gathering to test the robustness of the Internal Audit Work Programme in seeking and further supporting assurance on system data quality issues.

The Data Quality Group meets approximately four or five times during the year. The membership of the group comprises:

Philip Ashton – Non-executive Director (until August 2017);  
Jenny McAleese – Non-executive Director (from March 2017);  
Mike Keaney – Non-executive Director;  
Andrew Bertram – Executive Finance Director;  
Helen Kemp-Taylor – Head of Internal Audit;  
Sue Rushbrook – Director of Systems and Networks.

Other senior managers and executive directors attend as appropriate.

### **The Finance and Performance Committee – Chaired by Mr M Keaney**

The Finance and Performance Committee was established in 2012 and meets at least ten times a year in the week before the Board of Directors. The Committee reviews in detail the previous month's information relating to financial performance, the Cost Improvement Programme and operational activity and performance, drawing any issues or matters of concern to the attention of the Board of Directors.

The membership of the Committee includes:

Mr M Keaney – Chair of the Committee;  
Mr M Sweet – Member of the Committee.

Attendance from members was as follows:

<b>Members</b>	<b>Attendance</b>
Mr M Keaney	12/12
Mr M Sweet	12/12

A number of officers attend the meeting to provide assurance to the Committee.

Mr A Bertram – Executive Director of Finance;  
Mr G Cooney – Programme Director;  
Mr S Kitching – Head of Corporate Finance and Resource Management;  
Mr G Lamb – Deputy Director of Finance;  
Mrs L Provins – Foundation Trust Secretary;  
Ms L Smith – Head of Operational Performance;  
Mrs J Walters – Chief Operating Officer till August 2017;  
Mrs W Scott – Interim Chief Operating Officer from September 2017.

During the year the Committee explored in more detail some of the concerns and risks that faced the Trust. To support this, they received additional information on the following topics:

- Achievement of the EC and RTT Standards;

- Future models;
- Ambulatory care for non-admitted Emergency Department patients;
- Frailty model and the work that was underway to develop frailty care as oppose to the more traditional elderly care;
- Bed reconfiguration;
- Performance report;
- Service line reporting;
- Information about the financial position of the commissioners;
- Information on key performance indicators, the penalties incurred by the Trust and reference costs applied to the Trust;
- Presentation on the financial position of Foundation Trusts nationally;
- Detail about the level of non-recurrent savings against the recurrent savings;
- Information about how the quality of services is considered in the development of a cost improvement plan;
- Details about workforce efficiencies and the impact on the cost improvement programme;
- Details against Directorate performance including those Directorates that were not achieving the targets;
- Details on the large cost improvement schemes that have been proposed along with efficiency opportunities that might exist in the future;
- Financial Recovery Plan;
- Board Assurance Framework and relevant risk registers;
- Regular updates on the capital programme and tenders;
- CQUINs.

The Trust has a history of successful delivery of corporate cost improvement programmes. A decision was taken by senior management to align the turnaround programme and service improvement with the existing cost improvement programme.

The Committee discussed the commissioning for quality and innovation targets at the majority of the meetings during the year. The Committee was keen to ensure there was a clear understanding between the requirements of the commissioning for quality and innovation target and the potential financial impact on the Trust.

The Committee has reviewed the capital programme progress during the year. It has received a presentation and discussed and supported the required changes that have been made to the programme during the year.

### **The Quality and Safety Committee – Chaired by Jennifer Adams**

The Committee operates to provide significant additional examination on matters of both quality and safety across the whole Trust. In devoting the additional focus on such a regular basis, it enables the Board to develop and retain a more strategic approach to such matters. The Committee regularly reviews comprehensive reports from both the Medical Director and the Chief

Nurse. It also discusses, on a set rotational basis, reports on infection control, in-patient survey and sign up to safety progress reports.

The membership of the Committee includes:

Ms L Raper – Chair of the Committee (January 2016);  
Mrs J Adams – Chair of the Committee (from January 2016);  
Mr P Ashton – Non-executive Director (until August 2017).

Attendance from members was as follows:

<b>Members</b>	<b>Attendance</b>
Mrs J Adams	11/12
Ms L Raper	12/12
Mr P Ashton	5/6

Cover from other Non-executive Directors was provided on two occasions.

Key officers attend the meeting to provide assurance to the Committee.

Mrs B Geary – Chief Nurse;  
Mr J Taylor – Medical Director;  
Mrs D Palmer – Deputy Director for Patient Safety (until December 2017);  
Ms F Jamieson – Deputy Director of Healthcare Governance (from November 2017);  
Mrs L Provins – Foundation Trust Secretary.

The Committee meets at least 10 times a year before the Board meeting.

During the year the Committee has considered the following:

- Patient safety and quality metrics – dashboard;
- Board Assurance Framework and relevant risk registers;
- Nurse safer staffing report;
- Nursing dashboard;
- Nurse acuity audit results;
- Patient experience report to include complaints, friends and family, Patient Advice and Liaison Service;
- Nursing and midwifery strategy progress report;
- Maternity service report;
- End of life care report;
- Pressure ulcer quarterly report;
- Falls quarterly report;
- Adult and child safeguarding reports;
- Director of Infection Prevention quarterly and annual reports;
- Mortality report and summary hospital-level mortality indicator data;
- Sign up to safety report (including patient safety strategy);

- Quality priority progress report;
- Serious incident reports (SUITS/CASES) and any Never Events;
- Flu vaccination information;
- Consultant appointments;
- Patient safety walkrounds;
- Quality Impact of the Financial Recovery Plan;
- Monitoring the effectiveness of Clinical Audit.

During the year, the Committee has kept a close watch on staffing with scrutiny of 12 hour breaches and risks relating to quality and safety. The Committee continues to evolve its work programme and action log to ensure that all elements are covered.

**The Workforce and Organisational Development Committee – Chaired by Ms L Raper**

The Workforce and Organisational Development Committee receives and reviews any draft strategic plans relating to workforce, organisational development, education and research. This has enabled the Committee to look pro-actively at workforce challenges along with whole workforce establishment and ensure that new developments support a workforce fit for the future in respect of increased regulation, changed roles and changing models of provision. The Committee monitors progress against the strategic plans, and presents their findings to the Board.

The membership and attendance at the Committee during the year was as follows:

<b>Members</b>	<b>Attendance</b>
Ms L Raper	11/11
Prof D Willcocks	11/11
Mrs J McAleese	10/11

Key officers attend the meeting to provide assurance to the Committee.

- Mr M Proctor – Deputy Chief Executive;
- Mr B Golding – Director of Estates and Facilities;
- Ms P McMeekin – Deputy Director of Workforce;
- Ms M Liley – Deputy Director Out of Hospital Care;
- Mrs L Provins – Foundation Trust Secretary.

In March 2016, the Committee reviewed its membership and agreed that the Committee should be re-launched with new membership and terms of reference to focus more directly on organisational strategy and to articulate explicitly with committees for Quality and Safety, Finance and Performance.

During the year, the Committee has explored the following elements to ascertain assurance and risk:

- Workforce metrics including staffing and use of agency;
- Board Assurance Framework and relevant risk registers;
- Workforce & Organisational Development Strategy;
- Recruitment & Retention Strategy;
- Staff Survey;
- Relevant internal audit reports;
- Learning and research;
- Apprenticeships;
- Out of Hospital Care and Community workforce project;
- Psychological health and wellbeing;
- Developing People – Improving Care Framework;
- Equality and Diversity;
- Financial Recovery Plan;
- Culture and Engagement Strategy.

### **The Environment and Estates Committee – Chaired by Mr M Sweet**

The Environment and Estates Committee was established in September 2015, under the chairmanship of Non-executive Director Michael Sweet. The Committee was formed to provide the Board of Directors with assurance around our ownership, occupation and maintenance of the built environment; it links to one of the Trust’s corporate objectives ‘Improve our facilities and protect the environment’.

The membership and attendance at the Committee during the year was as follows:

<b>Members</b>	<b>Attendance</b>
Mr M Sweet	6/6
Mrs J Adams*	5/6

\*Jennie Adams left the Committee in Feb 2018

Key officers attend the meeting to provide assurance to the Committee.

Mr B Golding, Director of Estates and Facilities;  
 Mr A Bennett, Head of Capital Projects;  
 Mr D Biggins, Head of Medical Engineering & Compliance;  
 Mr C Weatherill, Heath, Safety & Security Manager;  
 Ms J Money, Head of Sustainability;  
 Mrs L Provins, Foundation Secretary.

Key documents that the Committee has discussed and approved this year include:

- Risks and assurance framework;

- Sustainable development;
- Premises assurance model;
- Lord Carter report;
- Health, safety & security reports including fire and annual report;
- Relevant new legislation;
- Relevant internal audit reports;
- Annual fire statement;
- Reporting of Injuries, Diseases and Dangerous Occurrences;
- Space Management;
- Patient led assessments of the care environment results.

The Committee has provided assurance to the Board of Directors considering all aspects of the strategic frame 'looking after our estate and protecting the environment'.

Meetings of the Committee have been rotated around the main hospital sites so that members have the opportunity to see the properties at first hand.

### **NHS Improvement's Well-Led Framework**

Monitor's former Quality Governance Framework has now been incorporated into NHSI's Well Led Framework.

The Trust believes that quality governance is an important aspect of the management of healthcare. Quality governance supports the Trust in delivering safe and quality services to patients. The Trust has developed an information pack that provides detailed performance information. The pack is used by the Directors to help deliver a safe and quality service. Information is also reviewed and discussed at a number of meetings. These meetings include membership from the Medical Director and Chief Nurse and lead to assurance being provided to the Board.

During 2014-15, the Trust conducted a review of governance that concentrated on four key areas as follows:

- Clear reporting lines and meetings are purposeful;
- Maximising the performance contribution from Directors and Senior Managers by setting out clear expectations for them;
- Decisions are made expediently and are delegated to the lowest appropriate level to support effective operational performance;
- Meaningful assurance on the business of the organisation, and key issues are escalated appropriately.

The review was designed to improve the governance around connections and alignment in a number of areas, including actions relating to the integrated business plan; the internal audit report 'Strengthening Corporate Accountability through Staff Conduct and Competence' and guidance from the Care Quality Commission on the 'Fit and Proper Persons Test' requirement.

Following that review, the Board of Directors commissioned Grant Thornton LLP to undertake a Well Led Review as prescribed by NHSI.

The review started in November 2015 and the final report was received by the Board in January 2016. Overall:

- The review provided two green scores for the linked areas of information and data quality. The Trust is rightly proud about the information which is provided across the organisation, and specifically to the Board which supports the monitoring and scrutiny of decision making and performance management;
- The review produced six amber green scores, where Grant Thornton's analysis revealed elements of good practice with no major omissions, and where the review team have confidence in our action plans to continue work and develop these areas;
- The review provided two amber red scores for subset 2 of Domain 1: *“Is the board sufficiently aware of potential risks to the quality and sustainability and delivery of current and future services”*, and subset 6 from Domain 3, *“Are there clear roles and accountabilities in relation to board governance including quality governance?”* Both of these areas include issues of which the Trust was fully aware and that work is being undertaken, at pace, in both cases.

### **Domain 1 – Is the Trust sufficiently aware of potential risks to the quality, sustainability and delivery of current and future services?**

Since the review, the Trust has refreshed and rewritten the 'Our Commitment to You' document which describes, at a high level, the key strategic aims of the Trust. The revised iteration clearly states the Trust's strategic objectives, which link in turn to the ambitions of the Sustainability and Transformation Plan, currently being produced with partners.

The 'Our Commitment to You' document is written and presented in an accessible style which can be shared at all levels in the organisation and is a foundation for the performance review of the Chair, the Chief Executive, the Non-executive Directors and the Executive Board. It is used as the foundation for performance review across the organisation.

In February 2018, the Board held a strategic time-out in order to start the process to generate a new strategy for the Trust which will look at both sustainability and transformation. The strategy will provide a platform to refresh clinical and directorate strategies and will also provide a new focus for the Board Assurance Framework and the key strategic risks faced by the Trust.

### **Domain 3 – Are there clearly defined, well understood processes for escalating and resolving issues and managing performance?**

The Trust initiated a quality governance review more than a year ago and made progress towards concluding the review. However, action was temporarily halted in order to include the outcomes of the Well Led Review and the appointment of a new Medical Director. Now both of these elements are complete, we are in a position to continue with our restructuring of quality and healthcare governance arrangements.

This will include a review of key staff and their roles and contributions to our quality governance framework, the on-going review of our Corporate Risk Register and the Directorate Risk Registers, as well as the support provided to the Directorates in the design and use of their own registers. With this goes a renewed commitment to increasing the number of doctors reporting incidents, inviting staff who have submitted incident reports to attend relevant review meetings, to observe how their reports are used, and the resultant outcomes with the purpose of closing the feedback loop.

The Trust confirms that there are no material inconsistencies between the Annual Governance Statement, the annual and quarterly board statements and the Care Quality Commission action plan.

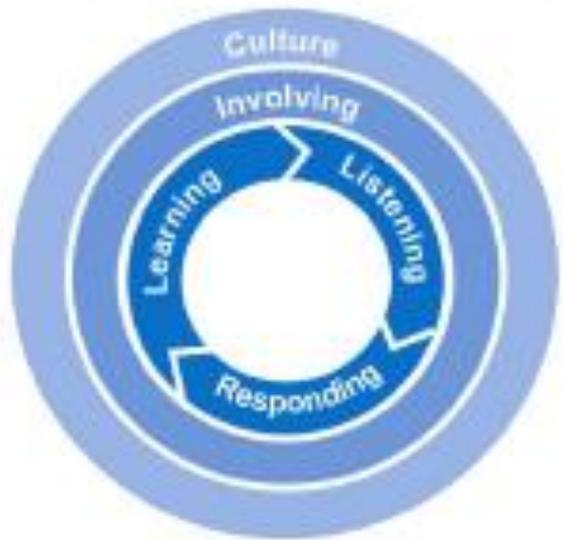
The Trust continues to work on developing the Board and the way it works, ensuring that meetings are effective and efficient. The Board regularly reviews the Board Assurance Framework ensuring that the key strategic risks are covered in meetings. The Board reflects on the performance of the Board at each meeting to ensure that develops and evolves the meetings to meet the needs of the Trust.

## Patient Experience 2017-18

We are in the final year of our three-year Patient Experience Strategy.

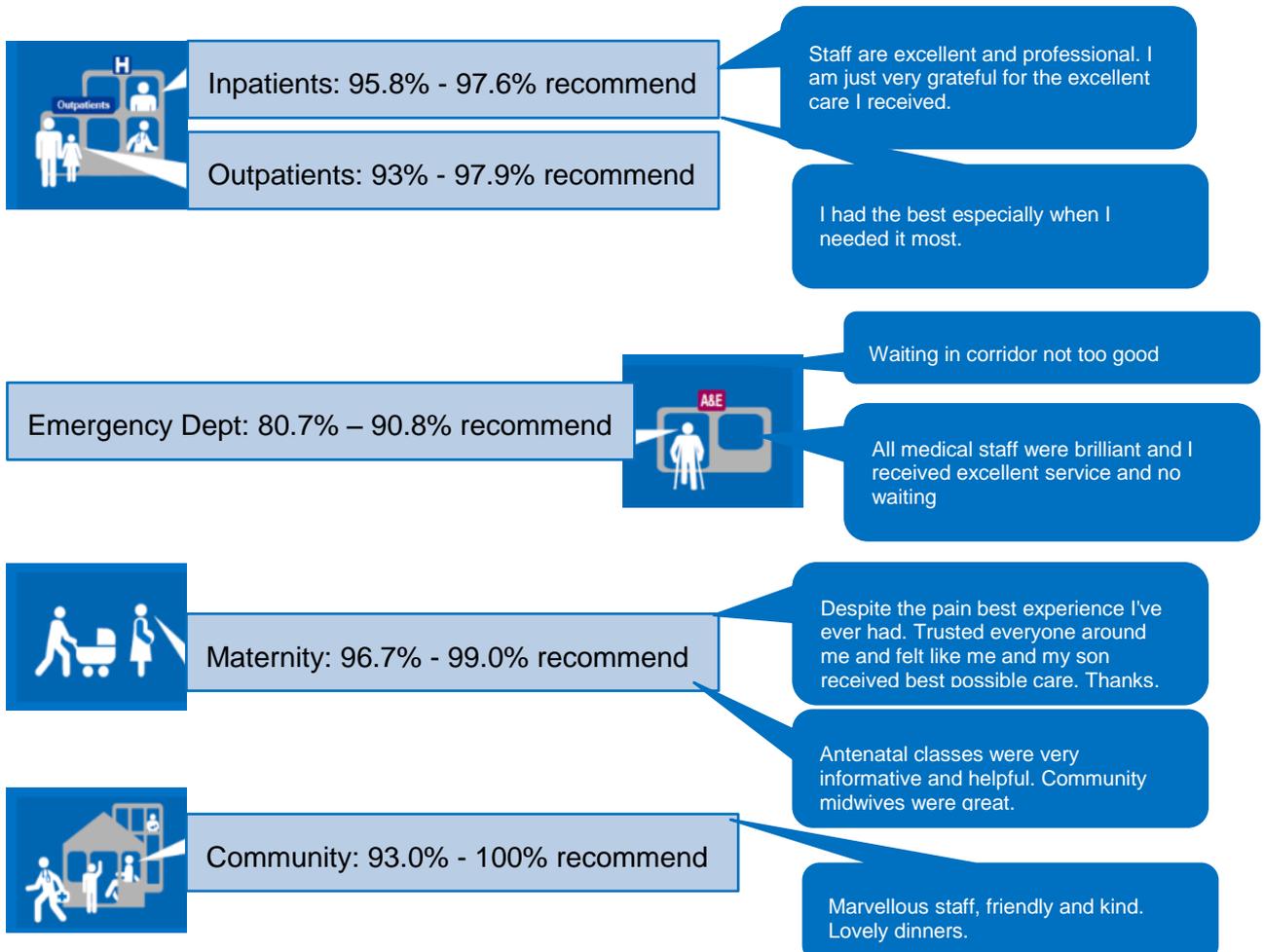
### Friends and Family Test 2017-18

The FFT question asks if people would recommend the services they have used and offers a range of responses from extremely likely to extremely unlikely. When combined with supplementary follow-up questions, the FFT question provides a mechanism to highlight both good and poor patient experiences. FFT feedback is collected continuously, making it an important mechanism for tracking satisfaction over time.



Across the Trust the Matrons take the lead for promoting the FFT and engaging staff and patients.

The ranges below, indicate the lowest and highest scores over the last 12 months, of the patients who would recommend each service to their family and friends.



## Complaints, Concerns and Compliments in 2017-18

452 formal complaints received  
27% of closed cases met the Trust's 30 day response target

Our Patient Advice and Liaison Service supported 2492 people

Top themes:

- Clinical treatment (delay or failure of treatment; delay or failure in diagnosis);
- Patient care;
- Communication.

Top themes:

- Communication between staff and patients;
- Delays, cancellations or waiting for appointments.

The Parliamentary and Health Service Ombudsman conducted 10 independent investigations

8,182 people wrote to us or posted on social media to say thank you

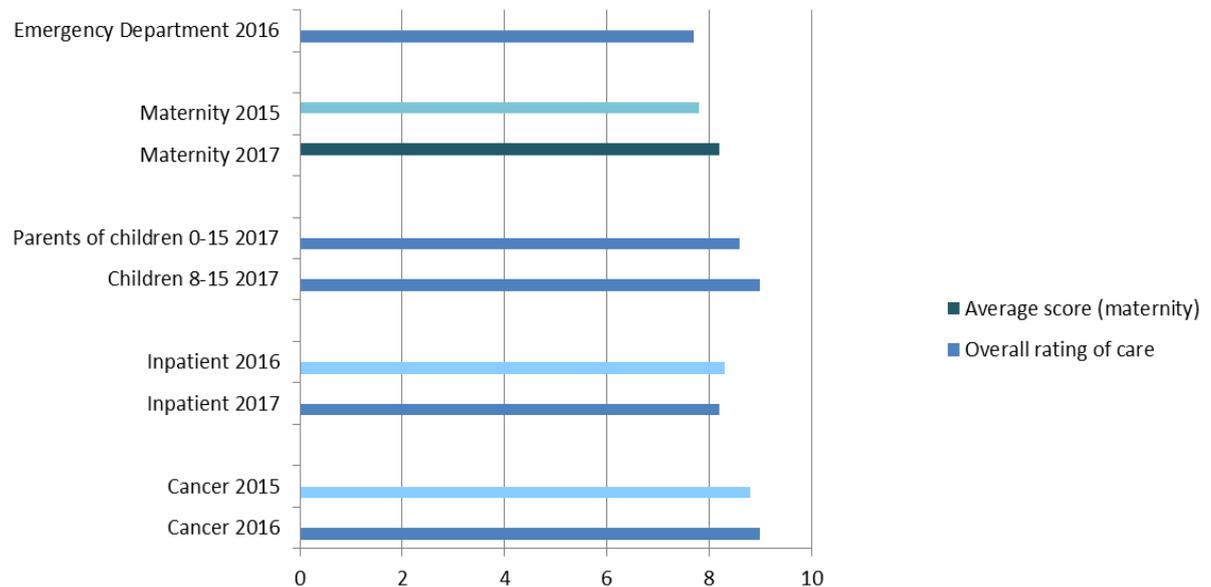
My father, who is 87, broke his hip and was admitted to York Hospital. He was discharged on to the care of the **Community Response Team** who have visited daily each morning to assist him with getting up and personal care. Without exception every member of the team has been positive, professional, warm and approachable and have done all they can to promote my father's dignity and independence.

I wish to compliment the staff who took care of my dad during his IP stay on the Stroke Unit. He has been very well cared for, also the rehab he received was amazing. Every effort was made to maintain his independence (although this was sadly not possible in the end). I really would like to thank the nursing team, in particular Emma who was often his named nurse, the domestic staff & the staff from the physio gym. **Elderly Medicine & Allied Health Professionals, Scarborough Hospital**

From walking in to the department until my discharge later in the afternoon I was so impressed by the professional, caring and kind manner of the staff. Everybody introduced themselves to me and gave full explanations of my investigation. Gastroscopy is not a pleasant experience but I was made to feel supported and reassured throughout. I also witnessed kindness and patience when nurses were caring for the more vulnerable, elderly and frailer patients. Thank you very much for your care, keep up the good work! NHS at its best. **Endoscopy, York**

## National Patient Surveys

In 2017-18 we received the results of five national surveys.



The managers and clinicians delivering the care in each service have developed an action plan to celebrate success and improve services for the future. Examples include:

The **Emergency Department** survey said: people didn't feel they were kept informed about waiting times or the priority they had been given for being seen.

So we are:

- Introducing volunteers to the waiting area to help keep people better informed about waiting times and provide information about hospital facilities such as parking or food and drink;
- Redesigning the waiting area, including clearer signage.

The **Inpatient Survey** told us that our patients are struggling to get a good night's sleep

So:

- We continue to engage all wards in our Night Owl Project and have secured funding for a 9 month research project.

The **Cancer** survey said: we could improve the communication between primary and secondary care

So:

- Our Lead Cancer Nurse has secured Macmillan funding for a three year project to introduce the Macmillan Recovery Package into practice. This includes an holistic needs assessment, care plan, treatment summary and cancer care review. It will particularly focus on communication links between primary and secondary care.

The **Maternity** survey said: we have significantly improved the proportion of women who were satisfied with the time their partners was able to stay with them after the birth of their baby.

So:

- This is the result of extending our chosen companion approach from Scarborough to York, where partners are able to stay longer on the postnatal ward if they wish to do so, rather than leaving at a set time.

The **Children and Young People's** survey said: we need to have more age-appropriate activity resources for children 8 years and older.

So:

- Children from Westfield School have given us their thoughts about the resources we need as part of the Children's Takeover Challenge. A new activity room for older children has been created.

## Listening In Order to Improve

Here are examples of the work we have done during the year to make sure patients' views are heard as we review and develop our services.

Cardiac rehabilitation patients took part in a focus group, chaired by one of our acute medicine consultants, to tell us about their experiences of cannula management and infection control whilst they were inpatients.

The learning was shared with ward staff as part of our continuing efforts to reduce hospital acquired infections.



Children from Westfield Primary School took part in a **Children's Takeover Challenge**. They told us that our staff are great communicators, but that we need more age-appropriate resources in our Emergency Department, Children's Wards and Children's Development Centre.



We continue to engage all our staff in our **Night Owl Project** to reduce noise and disruption on our wards and help patients get a good night's sleep. We have provided sleep packs with eye masks and ear plugs for over 4,000 patients. We have commenced a research project with the University of York Electronic Engineering Department to help us understand our sound environment better and develop innovative ways to engage staff in reducing unnecessary noise.

We carry out a monthly telephone survey to find out about the experiences of carers of inpatients who are living with dementia.

The results help us monitor how well we are delivering the commitments in our dementia strategy.

## Volunteering

The Trust currently benefits from the services of nearly 400 volunteers across all our sites. Our volunteers make a highly valued contribution to the work of our wards and clinics, enhancing the experience of our patients, and releasing time for our staff members to carry out their professional roles.

We have volunteers of all ages and with a wide range of experience:

- from 16 year olds gaining experience of a hospital environment at the start of their careers, to people in their 70s and 80s who have retired from caring professions or have experience of caring for their own loved ones;
- supporting our York Cancer Care Centre our volunteers include gardeners who keep the courtyard blooming, and look-good-feel-better volunteers who come in to do patients' hair and makeup;
- our breastfeeding peer supporters are on hand to help new mums at the start of their babies' lives; our end of life volunteers support hospital patients and their families in the last days of life.

We have increased the number of volunteers by more than 25% over the past year and started to recruit to specific roles that are defined by our ward and service teams as bringing most value to their team. A significant achievement in 2017-18 was to overhaul our recruitment administration process, reducing the time taken to process applications and improving the experience of our applicants.

We are supported by volunteers from partner organisations including The Friends of York Hospital, York Wheels, York Against Cancer, Age UK, Hospital Radio, The Friends of Bridlington Hospital and the Royal Voluntary Service.

As we increase the number of volunteers in our Trust, we are developing the skills and experience of our ward staff in providing day-to-day supervision and support, as well as the training that we provide during induction and throughout their time as a volunteer. We want our volunteers to know how much we value their contribution and make regular communication and thank-you events a priority.

In National Volunteers' Week during June we had a volunteer stand in the hospital where volunteers from the Trust and Friends of York Hospital promoted volunteering to staff, patients and visitors. Through social media, volunteers described the reasons why they volunteered and volunteer supervisors described how much they valued the contribution from their volunteers in their wards and departments. Over 100 volunteers attended a Christmas meal at York Hospital and a buffet at Scarborough Hospital which was generously funded by the Trust's Charity.

New roles developed this year have seen volunteers joining to our two Emergency Departments and main Outpatient Department. These volunteers meet and greet patients, help with paperwork, keep patients informed of clinic

and departmental running times, guide people to where they need to be and run errands for staff to keep the service running smoothly.

We are proud of the difference that our **Dementia Activity Volunteers** have made over the year, particularly on our elderly care wards. Volunteers deliver diversion activities for patients with dementia including reminiscence, arts and crafts, music, drama, games or simply reading and conversation.

The Trust has been delighted to welcome a number of **Pets as Therapy (PAT)** charity registered dogs who visit patients on our wards and in outpatient waiting areas. The therapy dogs, over the year, have received incredibly positive feedback from patients, relatives and staff, and more wards and Departments are requesting a visit from the dogs as they recognise the value the dogs and their volunteer owners bring to patients.

Looking ahead we have exciting opportunities to link with the City of York volunteering strategy and be part of a *Cities of Service* approach. We are also a second wave pilot for **HelpForce**, a national initiative looking to support and promote volunteering in the NHS for the benefit of patients, communities and NHS organisations.

### **Stakeholder Relations**

Partnership working with neighbouring organisations and agencies is a key strategic frame for the Trust, helping to provide effective healthcare to our communities. Clinical alliances are important in ensuring that there is compliance with national regulatory and professional guidance and that a critical mass of population can sustain individual and interlinked services. Collaborative working can also contribute to improved care pathway delivery and access to specialist care as well as addressing recruitment and retention challenges.

The Trust has developed a range of significant clinical alliances with both Hull and East Yorkshire Hospitals NHS Trust and Harrogate and District NHS Foundation Trust, over the years which provide support for the delivery of secondary care services and some tertiary care services across the wider geographic area.

Historically, Hull and East Yorkshire Hospitals NHS Trust had provided specialist neurosurgical and cancer services for residents in the eastern side of the Trust's catchment population and there is an established Hull/York Medical School. Recently, networked specialist service developments in the areas of hepatology, HIV, renal, cystic fibrosis and vascular surgery involving the two organisations have been successfully established enabling local access to be secured for patients across the combined geographic area.

Within the framework of the Humber Coast and Vale Sustainability and Transformation Partnership, collaborative service arrangements are being pursued with Hull and East Yorkshire Hospitals NHS Trust and Northern

Lincolnshire and Goole NHS Foundation Trust in the areas of radiology reporting and joint urology and rehabilitation service networks.

Recent service initiatives with Harrogate and District Foundation Trust have included the extension and enhancement of the vascular surgical service, the establishment of a self-care dialysis unit for Harrogate residents and the development of a hepatology outpatient service. The York/Harrogate population is also served by combined clinical teams in the service areas of head and neck, oncology and ophthalmology and further joint developments in relation to breast screening and cardiology are planned.

The Trust continues to build on its relationships with key local partners in delivering care to our local communities. Examples of this include strengthening relationships between GPs and hospital consultants to design new pathways of care, developing integrated teams of health and social care staff, working with mental health colleagues in the development of liaison services and working with the voluntary sector in new partnerships.

The Trust continues to develop meaningful working relationships with commissioners, primary care and social care partners as part of an integrated care system.

The Trust is actively involved in the York Community Stadium Project led by the City of York Council, as a prospective tenant. The stadium is scheduled for completion in mid-2019. It is planned to utilise space in the stadium to deliver staff education and training and outpatient services in high quality accessible accommodation, which will relieve accommodation pressures on the main York Hospital site and associated premises.

It is envisaged that there will be scope for collaborative work with partner organisations in the fields of health promotion/education and training.

## **Remuneration Report**

The Trust has two Remuneration Committees. The first includes membership from the Council of Governors to determine the appropriate remuneration for Non-executive Directors, including the Chair. This Committee reports to the Council of Governors and details of the Committee can be found on page 119 of this report.

The second Committee has delegated authority from the Board of Directors to make decisions in respect of salary and conditions of service for the Executive Directors, and its membership includes the Non-executive Directors of the Trust. More detail about the Remuneration Committee can be found on page 48 of this report.

The membership of the Remuneration Committee includes all the Non-executive Directors and the Chair. During the financial year 2017-18 the Remuneration Committee met on 5 occasions. The Chief Executive attended

to provide support and information as requested, but was not part of the decision-making process. The Foundation Trust Secretary was in attendance at the meetings to provide support to the Committee.

	26 April 2017	28 June 2017	23 August 2017	25 October 2017	28 February 2018
Ms S Symington	✓	✓	✓	✓	✓
Prof D Willcocks	✓	✓	x	x	✓
Mr P Ashton	✓	✓	✓		
Mr M Sweet	✓	✓	✓	✓	✓
Ms L Raper	✓	✓	✓	✓	✓
Mr M Keaney	✓	✓	x	✓	x
Mrs J Adams	✓	✓	✓	✓	✓
Mrs J McAleese	✓	✓	✓	✓	x
Mr P Crowley – in attendance	✓	✓	✓	✓	✓

## Annual Statement on Remuneration

**Remuneration of the Chief Executive and Executive Directors** -The remuneration of the Chief Executive and other Executive Directors is decided by the Remuneration Committee. The Remuneration Committee reviewed and agreed the executives' salary increases in 2017-18.

**Remuneration of the Chair and Non-Executive Directors** - During 2017-18 the remuneration of the Chair and Non-executive Directors was considered by the full Council of Governors. The Governors agreed Non-executive Directors would receive an increase in line with the nationally agreed increase for all Agenda for Change Staff.

**Remuneration Policy** - With the exception of the Chief Executive, Executive Directors, Corporate Directors and medical staff, all employees of the Trust are remunerated in accordance with the national NHS pay structure, Agenda for Change. It is the Trust's policy that this will continue to be the case for the foreseeable future. The remuneration of the Chief Executive, 5 other Executive Directors and 2 Corporate Directors determined by the Board of Directors' Remuneration Committee. The Medical Director is a part-time Executive Director and is remunerated as a medical practitioner separately from his salary as an Executive Director.

In reviewing remuneration, the Committee has regard for the Trust's overall performance, the delivery of the agreed corporate objectives for the year, the pattern of executive remuneration among Foundation Trusts and the wider NHS, and the individual Director's level of experience and development in the

role. The Remuneration Committee does not review the pension arrangements; they are agreed nationally within the NHS.

There is no performance-related element for remuneration, but the performance of the Executive Directors is assessed at regular intervals and unsatisfactory performance may provide grounds for termination of contract. The Executive Directors do not have fixed term contracts and the Non-executive Directors all have service contracts that are a maximum length of three years. Details of terms of office of the Non-executive Directors are available on request from the Foundation Trust Secretary at [enquiries@york.nhs.uk](mailto:enquiries@york.nhs.uk)

### Future Policy Table

	Description
Salary/fees	A fixed regular payment typically paid on a monthly basis but often expressed as an annual sum
Clinical Excellence Awards	The Clinical Excellence Awards Scheme recognises and rewards NHS consultants and academic General Practitioners who perform over and above the standard expected of their role
Benefits in kind	Benefits in kind are benefits which employees or directors receive from their employment but which are not included in their salary
Pensions	The <i>NHS Pension Scheme</i> is a <i>defined</i> benefit public service <i>pension scheme</i> , which operates on a pay-as-you-go basis. <i>Pension benefits</i> are based on final salary (although general and dental practitioners accrue <i>pensions</i> on a 'career average' basis)

The Trust's short and long term strategic objective in relation to the remuneration of senior managers is to provide a package that attracts high quality, experienced Directors to drive the developments in the organisation and ensure the Trust is providing efficient, effective services for the community it serves.

Listed below is an explanation of how each component in the table above operates in the Trust:

**Salaries/Fees** – Paid on a monthly basis in arrears to each senior manager.

**Clinical Excellence Awards** – Awarded following a detailed assessment process on an annual basis to those who have demonstrated excellence in their field. The Medical Director in the Trust has received Clinical Excellence Awards. Due to the financial position no awards were made in 2017-18.

**Benefits in Kind** – Senior Managers in the Trust are entitled to lease cars.

**Pensions** – Contributions are made in accordance with the NHS Pension Scheme. Senior Managers are entitled to opt out of the Scheme.

The Trust has a policy for the recovery of sums paid or for withholding the payments of sums to senior managers. Should the occasion arise, the Trust can, through the payroll system, through consultation, adjust any payment made to a senior manager.

The Non-executive Directors at the Trust are paid on a monthly basis through the payroll system. Their fees are agreed by the Council of Governors at appointment and are reviewed on an annual basis using benchmarking data to support their decision.

**Service Contract Obligations** - The Non-executive Directors hold service contracts; the Executive Directors hold employment contracts. The service contracts and employment contracts were reviewed in 2014-15 and do not give rise to payments for loss of office.

**Policy on Payment for Loss of Office** - The Trust does not make additional payments for loss of office outside the standard contract terms included in the employment contracts of senior managers.

**Statement of Consideration of Employment Conditions Elsewhere in the Foundation Trust** - The Remuneration Committee considers the remuneration package of the senior managers, including Executive and Corporate Directors, on an annual basis. The HR department provides information for the Remuneration Committee to support a discussion and a decision on any incremental increase. The Remuneration Committee use data to support any comparison with complexity and size of organisation. The Remuneration Committee will also take into account the national pay settlement given to staff on the Agenda for Change pay scales.

The Trust does not consult with employees about the senior manager remuneration.

The Non-executive Director fees are considered by the Governors' Nomination/ Remuneration Committee and a recommendation is agreed by the Council of Governors. The recommendation is prepared following a discussion and the receipt of benchmarking data. The Nomination/ Remuneration Committee includes a Staff Governor as part of its membership. The Council of Governors includes five Staff Governors as part of its membership.

## Service contracts

Detailed below are the terms of the service contracts held by the Non-executive Directors of the Trust. <b>Name</b>	<b>Date of contract</b>	<b>Length of term</b>	<b>Unexpired Term</b>	<b>Notice period</b>
Ms S Symington	1 April 2018 (2 <sup>nd</sup> term)	3 years	3 years	None
Prof D Willcocks	1 May 2016 (3 <sup>rd</sup> and final term)	3 years	1 years	None
Mr M Sweet	1 February 16 (3 <sup>rd</sup> and final term)	3 years	9 months	None
Ms L Raper	1 August 2015 (3 <sup>rd</sup> and final term)	3 years	4 months	None
Mr M Keaney	1 September 2017 (3 <sup>rd</sup> term)	1 years	5 months	None
Mrs J Adams	1 September 2017 (3 <sup>rd</sup> term)	1 year	5 months	None
Mrs J McAleese	1 March 2017 (1 <sup>st</sup> term)	3 years	1 years 11 months	None

## Salaries and pension entitlements of senior managers

### Subject to Audit

#### a) Salary

Name and Title	2017-18					
	Salary and Fees	Taxable benefits	Annual Performance Related Bonus	Long Term Performance Related Bonus	Pension Related Benefits	Total
	£000's Bands of £5,000	£000's Nearest £100	£000's Bands of £5,000	£000's Bands of £5,000	£000's Bands of £2,500	£000's Bands of £5,000
<b>Executive Directors</b>						
Mr P Crowley Chief Executive	205-210	9,400				215-220
Mr A Bertram Finance Director	145-150	9,600			47.5-50.0	205-210
Mr M Proctor Deputy Chief Executive	145-150	4,800				150-155
Mrs B Geary Chief Nurse	125-130	8,900			25.0-27.5	160-165
Mrs J Walters Chief Operating Officer	60-65				(5.0-7.5)*	55-60

Mr J Taylor Medical Director	180-185	4,800		5.0-10.0		190-195
Mrs W Scott Interim Chief Operating Officer	70-75	2,200			135.0- 137.5	210-215
<b>Non-Voting Directors</b>						
Mrs S Rushbrook Director of Systems & Network services	45-50				(7.5- 10.0)*	35-40
Mr B Golding Director of Estates & Facilities	115-120	5,800			25.0-27.5	145-150
Mrs W Scott Director of Out of Hospital Services	40-45	2,800				45-50
<b>Non-executive Directors</b>						
Ms S Symington Chairman	55-60					55-60
Mr P Ashton NED	5-10					5-10
Professor D Willcocks NED	15-20					15-20
Ms L Raper NED	15-20					15-20
Mr M Sweet NED	15-20					15-20
Mrs J Adams NED	15-20					15-20
Mr M Keaney NED	15-20					15-20
Mrs J McAleese NED	15-20					15-20
Band of highest paid director's total salary (£'000)	215-220					
Median Total Remuneration	£23,528					
Remuneration Ratio	9.2					

\* Amounts shown above in brackets are negative figures.

Pension Related Benefits relate to the annual increase in accrued pension entitlement adjusted for the employee contributions made during the year.

Those Directors' salaries above which include elements for clinical roles are:

Mr J Taylor salary for clinical role £144,472;

Mr J Taylor also receives a Clinical Excellence Award which is presented in the Long Term Performance related bonus section above.

Mrs J Walters ceased her appointment at the Trust at the end of August 2017

Mr P Ashton's appointment as a Non-executive Director ended on 31 August 2017.

Mrs W Scott, Director of Out of Hospital Care was a non-voting member of the Board from April to August 2017. In September 2017, Mrs W Scott took up the post of Interim Chief Operating Officer and became an Executive Director.

Mrs S Rushbrook, Director of Systems & Networks stepped down from the Board in June 2017, but rejoined the private Board in December 2017 in her capacity as a non-voting member of the board.

Mr B Golding is a non-voting member of the board of directors; he advises and influences the decisions of the NHS Foundation Trust as a whole.

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 mid-point of the banded remuneration of the highest paid director in York Teaching Hospital NHS Foundation Trust in the financial year 2017-18 was £215-220 (2016-17 £190-195). This was 9.2 times (2016-17 8.4) the median remuneration of the workforce, which was £23,528 (2016-17 £23,436).

In 2017-18 6 employees (2016-17 7) received remuneration in excess of the highest paid director. Remuneration ranged from £5,404 to £250,401 (2016-17 £5,767 to £261,683).

Employees receiving nil basic pay and nil whole time equivalents have been excluded from the calculations as these relate to one-off individual payments and would distort the overall figures.

Payments made to agency staff and bank staff have also been excluded as these mainly relate to payments made to cover long term absence of existing employees whose whole time, full year equivalent remuneration is already included in the calculation. To include the payments made to agency staff would also distort the overall figures.

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

Name and Title	2016-17					
	Salary and Fees	Taxable benefits	Annual Performance Related Bonus	Long Term Performance Related Bonus	Pension Related Benefits	Total
	Bands of £5,000	Nearest £100	Bands of £5,000	Bands of £5,000	Bands of £2,500	Bands of £5,000
<b>Executive Directors</b>						
Mr P Crowley Chief Executive	195-200	6,700			22.5-25.0	225-230
Mr A Bertram Finance Director	140-145	7,200			57.5-60.0	205-210
Mr M Proctor Deputy Chief Executive	145-150	8,200			0	150-155
Mrs B Geary Chief Nurse	120-125	7,000			70.0-72.5	200-205
Mrs J Walters Chief Operating Officer	145-150	0			40.0-42.5	185-190
Mr J Taylor Medical Director	180-185	4,200		5.0-10.0	0	190-195
<b>Non-Voting Directors</b>						
Mrs S Rushbrook Director of Systems & Network services	110-115	3,300			15.0-17.5	130-135
Mr B Golding Director of Estates & Facilities	110-115	4,900			30.0-32.5	145-150
Mrs W Scott Director of Out of Hospital Services	95-100	5,400			102.5-105.0	205-210
<b>Non-executive Directors</b>						
Ms S Symington Chairman	55-60					55-60
Mr P Ashton NED	15-20					15-20
Professor D Willcocks NED	15-20					15-20
Ms L Raper NED	15-20					15-20
Mr M Sweet NED	15-20					15-20
Mrs J Adams NED	15-20					15-20
Mr M Keaney NED	15-20					15-20
Mrs J McAleese NED	0-5					0-5
Band of highest paid director's total salary (£'000)	195-200					
Median Total Remuneration	£23,436					
Remuneration Ratio	8.4					

Pension Related Benefits relate to the annual increase in accrued pension entitlement adjusted for the employee contributions made during the year.

Those Directors' salaries above which include elements for clinical roles are:

Mr J Taylor salary for clinical role £128,848

Mr J Taylor also receives a Clinical Excellence Award which is presented in the Long Term Performance related bonus section above.

Mrs J McAleese joined the Trust on 1 March 2017 in a Non-executive Director role and replaced Mr P Ashton when his appointment ended on the 31<sup>st</sup> August 2017. The period from March to August was treated as a handover period.

Mrs S Rushbrook, Mr B Golding and Mrs W Scott are non-voting members of the board of directors; they advise and influence the decisions of the NHS Foundation Trust as a whole.

b) Pensions

	Total accrued pension at age 60 at 31 March 2017	Total accrued pension lump sum at age 60 at 31 March 2017	Real increase in pension at age 60	Real increase in pension lump sum at age 60	Cash Equivalent Transfer Value at 1 April 2016	Cash Equivalent Transfer Value at 31 March 2017	Real Increase in Cash Equivalent Transfer Value	Employer's contribution to stakeholder pension
Name	Bands of £5000	Bands of £5000	Bands of £2500	Bands of £2500	£000	£000	£000	£000
Mr P Crowley Chief Executive	65-70	195-200	0	0	1,526	1,541	0	0
Mr A Bertram Director of Finance	50-55	125-130	2.5-5.0	0-2.5	735	830	88	44
Mr M Proctor Dep Chief Executive	0	0	0	0	0	0	0	0
Mrs B Geary Chief Nurse	35-40	110-115	0-2.5	5-7.5	592	670	72	36
Mrs J Walters Chief Operating Officer	65-70	200-205	0-2.5	0-2.5	1,310	0	0	0
Mr J Taylor Medical Director	50-55	155-160	0	0	1,040	1,050	0	0
Mrs S Rushbrook Director Systems & Network services	55-60	165-170	(2.5-0)*	(0-2.5)*	0	0	0	(9)*
Mr B Golding Director of Estates & Facilities	30-35	90-95	0-2.5	2.5-7.5	564	639	70	35
Mrs W Scott Interim Chief Operating Officer	35-40	95-100	5-7.5	12.5-15.0	512	660	142	72

\* Amounts shown above in brackets are negative figures.

The following directors have opted out of the NHS Pension scheme:

Mr P Crowley;

Mr J Taylor.

The following directors have claimed their NHS Pension:

Mr M Procter;  
Mrs S Rushbrook.

As Non-executive Directors do not receive pensionable remuneration, there are no entries in respect of pensions for Non-executive Directors.

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

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

A handwritten signature in black ink, appearing to read "Mike Procter". The signature is written in a cursive, flowing style.

**Chief Executive**  
**25 May 2017**

## Staff Report

### Staff Numbers

The table below provides a summary of the staff employed by the organisation during 2017-18 broken down by age, ethnicity, gender and recorded disabilities. The Trust has 8,210 permanent employees and 619 staff holding fixed term contracts.

	Staff 2017-18	%	Staff 2016-17	%
<b>Age</b>				
0-16	2	<b>0.02</b>	2	<b>0.02</b>
17-21	100	<b>1.13</b>	108	<b>1.25</b>
22+	8,727	<b>98.85</b>	8,511	<b>98.73</b>
Unknown	0	<b>0.00</b>	0	<b>0.00</b>
<b>Ethnicity</b>				
White	7,888	<b>89.34</b>	7,730	<b>89.66</b>
Mixed	69	<b>0.78</b>	72	<b>0.84</b>
Asian or Asian British	360	<b>4.08</b>	345	<b>4.00</b>
Black or Black British	71	<b>0.80</b>	72	<b>0.84</b>
Other	142	<b>1.61</b>	131	<b>1.52</b>
Not stated	299	<b>3.39</b>	271	<b>3.14</b>
<b>Gender</b>				
Male	1,823	<b>20.65</b>	1,810	<b>21.00</b>
Female	7,006	<b>79.35</b>	6,811	<b>79.00</b>
Not stated	0	<b>0.00</b>	0	<b>0.00</b>
Trans-gender	0	<b>0.00</b>	0	<b>0.00</b>
<b>Recorded disabilities</b>				
Yes	175	<b>1.98</b>	128	<b>1.48</b>
No	5,300	<b>60.03</b>	4,609	<b>53.47</b>
Not stated	330	<b>3.74</b>	400	<b>4.64</b>
Unknown	3,024	<b>34.25</b>	3,484	<b>40.41</b>

### Staff Survey

The Staff Survey includes an overall indicator of staff engagement. The indicator is calculated based on responses to the individual questions which made up key findings 1, 4 and 7. These key findings relate to the following aspects of staff engagement: staff members' perceived ability to contribute to improvements at work; their willingness to recommend the Trust as a place to work or receive treatment; and the extent to which they feel motivated and engaged with their work. The score range was from 1 to 5, with 1 indicating that staff are poorly engaged and 5 indicating that staff are highly engaged.

The Trust's score of 3.73 showed a small reduction from 2016 (when it was 3.78), and was below average when compared with other combined acute and community Trusts.

	2016 staff survey		2017 staff survey		Improvement or deterioration since 2016
	Trust	National average for combined acute and community Trusts	Trust	National average for combined acute and community Trusts	
<b>Response rate</b>	<b>48%</b>	40%	<b>49%</b>	43%	Improvement since 2016
Top 5 key findings (best ranked in comparison to other combined acute and community Trusts)					
<b>KF21</b> – % of staff believing that the organisation provides equal opportunities for career progression or promotion ( <i>higher score is better</i> )	<b>90%</b>	87%	<b>90%</b>	85%	No statistically significant change since 2016
<b>KF17</b> – % of staff suffering work related stress in last 12 months ( <i>lower score is better</i> )	<b>32%</b>	36%	<b>34%</b>	38%	Deterioration since 2016
<b>KF18</b> – % of staff attending work in the last 3 months despite feeling unwell because they felt pressure from their manager, colleagues or themselves ( <i>lower score is better</i> )	<b>61%</b>	55%	<b>51%</b>	53%	Improvement since 2016
<b>KF23</b> – % of staff experiencing	<b>2%</b>	2%	<b>2%</b>	2%	No statistically significant

	2016 staff survey		2017 staff survey		Improvement or deterioration since 2016
	Trust	National average for combined acute and community Trusts	Trust	National average for combined acute and community Trusts	
physical violence from staff in last 12 months ( <i>lower score is better</i> )					change since 2016
<b>KF16</b> – % of staff working extra hours ( <i>lower score is better</i> )	<b>70%</b>	71%	<b>68%</b>	71%	No statistically significant change since 2016
Bottom 5 key findings (worst ranked in comparison to other combined acute and community Trusts)					
<b>KF32</b> – Effective use of patient/service user feedback ( <i>higher score is better</i> )	<b>3.56</b>	3.68	<b>3.53</b>	3.69	No statistically significant change since 2016
<b>KF24</b> – % of staff reporting most recent experience of violence ( <i>higher score is better</i> )	<b>62%</b>	67%	<b>60%</b>	67%	No statistically significant change since 2016
<b>KF13</b> – quality of non-mandatory training, learning or development ( <i>higher score is better</i> )	<b>4.00</b>	4.07	<b>4.00</b>	4.06	No statistically significant change since 2016
<b>KF30</b> – fairness and effectiveness of procedures for reporting errors, near misses and incidents ( <i>higher score is better</i> )	<b>3.64</b>	3.73	<b>3.63</b>	3.73	No statistically significant change since 2016

	2016 staff survey		2017 staff survey		Improvement or deterioration since 2016
	Trust	National average for combined acute and community Trusts	Trust	National average for combined acute and community Trusts	
<b>KF27</b> – % of staff satisfied with the opportunities for flexible working patterns ( <i>higher score is better</i> )	<b>50%</b>	51%	<b>47%</b>	51%	Deterioration since 2016

A corporate action plan will focus on key themes from the survey, in particular those relating to those areas where the Trust's scores are weaker in comparison to other combined acute and community Trusts.

### Our Staff

In line with the HM Treasury requirements, some previous accounts disclosures relating to staff costs are now required to be included in the Staff Report section of the Annual Report instead. The following tables link to data contained in the Trusts Accounts Consolidation and are included here for ease of formatting for the annual report. They should not be included in the annual accounts and these tables are not a complete list of numerical disclosures for the staff report.

<b>Employee Expenses</b>	<b>2017-18</b>			<b>2016-17</b>
	<b>Total £000</b>	Perm £000	Other £000	Total £000
Salaries and wages	<b>259,777</b>	213,030	46,747	248,913
Social security costs	<b>25,250</b>	20,706	4,544	24,198
Apprenticeship Levy	<b>1,270</b>	1,042	228	
Employer's contributions to NHS Pensions	<b>30,945</b>	25,377	5,568	29,541
Pension costs – other	<b>33</b>	33	0	25
Termination benefits	<b>483</b>	483	0	126
Temporary staff	<b>18,032</b>		18,032	20,216
<b>Total gross staff costs</b>	<b>335,790</b>	260,671	75,119	323,019
Recoveries in respect of seconded staff				
<b>Total staff costs</b>	<b>335,790</b>	260,671	75,119	323,019
<b>Of which</b>				
Costs capitalised as part of assets	<b>976</b>			(910)

Average number of employees (WTE basis)	2017-18			2016-17
	Total Number	Perm Number	Other Number	Total Number
Medical and dental	1,009	388	621	975
Administration and estates	1,742	1,653	89	1,706
Healthcare assistants and other support staff	1,551	1,281	270	1,531
Nursing, midwifery and health visiting staff	2,576	2,143	433	2,570
Scientific, therapeutic and technical staff	1,077	1,011	66	940
Healthcare science staff	358	341	17	347
<b>Total average numbers</b>	<b>8,313</b>	<b>6,817</b>	<b>1,496</b>	<b>8,069</b>
of which				
WTE employees engaged on capital projects	19	19		19

Expenditure on consultancy during 2017-18 amounted to £310k.

**Reporting of compensation schemes – exit packages 2017-18** - The Trust has provided exit packages for eight individuals during the financial year 2017-18. Three reorganisations resulted in seven compulsory redundancies. These were in Laboratory medicine – Cytology and Infection Control. All were paid in accordance with the national terms and conditions of employment.

	No. of compulsory redundancies	No. of other departures agreed	Total number of exit packages
	Number	Number	Number
Exit package cost band (including any special payment element)			
<£10,000			
£10,001 - £25,000		1	1
£25,001 - £50,000	3		3
£50,001 - £100,000	2		2
£100,001 - £150,000	1		1
£150,001 - £200,000			
>£200,000			
<b>Total number of exit packages by type</b>	<b>6</b>	<b>1</b>	<b>7</b>
Total resource cost (£)	£372,000	£15,000	£387,000

## Reporting of compensation schemes – exit packages 2016-17

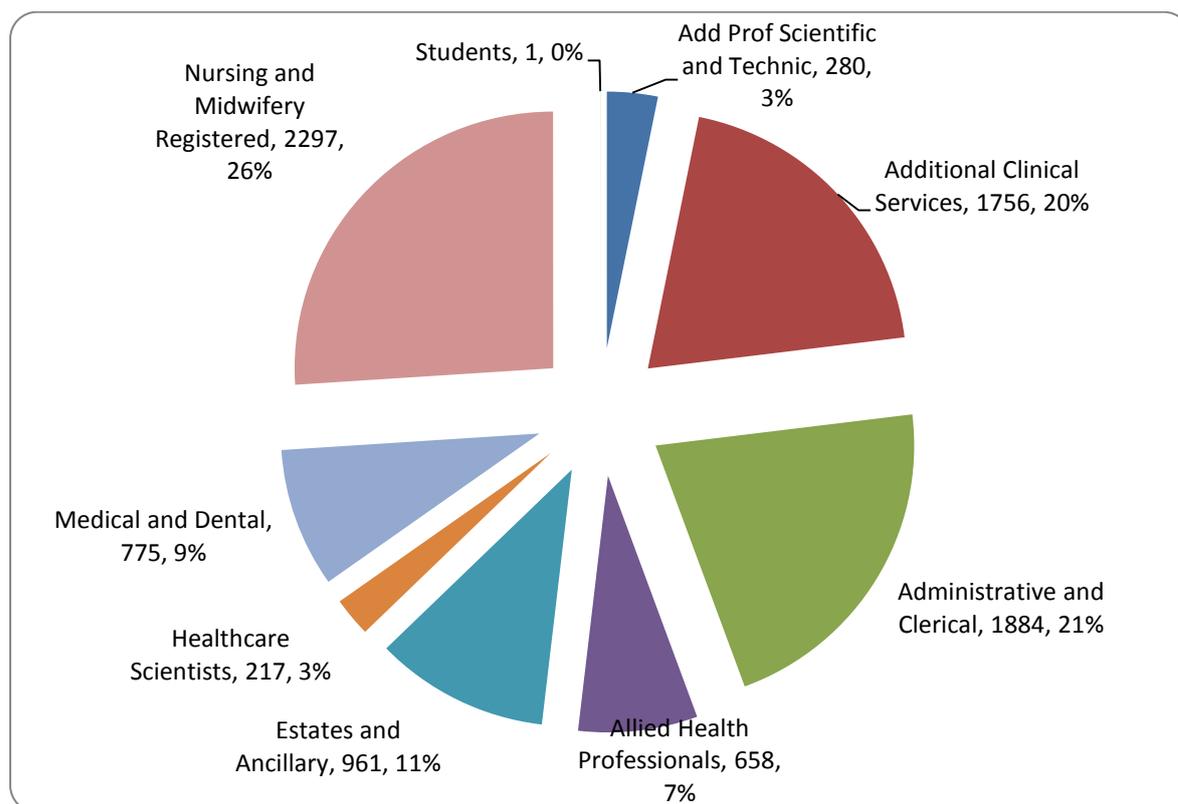
	No. of compulsory redundancies	No. of other departures agreed	Total number of exit packages
	Number	Number	Number
Exit package cost band (including any special payment element)			
<£10,000	1		1
£10,001 - £25,000		1	1
£25,001 - £50,000	1		1
£50,001 - £100,000			
£100,001 - £150,000			
£150,001 - £200,000			
>£200,000			
<b>Total number of exit packages by type</b>	2	1	3
Total resource cost (£)	£75,000	£34,000	£109,000

Exit packages: other (non-compulsory departure payments)

	2017-18		2016-17	
	Payments agreed Number	Total value of agreements £000	Payment agreed Number	Total value of agreements £000
Voluntary redundancies including early retirement contractual costs			1	34
Early retirements in the efficiency of the service contractual costs	1	15		
<b>Total</b>	<b>1</b>	<b>15</b>	<b>1</b>	<b>34</b>

The figure below shows the number of full time equivalent staff we have in post during the year in the Trust.

## Full time equivalent staff in post by staff group



(Data as at 28 February 2018)

## Gender Profile

The breakdown below includes information about staff at the end of the year in terms of male and female staff, Directors, other managers and employees.

	Female		Male		Total
	Headcount	% of group	Headcount	% of group	
Directors	7	47%	8	53%	15
Managers	43	57%	33	43%	76
All other staff	6,956	80%	1,782	20%	8,738

## Sickness Absence Rates

NHS sickness absence figures for 2017-18 have been extracted from the Electronic Staff Record, and cover the period from February 2017 to January 2018.

	Average of 12 Months sickness rate	Average full time equivalents (FTE) 2017-18	FTE-days available	FTE-days lost to sickness absence	Adjusted FTE days lost (based on cabinet office definition)	Average sick days per FTE
YTH NHS FT	4.73%	7,372	2,690,620	127,226	78,427	10.6

## **Workforce and Organisational Development**

Work continues to contribute to the development of a sustainable and resilient workforce and to address local and national workforce challenges over the past year. This has been through a number of projects as detailed under 'Developing a Workforce fit for the Future' and 'Stability in Staffing'.

The Trust's "Organisational Development & Improvement Learning" team continues to support the achievement of Operational Plans by the provision of a comprehensive suite of internal Organisational Development programmes including leadership, coaching & quality improvement learning and enhanced communication. The leadership development portfolio has been enhanced by the inclusion of a "Systems Leadership program" that was delivered in partnership with NHS Elect for leaders across the local STP.

### **Being Attractive to New Staff**

In 2016-17 the Trust moved to a centralised recruitment process to enhance the candidate experience and improve consistency across the organisation; this has continued and been refined and embedded in 2017-18. The Trust has continued to see the benefits of using the Trac recruitment system to deliver a more personalised experience to candidates and to help to improve average time to hire. The Trust has also continued to do a great deal to engage directly with potential applicants through a range of different local events, including job and university fairs and school events. The Trust's own recruitment fairs have continued to be successful: in September 2017, 29 nurses were recruited directly through attending an open day; 16 of these are due to qualify in September 2018, which underlines the value of the events as a vehicle for early engagement with student nurses. Social media continues to play an active part in our recruitment processes and we are reaching large numbers of prospective applicants through the Trust's presence on Facebook, Twitter and LinkedIn.

The Trust has also now embarked on a project to build its employer brand, after conducting research within the organisation to understand what current employees look for and appreciate about working here. We are looking to use this to build our brand and attract new candidates who share our values.

### **Looking after our Current Workforce and Ensuring their Health and Wellbeing**

During 2017-18 focus has remained on improving support to staff in relation to mental health and musculoskeletal health, two key causes of sickness absence at the Trust. Directorates with absence rates above 20% in either of these areas were required to have a detailed action plan to evidence actions being taken to address these.

A new Health and Wellbeing Strategy was developed in 2017-18 and was launched in April 2018 for the forthcoming financial year. This strategy focuses attention on three main areas; improving physical health; supporting

mental health and the effective management and reduction of sickness absence. It aims to bring a more joined-up approach to address rising absence rates and improve employee wellbeing.

Sickness absence rates have increased steadily throughout 2017-18, and a key priority for 2018-19 is to reverse this trend. The Trust's revised Sickness Absence Policy and Procedure – Supporting and Managing the Wellbeing of Staff was implemented in late 2017 and emphasises the need for supportive measures at earlier stages to proactively help employees remain at work. Management training to support the policy will continue through 2018-19, with delivery in partnership with Staff Side. Work also continues with Occupational Health to address individual cases.

In addition to rehabilitation services, the organisation continues to improve resources on preventative support and educational / self-help interventions. Staff are encouraged to take personal responsibility for increasing their physical activity levels and making healthier eating and lifestyle choices in order to maximise productivity and reduce absence (and the associated temporary staffing costs). There have been a number of proactive interventions to support this. For example, in 2017 individual Workplace Health Checks were made available to all staff and, between January and December 2017, 401 staff attended these. Feedback has been extremely positive and the longer term impact is promising: a survey sent to participants six-months following their check shows that 36% have improved their diet, 35% have increased physical activity, and 13% have put pro-active measures in place to better manage their stress. In addition regular Wellbeing Workshops have been run on themes such as Eat Well and Sleep Well.

Mental health and stress accounted for more than 25% of all sickness absence in the Trust in 2017-18. Examples of some interventions to better support employees experiencing stress include a new telephone counselling service, Health Assured, which commenced in 2017. Data for Q3 2017-18 already showed a steady increase in calls and enquiries which is promising. A further example was a new approach to supporting individual staff with their mental health with the introduction of WRAPs (Wellbeing Resilience Action Plans). Following a successful pilot in 2017, the service is now available to employees referred to Occupational Health who experience recurrent mental health problems. Feedback from staff and their managers has been very positive. This will continue in 2018-19 along with further interventions to support mental wellbeing such as Schwartz Rounds, due to commencing spring 2018.

In addition, the Trust's Staff Benefits Team provides employees with access to many discounted and subsidised health and wellbeing services.

### **Developing a Workforce Fit for the Future**

The Trust has trained and subsequently employed qualified Advance Clinical Practitioners and is continuing to invest in Advance Practitioner training. Fourteen remain employed with a further eleven currently in training due to

qualify early in 2019. They will support service delivery across Emergency Medicine, Trauma and Orthopaedics and Acute Medicine. Physician Associates are also being explored to support service delivery across acute and specialist medicine.

The Trust continues to support the development of Support Staff within the organisation by providing in-house programmes such as the Band 4 Assistant Practitioner Programme to supplement those who have foundation degrees or equivalent.

Across the Trust many areas are now recruiting and supporting staff on apprenticeship programmes and the Learning Team are promoting, supporting and advising on the implementation of these to meet identified targets.

There has been a continuing development of our future workforce on the East Coast (Scarborough, Bridlington Hospitals and Communities). A bespoke HNC in Health and Social Care for Support Staff working in Ryedale Community has been developed and delivered in partnership with Coventry University and Scarborough Campus (CUSC). Staff are now progressing on the HND programme with support from the Trust. Further work is taking place with CUSC to develop a career pathway for Health and Social Care students using an Apprenticeship model, with plans for the University to offer a programme in September 2018. The Trust has also been working in partnership with CUSC and other organisations to prepare for the BSc Nursing (Adult) programme on the East Coast. This programme was approved by the NMC and the University to begin in September 2018. The Trust and the University of York are currently piloting a programme of 15 Trainee Nursing Associates who have now completed their first year. There are steps to review the programme to prepare to support another cohort of Trainee Nursing Associates in 2018.

A new Young Persons Programme was piloted in Scarborough, aimed at local schools. This week long programme showcased many of the roles within the NHS aside from, but not excluding, the clinical. The aim is to encourage youngsters to think about and apply for apprenticeships locally, many of which can act as a stepping stone into other opportunities and so growing our own workforce.

### **Reporting High Paid Off-Payroll Arrangements**

The Trust had no off-payroll engagements.

### **Disclosures set out in the NHS Foundation Trust Code of Governance**

York Teaching Hospital NHS Foundation Trust has applied the principles of the NHS Foundation 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. The Trust reviewed its governance arrangements in light of the code and makes the following statements.

**Directors** - The Trust is headed by a Board; it exercises its functions effectively, efficiently and economically. The Board is a unitary Board consisting of a Non-executive Chair, 6 Non-executive Directors and 6 Executive Directors (7 Non-executive Directors from 1 March 2017 to 31 August 2017 due to succession planning). Full details of members of the Board and changes to the membership of the Board during 2017-18 can be found on page 54. The Board meets a minimum of 12 times a year so that it can regularly discharge its duties.

The Board provides active leadership within a framework of prudent and effective controls and ensures it is compliant with the terms of its licence. In February 2018, the Trust underwent a Licence Review by NHSI which focused on the Trust's business model and sustainability. Further reference is made to this in the AGS on page 130.

The Non-executive Directors hold Executive Directors accountable through scrutiny of performance outcomes, management of business process systems and quality controls, and satisfy themselves as to the integrity of financial, clinical and other information. Financial and clinical quality control systems of risk management are robust and defensible.

The Non-executive Directors, through the Remuneration Committee, fulfil their responsibility for determining appropriate levels of remuneration of Executive Directors. The Committee is provided with benchmark data to support the decision being made about the level of remuneration for the Executive Directors. More details about the Remuneration Committee can be found on page 82.

The Board reviews the strategic aims and takes responsibility for the quality and safety of healthcare services, education, training and research. Day-to-day responsibility is devolved to the Executive Directors and their teams. The Board of Directors is committed to applying the principles and standards of clinical governance set out by NHS England, the Department of Health and the Care Quality Commission. As part of the planning exercise the Board of Directors reviews its membership and undertakes succession planning.

The Board of Directors has reviewed its values and standards to ensure they meet the obligations the Trust has to its patients, members, staff and other stakeholders.

The appointment process for the Chair and Non-executive Directors is detailed on page 105 and 106 and forms part of the information included in the standing orders written for the Council of Governors. Each year the Chair and Non-executive Directors receive an appraisal which is reviewed by the Council of Governors. The Chair undertakes an appraisal of the Chief Executive and the Chief Executive undertakes the appraisal of the Executive

Directors. Details of the approach to appraisals can be found on page 103 of this report.

**The Chair** - A clear statement outlining the division of responsibility between the Chair and the Chief Executive has been approved by the Board of Directors.

**Governors** - The Trust has a Council of Governors that is responsible for representing the interests of the members of the Trust, partners, voluntary organisations within the local health economy and the general community served by the Trust. The Council of Governors holds the Board of Directors to account for the performance of the Trust including ensuring the Board of Directors acts within the terms of the Licence. Governors feed back information about the Trust to Members and the local community through a newsletter and information placed on the Trust's website.

The Council of Governors consists of elected and appointed Governors. More than half of the Governors are Public Governors elected by community members of the Trust. Elections take place once a year. The next elections will be held during summer 2018.

The Council of Governors has in place a process for the appointment of the Chair which includes understanding the other commitments a prospective candidate has. The Council of Governors appointed a new Chair during 2014-15 who took up office from 1 April 2015. The Chair has confirmed to the Council of Governors that she has no other significant commitments, other than as a Non-executive Director at the Beverley Building Society.

**Information, Development and Evaluation** - The information received by the Board of Directors and Council of Governors is timely, appropriate and in a form that is suitable for members of the Board and Council to discharge their duty.

Development is provided throughout the year for Governors and Non-executive Directors in a number of formats.

The Council of Governors has agreed the process for the evaluation of the Chair and Non-executive Directors and the process for appointment or re-appointment of the Non-executive Directors.

The Chair, having sought the views of the Non-executive Directors and Executive Director Board members, reviews the performance of the Chief Executive as part of the annual appraisal process.

The Chief Executive evaluates the performance of the Executive Directors on an annual basis and the outcome is reported to the Chair. The Chair and Non-executive Directors provide the Chief Executive with their view of the Executive Directors performance in the Board meeting.

**Performance Evaluation of the Board and its Committees** - Grant Thornton LLP conducted a Well Led Review as prescribed by NHS Improvement in 2015-16. The review concentrated on the quality of the governance in place in the organisation. The review required the Directors to complete a self-assessment which was used as the basis for the review.

Grant Thornton undertook a number of interviews with key members of staff and Directors and observed Board Committees and a Board meeting. Grant Thornton also ran a number of focus groups and tested the governance from the Ward to Board. More details of the outcome of the review can be found on page 73.

**Appointment of Members of the Board of Directors** - The Council of Governors is responsible for the appointment and/or removal of the Chair and Non-executive Directors. The Governors have a standing Nominations/Remuneration Committee which takes responsibility for leading the process of appointment/removal on behalf of the Council of Governors. The Non-executive Directors are responsible for the appointment of the Executive Directors, including the Chief Executive. The Council of Governors is required to approve the appointment of the Chief Executive.

**The Process for the Appointment of the Chair** - During 2014, the Council of Governors and the Governors' Nomination/Remuneration Committee considered and agreed the process for the appointment of the Chair. The Governors agreed that the Trust should undertake the recruitment in-house. The Council of Governors agreed that the Nomination/Remuneration Committee should agree the job description and criteria for the post, along with approving the advertisement and the appointment process.

The process agreed by the Governors' Nomination/Remuneration Committee requires the post to be advertised and letters explaining the vacancy to be sent to local businesses. Long lists of applicants are reviewed for compliance with the requirements of the constitution and a short list of candidates is agreed by the Nomination/Remuneration Committee. The candidates are required to complete a Fit and Proper Person Declaration; an online search is undertaken and the Trust asks the External Auditors to undertake an independent search against each declaration.

The shortlisted candidates are asked to attend a one-to-one interview that tests pre-agreed requirements. This is followed by a number of group interviews which involve membership from Governors, Directors and members of staff and an unseen presentation. The candidates will then be asked to attend a final interview. The panel for the final interview comprises the Lead Governor and four other Governors, along with an invited external advisor. After the final interview, the panel discusses the candidates and agrees what recommendation to put forward to the Council of Governors for approval. Following approval by the Council of Governors, the successful candidate is advised of their appointment.

Throughout the process both the Nomination/Remuneration Committee and the Council of Governors are updated on progress.

**The Process for the Appointment of the Non-Executive Directors** - Once it has been established that there is a need to appoint a Non-executive Director the Nomination/Remuneration Committee meets to agree the job description and criteria for the post. The post is advertised and a long list process is completed. The Governors invite an external advisor to join the panel and review the applications to develop a shortlist. Governors form the appointment panel and the panel undertakes the interviews. The panel develops a recommendation for approval by the Council of Governors, following which the successful candidate is advised. Recruitment took place for an Audit Chair in 2016 and, following approval by the Council of Governors, an appointment was made on the 1 March 2017. Two Associate Non-executive Directors commenced in the Trust in April 2018 following use of the full appointment process.

**Appointment of Executive Directors** - The Trust appointed a Medical Director in 2015-16. The process the Board chose to adopt was similar to that used in the past. The Trust placed an advert in appropriate media and received a number of applications. Each candidate was invited to attend an assessment centre. The assessment centre was made up of a number of activities, including panel interviews. The membership was taken from across the organisation and included the Executive Directors, Clinical Directors, Governors, Matrons and Senior Leads. The candidates were also asked to give a presentation on an unseen topic. Following the assessment centre, the number of candidates were reduced to four and invited to a panel interview. The panel membership included the Chair, a number of Non-executive Directors, the Chief Executive, Chief Nurse and Head of Workforce.

The Trust took a different approach to the recent appointment of a substantive Chief Operating Officer in April 2018. Following full discussion and agreement at the Remuneration Committee, the interim Chief Operating Officer was interviewed and appointed substantively.

**Compliance with the Code of Governance** - The Board confirmed it complies with the Code of Governance except in the following areas.

Requirements	Explanation
<p><u>Paragraph B1.1</u> The Board should identify in the Annual Report each Non-executive Director it considers to be independent. The Board should determine whether the Director is independent in character and judgement and whether there are relationships or circumstances which are likely to affect, or could appear to affect, the Director's</p>	

Requirements	Explanation
<p>judgement. The Board should state its reasons if it determines that a Director is independent despite the existence of relationships or circumstances which may appear relevant to its determination, including if the Director:</p> <ul style="list-style-type: none"> <li>• has, or has had, within the last 3 years, a material business relationship with the NHS Foundation Trust, either directly, or as a Partner, Shareholder, Director or senior employee of a Board of Directors that has such a relationship with the NHS Foundation Trust</li> <li>• has close family ties with any of the NHS Foundation Trust's advisors, directors or senior employees</li> <li>• has served on the Board of the NHS Foundation Trust for more than six years from the date of their first appointment</li> <li>• is an appointed representative of the NHS Foundation Trust's university medical or dental school</li> </ul>	<p>One Executive Director's spouse is a member of the senior nursing team in the Trust. One Non-executive Director's spouse is a member of senior medical team.</p> <p>One Non-executive Director's spouse is a senior clinician working in the Trust. One Executive Director's spouse is a senior member of the nursing team in the Trust.</p> <p>Three Non-executive Directors were reappointed for a third three year term by the Council of Governors and two of the Non-executive Directors have been appointed for a third term which is appraised on a year on year basis. The Governors specifically confirmed that the individuals had received positive and successful approvals during the year. One Non-executive Director completed his final term of office which concluded on 31 August 2017.</p> <p>The Council of Governors has chosen not to make an appointment to the Board from the university medical or dental school. The Council of Governors does have an appointment process and considers the skills that are being sought for each appointment</p>

Requirements	Explanation
<ul style="list-style-type: none"> <li>• At least half the Board of Directors, excluding the Chairperson, should comprise Non-executive Directors determined by the Board to be independent</li> <li>• Elected Governors must be subject to re-election by the members of their constituency at regular intervals not exceeding three years. The names of Governors submitted for election or re-election should be accompanied by sufficient biographical details and any other relevant information to enable members to take an informed decision on their election. This should include prior performance information.</li> </ul>	<p>7 members of the Board are Non-executive Directors which includes the Chair. 6 members of the Board are voting Executive Directors and 2 members of the Board are non-voting Directors. The Board has eight Non-executive Directors for the period March 2017 to August 2017 inclusive which was due to succession planning.</p> <p>The Trust works with ERS as the returning officer to ensure the detail included in any election is accurate and reflective of that individual. Each Governor is required to stand for election once their period of office has concluded before they can have a further period of office. A Staff Governor due for election in 2017 was overlooked. This has been discussed by the Constitution Review Group and Council of Governors. The Staff Governor will stand for election this year for a period of 2 years only.</p>

**Responsibility for Preparing the Annual Report and Accounts** - The Directors of the Trust are responsible for the preparation of the Annual Report and Accounts. The Directors approve the Annual Report and Accounts prior to their publication. The Directors are of the opinion that the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for patients, regulators and stakeholders to assess the NHS Foundation Trust's performance, business model and strategy.

**Resolution of Disputes between the Council of Governors and the Board of Directors** - The Code of Governance requires the Trust to hold a clear statement explaining how disagreements between the Council of Governors and the Board of Directors would be resolved.

The Board of Directors promotes effective communications between the Council of Governors and the Board. The Board, through the Chief Executive and the Chair, provide regular updates to the Council of Governors on

developments being undertaken in the Trust. The Board encourages Governors to raise questions and concerns during the year and to ask for further discussions at their public meetings where they feel further detail is required. The Chief Executive and any invited Director, or Non-executive Director, will ensure that the Council of Governors are provided with any information, for example, the Trust has materially changed the financial standing of the Trust, or the performance of its business has changed, or where there is an expectation as to performance, which, if made public, would be likely to lead to a substantial change to the financial wellbeing, healthcare delivery performance or reputation and standing of the Trust.

The Chair of the Trust also acts as Chair of the Council of Governors. The Chair's position is unique and allows her to have an understanding of a particular issue expressed by the Council of Governors. Where a dispute between the Council of Governors and the Board occurs, in the first instance, the Chair of the Trust would endeavour to resolve the dispute.

Should the Chair not be willing or able to resolve the dispute, the Senior Independent Director and the Lead Governor of the Council of Governors would jointly attempt to resolve the dispute. In the event of the Senior Independent Director and the Lead Governor being unable to resolve the dispute, the Board of Directors, pursuant to section 15(2) of Schedule 7 of the National Health Service Act 2006, will decide the disputed matter.

The Board makes decisions about the functioning of the Trust and, where appropriate, consults with the Council of Governors prior to making a decision. Any major new development in the sphere of activity of the Trust which is not public knowledge is reported to the Council of Governors in a private session, and to NHS Improvement.

The Council of Governors is responsible for the decisions around the appointment of Non-executive Directors, the appointment of the External Auditors in conjunction with the Audit Committee, the approval of the appointment of the Chief Executive and the appointment of the Chair. The Council of Governors sets the remuneration of the Non-executive Directors and the Chair. The Council of Governors is encouraged to discuss decisions made by the Trust and highlight any concerns they have. The Council of Governors also has in place a statement that identifies at what level the Board of Directors will seek approval from the Council of Governors when there is a proposed significant transaction.

**Board Balance, Completeness and Appropriateness** - As at year ending 31 March 2018, the Board of Directors for York Teaching Hospital NHS Foundation Trust comprised 6 Executive Directors, 6 Independent Non-executive Directors and an Independent Non-executive Chair.

Changes to the Board composition during the financial year 2017-18 are set out on page 54.

**Appraisal of Board Members** - The Chair has conducted a thorough review of each Non-executive Director to assess their independence and contribution to the Board of Directors and confirmed that they are all effective independent Non-executive Directors.

The appraisals are used as an opportunity to provide a basis for both individual and collective development programmes. A programme of appraisals has been run during 2017-18 and all Non-executive Directors have undergone an annual appraisal as part of the review.

The appraisal of the Chief Executive is undertaken on an annual basis by the Chair. The Chair has put in place a robust system where she discusses the outcome of her enquires with the Chief Executive and draws up a set of objectives. The Board of Directors receives the objectives at a Board meeting.

The Board of Directors maintains a register of interests as required by the constitution and Schedule 7 section 20 (1) of the National Health Service Act 2006.

The Board of Directors requires all Non-executive Directors to be independent in their judgement. The structure of the Board and integrity of the individual Directors ensures that no one individual or group dominates the decision-making process.

Each member of the Board of Directors upholds the standards in public life and displays selflessness, integrity, objectivity, accountability, openness, honesty and leadership.

All Board members have confirmed that they are fit and proper persons to hold the office of Director in the Trust and have no declarations to make that would be contrary to the requirements. All Board members have confirmed that they do not hold any additional interests that are not declared in the Trust's Declaration of Interests.

The appointment of Executive Directors is discussed at the Remuneration Committee.

Biographies for the Board of Directors can be found on page 55 of this report.

**Internal Audit Function** - The Trust has an Internal Audit function in place that provides support to the management of the organisation. Details of the Internal Audit function can be found on page 64.

**Attendance of Non-Executive Directors at the Council of Governors** - All Non-executive Directors have an open invitation to attend the Council of Governors meetings, which they attend on a regular basis. The Board of Directors and the Governors meet at the Board to Council of Governor meetings, which are held twice a year. Each meeting has focused on areas that the Governors would like more information or understanding of.

Members of the Council of Governors and Non-executive Directors work together on other occasions through various groups and committees and also meet on a one-to-one basis during the year.

**Corporate Directors' Remuneration** - The Remuneration Committee meets on a regular basis, as a minimum once a year, to review the remuneration of the Corporate Directors. Details of the work of the Remuneration Committee can be found on page 82. The Council of Governors has a Nominations/Remuneration Committee which meets a minimum of four times a year. Part of the role of the Nominations/ Remuneration Committee is to review the remuneration of the Non-executive Directors. Details of the Nominations/Remuneration Committee can be found on page 119.

**Accountability and Audit** - The Board of Directors has an established Audit Committee that meets on a quarterly basis, as a minimum. A detailed report on the activities of the Audit Committee is on page 62.

**Relations and Stakeholders** - The Board of Directors has ensured that there is satisfactory dialogue with its stakeholders during the year. Examples of the Trust working with stakeholders can be found on page 81.

## Council of Governors Annual Report

All NHS Foundation Trusts are required to have a body of elected and nominated Governors. York Teaching Hospital NHS Foundation Trust has a Council of Governors which is responsible for representing the interests of the public in their local areas, Trust members, staff members and partner organisations in the local health economy.

As a public benefit corporation the Trust is accountable to the local community, staff who have registered for membership and to those elected or appointed to seats on the Council of Governors.

The Council of Governors' roles and responsibilities are outlined in legislation and detailed in the Trust's constitution. The primary function of the Council of Governors is:

- To hold the Non-executive Directors individually and collectively to account for the performance of the Board of Directors;
- To represent the interests of the members of the Trust as a whole and the interests of the public.

The Council of Governors has a right to be consulted on the Trust's strategies and plans, and any matter of significance affecting the services it provides. All Governors, both elected and appointed, are required to act in the best interest of the NHS Foundation Trust and adhere to the values and code of conduct of the Trust.

The Council of Governors is specifically responsible for:

- The appointment and removal of the Chair and other Non-executive Directors;
- The approval of the appointment of the Chief Executive;
- The appointment and removal of the External Auditors;
- Requiring one or more of the Directors to attend a meeting of the Council of Governors for the purpose of obtaining information about the Trust's performance, of its functions, or the Directors' performance of their duties.

The Council of Governors considers and receives:

- The Annual Accounts, Auditor's Report and Annual Report;
- Views from the membership on matters of significance affecting the Trust or the services it provides.

The Council of Governors holds the Board of Directors to account for the performance of the Trust and receives both the agenda and minutes of each public Board of Directors meeting. The Council of Governors receives details of significant projects and strategies. The Council of Governors works with the Board of Directors in an advisory capacity, bringing the views of staff, Trust members and local people forward, and helps to shape the Trust's future. In addition to the formal responsibilities, its role includes:

- Representing the interests and views of Trust Members and local people;
- Regularly feeding back information about the Trust, its visions and its performance to the communities they represent;
- Attending meetings of the Council of Governors;
- Attending Board to Council of Governors meetings;
- Receiving an Annual Report from the Board of Directors;
- Monitoring performance and other targets;
- Advising the Board of Directors on its strategic plans;
- Making sure the strategic direction of the Trust is consistent with its terms of authorisation as agreed by NHS Improvement;
- Being consulted on any changes to the Trust's constitution;
- Agreeing the Chair's and Non-executive Directors' remuneration;
- Providing representatives to serve on specific groups and committees working in partnerships with the Board of Directors;
- Informing NHS Improvement if the Trust is at risk of breaching its terms of authorisation, if the concerns cannot be resolved within the Trust.

The Council of Governors at York Teaching Hospital NHS Foundation Trust currently has 26 Governor seats in the constitution:

Public Governors	Sixteen elected seats
Staff Governors	Five elected seats
<b>Stakeholder Governors:</b>	<b>Five appointed:</b>

Local Authorities	One seat
Healthcare Organisations	Two seats
Local Universities	One seat
Voluntary Sector	One seat

### **Governor Elections**

The Trust held an election during 2017. The next elections will be held during the summer of 2018. The following seats will be included in the elections:

- York constituency – 1 seat;
- Bridlington constituency – 1 seat;
- Scarborough constituency – 1 seat;
- Selby constituency – 1 seat;
- Ryedale and East Yorkshire constituency – 1 seat;
- Whitby constituency – 1 seat;
- Staff – 2 seats.

The elections process will begin at the end of June 2018 and the election results will be announced at the end of September 2018.

### **The Governors**

Listed below are the members, elected or appointed, currently serving on the Council of Governors including those who have ceased being members of the Council of Governors during the year.

Name	Initial appt year	Date appointed	Term of office	End of Term date
<b>Hambleton (1 seat)</b>				
Catherine Thompson	2016	10.08.16	3 Years	30.09.19
<b>Scarborough and Bridlington Constituency (2 seats in Scarborough, 2 seats in Bridlington)</b>				
Diane Rose	2015	01.10.15	3 Years	Resigned Jan 18
David Wheeler	2012	01.10.14	3 Years	Resigned Jun 17
Richard Thompson	2017	01.10.17	3 Years	30.09.20
Clive Neale	2014	01.10.17	3 Years	30.09.20
Patricia Stovell	2015	01.10.15	3 Years	30.09.18
<b>Selby Constituency (2 seats)</b>				
Ann Bolland	2012	01.10.15	3 Years	30.09.18
Roland Chilvers	2016	21.07.16	3 Years	30.09.19
<b>Ryedale and East Yorkshire Constituency (3 seats)</b>				
Jeanette Anness	2012	01.10.15	3 Years	30.09.18
Sheila Miller	2012	01.10.17	3 Years	30.09.20
Andrew Butler	2016	01.10.16	3 Years	09.08.19
<b>Whitby Constituency (1 seat)</b>				
Stephen Hinchliffe	2012	01.10.15	3 Years	30.09.18
<b>York Constituency (5 seats)</b>				

Michael Reakes	2016	01.10.16	3 Years	30.09.19
Helen Fields	2013	01.10.16	3 Years	30.09.19
Margaret Jackson	2012	01.10.17	3 Years	30.09.20
Robert Wright	2014	01.10.17	3 Years	30.09.20
John Cooke	2015	01.10.15	3 Years	30.09.18
<b>North Yorkshire County Council (1 seat)</b>				
Chris Pearson	2015	01.10.15	3 Years	30.09.18
<b>University of York (1 seat)</b>				
Gerry Richardson	2017	01.05.17	3 Years	30.04.20
<b>Voluntary Sector (1 seat)</b>				
Vacant				
<b>Healthcare Organisations (2 Seats)</b>				
Dawn Clements	2016	01.12.16	3 Years	30.09.19
Karen Porter	2017	01.01.17	3 Years	01.01.20
<b>Community (1 seat)</b>				
Sharon Hurst	2015	01.10.15	3 Years	30.09.18
<b>Scarborough and Bridlington (2 seats)</b>				
Helen Noble	2012	01.10.17	3 Years	30.09.20
Andrew Bennett	2014	01.10.17	3 Years	30.09.20
<b>York (2 seats)</b>				
Mick Lee	2014	01.10.17	4 Years*	30.09.18
Jill Sykes	2017	01.10.17	3 Years	30.09.20

\*Due to an internal mistake – term would normally be 3 years

## **The Council of Governors Meetings**

The Council of Governors met in public four times (the dates are listed in the table below) during the year to discuss and comment on a number of aspects of the functioning of the Trust.

## **Training for Governors**

To ensure the Governors are equipped with the skills they need to undertake their role, the Trust continues to ensure that Governors receive the information and understanding they require to perform the role. Induction was provided to new Governors and the agendas from the Council meetings and Board to Council of Governors are structured to provide the necessary information and understanding.

## **Attendance at Meetings**

The Council of Governors meets as a minimum four times a year. The Governors also met on a number of other occasions during the year to receive informal updates, training and information. The Governors also received regular updates on the Sustainability and Transformation Plan.

Board to Council of Governors meetings were held in April and October 2017 and covered a number of subjects which all reflect the Trust's objectives, priorities and strategy, including the following:

- Delivering the Financial Control Total including strong challenge around the financial recovery plan;
- Quality & Safety Priorities;
- Sustainable Development;
- Staff Health & Wellbeing;
- Overview of Finance & Performance Committee;
- Open question session around Finance & Performance Committee;
- Overview of Workforce & Organisational Development Committee;
- Open question session around Workforce & Organisation Development Committee and how the Trust can sustain and grow its workforce..

The table below shows the attendance of Governors at the formal Council of Governors meetings.

Attendees	15 Jun 17	7 Sept 17	7 Dec17	8 Mar 17	Total meetings attended
<b>PUBLIC CONSTITUENCIES</b>					
<b>Hambleton Constituency (1 seat)</b>					
Catherine Thompson	√	√	A	√	3/4
<b>Scarborough and Bridlington Constituency (2 seats in Scarborough, 2 seats in Bridlington)</b>					
Pat Stovell	√	√	√	A	3/4
Clive Neale	√	√	√	√	4/4
Diane Rose	√	√	A	Resigned	
David Wheeler	Resigned Jun 17				
Richard Thompson	Appointed Oct 17		√	√	2/2
<b>Selby Constituency (2 seats)</b>					
Ann Bolland	√	√	√	√	4/4
Roland Chilvers	√	√	√	√	4/4
<b>Ryedale and East Yorkshire Constituency (3 seats)</b>					
Jeanette Anness	√	A	A	√	2/4
Sheila Miller	√	√	√	√	4/4
Andrew Butler	√	√	√	√	4/4
<b>Whitby Constituency (1 seat)</b>					
Stephen Hinchliffe	√	√	A	√	3/4
<b>York Constituency (5 seats)</b>					
John Cooke	√	√	A	√	3/4
Helen Fields	√	√	√	√	4/4
Margaret Jackson	√	√	√	√	4/4
Michael Reakes	√	√	√	√	4/4
Robert Wright	A	A	√	√	2/4

<b>PARTNERSHIP ORGANISATIONS</b>					
<b>Voluntary Sector (1 seat)</b>					
Vacant					
<b>North Yorkshire County Council (1 seat)</b>					
Chris Pearson	A	√	√	√	3/4
<b>Project Choice (1 seat)</b>					
Karen Porter	A	A	√	A	1/4
<b>University of York (1 seat)</b>					
Gerry Richardson	√	√	√	A	3/4
<b>Hospice Movement</b>					
Dawn Clements	√	√	A	A	2/4
<b>STAFF CONSTITUENCIES</b>					
<b>Community (1 seat)</b>					
Sharon Hurst	A	√	A	A	1/4
<b>Scarborough and Bridlington (2 seats)</b>					
Helen Noble	A	√	A	√	2/4
Andrew Bennett	√	√	√	√	4/4
<b>York (2 seats)</b>					
Jill Sykes	Appointed Oct 17		√	√	2/2
Mick Lee	√	√	√	√	4/4

### **Register of Governor Interests**

The Trust holds a register listing any interests declared by members of the Council of Governors. Governors must disclose details of company directorships or other positions held, particularly if they involve companies or organisations likely to do business, or possibly seeking to do business with the Foundation Trust.

The register forms part of the papers at every public Council of Governors and can be accessed by visiting: [www.york.nhs.uk](http://www.york.nhs.uk) (About Us, Council of Governors, Papers and Minutes) or by making a request in writing to:

Foundation Trust Secretary  
York Teaching Hospital NHS Foundation Trust  
Wigginton Road  
YORK  
YO31 8HE

Or by emailing [enquiries@york.nhs.uk](mailto:enquiries@york.nhs.uk)

### **Governor Expenses**

Governors are not remunerated, but are entitled to claim expenses for costs incurred whilst undertaking duties for the Trust as a Governor (i.e. travel expenses to attend the Council of Governors meetings). The total amount of expenses claimed during the year from 1 April 2017 to 31 March 2018 by Governors was £3,823.75.

## **Related Party Transactions**

Under International Accounting Standard 24 “Related Party Transactions”, the Trust is required to disclose, in the annual accounts, any material transactions between the NHS Foundation Trust and members of the Council of Governors or parties related to them.

There were no such transactions for the period 1 April 2017 to 31 March 2018.

## **Appointment of the Lead Governor**

The process for the appointment of Lead Governor requires Governors to put their name forward and provide a statement. These names and statements are put forward to the full Council of Governors as an election and the Governors vote for who they would like as their Lead Governor. The Council of Governors followed this process and appointed Mrs Margaret Jackson as Lead Governor from 1 April 2014. Mrs Jackson’s term of office came up for election and she was reappointed as a Governor for a further three years in September 2017 where the Council of Governors confirmed that they wished her to continue as Lead Governor. Mrs Jackson’s term of office is due to finish in September 2020.

## **Lead Governor Annual Report**

This has been a very challenging year for the Trust with some particular issues being the financial position, the recruitment and retention of staff and the ability to meet targets, with particular reference to the 4 hour target for the Emergency Department. Governors have been kept briefed at every opportunity and are fully aware of the actions being taken by the organisation to address these issues.

Ms Susan Symington is Chair of the Council of Governors as well as the Board and both the Chair and the Chief Executive provide regular updates for the Governors. By attending the public Board Meetings as observers, Governors receive first-hand information from the Executives and Non-Executive Directors (NEDs). These meetings are public and members of the community, including staff members, are encouraged to attend and find out more about the organisation, what issues are current and how they are being addressed. The dates can be found at [www.yorkhospitals.nhs.uk/about-us/board-of-directors/board-of-directors-meetings/](http://www.yorkhospitals.nhs.uk/about-us/board-of-directors/board-of-directors-meetings/)

Governors have also been encouraged to attend the 6 monthly Board to Council of Governor meetings which cover particular issues and give the opportunity for Governors to hear directly from Executives and NEDs, debate issues with them and raise any questions they may have. More recently Governors have been attending the various Committees to see the NEDs in action in preparation for providing feed back to the Chair who carried out the appraisals of the NEDs.

Despite the challenges, patient stories about their care and safety are discussed at every opportunity and Governors are represented at the Patient Experience Steering Group which is chaired by the Chief Nurse or her deputy. Developments in clinical practice are part of this meeting as well as patient feed back, general issues that affect the clinical environment such as the new open visiting times, complaints and their handling and the development of the volunteer role and scheme. There is regular feed back from the Patient Experience team.

Governors have been involved as part of the team undertaking the PLACE (Patient-Led Assessment of the Clinical Environment) assessments and this year attended the updated training programme. These assessments give an opportunity for the Governors to visit clinical areas, talk to staff and patients and see how the environment is being looked after, clinical care provided and developed and how patients feel about the care they are receiving and the environment in which this takes place. The outcome of these visits is sent in centrally and a report received by each Trust taking part as this is a national programme. Some Governors have been to other Trusts to participate in their PLACE assessments and comparisons of how the assessment takes place and the results can be made. There has been a very stable NED team but a number are coming towards the end of their term of office. Governors have attended recruitment training for such positions, as these are Governor appointments and have undertaken the recruitment of two Associate NEDs to start to replace those NEDs due to leave. These newly appointed Associate NEDs commenced in April 2018. More recruitment will be taking place at a later date.

There are a number of groups within the Trust where Governors are involved, either by election by their Governor colleagues or attend on an ad-hoc basis where Governors are interested in the subject and the following are reports from some of these groups:

1. The Trust is always seeking new Members from the community it serves and Governors are involved in the Membership Group which discusses ways in which the Membership can be developed. A number of recruitment fairs have been held and Governors held a membership recruitment drive event at both York and Scarborough.

2. The Out of Hospital Group, chaired by a manager from the Trust meets on a 3 monthly basis to discuss the schemes being introduced across the community and any developments that are in place and the outcomes of these. Representatives from the Council of Governors attend this meeting and a report is received by their colleagues to keep them updated. Schemes are being tried that support patients staying in their own homes wherever possible with the appropriate support. These are being well received by patients and their families. The community teams are/or have received training and development including the use of laptops in the home to record activity there. This information is available for any of the team involved in that patient's care to access.

Governors attended the opening of the one stop Urology Services at Malton Hospital, the launch of the mobile chemotherapy unit, both of which are being very well received by patients, and the opening of the new energy centre at Scarborough Hospital. Very well done to all involved in these schemes.

Once again Governors were invited to attend this year's "Celebration of Achievement" awards held at Bridlington Spa and joined staff with their families, friends and patients who had nominated members of staff involved in their care for an award. It was again a pleasure to listen to and learn about how staff as individuals or teams had developed the care they were providing and how well this had been received by patients. Despite staff being under real pressure, it is really good to hear this. Congratulations to the winners and to everyone in the Trust on their achievements this year. Their efforts to achieve the best outcome for patients and their families do not go unnoticed. The Governor award this year went to the team at the Magnolia Centre in York.

Finally I would like to thank Lynda Provins, Foundation Trust Secretary, and the Chief Executive Office team for their on-going support to Governors and to my Governor colleagues for their support to me and their commitment and dedication to the Governor role.

### **Membership of the Committees and Groups**

The Council of Governors has delegated authority to a number of Committees and groups to address specific responsibilities of the Council of Governors. During the year the Council of Governors welcomed some new members following the elections. This has meant that during the early part of 2018 the Governors have reviewed the groups and committees and replacements have been confirmed.

### **Nominations/Remuneration Committee**

The Committee met four times during the year as planned.

The membership of the Committee was as follows:

- Susan Symington – Chair of the Trust (Chair);
- Lynda Provins – Foundation Trust Secretary;
- Margaret Jackson – Lead Governor (Vice-Chair);
- Ann Bolland – Public Governor, Selby;
- Helen Fields – Public Governor, York;
- Jeanette Anness – Public Governor, Ryedale and East Yorkshire;
- Mick Lee - Staff Governor, York;
- Robert Wright – Public Governor, York;
- Sheila Miller – Public Governor, Ryedale and East Yorkshire;
- Stephen Hinchliffe – Public Governor, Whitby;

During the year, issues discussed included;

- Annual review of remuneration of the seven Non-executive Directors (including the Chair). This year, the remuneration was 1 per cent which equalled that of staff in general;
- Annual appraisal of all seven Non-executive Directors (including the Chair). The Chair's appraisal is conducted by the Lead Governor and the Senior Independent Director (Philip Ashton). The Non-executive Director appraisals are conducted by the Chair. All appraisals include the opportunity for any Governor and Director to contribute. In each of the above cases, the Committee made recommendations that were discussed and ratified by the full Council of Governors at subsequent meetings. When each appraisal is presented, the timelines for the Non-executive Director's period of office are reviewed.

The Committee continues to reflect on the process for appointment of new Non-executive Directors and will take any learning forward to help shape the future Non-executive Director appointment processes.

It is noted that, in 2018-19 three Non-executive Directors will reach the end of their current term of office and both the Vice Chair and the Senior Independent Director will have completed three terms. Non-executive Director recruitment has been carried out in early 2018 and two Associate Non-executive Director appointments were made, which was fully supported by the Committee and the Council of Governors. The two Associate Non-executive Directors will take up post in 2018-19.

The terms of reference and work programme of the Committee were reviewed.

Items discussed at the Nominations/ Remuneration Committee are highlighted to the private session of the full Council of Governors and the Chair offers time for discussion. In the Council's subsequent meeting in public, the Chair briefly summarises the recommendations put forward by the Committee and their approval (or not) by the full Council of Governors.

**Susan Symington Chair of the Committee**

### **Out of Hospital Care Group**

The Out of Hospital Care Group (formerly the Community Services Group) is a quarterly meeting of Governors and others who represent the localities served by the Trust. Members include Public and Staff Governors, a Non-executive Director, and senior managers from the Out of Hospital Care Directorate. The group is chaired by the Head of Strategy. The group has a wide remit, looking at any services provided out of hospital by the Trust and reporting back to the Council of Governors. The group serves three key purposes:

- To provide a forum for Governors (on behalf of the Members and local communities) to raise any issues regarding community services;

- To provide a reference group for development in community services to gain insight from a public perspective;
- To keep Governors updated on the developments in community services.

The Governors are involved in exploring options for improving the links between public governors and the communities they represent.

**Steve Reed, Chair of the Group**

### **Constitution Review Group**

The Constitutional Review Group has met during the year and discussed a number of topics including:

- The Group's terms of reference;
- How amendments to the Constitution are made;
- Governor non-attendance at meetings;
- The timing of Governor Elections;
- The current Significant Transactions format;
- External Audit Reappointment.

The most significant discussion was around whether to recommend to the full Council of Governors the re-appointment of the Trust's External Auditors. The Finance Director was asked to attend for this discussion and a recommendation was forwarded to the December 2017 Council of Governors meeting to take up the option to extend the External Auditor's contract for a further two years.

### **Membership Development Group**

The Membership Development Group has met during the year and discussed a number of topics including:

- The Group's term so reference;
- The Membership Development Strategy;
- Membership Events including seminars, the Annual Members Meeting and participation at Recruitment Fairs;
- Membership Matters Newsletter;
- Membership Numbers.

The group is focused on how to maintain membership of the Trust and how to engage and recruit members using such things as posters and social media.

### **Foundation Trust Membership**

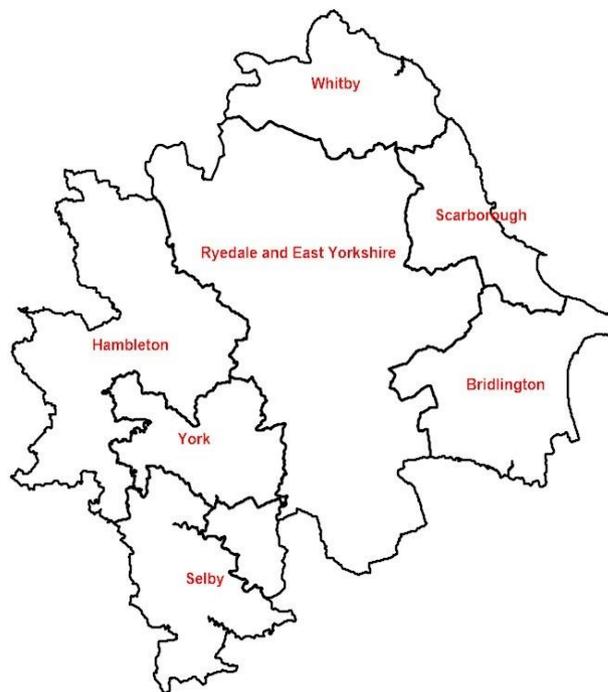
#### **Introduction**

The focus has been to continue to maintain representative membership using a variety of methods. Members of the public can sign up for Trust Membership via the following links: <https://www.yorkhospitals.nhs.uk/get-involved/> and <https://secure.membra.co.uk/YorkTHApplicationForm/>

## The Trust's Current Catchment Area

The map below shows the seven communities the Trust now serves and each one forms a public constituency for our membership.

## The York and Scarborough Catchment Area



The Trust has defined its public constituency boundaries to fit as far as possible with clearly defined local authority boundaries and “natural” communities. Each of the seven constituencies contains at least one hospital facility which is either run by or has services provided by the Trust. These are places that the local population clearly identify with and care much about; it is the Trust’s experience this is a key issue for membership.

**The York constituency** includes all 22 City of York wards and the wards of Ouseburn and Marston Moor of Harrogate Borough Council. The hospital facilities include the following:

- The York Hospital (General Acute Hospital);
- St Helen’s (Rehabilitation Hospital in York);
- White Cross Court (Rehabilitation Hospital in York).

**The Selby constituency** includes all 20 wards of Selby District Council area and the parishes of Bubwith, Ellerton, Foggathorpe and Wressle which are outside of SDC. The hospital facility in this area is:

- The New Selby War Memorial Hospital (Community Hospital).

**The Hambleton constituency** includes seven Hambleton District Council wards of Easingwold, Helperby, Huby and Sutton, Shipton, Stillington, Tollerton and White Horse. The additional areas now included in the constituency are Northallerton, Bromfield, Northallerton Central, Romanby, Sowerby, Thirsk, Throntons, Topcliffe, Whitestone Cliff, Bishop Monkton, Boroughbridge, Carlo, Hookstone, Knaresborough East, Knaresborough King James, Knaresborough Scriven park, Newby, Pannal, Ribston, Ripon Minster, Ripon Mooreside, Ripon Spa, Spofforth with Lower Wharfdale, Starbeck, Wetherby. The hospital facility in this area is:

- St Monica's Hospital (Community Hospital in Easingwold).

**The Ryedale and East Yorkshire constituency** covers all 20 Ryedale District Council wards and the East Riding wards of Pocklington Provincial, Wolds Weighton and the parish of Holme upon Spalding Moor. The hospital facility is:

- Malton, Norton and District Hospital (community hospital in Malton).

**The Whitby constituency** includes all seven wards of Whitby Town Council. The hospital facility is:

- Whitby Hospital (Community Hospital).

The hospital building transferred to NHS Property Services in November 2015 and the main community contract transferred to Humber Foundation Trust in 2016. However, the Trust continued to provide a number of services, predominantly in the Outpatient Department until 20 May 2018. The Trust continues to provide Radiology, Maternity, Paediatric Orthoptics and Audiology.

**The Scarborough constituency** includes all 19 wards of Scarborough Borough Council. The hospital facility is:

- Scarborough and District Hospital (General Acute Hospital).

**The Bridlington constituency** includes all three wards of Bridlington Town Council, and the two wards East Riding Council, Driffield and Rural and East Wolds and Coastal. The hospital facility is:

- Bridlington and District Hospital (General Hospital).

The Trust continues to keep the constituency areas under review during the year to ensure that the constituencies reflect the communities served by the Trust.

### **The Out of Area Public Members**

The Trust will continue to offer membership to the public who live outside of these constituencies. Previously named “affiliate” members, they are now referred to as “out of area” members.

### **Contact Points for Governors by Members**

Members can contact Governors through the Trust using the Foundation Trust Secretary. The contact details are:

The Foundation Trust Secretary  
York Teaching Hospital NHS Foundation Trust  
Wigginton Road  
York YO31 8HE  
or by e-mailing [enquiries@york.nhs.uk](mailto:enquiries@york.nhs.uk)

## **Regulatory Ratings**

### **Care Quality Commission**

The Trust was subject to a CQC inspection of its Core Services in September 2017, which was followed by a Well Led Review in October 2017. The CQC published their findings in February 2018. The grid below details the outcome of the inspections by site. Whilst the overall rating for the Trust was **Requires Improvement**, the assessment of York Hospital improved from Requires Improvement to ‘Good’.

The Trust received a number of improvement notices some of which had been acted upon before the report was received:

**Regulation 5:** Fit and Proper Person Test – all Directors have updated their information in respect of the Fit and Proper Person Test and this has been highlighted to the CQC.

**Regulation 8:** Person Centred Care (no paediatric area in York ED, no Rehab Clinic in Scarborough Critical Care Service and lack of Critical Care Strategy for Scarborough)

**Regulation 11:** Consent .MCA/DoLs

**Regulation 12:** Safe Care and treatment (gaps in clinical record keeping in Scarborough ED, RMO issues at Bridlington, failure to completed stat mandatory training by all ED staff)

**Regulation 17:** Good Governance. BAF, QIA Assessment, lack of clear plan to establish financial stability, use of data – work is underway to refresh the BAF in light of the evolving strategy.

**Regulation 18:** Staffing: Heavy use of Bank and Agency, especially at Scarborough. Not all staff retaining professional skills (NIV on Ward 34) and lack of clinical educator in Scarborough Critical Care

An action plan has been formulated and is being implemented with regular review meetings scheduled in order for the CQC to monitor progress.

## **NHS Improvement Explanation of Ratings**

### 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 first two quarters of 2016-17 relating to the RAF has not been presented as the basis of accountability was different. This is in line with NHS Improvement's guidance for Annual Reports.

Segmentation - York Teaching Hospital Foundation Trust has been placed in the following segment: **Segment 2 – Providers offered targeted support.** In April 2018, following an NHSI Licence Investigation, the Trust moved to **Segment 3.** Further information is provided on page 155 of the Annual Governance Statement.

The Trust has not been subject to any enforcement actions.

This segmentation information is the Trust's position as at 29 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 might not be the same as the overall finance score here.

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

### Summary of Performance

The Trust continues to drive forward a number of changes through implementation of the performance recovery plan which is linked to the ECS, RTT, diagnostic performance and cancer waiting times.

The Trust is working with external support (Ernst & Young, NHSI Elective Intensive Support Team and NHSI productivity team) to refine and refocus recovery work. This will inform the 2018-19 recovery plan, building upon the actions already completed in the Return to Operational Standards to date, to work towards the national standards set out in the planning guidance.

As part of the planning process for 2018-19, a capacity and demand analysis for each specialty has been completed. A process of confirm and challenge has been undertaken with Directorates in conjunction with the finance team to support the development of a robust Trust plan for 2018-19.

The RTT trajectories are aligned to the capacity plans for 2018-19 for total waiting list numbers and reflect a level of ambition to work towards the constitutional standard over the next year.

The 2018-19 Trust ECS trajectory has been devised within the context of the planning guidance and is therefore ambitious and includes an aspiration to achieve the national standard of 95% in March 2019. The findings from the

Ernst & Young diagnostics will inform the 'deliverability' of the ECS standard in Q3 and Q4.

The Cancer 62 day trajectory is based on achievement of the target. The forecasting of performance trajectories is difficult until the implications of the new breach allocation have been achieved. It is likely that we will need to treat more people within target to achieve the same 85% position.

The Finance and Performance Committee and Board have full oversight of the plans and mitigating actions and performance is managed through a robust performance management framework.

At the end of the 2017-18 financial year, the Trust reported an income and expenditure deficit of £20.1m. This position notably includes the positive impact of fixed asset impairments of £1.8m and the Trust received, at the end of the financial year, £3.1m of Sustainability and Transformation Funding (STF) from a general distribution of unallocated STF. Disappointingly this represents a significant adverse variance against the planned position of a £3.3m surplus.

## **Statement of the Chief Executive's Responsibilities as the Accounting Officer of York Teaching Hospital 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 NHS Act 2006, has given Accounts Directions which require York Teaching Hospital 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 York Teaching Hospital NHS Foundation Trust and of its income and expenditure, total recognised gains and losses and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the 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;
- Ensure that the use of public funds complies with the relevant legislation, delegated authorities and guidance and;
- Prepare the financial statements on a going concern basis.

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

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

A handwritten signature in black ink, appearing to read "Mike Proctor". The signature is written in a cursive, flowing style.

**Chief Executive**  
**29 May 2018**

## Annual Governance Statement

### 1 Scope of Responsibility

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

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

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

### 3 Capacity to Handle Risk

The Trust continually develops and enhances its governance and risk management framework in response to the changing and challenging environment in which it operates. The framework sets out the approach to scaling, prioritising and articulating risk to allow the Trust to consider its risk appetite on a case by case basis.

The Chief Executive has overall responsibility for the management of risk and is supported by a team of Directors who each lead on specific areas of risk:

- |  |                                  |
|--|----------------------------------|
| • Strategic, Workforce & Staffing  | Chief Executive                  |
| • Clinical & Quality (DIPC)  | Chief Nurse                      |
| • Clinical (Caldicott Guardian)  | Medical Director                 |
| • Financial (Senior Information Risk Officer with responsibility for Information Governance) | Finance Director                 |
| • Operational  | Chief Operating Officer          |
| • Learning & Development   | Deputy Chief Executive           |
| • Non-clinical, Organisational & Environmental   | Director of Estates & Facilities |



The Board of Directors reviews the Corporate Risk Register and Board Assurance Framework on a quarterly basis, receiving recommendations from the Chair of the Audit Committee and the Chair of the Corporate Risk Committee. The Board Committees consider the Board Assurance Framework and the Corporate Risk Register when planning their agenda, and reference the Corporate Risk Register and Board Assurance Framework as standing items on each agenda. With regard to the Board Assurance Framework, the processes for populating, updating and the format of the document remain relevant and effective for the organisation.

The Board Assurance Framework provides the structure and process for the identification, assessment and control of risks which have the potential to compromise the delivery of strategic ambitions.

The Trust has in place a risk register structure which identifies operational and corporate risks. Every Directorate has its own risk register which is kept under review; the highest rated risks are taken to every Directorate Executive Performance Management meeting for review and consideration of action plans and implementation. These risks are considered for escalation to the Corporate Risk Register.

Historically weaknesses have been identified in the risk management processes and these processes have been strengthened and developed. An audit of the systems was undertaken by Internal Audit and commissioned by the Audit Committee. The audit demonstrated that significant assurance could be gained from the design, operation and application of the Trust's Board Assurance Framework and the risk management systems and processes.

The Risk Management Team has continued to seek ways of developing the systems further and continues to seek improvements to processes. As a result further work continues to be undertaken to review the Serious Incidents, (including the establishment and training of a pool of lead investigators) and the process to identify methods of sharing learning across the organisation.

### Risk Management

The Trust has in place a Risk Management Team, a Patient Safety Team and a team of Governance Facilitators who work across the Trust, providing expertise and support on governance issues to Directorates, and who promote the sharing and implementation of learning across the organisation.

**Weekly quality and safety meetings** - On a weekly basis, a meeting is held with the Medical Director, Director of Nursing, Deputy Director of Health Care Governance and the Deputy Director of Patient Safety and Deputy Medical Directors to review all the deaths within the organisation over the previous week, any significant Adverse Incident Reporting System (AIRs), complaints, claims, Inquests, serious incidents, clinical incidents, infection rates, never events, central alert system (CAS) and anything else that has come to light as a potential clinical and quality risk to the organisation.

**Adverse incident reporting** - The Trust promotes a culture of openness and transparency and the Board of Directors recognises the importance of ensuring an organisational culture which encourages and supports the reporting of both incidents and near misses, thorough and proportionate investigation and the identification and dissemination of learning across the organisation.

The key reporting systems the Trust uses are included in the Datix system. Use of the system provides an opportunity for the Trust to learn from incidents and improve the processes. The Directorates review their risks with the support of a Governance Facilitator who is linked to the Directorate. Directorate Risk Registers are also reviewed at Executive led Performance Management Meetings where a confirm and challenge approach is taken. The Corporate Risk Register is reviewed by the Corporate Risk Committee.

**Serious incident reporting** - The Trust has continued to review and refine the Serious Incident investigation process. This has seen the introduction of the Chief Investigator role and the training of a group of Lead Investigators. The pool of investigators will be allocated investigations to undertake as each arises. The core membership of the Serious Incident Group has also been strengthened to include a wider range of disciplines.

**Never Events** - The Trust experienced four Never Events during 2017-18 (four in 2016-17). Every Never Event is investigated in the same detail as a serious incident and the Trust aims to learn from the events. The results of these investigations are reported to the Quality and Safety Committee and the Board of Directors. The Trust has recently produced a report on learning from Never Events.

**National Reporting and Learning System** - The latest release of National Reporting and Learning System data shows the Trust within the peer group range for both 'severe harm' and moderate incidents.

The National Reporting and Learning System report also indicates that the median number of days from incident reported to upload time for Datix web upload to National Reporting and Learning System is now 56 days.

**Claims** – The Trust has robust processes in place for dealing with both Clinical Negligence and Employer's Liability Claims. When necessary, legal representation is sought. A summary of any settled claim is disseminated to involved clinicians and relevant managers and directors. In respect of learning lessons from claims, Directorates are provided with details of new, on-going and settled claims and ensure that risk issues are identified and formally discussed in order for an action plan to be initiated and, where necessary, the relevant risk register be appropriately updated. These action plans are monitored through the Directorate risk process.

**Complaints and Compliments** – Internal Audit reviewed the Trust's complaints handling in April 2017. They reported significant assurance on compliance with the NHS Complaint Regulations, which included the policies

and procedures in place, and the arrangements for acknowledging, investigating and responding to complaints.

A finding of limited assurance was reported for learning from complaints, as evidence could not be systematically provided to demonstrate that the action plans from complaint investigations had been completed. An improvement plan was agreed, which included: providing training for investigating officers; developing the system for recording actions and evidence of completion; and sharing learning. A re-audit took place in early 2018 and was given significant assurance.

In 2017-18 25% of complaints received a response within the Trust's 30 day target. This is a priority area for improvement, led by the Chief Nurse. Directorates are held to account for performance on complaints management via their performance assurance meetings. Support and training is provided by the Patient Experience Team.

A monthly complaints, compliments and PALS report is provided to Directorates including themes, trends and learning points. Every Directorate has a patient experience dashboard giving them real time access to records of open cases, themes and trends at ward/clinic level and tracking of action points.

### Strategic Direction

The Board reviewed the strategic frames in January 2016 and developed them further into four ambitions that link with the Board Committee structures, public Board agenda and Executive and Non-Executive appraisals. The Trust's ultimate objective is "to be a valued and trusted partner within our care system delivering safe effective care to the population we serve". These strategic ambitions provide a focus for our emerging priorities and objectives, and assist in their communication to staff, patients and other stakeholders. They are:

- Overarching Quality and Safety Ambition – Our patients must trust us to deliver safe and effective healthcare.
- Overarching Finance and Performance Ambition – Our sustainable future depends on providing the highest standards of care within our resources.
- Overarching People and Capability Ambition – The quality of our services is wholly dependent on our teams of staff.
- Overarching Facilities and Environment Ambition – We must continually strive to ensure that our environment is fit for our future.

The Board held a strategic time out in February 2018 in order to start the work on refreshing the strategy, strategic ambitions and Board Assurance Framework for the coming year.

Trust Risk Profile - The Board Assurance Framework reflects the strategic risks to delivering the 4 key ambitions. Two elements have remained red this year:

Red Risk to Achieving Ambition	Mitigation	Opportunity
<b>Quality and Safety Strategic Ambition – Our patients must trust us to deliver safe and effective healthcare.</b>		
Quality & Safety – We fail to reform and improve emergency care.	<p>The Trust continues to have challenges around achieving the emergency care standard on a sustainable basis despite introducing a number of improvements:</p> <ul style="list-style-type: none"> <li>• Clinical Navigator Role (York)</li> <li>• Acute Medical Model (Scarborough)</li> <li>• Ambulatory Care</li> <li>• Surgical Assessment Unit</li> <li>• Frailty Unit</li> </ul>	<p>The review of processes and pathways at Scarborough has led to the development of the Acute Medical Model which provides a different focus for the pathway through A &amp; E. This work is part of a national programme and has also led to engagement with NHSI to ascertain whether the 4 hour target is deliverable in small rural hospital setting. The Trust has also engaged with external consultants to prioritise initiatives and explore initiatives from other Trusts.</p>
<b>Finance and Performance Strategic Ambition – Our sustainable future depends on providing the highest standards of care within our resources.</b>		
Finance & Performance – We fail to exceed all national standards.	<p>The Trust continues to have issues in relation to the emergency care standard, referral to treatment time and some cancer indicators although recovery plans are in place and a number of elements which were put in place in December 2016 still need to embed.</p>	<p>The Trust continues to struggle to provide elective work during times of increased acute demand. This has led the Trust to look at the estate available. Orthopaedic elective work was previously moved to Bridlington Hospital, which has allowed elective work to continue on this site during times of peak pressure. The Trust continues to focus on ways to separate acute and elective work and phase work in order to gain maximum advantage before the winter period.</p>

There are currently 12 risks on the corporate risk register rated at **20** (maximum score is 25).

<b>Corporate Risk Register</b>		
<b>Risk rated 20</b>	<b>Mitigation</b>	<b>Opportunity</b>
<p><b>MD2B:</b> There is an increased risk to patient safety on the Scarborough site which experiences particular difficulties in recruiting medical staff. We currently have a vacancy rate of 20% which may impact on patient experience and care.</p>	<p>Consideration is being given to how and where services can be provided and also to overseas recruitment. The organisation now has a rota that includes intensivist presence from York at our Scarborough site and we have introduced the Acute Medical Model at Scarborough. Strategies are beginning to evolve throughout the Trust that ensure that this risk is mitigated whilst still providing a safe service to patients.</p>	<p>Overseas opportunities are being explored through third parties for middle grade recruitment. The Trust has decided to undertake a rebranding initiative to provide self-examination and look at greater opportunities to attract staff. The Trust has worked to convert locum posts to substantive.</p>
<p><b>MD6A:</b> There is a risk of failing to deliver contractual requirements relating to the delivery of emergency care in York. This has a with multi-faceted causation, which includes the difficulty in recruiting to ED consultant vacancies, new vacancies on the horizon. This may result in a delay in treatment, failure of ED targets, commissioner fines and regulatory intervention.</p>	<p>Approaches to different medical and nursing models are under development with some in place and partly Implemented (clinical navigator, pit stop, use of ACPs). We are working with key strategic partners to consider further areas of improvement in addition. Staffing issues are being mitigated via the use of locums and the NHS Cap System. Recruitment and retention premia are also being used. The University of Manchester CCG initiative has also identified the potential for transformational work to be undertaken in conjunction with NHSI. Current performance is fluctuating on a week by week basis and we are unlikely to achieve our improvement trajectory for Q2.</p>	<p>The Trust has been engaging with local universities and the Hull York Medical School to provide greater partnership working to offer bespoke courses. The Trust has also engaged with external consultants to prioritise initiatives and explore initiatives from other Trusts.</p>
<p><b>MD6B:</b> There is a risk of failing to deliver contractual requirements relating to the delivery of emergency</p>	<p>The organisation is participating in a national programme looking at acute and emergency models of care for small DGHs. This is supported by</p>	<p>The review of processes and pathways at Scarborough has led to the development of the Acute Medical Model which provides a</p>

<p>care in Scarborough with multi-faceted causation, which includes the difficulty in recruiting to ED consultant vacancies, new vacancies on the horizon. This may result in a delay in treatment, failure of ED targets, commissioner fines and regulatory intervention.</p>	<p>Yorkshire Doctors managing the UCC. This includes looking at different workforce models , ACPs are already either in place. Recruitment is being supported by locum spend. There is a reliance on agency/locum staffing to run the AMM in Scarborough.</p>	<p>different focus for the pathway through A &amp; E. The Trust has explored different workforce models including ACPs. The Trust has also engaged with external consultants who will look at Scarborough ED once they have finished in York ED. The Trust is also seeking support from the NHSI Regional Team.</p>
<p><b>DE01: Lack of capital funding to deliver the Trust Estates Strategy -</b> There is a risk of being unable to achieve required compliance with estate due to insufficient capital available to deliver the Trusts Estate Strategy. This could potentially result in regulatory intervention.</p>	<p>This is currently being managed by the prioritisation and investigation of capital funding strategies year on year. Current investigation of funding possibilities being undertaken</p>	<p>The Trust continues to look at funding strategies and to work with partners to provide alternative facilities and to also allow the Trust to develop with ambition. Work is being done in conjunction with STP partners to look at solutions.</p>
<p><b>DOSNS1:</b> In September 2017 HPE advised that the Trust needed to undertake a firmware upgrade to the HP X2000 storage array. The upgrade reduced the level at which a disk could be classified as failing, this has the potential to increase the likelihood of system failure if multiple disks fail at the same time. Some critical Trust systems including Telepath, CPD copy and CPD Dataguard are using the HP XP20000 as data storage. This could result in significant downtime and potential data loss.</p>	<p>The XP20000 is fully supported by HP 24 x 7 x 365. In the case of failure critical data can be moved to another system. HPE are proactively working with the Trust to ensure that storage array is stable additional spare disks are held on site. Since September 2017 there have been two serious system outages due to multiple disk failures. Root cause analysis has shown that due to a firmware upgrade, the level of error tolerance before a disk is shut down has changed thus making it more likely that the system will shut down a disk it predicts is going to fail. As a result there is a lack of confidence in the XP20000. There are plans to move critical data off this system however until this has happened the risk of system downtime remains high. The Trust are actively working with HPE and one of their</p>	<p>This together with the cyber security attack has provided the Trust with the opportunity to get an external agency in to review security arrangements. The Capital Executive Group will seek opportunities to further strengthen resilience in this area.</p>

	Channels OCSL to develop a robust plan and this will include a level of investment.	
<b>DOF3: Cash Flow: Managing Expenditure</b> - There is a risk of there being a failure to manage organisational expenditure plans therefore impacting on the organisations ability to deliver its financial plan which may result in regulatory intervention.	Extensive monitoring of plans and delivery through Directorate Meetings, PMMs, Executive Board, Finance and Performance Committee and Board of Directors. Production of a Financial Recovery Plan. Preparations are being made to enter the Distressed Cash Regime. Risk is very high as new year spend trends have increased.	Cash flow implications and the cash deficit position have highlighted the impact of the lost financial support for the East Coast services with key stakeholders and regulators. This has facilitated significant discussions in terms of the Trust's Going Concern basis.
<b>DOF8:</b> There is a risk that the Trust fails to meet the terms associated with receipt of the Sustainability Funding allocation of £12m for 2017/18.	Continued liaison and discussion with DH, NHS England and NHSI. Detailed monitoring arrangements are in place for the Exec Board, F&P Committee and Board of Directors. The Trust has prepared a financial recovery plan. The Trust is not currently meeting the requirements to access the Sustainability Funding.	This risk has facilitated significant discussions in terms of the Trust's Going Concern basis.
<b>DF09:</b> There is a risk that the Trust fails to manage agency expenditure within the NHSI prescribed cap of £17.2m. This will compromise delivery of the financial plan, receipt of the sustainability funding and may result in NHSI intervention.	Continued liaison and discussion with DH, NHS England and NHSI. Detailed monitoring arrangements will be put in place for the Exec Board, F&P Committee and Board of Directors. Progress has been good to date but further work is necessary to reduce this risk further.	The Trust has significantly improved agency spend in 2017-18 reducing the figure of £21m in the previous year to £18m. Whilst this is still in excess of the cap, it is a much better position.
<b>C002: Delivery of the Emergency Care Standard</b> - There is a significant and material risk of failing to deliver contractual requirements relating to the delivery of the ECS, which is caused by: - increased non-elective admissions, exacerbated by an ageing population	A detailed Acute & Emergency Care Recovery Plan has been agreed internally and externally. The A&E Delivery Board has been established and has oversight of A 'whole system' approach is being taken to support the recovery. ECS assurance plan in place. Return to Operational Standards plan refreshed and re-launched System wide escalation agreed and implemented	Acute Medical Model – detailed above Clinical Navigator / Advanced Care Practitioners – detailed above. Assessment Centres were introduced as part of the overall plan to keep flow moving. The Trust has engaged with external consultants and will use the work to refresh the Return to Operational Standards

<p>with significant co-morbidities, bed capacity and high levels of bed occupancy (impact "exit block"),</p> <ul style="list-style-type: none"> <li>- workforce challenges,</li> <li>- inability to successfully discharge due to a lack of external support and community services, all of which impacts on patient experience. This has the potential to result in patient harm through delay in treatment. For the Trust this has the risk of regulatory intervention and risk to achieving the STF monies.</li> </ul>	<p>Daily and weekly monitoring of performance against the 4 hour pathway. An agreed 4 hour pathway has been developed that identifies critical components of the 4 hour pathway, this has been agreed across the Trust.</p> <p>There is dedicated resource within the Ambulance Assessment Area to facilitate ambulance handovers and commence first assessment. There is dedicated resource allocated to Streaming of all walk-in patients.</p> <p>An Emergency Physician in Charge (EPIC) role and Nurse in Charge (NIC) has been established to ensure there is rigorous delivery of first seen by doctor and Decision to treat by 2 hours.</p> <p>The Trust has achieved 82.96% ECS for December and 87% for Q3. This has been impacted by winter pressures and the prevalence of flu.</p>	<p>document. The consultants have spent 6 weeks in ED to diagnose issues and have established a programme that they will help initiate delivery and clinical engagement on over the next 4 weeks. 6 high impact changes have been prioritised to focus on.</p>
<p><b>COO7:</b> There is a risk of failing to deliver the requirement of the STF to deliver no patient experiencing a 12 hour trolley wait and contractual commitment to reducing the number of 8 hour waits. This may happen should the process of improvement fail to deliver the expected outcome. This may result in potential patient harm, poor patient experience, contractual and regulatory intervention</p>	<p>Mitigating actions are as detailed in C002 above. Revised process for recording and reporting 12 hour trolley waits to review status as Serious Incidents under review. Text alerts to Directorate Managers to support escalation of long waits. Pro-active management of the 4 hour pathway and breaches of internal standards. Changes to reporting to identify patients who may need a bed earlier in the process to support bed management. Long waits (over 8 hours) increased significantly in December, up 9.8% compared to December 16. There were 5 x 12 hour trolley waits in December (2 in Scarborough and 3 in York).</p>	<p>As COO2 above.</p>
<p><b>C008: RTT</b> - The Trust is not on trajectory to meet the RTT standard.</p>	<p>RTT recovery plan refreshed in January Refresh of capacity and demand modelling and</p>	<p>The Trust is looking at different approaches as the National Planning Guidance requires</p>

<p>This is caused by multiple operational factors including theatre utilisation during the summer and high bed occupancy resulting in cancellations over the winter period. Failure to achieve the trajectory will have financial implications and result in patients waiting longer for treatment.</p>	<p>outpatients reform. Specific recovery plans for Ophthalmology and MaxFax. Secured additional funding to support backlog from NHSE to maximise outsourcing. Additional WLI and implementation of revised theatre planning process to support flexibility and prioritise specialties with significant backlogs. Review of training and use of trackers to support data validation. Weekly review of long wait patients and escalation where required. The RTT position is 85.7% with impact in December from winter pressures. The backlog is significant and a review is underway to refresh recovery proposals</p>	<p>the Trust to maintain the 17-18 Q4 position at q4 in 18-19 although the Trust will aspire to attain 92%. The Trust's capacity plan has been predicated on the guidance and will look at a higher percentage of work in the early months before winter.</p>
<p><b>COO9:</b> There is a risk of impacting on patient flow, cancellation of electives and specialty outliers where the bed occupancy of the hospital is above planned levels.</p>	<p>The Acute Task finish group has projects supporting flow and discharge, including maximizing use of assessment units, SAFER principles. Expansion of CRT resource. The Complex Discharge group has been established. System DTOC reviews and weekly internal stranded patient review is in place. Escalation areas identified in the winter plan. Engagement in the A&amp;E Delivery Board to reduce demand on acute services. Bed Occupancy has varied through the month on both sites. York ranged from 78.3% (24/12) - 98.3%, with 11 days with a midnight bed occupancy under 92%. Scarborough ranged from 83.88% (24/12) - 98.83%, with 12 days with a midnight bed occupancy of 92%.</p>	<p>The Trust has engaged with external consultants and will use the work to refresh the Return to Operational Standards document. The consultants have spent 6 weeks in ED to diagnose issues and have established a programme that they will help initiate delivery and clinical engagement on over the next 4 weeks. 6 high impact changes have been prioritised to focus on. Discharges will be a focus and will link into the new framework being developed to deliver SAFER and will be sponsored by 3 executives and will be a focus of the improvement team and report into the Acute Board.</p>

These issues are continually assessed and reviewed by Directors and as part of the work of the relevant Board Committees and the Board.

## Information Governance Assurance Programme

Information Governance and Information Security are covered within the Statutory and Mandatory Training Programme, and all staff have confidentiality statements within their contracts. This is supported by a well-developed set of policies and procedures which are underpinned by a series of staff guides. This includes an Information Security Policy.

The Trust has established an Executive Information Governance Group that provides the organisation's strategic direction. The core membership comprises the IG Lead at Board, the Caldicott Guardian, the Senior Information Risk Officer, the Chief Clinical Information Officer, and the Deputy Director for Healthcare Governance. The Group has been involved in the process of reviewing its IG Framework and associated resource in the light of new legislation due to become operational in 2018.

York Teaching Hospital NHS Foundation Trust's Information Governance Assessment Report overall score for 2017-18 was 86% and was graded green.

The organisation has a well-tested disaster recovery plan for data which aims to ensure that data, and access to data is not compromised or vulnerable at a time of any unexpected system downtime.

The Chief Executive has overall responsibility for all aspects of information management, including security and governance, and is accountable to the Board of Directors. He is supported by the Deputy Director of Healthcare Governance who acts as the Trust's Data Controller and the Director of Finance is the lead for Information Governance on the Board.

Information Governance risks are managed in accordance with compliance with the standards contained within the Information Governance Toolkit, and, where appropriate, recorded on the Corporate Risk Register.

All staff are governed by the NHS code of confidentiality, and access to data held on IT systems is restricted to authorised users. Information governance training is incorporated into the statutory/mandatory training programme and supplemented as appropriate in all IT training sessions. The corporate induction process has a dedicated Information Governance session.

The Trust had no information security breaches during the year which were of a scale or severity to require a report to the Information Commissioner. The Trust was subject to a Cyber Security Attack in May 2017. Action has subsequently been taken to strengthen Business Continuity Plans and security processes. There is a further reference to the cyber-attack in the review of effectiveness on page 152.

## Care Quality Commission

York Teaching Hospital NHS Foundation Trust is fully compliant with the registration requirements of the Care Quality Commission. York Teaching Hospital NHS Foundation Trust has participated in several special reviews by the Care Quality Commission during the reporting period. These are listed below and further information can be found on page 201 of the Quality Report:

- Looked after Children Review – City of York
- Looked After Children Review – North Yorkshire County Council
- Well Led Review
- CQC Review of Health and Social Care Interface

The Trust was subject to a CQC inspection of its Core Services in September 2017, which was followed by a Well Led Review in October 2017. The CQC published their findings in February 2018. Whilst the overall rating for the Trust was **Requires Improvement**, the assessment of York Hospital improved from Requires Improvement to 'Good'.

### Summary of ratings:

Area assessed	Rating
Trust Overall	Requires Improvement
York Hospital	Good
Scarborough Hospital	Requires Improvement
Bridlington Hospital	Requires Improvement
Community Services*	Good

\*Community services were not reassessed as part of this inspection, and retain a rating of Good overall.

The following improvement notices were received and work has been underway to draft an action plan which has been submitted to the CQC in April 2018:

**Regulation 5:** Fit and Proper Person Test;

**Regulation 8:** Person Centred Care (no paediatric area in York ED, no Rehab Clinic in Scarborough Critical Care Service and lack of Critical Care Strategy for Scarborough);

**Regulation 11:** Consent .MCA/DoLs;

**Regulation 12:** Safe Care and treatment (gaps in clinical record keeping in Scarborough ED, RMO issues at Brid, failure to completed stat mandatory training by all ED staff);

**Regulation 17:** Good Governance. BAF, QIA Assessment, lack of clear plan to establish financial stability, use of data;

**Regulation 18:** Staffing: Heavy use of Bank and Agency, especially at Scarborough. Not all staff retaining professional skills (NIV on Ward 34) and lack of clinical educator in Scarborough Critical Care.

The action plan will be monitored by the Board. However; a number of actions had already been addressed by the time the report was received.

#### Compliance with NHS Foundation Trust Condition 4 – NHS Foundation Trust Governance Arrangements

In recent years, the Trust has undertaken an internal governance review and commissioned a Well Led Review from Grant Thornton and reported on in January 2016 and a review of the financial function which was reported on in 2015/16.

The Trust has undergone a Well-Led Review by the CQC in October 2017, which is reported earlier in the report.

The Trust has also undergone a Licence Review by NHSI in February and March 2018 which was about how the Trust ran its business and the overall sustainability of the Trust's business model. Further reference to this is made on page 155.

The Trust has applied the principles, systems and standards of good corporate governance and has reviewed the guidance that has been issued by NHSI (Monitor) during the year and, where appropriate, has prepared a 'comply or explain' document to record where the Trust has not followed the guidance or where an action plan is required to ensure compliance.

The Trust's systems and accountability arrangements for Directors ensure compliance with the duty to operate efficiently, economically and effectively. The Trust gains its assurance that these systems are in place through the reporting information, Corporate Risk Register, Board Assurance Framework and the Internal Audit Reports presented to the Audit Committee. The Board has in place four Board Committees that review performance in detail in advance of the Board meeting.

The Board of Directors has an underpinning governance structure that ensures information from the Board is fed into the organisation and information from the ward is considered at Board. Below is a summary of the Board Committees and key operational committees and groups that support the governance structure.

The Board of Directors comprises a Chair plus six Non-executive Directors, a Chief Executive Officer and five voting Executive Directors. For the period March to August 2017, there were seven Non-executive Directors due to a handover period. From April to June 2017 there were three non-voting Corporate Directors also attending the Board. This went to two in June and

one in September. A second non-voting Director joined the private Board in December 2017. The Foundation Trust Secretary also attends the Board. The Board met monthly during 2017/18.

The Board continues to focus strategically and assures itself of the performance of the whole organisation. The agendas are organised to focus both internally and externally together with the opportunity to provide a patient voice and service user feedback. Key items on the agenda are feedback from the Board Committees who provide assurance to the Board on Quality & Safety, Finance & Performance, Workforce & Organisational Development, Environment & Estates, Corporate Risk and Audit. Detailed reports have also been received on a broad range of strategic and governance issues.

The Board of Directors is responsible for the management of key risks in the organisation. The Board has a number of tools it uses to consider the management of risk, including the Board Assurance Framework and Corporate Risk Register. This arrangement ensures the Board of Directors understands the strategic risks to the Trust in the context of the Trust's strategic direction.

On an annual basis the Board requests a self-assessment of compliance against the NHSI licence. The self-assessment is shared with the Board of Directors in advance of the Board approving the Corporate Governance Statement.

Any changes to the Board of Directors are listed on page 54 of the Annual Report.

### Audit Committee

The Audit Committee is chaired by a Non-executive Director and membership consists of two additional Non-executive Directors. Executive Directors and senior managers attend the meeting as required by the Audit Committee.

The Audit Committee Chair is also a member of the Workforce & Organisational Development Committee which reports directly to the Board of Directors on key assurances around workforce and organisational development.

The Audit Committee undertakes the following roles:

- Consideration of financial risk management;
- Consideration of the annual accounts;
- Soundness of overall system of internal control;
- Consideration of Clinical Governance systems.

The Board of Directors delegated authority to the Audit Committee for the development of working groups, as required. The Audit Committee receives regular updates from the Data Quality Group.

- The Data Quality Group was tasked with investigating and understanding the systems and processes involved in ensuring the Trust maintains appropriate and relevant systems for data quality such as HR, patient and financial information. The Group then provides assurance to the Audit Committee at each meeting.

### Corporate Risk Committee

The Corporate Risk Committee has concentrated on understanding and improving the identification and description of risks included in the Directorate Risk Registers and Corporate Risk Register. The Committee has continued to review the developments being made to the Board Assurance Framework and agree those developments. The Committee requests Directors to attend to discuss their top risks to ensure clarity and a strategic focus.

### Remuneration Committee

The Committee reviews the Executive Directors' remuneration package and succession planning for the Board of Directors. This Committee's membership is made up of the Non-executive Directors. The Chief Executive attends the meeting when requested by the Chair of the Committee.

### Quality & Safety Committee

The Quality and Safety Committee examines issues around Patient Safety, Patient Experience and Clinical Effectiveness. The Quality and Safety Committee meets the week before the Board of Directors and reviews in detail the previous month's information relating to patient safety, clinical performance and quality of services. Any issues or matters of concern are brought to the attention of the full Board. The Committee is expected to consider, as part of its work, the specific risks included on the Corporate Risk Register and Board Assurance Framework aligned to the agenda they are considering.

### Finance & Performance Committee

The Finance and Performance Committee meets the week before the Board and reviews in detail the previous month's information relating to financial performance, the cost improvement programme and operational activity and performance, drawing any issues or matters of concern to the attention of the full Board. The Committee is expected to consider, as part of its work, the specific risks included on the Corporate Risk Register and Board Assurance Framework aligned to the agenda they are considering.

### Workforce & Organisational Development Committee

The Workforce & Organisational Development Committee meets every month and receives any draft strategic plans relating to workforce. The Committee

monitors progress against strategic plans, and presents their findings to the Board for consideration. The Committee considers, as part of its work, the specific risks included on the Corporate Risk Register and Board Assurance Framework aligned to the agenda they are considering.

### Environment & Estates Committee

The Environment & Estates Committee meets every two months and considers specific information related to the environment and estate, including reviewing the premises assurance model and receiving any health and safety information, along with information about the sustainable development management plan. The Committee reports to the Board following each meeting and provides assurance to the Board on the systems and processes used by the Trust to support the Environment and Estates agenda.

### Executive Board

The Executive Board is the key operational group of the Trust and is chaired by the Chief Executive. Its membership comprises the Clinical and Corporate Directors. The Executive Board discusses the formulation and implementation of strategy. The formed strategy proposals are discussed with the Board of Directors through the Board and Board Committee meetings.

### Site Specific Meetings

The Trust holds some site specific Boards including an Acute Care Board in York, a Planned Care Board in York and a Hospital Board in Scarborough. The Boards consider and address issues specific to their locations and reports actions to the Executive Board. The membership is made up of Senior Clinicians, Operations Managers and Directors.

### Carter Steering Group

The Board of Directors receives assurance from the Patient Safety, Quality, Workforce, Finance, Research, Development and Performance Report and Finance and Performance Committee on the achievement of the efficiency agenda. This group is executive led and monitors progress on the achievement of the cost improvement plan. The Trust has a dedicated team of staff to support the Directorates in achieving the cost improvement programme initiatives.

The group:

- Supports the development of the annual cost improvement plan;
- Generates, develops and reviews efficiency initiatives both corporately and in specific areas;
- Monitors progress against plan;
- Champions and challenges key corporate efficiency projects.

## **Communication with stakeholders**

The Trust has a Communications Department that works closely with the Patient Experience Team. Together they ensure there is public stakeholder engagement that addresses any perceived or actual risks that might impact on the public. This includes undertaking any necessary consultation exercises.

A number of forums exist that allow communication with stakeholders. These forums provide a mechanism for any risk identified by stakeholders that affects the Trust to be discussed and, where appropriate, action plans to be developed to resolve any issues.

Examples of the forums and methods of communication with stakeholder are as follows:

### Council of Governors

The Council of Governors has a formal role as a stakeholder body for the wider community in the governance of the Trust. The Council of Governors held quarterly meetings during the year, underpinned by a number of working groups to consider issues such as patient experience, member and constitution review. The Council of Governors attended two meetings with the Board of Directors, the Annual Members' Meeting, incorporating the Annual General Meeting, held in York and received regular reports on the activities of the Trust.

### Staff

- Raising concern policy
- Regular newsletter
- Staff meetings and team briefings
- Staff surveys
- Adhoc emails from the Chief Executive
- Consultation exercises
- Family and Friends for staff
- Team Brief
- Safer Working Guardian/ Freedom to Speak Up
- The introduction of Fairness Champions across the Trust
- Staff Surgeries with Executive Directors
- Junior Doctors Forum

### Public and Service Users

- Patient surveys
- Patient experience
- Patient forum
- Family and Friends initiative
- Meetings with the Friends of York Hospitals and self-help groups
- HealthWatch

## Other Organisations

- Other health and social care communities where the Trust has an interaction including with the GPs directly and the CCGs
- Clinical and professional network groups in North Yorkshire
- North Yorkshire and York City Council Health Overview and Scrutiny Committees
- Chief Executive forums where an integrated approach to healthcare is discussed and developed

## Performance

The performance position has been challenging throughout the year, with the organisation significantly affected by the winter pressures experienced nationally. There has been improvement from last year on quarterly performance on ECS in Q1 and Q3, and through the year we have seen significant improvements in cancer 2 week waits. The Trust has not been able to improve performance on 18 week referral to treatment times experiencing a deterioration in the RTT incomplete target. , Routine capacity has been affected by the difficult winter the NHS in England experienced, as a result there was a need and indeed a direction from NHS England and NHSI to curtail elective work over the winter, resulting in significant rises in patients on the RTT waiting list.

The Board of Directors has had full oversight of all actions and plans against the agreed trajectories. The Trust's performance management framework provides the rigour and scrutiny in order to assure the Board that plans are on trajectory or mitigating actions are put in place where performance is off-track.

The Trust is working with partners across the system to improve performance through the A&E Delivery Board, Cancer Alliance, with CCGs on planned care and through engagement with the Sustainability and Transformation Plan. A number of Directors and Senior Managers lead and sit on STP workstreams to ensure Trust representation.

The Trust has an efficiency programme which is supported by the Corporate Efficiency Team and Service Improvement Team. The Carter Steering Group monitors progress of the efficiency agenda and management of the Trust's top efficiency priorities. In July 2017 the Trust introduced a Financial Recovery Plan due to being in financial deficit which was monitored by the Financial Recovery Board, a separate meeting of the Board of Directors. This Board was established in order to enable greater oversight and control of the financial position and schemes identified over and above the efficiency programme. The Financial Recovery Plan was also monitored weekly at the Corporate Directors meetings. The Trust also has in place a Business Case Panel, which has oversight of all business cases.

The Board of Directors has ensured that effective financial decision making; management and control have been in place throughout the year.

All of the statements included in this document provide the Board with the assurance that the Trust has in place the required evidence and systems to provide appropriate validity to our Corporate Governance Statement. The Board is asked to approve a self-certification related to the systems of compliance and the availability of resources on an annual basis.

The Trust continues to operate within the context of an extremely challenging national economic situation and its impact on the NHS.

At the end of the 2017/18 financial year, the Trust reported an income and expenditure deficit of £20.1m. This position notably includes the positive impact of fixed asset impairments of £1.8m and the Trust received, at the end of the financial year, £3.1m of Sustainability and Transformation Funding (STF) from a general distribution of unallocated STF. Disappointingly this represents a significant adverse variance against the planned position of a £3.3m surplus.

There are essentially two material components to the variance from plan:

- The Trust made good progress in the recruitment of nursing staff and the management of agency in 2017-18. However, the recruitment of medical staff remained extremely challenging, particularly on the East Coast. We continued to rely on locum and agency staff in this area; the overall impact of this was expenditure has reduced from £20m in 2016-17 to £18m in 2017-18, however this was still marginally above our £17.2m agency cap;
- The Trust was due to receive £11.8m STF but didn't receive anything from our original allocation; the reason for the shortfall of STF was due to the Trust not achieving either its financial control total or the improvement trajectory linked to the emergency care standard; a high level of operational pressures in the Trust over the winter period was a significant contributory factor. The Trust did receive £3.1m of STF at the end of the financial year from a general STF distribution as noted above and this has been included in our financial position.

### Compliance with Equality, Diversity and Human Rights Legislation

Control measures are in place to ensure that all the Trust's obligations under equality, diversity and human rights legislation are complied with. The Trust takes due regard of equality and human rights issues during the development of any service or change to service and the management of policies. The Trust publishes annual reports via the Trust Website which demonstrate our compliance with the Public Sector Equality Duty and the requirements of the NHS Standard Contract.

The Trust has developed a new equality impact Assessment toolkit to approach equality analysis in a structured and consistent manner. Equality

impact assessments will be routinely published and audited quarterly by the Trust Fairness Forum. .

The Trust has fulfilled its obligation to publish its first gender pay gap reporting by the reporting deadline of 31 March 2018.

The Trust complies with the requirements included in the Modern Slavery and Human Trafficking Act 2015.

#### Compliance with NHS Pension Scheme Regulations

As an employer with staff entitled to membership of the NHS Pension scheme, control measures are in place to ensure all employer obligations contained within the Scheme regulations are complied with. This includes ensuring that deductions from salary, employer's contributions and payments in to 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.

#### Climate Change and Adaptation Requirements under the Climate Change Act 2008

The Foundation Trust has in place carbon reduction plans and has undertaken risk assessments in accordance with emergency preparedness and civil contingency requirements, as based on UKCIP 2009 weather projections, to ensure that this organisation's obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with. In addition, weather information is received that might impact on our community service delivery and the Community Risk Register utilises Environment Agency current flood risk assessments. Work is continuing with updating all our Trust Business Continuity Plans and a soon to be launched draft Trust Sustainability Design Guide which highlights the capital projects considerations of adapting to our changing climate.

### **5 Review of economy, efficiency and effectiveness of the use of resources**

During the year the Board of Directors has received regular reports informing of the economy, efficiency and effectiveness of the use of resources. The reports provide detail on the financial and clinical performance of the Trust during the previous period and highlight any areas where there are concerns.

The Carter Steering Group, an executive group, is led by the Trust's Chief Executive and ensures the effective management of the Trust efficiency agenda. The membership of the group includes senior management including two Corporate Directors.

Achievement of economy, efficiency and effectiveness is underpinned by the Trust's Governance Framework and supported by internal and external audit reviews, which are monitored through the Audit Committee. The Trust also

has a contract for counter fraud services for the proactive prevention, detection and reactive investigation of fraud.

### Cost Improvement Programme

The Trust has over achieved its CIP target in 2017/18 delivering £23.3m against a target of £22.8m; the Trust continues to perform extremely strongly in this area, though 2017-18 has proved to have been the most challenging year in the Trust's recent history in terms of CIP delivery. This position is reflected in a lower level of recurrent delivery, at £9.85m, than the Trust was targeting and is £4.25m lower than the 2016-17 position. The CIP target for 2018-19 has been set at £21.7m and will again prove to be an extremely challenging target given the continuing pressure on the Trust finances and clinical services. Further information can be found in the annual report within the Review of Financial performance section.

## **6 Annual Quality Report**

The Directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 to prepare the Quality Report for each financial year. NHS Improvement (in exercise of the powers conferred on Monitor) has issued guidance to NHS Foundation Trust Boards on the form and content of annual Quality Reports which incorporate the above legal requirements in the NHS Foundation Trust Annual Reporting Manual.

The Trust has appointed the Chief Nurse to lead and advise the Board of Directors on all matters relating to the preparation of the Trust's annual Quality Report.

To ensure that the Trust's Quality Report presents a properly balanced picture of its performance over the year the Quality and Safety Committee oversees its production.

The Trust has developed separate strategies to reflect the management responsibilities of the Chief Nurse and Medical Director. The strategies identify the key quality and safety goals of the Trust including the introduction of new and revised systems to support the delivery of the clinical quality and safety agenda and to ensure a continuation of the delivery of high quality safe clinical care.

During 2017/18 the Trust did not fully achieve all the objectives set as priorities in the Quality and Safety Strategy and Quality Report. More detail of the achievements can be found in the Quality Report. The priorities that were not achieved will continue to be addressed by the Trust.

Data quality, monitoring, validation and system controls are embedded within the organisation and reporting processes to assure the quality and accuracy of elective waiting time data are in place.

## 7 Review of Effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of Internal Auditors, Clinical Audit and the Executive Directors, Managers and Clinical Leads within the NHS Foundation Trust that 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 Reports to those Charged with Governance (Interim & Annual). I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board of Directors, the Audit Committee, Corporate Risk Committee and the Quality and Safety Committee, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The level of assurance has been enhanced during the year through continued development and refining of the collection and use of data.

The Head of Internal Audit Opinion 2017/18 stated that: Significant assurance can be given that there is a good system of internal control which is designed and operating effectively to meet the organisation's objectives and that this is operating in the majority of core areas. The opinion is based upon an assessment of the design and operation of the underpinning Board Assurance Framework and supporting processes and an assessment of the range of individual opinions arising from risk-based audit assignments contained within internal audit risk-based plans that have been reported throughout the year. The assessment has taken account of the relative materiality of these areas and management's progress in respect of addressing control weaknesses.

An opinion of Significant Assurance has been awarded in relation to the design and operation of Trust's Board Assurance Framework. It was noted that a CQC inspection in 2017 stated that the BAF 'lacked rigour and detail required to provide assurance around risks to the Board's strategic objectives, however, the Internal Audit found that the BAF was actively used to inform the Board agenda. The Internal Audit report recognises that a review of the BAF will take place and the existing process enhanced to provide more clarity. An opinion of Significant Assurance is awarded to the Risk Management systems and processes and their application Trust wide.

However, weaknesses were noted in the risk management system related to:

- The lack of oversight for the management and mitigation of Systems and Network Services risks. The Trust should determine at which of the four existing Board sub-committees System and Network Services risks should be reviewed and mitigating actions monitored.

- DATIX is not currently being used to record and report on Directorate or Corporate Risks. However, migration of risk registers to DATIX is planned for 2018/19.

Taking into account all of our findings, and the Trust's actions in response to my recommendations during 2017/18 and timing of audits, the areas of notable control weakness regarding *Child Safeguarding* as identified in 2016/17 remain.

Issues remain with the inadequate completion of safeguarding documentation in the Emergency Departments at the York and Scarborough Hospital sites. Some of these findings were mirrored in the recent CQC assessment. Action plans have been devised, and were in the process of being delivered, by the Child Safeguarding Team in response to the recommendations raised. However, some inconsistencies were also found in the admission pathways for children aged between 16 and 18 years old which require further improvement.

At the request of the Chief Nurse, a review of the arrangements for monitoring and escalating deteriorating patients was undertaken. It was found that the Trust Deteriorating Patient Escalation Process is not being fully complied with. Evidence did not consistently demonstrate that patients were being referred to the Critical Care Outreach Team when their National Early Warning Score (NEWS) deteriorated. Issues were also noted in regard to the timely review of such patient within the specified timeframe.

A limited assurance report for 'Mental Capacity Act Compliance' was issued in 2016/17. A follow up review was undertaken as part of the 2017/18 plan. Concerns remained in regard to the submission of Deprivation of Liberty documentation from the wards to the Safeguarding Adults team.

No further areas of notable control weakness were identified during the 2017/18 programme.

On Friday 12 May 2017 the functioning of the Trust was hit by a ransomware attack that affected many organisations across the world. As a result of infection within the Trust's networks and precautionary closedown of key IT systems, and the inability of some partner organisations to operate normally during the period of the attack, there was an impact on the Trust's operational activity. However, the Trust's business continuity arrangements minimised the impact to a small number of patient cancellations and quickly and fully restored normal services. The Trust cooperated fully with instructions from NHS Digital, the Police and other government agencies. The Trust prepared and implemented an action plan which has increased cyber security measures. The Board of Directors signed off the work on the 10 data security standards prescribed by the Department of Health and Social Care document 2017-18 Data Security and Protection Requirements in April 2018. This together with the new Data Security and Protection Toolkit forms part of the new framework for assuring organisations are meeting their statutory

obligations on data protection and security. The Trust achieved level 2 against the current Information Governance Toolkit.

My opinion is also informed by:

- The Trust achieved CNST Maternity Standards level 2 in 2013-14. The Trust is required to self-certify compliance against 10 actions and demonstrate progress with evidence by the end of June 2018. The Trust's self-certification demonstrates progress and provides evidence to show that all actions are met. This self-certification will be signed off by the Quality & Safety Committee and Board in May 2018.
- The Trust recruited a full-time Freedom to Speak up Guardian/Safer Working Guardian in September 2016. The Board has been assured by the progress and impact of the role and a subsequent Internal Audit Report on the effectiveness of the processes in place to enable staff to raise concerns and whistle blow has received significant assurance.
- Contracts with commissioners for 2017/18 were agreed in a cooperative and collaborative manner through the Trust's engagement with the Commissioners. The Trust has engaged with its commissioners throughout the year in order to ensure that contracts were performing in line with expectations and mitigate any emerging risks;
- The Board of Directors receive regular reports from the Medical Director, Chief Nurse, Chief Executive and Finance Director which provide the Board of Directors with assurance about the clinical, quality and corporate issues within the Trust. The performance report is also presented on a monthly basis to the Board of Directors. The Board of Directors receives information about patient experience at each Board meeting via a number of routes. Each public Board incorporates details of a patient's experience to set the tone of the meeting. The Trust continually works to improve the system applied to the management of complaints.
- The Audit Committee has received a number of audit reports from Internal Audit at each meeting. The Audit Committee continues to monitor the effectiveness of internal audit and in particular the integrity of the process around limited assurance reports to ensure there is senior level engagement and accountability. The Audit Committee triangulates information with the other Board Committees at each meeting and the membership ensures strong links between the Committees;
- Internal Audit is an independent service who has a risk based plan agreed with the Audit Committee for the year. The plan includes areas where controls within the systems and process may be improved or enhanced. Internal Audit presents their findings to the Audit Committee and to the Board of Directors through the Audit Committee minutes on a quarterly basis (as a minimum). The Head of Internal Audit Opinion is written as a summary of the findings of all the Audits held;

- The Trust continues to work closely with Health Education England and the Deputy Chief Executive and Local Chief Executive for HEE co-chair the Local Workforce Action Board. Changes in the funding for clinical and non-clinical trainees have resulted in a renewed focus on the delivery and enablement of multi-disciplinary learning with particular emphasis on Bands 1-4 non clinical staff, apprenticeships and new clinical workforce roles e.g. Nursing Associate. The Trust is seen as a pathfinder in the development of the Advanced Clinical Practitioner role providing greater workforce flexibility and capability. The Trust is involved with the regional STP work streams, one of which is looking at standardisation of this role and consolidation of career pathways. The Trust has worked collaboratively with the University of Coventry to introduce a registered nurse programme with the aim to provide nurses in future years;
- The Trust is committed to partnership working in both the local health economy in relation to local priorities, with neighbouring Trusts to strengthen clinical alliances and also the wider STP footprint to facilitate the development and realisation of plans;
- The Trust has put a Clinical Audit Strategy and Policy in place, which outlines the systems and processes in place in respect of monitoring. This enables a systematic process to address risks and to provide assurance to the Trust, Commissioners and monitoring bodies. All clinical audit activity is registered with the Clinical Effectiveness Team and is collated on the Effectiveness Project and Clinical Audit Database. The Effectiveness Team follow up on all reports/briefcases (summary report) and action plans. These are attached to the Database to evidence changes to practice. The Audit Committee during 2017/18 received an update on the clinical effectiveness arrangements and will continue to monitor the assurance the process provides. The Quality & Safety Committee Group has also started to monitor clinical effectiveness;
- Development and review of the merged governance action plan to ensure there is a continued focus on good governance including the development of a directory of statutory, regulatory and compliance items for the Board, varied options for training staff and the development of a governance manual;
- I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the committees identified above, by the Board's monitoring of corporate and directorate performance, by the publication of audit reports in line with their work programme by internal audit during the year, and by the evidence of the assessment of the Trust and the capacity and capability of the Board by NHSI in relation to its financial management, governance arrangements and risk management systems, the Board's self-certification to NHSI (Monitor);

- The Trust continues to operate in a challenging national economic climate, and has reported a significant deficit position. Operationally, the pressures on the Trust have been significant, but a recovery plan was implemented and underpinned by a robust performance management framework. There is a recognition that the challenges will continue into the coming year, but the Trust continues to work with partners to ensure a comprehensive delivery of services and financial performance;
- During this year, due to financial difficulties experienced by the Trust, the Trust was subject to an investigation into compliance with its Licence in relation to both finance and governance. The investigation did find evidence that the Trust was in breach of its Licence conditions. This investigation is now closed and the Trust and NHSI are currently working on a series of undertakings to remedy areas of weakness;
- Single Oversight Framework – Following the Licence Investigation the Trust is now rated 3. Segment description: mandated support – mandated support as determined by NHSI to address specific issues and to help the provider move to segment 2 or 1.

## **8 Conclusion**

Identified in this report is the NHSI Licence breach found during NHSI's Licence Investigation earlier this year. An action plan has been drafted and will be agreed with the Board and NHSI to address areas raised. There are no other significant internal control issues that have been identified.

A handwritten signature in black ink that reads "Mike Proctor". The signature is written in a cursive style with a large initial 'M' and 'P'.

**Chief Executive**

**Date 29 May 2018**

## Voluntary disclosures

### Equality, Diversity and Inclusion

The Trust is committed to promoting equality, diversity and human rights in all our activities for all patients, visitors and staff. Everyone who comes into contact with the Trust can expect to be treated fairly and with respect.

The Trust is required to produce detailed information to demonstrate our regard to the Equality Act and other NHS standards such as the Workforce Race Equality Standard (WRES) and Equality Delivery System (EDS2) which are published on our website.

Leadership for Equality and Diversity is the responsibility of the Deputy Director of Workforce and a Non-executive Director continues to champion issues at Board level. Every opportunity is taken to embed equality and diversity considerations into processes and developments to enable inclusive and responsive services to both patients and staff.

The Trust has a Fairness Forum with membership taken from across the organisation including Trust Governors and a Healthwatch representative. The Forum continues to meet every quarter, where progress is monitored against the Trust Equality Objectives actions and are agreed and taken forward by members of the group.

### Performance Against Equality Objectives

	Objective	Progress
1	Improve data collection, analysis and monitoring of protected characteristics.	Continued awareness raising of the importance of recording protected characteristics. Continued move towards a self-service model of electronic staff records (ESR) making it easier and more discreet for staff to update their own records
2	Further develop engagement and involvement of patients, carers, Governors and staff to reflect local demographics.	Patient stories of experiences with the Trust included at Board Meetings and other staff forums. Continued promotion of Friends and Family Test. Revised policy and procedure on concerns and complaints taking into account feedback from patients and staff enabling a more patient-centred focus. Sign up to John's campaign involved

		engagement with patients and their carers which is responsive to their individual needs.
3	Develop strong partnerships with social care and GPs to ensure patient pathways are free from barriers between providers for everyone.	Continued development of partnership work with Local Councils and Health and Well Being Boards. Representative member of the three Healthwatch in our area attends the Fairness Forum. Continued work with local provider /commissioner NHS organisations to assess equality progress against the NHS Equality Delivery Framework. Member of York Fairness and Equalities Board (FEB), York Equalities Network, York Human Rights City steering Group.
4	Continue the Board of Directors and senior management development programme, ensuring equality and diversity is embedded into all decision making processes leading to active promotion of good relations	Development of an Equality Impact Assessment toolkit which has been ratified by the Fairness Forum and Trust negotiating bodies.

### Other Achievements

A review of the Trust equality objectives (which are linked to the EDS2 goals) recognised that, whilst much had been achieved, they should remain broadly the same for period 2016-2020.

During 2017, the Trust undertook a project to recruit Fairness Champions across the Trust area. The aim of this revised role is to support the work of the Freedom to Speak Up Guardian by signposting staff raising concerns within the organisation. Following a successful recruitment process, the Fairness Champions attended a structured development day to ensure they were provided with the tools to appropriately support staff.

In November 2017, The Trust held a EDS2 stakeholder event and were graded overall as amber against the EDS2 goal, 'better health outcomes'. This was determined by stakeholders as an improving picture with positive progress made by the Trust since the previous stakeholder event. The Trust is working with stakeholders to refine the EDS2 Action Plan and will communicate progress on a regular basis, with a view to holding the next face to face event in 2019.

During the last quarter of 2017-18, the Trust developed and ratified (through its negotiating bodies and the Fairness Forum) a new Equality Impact

Assessment toolkit to support managers who are implementing a new policy or service.

### **Challenges and Future Developments**

As a Trust, we will continue the development of our staff and services to meet the requirements under the accessible information standard. This will include looking at a wide range of methods to deliver interpretation and translation services.

Following feedback from the EDS2 Stakeholder Group, the Trust will be assessing its E&D training provision to see how it aligns with local issues and review their recommendation for the training to become mandatory for all staff. The Trust has committed to rolling out training to support the updated Equality Impact Assessment Toolkit to managers across the Trust in the coming months.

Since the migration to the disability confident scheme from 'two ticks' in 2016; the Trust successfully undertook its first self-assessment in the last quarter of 2017-18 and will hold the disability confident employer status for a 2 year period; during this time it is our aspiration to become a disability confident leader which is the highest level which can be attained under the revised scheme.

During 2018-19, the Trust will continue to build on the success of the Fairness Champion recruitment during 2017-18 by undertaking a rolling program of recruitment and development of Fairness Champions across the Trust area

The Trust will begin preparation for the introduction of the Workforce Disability Equality Standard (WDES) which is scheduled for the autumn 2018.

# Quality Account



# Quality Account 2017-18

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## **Part 1 – Statement on quality from the Chief Executive**

As an organisation we advocate that the quality and safety of the care you receive continues to be our highest priority and drives all that we do.

It is important to us that, whilst in our care, you feel both safe and cared for. By that, we mean that not only do we expect that the technical things we do for you will be the safest possible but the way in which we do them will make you feel cared for – as we would all expect for ourselves and our families.

It is a fundamental part of everyone's job working throughout our growing organisation to ensure that you are cared for with dignity, respect and compassion and that you receive the best possible healthcare from all our staff, wherever you are receiving care – from your home to our hospitals.

We treat and hear from thousands of people every year, and the responses that we receive via the Friends and Family Test and patient surveys indicate that the vast majority of our service users are pleased with the great care we are able to deliver. However, we acknowledge that there are occasions when we don't get it completely right and your views are important to us on this and help us focus on the steps we need to take to improve the quality and safety of the services that we deliver.

The combination of a growing elderly population and the lack of provision of social care resulted in the Trust facing an unprecedented demand for our acute services during the winter of 2017-18. This was exacerbated by the national flu outbreak. Whilst this demand was experienced across our two acute sites, it was particularly difficult at Scarborough hospital and for both sites the pressures brought placed significant demand on our staff.

I am proud of how our staff have risen to the challenge posed by a difficult winter, endeavouring to ensure that patients received the right care, at the right time in the right place and that it is delivered with the care and compassion that they deserve.

As in previous years, both the Trust and the NHS in general are continuing to face unprecedented financial challenges. Additionally, like many other organisations, we have struggled with both medical and nurse shortages, and have found it particularly difficult to recruit to some posts. This has meant that we have had to continue to look at different workforce models over the year and take specialist advice on recruitment methods.

To address our nurse staffing pressures we have taken different, but complementary approaches to managing this. In Scarborough, we have worked with Coventry University to develop a nursing degree course which aims to attract local people to the nursing profession, and ultimately seek to find a local solution to nurse staffing in Scarborough. The first cohort will commence in September 2018.

In terms of innovation in patient care, supported by York Against Cancer, 2017-18 saw the Trust launch, a revolutionary Mobile Chemotherapy Unit, enabling rural patients to be treated nearer to home. The Trust also opened a Urology 'one stop' clinic in Malton, enabling patients to have a consultation with a specialist and a range of tests in a single visit all on the same day. For patients this means that an individual plan for treatment is agreed before they go home.

In any organisation there will be occasions when an adverse incident occurs. Learning from such incidents is important to us, and over the year the Trust has continued to strengthen its approach to ensure that investigations are robust and undertaken in a culture of openness and transparency, with any identified learning being shared and acted upon. This helps us to ensure improvements are made in the delivery of patient-focused care.

Over the coming year we will continue to roll out the overall safety priorities to ensure that they are embedded within the enlarged organisation. We will also continue to work together with our local partners and Commissioners to ensure that the local priorities and expectations of patients and families are recognised, supported and met.

None of this care would be possible without every member of staff, clinical and non-clinical, being committed to living the values of the organisation through the delivery of safe, effective and harm free care.

At times of great change for healthcare it continues to be my job to ensure that we have the strategies, culture and will to change for the better – keeping you safe at the heart of all that we do.

I declare to the best of my knowledge that the information contained in this report is accurate.

A handwritten signature in black ink that reads "Mike Factor". The signature is written in a cursive style with a large initial 'M' and 'F'.

**Chief Executive**  
**29 May 2018**

## Part 2 – Priorities for improvement and Statements of Assurance from the Board

### 2.1 Priorities for the Trust – Quality & Safety for 2018-19

Priorities for the Trust - Quality and Safety for 2018-19	
<b>Patient Safety</b>	
	<b>By the End of March 2019, we will ensure that:</b>
<b>SAFER patient bundle</b>	<p><b>SAFER patient bundle</b> - we implement the SAFER patient bundle throughout our adult inpatient wards to improve patient flow and prevent unnecessary waiting for patients by:</p> <ul style="list-style-type: none"> <li>• effective ward and board rounds;</li> <li>• ensuring that all patients have an estimated date of discharge;</li> <li>• ensuring early in the day flow from assessment units;</li> <li>• ensuring that patients are discharged early in the day;</li> <li>• proactive review of patients with a long length of stay.</li> </ul>
<b>Early identification of the deteriorating patient and reducing the impact of antimicrobial resistance</b>	<p><b>Early identification of the deteriorating patient and reducing the impact of antimicrobial resistance</b> - Early identification of the deteriorating patient (National Early Warning System (NEWS) of 5 or more) and reducing the impact of the antimicrobial resistance by (<i>CQUIN</i>):</p> <ul style="list-style-type: none"> <li>• timely identification of patients with sepsis in emergency departments and acute inpatient settings;</li> <li>• timely treatment of sepsis in emergency departments and acute inpatient settings;</li> <li>• clinical antibiotic review between 24-72 hours of patients with sepsis who are still inpatients at 72 hours;</li> <li>• reduction in antibiotic consumption per 1,000 admissions.</li> </ul>
<b>Infection Prevention and Control</b>	<ul style="list-style-type: none"> <li>• To embed IP in Directorates by ensuring there is a named IPC lead in each Directorate;</li> <li>• KPI's will be developed &amp; demonstrations of improvement against them in each Directorate.</li> </ul>
<b>Clinical Effectiveness and Outcomes</b>	
	<b>By the End of March 2019, we will ensure that:</b>
<b>7 Day Services</b>	<p><b>7 Day Services</b> - the four priority clinical standards for seven day services in hospitals are achieved by:</p> <ul style="list-style-type: none"> <li>• ensuring a review of patients within 14 hours of admission to hospital;</li> <li>• ensuring timely access to diagnostics;</li> <li>• access to consultant delivered interventions;</li> <li>• on-going consultant directed review.</li> </ul>

<b>Priorities for the Trust - Quality and Safety for 2018-19</b>	
<b>Dementia – Governor Priority</b>	Over 90 per cent of patients (aged 75 or over) acutely admitted with delirium or dementia, have a dementia - specific assessment.
<b>Maternity / Still Births</b>	<ul style="list-style-type: none"> <li>• Reduction in stillbirth by 20% by 2020</li> <li>• Offer continuity of carer to 20% of women by April 2019</li> </ul>
<b>Patient Experience</b>	
	<b>By the End of March 2019, we will ensure that:</b>
<b>Night Owl Initiative</b>	Engage front line staff in the Night Owl initiative to reduce noise and disruption at night and help patients get a good night's sleep in hospital.
<b>Complaints</b>	Learning from the pilot in 2016/17, implement a regular complaints audit looking at delivery of action plans. Pilot a survey of people who have received a complaint response to monitor satisfaction with the process.
<b>Volunteering</b>	Develop and recruit to the volunteering roles which promote peer support, release staff time to care and improving patient experience of discharge.

The rationale for the selection of the priorities is from a number of different sources including:

- National and Local Priorities;
- The Trust's Patient Safety Strategy;
- Informal and formal feedback from patients to the Patient Experience Team;
- Discussions with the Infection Prevention Team;
- The agreement with the commissioners on the priorities included in the Commissioning for Quality and Innovation;
- Discussion with Governors;
- Agreement with the Quality & Safety Committee.

Some priorities have been continued from 2017-18 to 2018-19 to allow further improvements to be made and work to be embedded. Progress against these priorities will be monitored through updates to the Quality & Safety Committee and through CQUIN reports.

### **Patient Safety Strategy**

Our vision is to support all our staff to deliver safe, effective care, with zero harm, to all our patients.

The Board supports the changes being put in place and acknowledges that all executives have responsibility for patient safety. The strategy will see the integration of senior patient safety teams, governance and quality

improvement. There will also be development of directorate, specialty and place based safety teams with integral safety and quality improvement training.

To achieve this we will focus on four specific areas of work:

- A culture of safety;
- Continuous learning;
- Patient and carer engagement;
- Leadership and quality improvement.

The Trust will focus on a safety culture where risk is acknowledged within the complex systems in which we all work and the response to events is blame free, but with an acknowledgement that all staff have a personal responsibility to deliver safe care. The aim is for a just culture. It will be a collaborative approach to seek the promotion of solutions and where resources are provided to address concerns. A business case can be made for safety based on the increased cost of care for the affected patient together with the cost of investigation, insurance, legal costs and reputational cost.

The Trust is committed to supporting learning and continuous improvement delivered by front line staff and is focusing on bringing all the elements of quality improvement together to enable more comprehensive training and support for staff to be provided.

Clinical teams will be supported to identify their own patient safety risks and safety dashboards whilst developing their own safety resource including learning strategies and quality improvement ability. They will be supported by the senior team with learning, design resource, training and risk oversight and management.

Ward safety will continue to focus on falls, pressures ulcers, SIs/Never events, SAFER and senior daily review, deteriorating patient and cardiac arrests, healthcare acquired infections, ceiling of care and mortality and importantly gaining feedback from patients and carers.

SAFER is one of the building blocks of patient safety which relates to the emergency care standard and bed occupancy. This was a priority for the Trust in 2017-18 and has been carried over as a priority for 2018-19 and further actions are being taken to improve the Trust's position on this.

The strategy aims to embed a culture of patient safety amongst all our staff and to support frontline clinicians to deliver patient safety, continuous learning and quality improvement.

### **Quality of Care**

The Nursing and Midwifery Strategy for 2017-20 was launched in October 2017. The strategy was developed through wide consultation with Nurses,

Midwives and Care Staff. In order to deliver demonstrable improvements in the approach to care the strategy focuses upon 4 key areas:

- Experience and communications;
- Workforce;
- Safe, quality care;
- Partnerships and efficiency.

The overall aim is to achieve high quality, patient-focussed care, to embrace the opportunities the changing landscape presents.

Workforce continues to be a high priority this year with the safer staffing project continuing. There are quite a number of work-streams to the project and we have focussed significant effort into recruiting and retaining staff. We have successfully attracted more Registered and non-Registered staff to our Nurse bank reducing the reliance on agency workers and we continue to support high risk areas to ensure safety is not compromised.

Following the successful introduction of Advanced Clinical Practitioners, we have commissioned a third cohort, which began in March. These highly trained' experienced staff; complement the existing medical and nursing workforce and improve early assessment, onset of treatment and patient outcomes.

We were successful in our bid to be a pilot site for the national Nursing Associate programme. The trainees are half way into this and will be part of the first cohort of this regulated new role to commence clinical practice.

In addition, we have introduced the role of Associate Practitioner. This is a Band 4 role selected for certain clinical areas with an extensive training and competency framework. We are confident that this role will offer a new dimension to our clinical teams and as a result improve quality and safety.

### **Patient Experience**

The Patient Experience Strategy 2015 – 2018 described three specific quality priorities for 2017 - 2018. All three priorities have either progressed significantly or been fully achieved.

The Night Owl Initiative - The aim of this project was to engage front line staff in the Night Owl project to reduce noise and disruption at night and help patients get a good night's sleep in hospital.

The project continues to be championed by our nursing teams across all hospitals and wards. The Staff Benefits 2018 calendar featured pictures of owls, with the winner being the new visual identity for the Night Owl project. All ward patient and visitor information boards include information about Night Owl. Sleep packs continue to be handed out to help people cope with noise and to date 4000 have been handed out.

Complaints Management – partially achieved - The aim was to implement a regular complaints audit looking at delivery of action plans and pilot a survey of people who have received a complaint response to monitor satisfaction with the process.

A quarterly audit of complaints has been carried out in 2017-18, using the audit tool developed in following a pilot in 2016-17. This has focused on compliance with the Trust's policy and procedure and delivery of agreed actions.

A survey form was drafted, using best practice from NHS England. This went through the approvals process and was sent out to the first complainants in January 2018. This will be completed, analysed and reported during 2018.

Volunteering - The aim was to develop and recruit to the volunteering roles which promote peer support, release staff time to care and improve patient experience of discharge.

There are currently 321 volunteers taking active roles with the Trust. New roles include Stroke Peer Support and Dementia Activities volunteers. New volunteers have been recruited to roles, including Outpatients, Bereavement, Dining Companions, Visitors and Chaplaincy.

We are also part of the national HelpForce initiative, and will be learning from the pilot sites which were launched in February 2018.

### **Seven Day Services**

A series of clinical standards for seven-day services in hospitals were developed in 2013 by a group chaired by Sir Bruce Keogh. The standards were founded on published evidence and on the position of the Academy of Medical Royal Colleges (AoMRC) on consultant-delivered acute care. Ten standards were agreed and are now being rolled out across in-patient acute hospitals.

Four of these were identified as priority clinical standards on the basis of their potential to positively affect patient outcomes. They are:

- Standard 2 – Time to first consultant review and (more recently extended to include) the overall proportion of patients made aware of diagnosis, management plan and prognosis within 48 hours of admission;
- Standard 5 – Access to diagnostic tests;
- Standard 6 – Access to consultant-directed interventions;
- Standard 8 – Daily review by consultant - twice daily if high dependency.

The purposes of the standards are to:

- deliver safer patient care;
- improve patient flow through the acute system;

- enhance patients' experience of acute care;
- reduce the variation in appropriate clinical supervision at weekends;
- potentially to mitigate the excess mortality that has been shown in large studies to be associated with weekend admission to hospital.

All acute trusts in England are required to undertake self-assessment surveys to measure compliance with the four priority standards for seven-day services in hospitals.

The most recent survey was in September 2017, but the audit only considered Standard 2 and patients' awareness of the management plan. The most recent results for this Trust are summarised below.

### **Standard 2 – Time to first consultant review**

The requirement in the recent audit was to measure the time from admission to hospital to consultant review, with the standard being within 14 hours. There was also a requirement to review the medical notes for documented evidence that the patient and/or relatives were aware of the management plan within 48 hours of admission.

#### ***Results from September 2017 audit***

Proportion of patients reviewed by a consultant (based on day of admission)

Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
83%	83%	83%	84%	68%	76%	80%

The overall proportion of patients seen and assessed by a suitable consultant within 14 hours of admission was **80%**.

The overall proportion of patients made aware of diagnosis, management plan and prognosis within 48 hours of admission was **68%**.

#### ***Results from March 2017 audit***

Proportion of patients reviewed by a consultant (based on day of admission)

Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
57%	100%	75%	91%	73%	92%	60%

The overall proportion of patients seen and assessed by a suitable consultant within 14 hours of admission was **81%**.

#### ***Results from September 2016 audit***

Proportion of patients reviewed by a consultant (based on day of admission)

Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
67%	66%	57%	75%	64%	56%	71%

The overall proportion of patients seen and assessed by a suitable consultant within 14 hours of admission was **65%**.

The audits in 2017 considered entries both on CPD and in the paper case-notes, whilst the September 2016 audit data was taken solely from CPD and

this may explain the lower results reported in September 2016. A comparison during the September 2017 audit identified that 15% of the sample did not report the consultant review on CPD although it was reported in the paper case-note record.

The following represent the National Survey Results for York Teaching Hospital NHS Foundation Trust performance for 7 day hospital services reported in September 2017.

Population: 605,917

<b>Standard</b>	<b>7 Day Results</b>	<b>Weekday Results</b>	<b>Weekend Results</b>
<b>2</b>	81%	80%	83%
<b>5</b>	100%	100%	100%
<b>6</b>	100%	100%	100%
<b>8</b>	88%	97%	62%

Summary – we are working on an action plan to improve post-take review (to include diagnosis, treatment plan and prognosis) and the SAFER process will improve senior daily review.

### **Sign up to Safety**

Pledge 1 – Put Safety First - Commit to reduce avoidable harm in the NHS by half and make public our goals and plans developed locally.

- **Maintain the reduced number of pressure ulcers developed within our care**

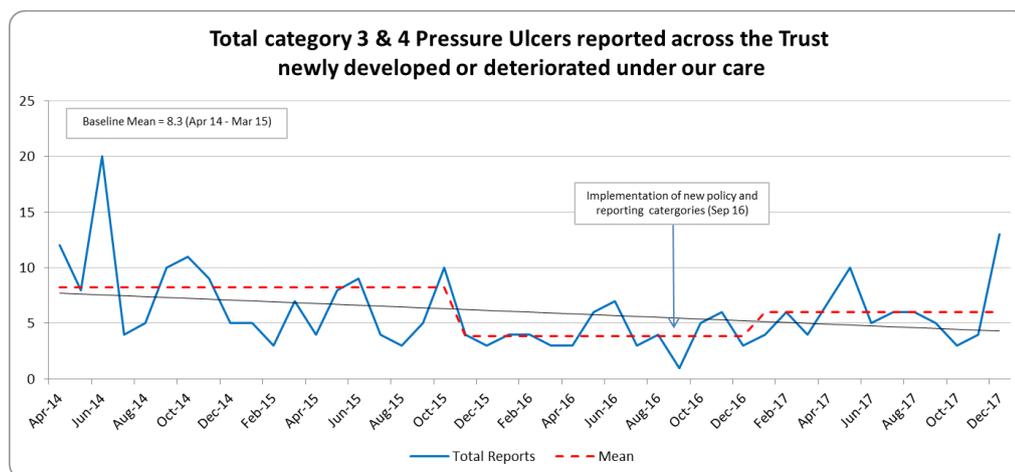
Progress: The Trust formed a multi-disciplinary pressure ulcer steering group in 2014 with the aim of reducing pressure ulcers and this work continues with monthly meetings. As Trust prevalence figures (last reported figure 3.86%) have remained well below the national (4.88%) mean for pressure ulcers for several years, a decision was made not to report these repeatedly, but focus instead on more intensive learning from incident reports.

As part of this strategy the Trust continues to declare all Category 3 and 4 ulcers as Serious Incidents (SIs). This includes reviewing the SIs to identify learning, and to formulate strategic actions through multi-disciplinary panels. Quarterly reports have been produced from 2014 to date, which i) monitor the results of incident reports generated from the Trust incident reporting system (Datix) and ii) communicate thematic learning from SIs.

Learning from SIs has also been communicated to a range of staff through a Study Day dedicated to pressure ulcer prevention and management, which was jointly led by the Patient Safety Team and the Tissue Viability Team. This piece of work aims to cascade further training and learning via Pressure Ulcer Advocates who were identified during the Study Day.

A local pressure ulcer screening tool and risk assessment tool has been developed, which has been implemented successfully in community sites, and will be implemented shortly in inpatient areas. This is more intervention focused than current risk assessment tools.

Graph 1 below shows the overall reduction in Category 3 and 4 pressure ulcers since April 2014. Focused work still needs to be done to sustain reduction of these pressure ulcers; however the Trust is now more successful at treating Unstageable pressure ulcers due to changes in policy since 2016. As Unstageable pressure ulcer figures have reduced, Category 3 and 4 pressure ulcers have risen slightly.



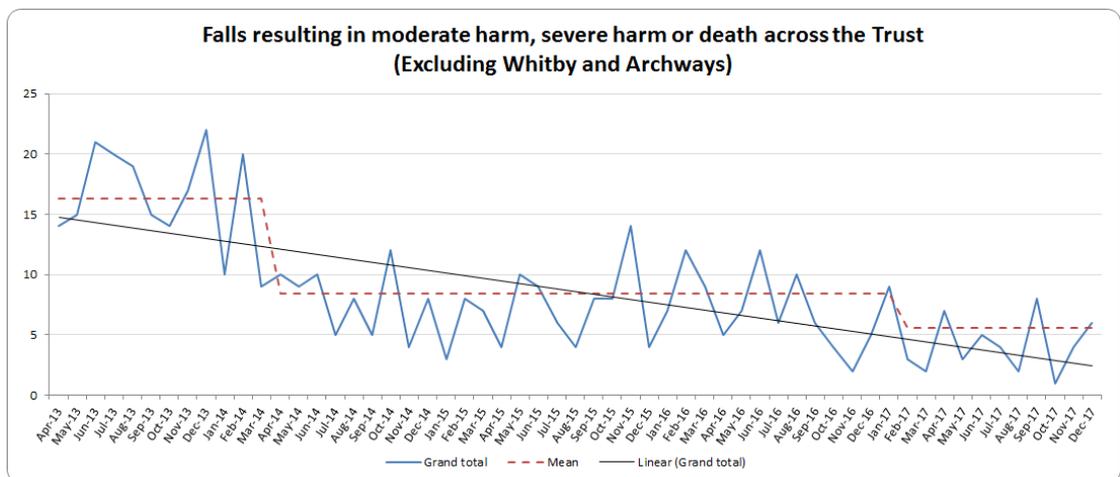
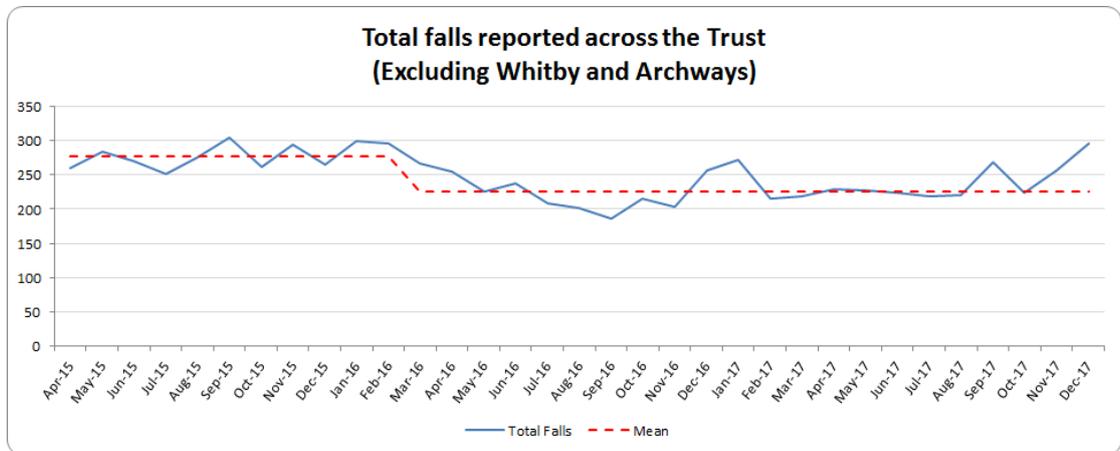
- **Maintain the number of patients who fall in hospital and reduce the number that result in severe harm or death.**

Progress: The Trust has pledged to reduce the number of patient falls overall but specifically those which result in moderate or severe harm. By the end of January 2018 the Trust has shown a 13% increase in the total number of falls during the winter period. There has been a small reduction in falls with harm but overall a 50% reduction in falls with harm over 2 years.

To address the increase in falls the Trust has;

- Provided ward nurse training on conducting Falls and Bedrails Risk Assessments;
- Created a network of falls champions to cascade the Falls and Bedrails Risk Assessment Training;
- Actively supported the clinical areas immediately following a fall with harm with actions of learning;
- Developed an Inpatient Falls E-learning package;
- Increased the availability of falls sensors throughout the Trust;
- Incorporated Human Factors Training into statutory/mandatory patient safety training;

- Provided training in Falls and Bedrails Risk Assessments for student nurses;
- Mobility screening and falls management process for multidisciplinary outpatients staff.

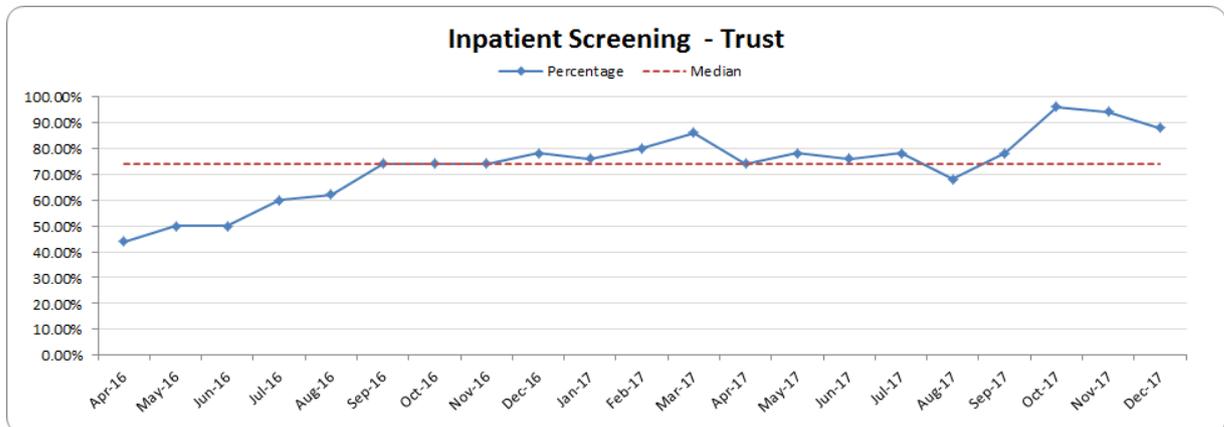
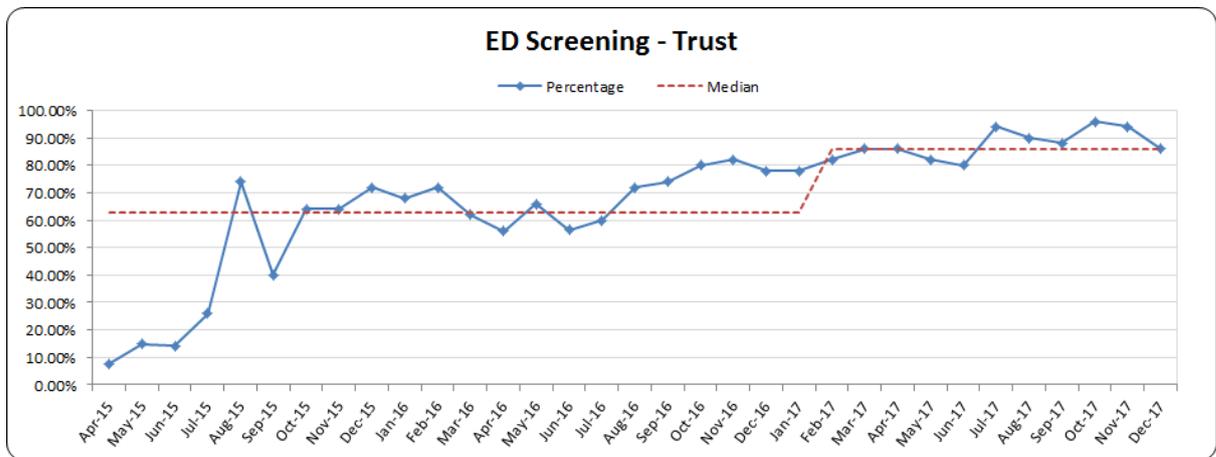


- **Reduce the impact of serious infections**

Progress: Sepsis is potentially a life threatening condition and is recognised as a significant cause of mortality and morbidity in the NHS, with almost 37,000 deaths in England attributed to Sepsis annually. Of these it is estimated that 11,000 could have been prevented (UK Sepsis Trust).

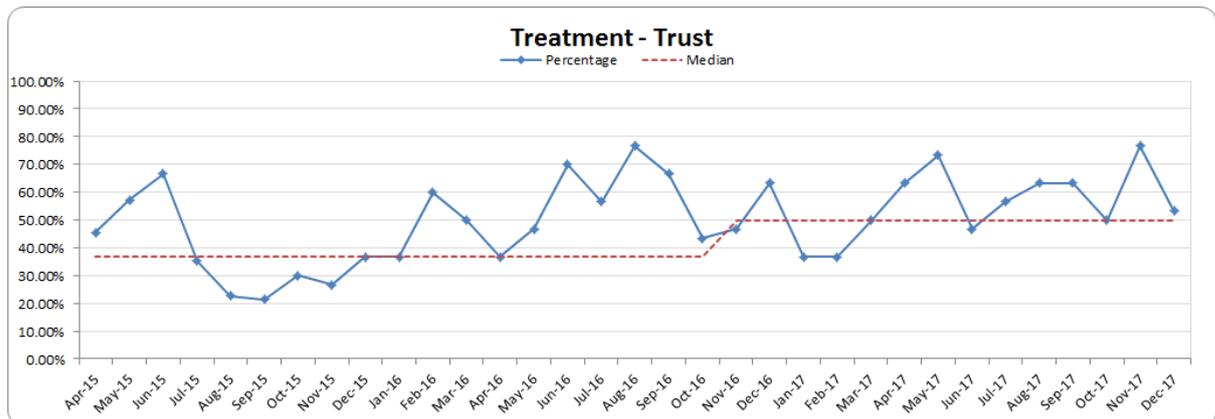
An aspect of our national contract incorporates CQUIN targets with one specifically aiming to embed a systematic approach towards the prompt identification and appropriate treatment of life threatening infections, while at the same time reducing the chance of development of strains of bacteria that are resistant to antibiotics. This CQUIN indicator applies to adult and child patients arriving in hospital as emergency admissions and to all patients on acute in-patient wards.

The clinical teams are working very hard to identify and treat sepsis and have made major improvements in the screening of patients in both the Emergency Departments and inpatient ward areas, achieving above 90% consistently.



The area requiring focussed work is the treatment of patients with Sepsis/severe sepsis using the correct antibiotics and administering them within one hour. Improvement work is targeted on:

- Taking blood cultures prior to starting anti-biotics;
- Prescribing two appropriate anti-biotics for the presentation of severe sepsis;
- Administering the anti-biotics within one hour of identification of severe sepsis;
- Reviewing the Anti-biotic Formulary in conjunction with clinical teams and Pharmacy.



- **Reduce the number of Never Events, improve use and awareness of the World Health Organisation Surgical safety Checklist and develop a standardised process for invasive procedures performed outside the operating theatre**

Progress: Surgical Never Events are the most commonly reported types of never event in the English NHS. Never Events can lead to very serious adverse outcomes, and they damage patients' confidence and trust. They can almost always be avoided when existing best practice is implemented. Reliable and resilient systems are built by reducing variation, promoting the development of safe behaviours, and supporting the exercise of responsibility and this approach complements the Trusts values.

The Trust uses the WHO Surgical Safety Checklist, which aims to promote safety by standardising aspects of surgical care, reinforcing safety processes (e.g. identifying patient & procedure), and fostering open communication across professional hierarchies. The WHO checklist has been reviewed in 2017, with the updated version coming into use in May 2018. The revised version has taken account of learning from previous Never Events in the Trust.

Local Safety Standards for Invasive Procedures (LocSSIPs) are in the process of being developed for surgical interventions undertaken outside of the operating department (around 125 procedures in total) and mirror the standards and processes set by the WHO Surgical Safety Checklist. As part of the Never Events and LocSSIP work the Trust will develop standardised guidelines for Surgical Site Marking, to reduce the risk of error during surgical procedures.

Pledge 2 – Continually Learn - Make our organisation more resilient to risks, by acting on the feedback from patients and by constantly measuring and monitoring how safe our services are.

- **Improve our knowledge on patient safety culture across the Trust from patient and staff perspectives**

Progress: The national Sign up to Safety Team have been exploring the art of conversation and approaches for hosting conversations in order to develop

different ways to enable people to talk to each other about what they know about keeping people safer. A Kitchen Table Event is where people can talk openly and honestly, without judgement and, above all, be listened to. During the National Kitchen Table Week in April 2017, the Patient Safety Team met with staff, patients, visitors, relatives and carers who were in the Trust across all sites. Informal discussions took place about what is important to them, about keeping people safe and whether they had any suggestions about how we can improve patient safety within our organisation.

The main feedback received from patients is that they feel safe in our care in all our hospitals, and several key themes for improvement were identified as follows:

1. Environment – cleanliness, repairs, lighting and flooring;
2. Patient perceptions on patient safety – “hospital is perfect”, medication on time, access to fluids;
3. Staffing and HR concerns – staffing levels;
4. Overall safety – delayed discharges, access to mental health services;
5. Culture – openness to raise concerns;
6. Links between the community and the hospital – discharge planning and policies that are written for both hospital and community care.

This event was really positive in engaging with everyone we came into contact with. We had some really positive feedback from staff and service users and some great suggestions as to where we can make improvements.

- **As a commitment to developing our culture of safety undertake Patient Safety Walkrounds and provide a monthly summary report to Executive and Trust Board of Directors.**

Progress: we continue to undertake patient safety walkrounds and aim to achieve four each month. More recently we have welcomed our junior doctors to participate in the process and value their ‘fresh eyes’ and feedback.

Pledge 3 – Honesty - Be transparent with people about our progress to tackle patient safety issues and support staff to be candid with patients and their families if something goes wrong.

- **Review our Being Open Policy to ensure the Trust’s systems and processes support a culture of transparency and openness and meet the requirements of the Duty of Candour**

Progress: The Being Open Policy has been reviewed and incorporates the requirements of the Duty of Candour. A Duty of Candour requires clinicians and health services managers to inform patients about actions which have resulted in harm. Staff are required to be open and honest with patients if things go wrong and if a patient under our care has suffered harm or distress, staff should:

- Put matters right (if that is possible);
- Offer an apology;
- Explain fully and promptly what has happened and the likely short-term and long-term effects;
- Extend the use of safety briefings.

Progress: we have extended the use of safety briefings, often referred to as 'Safety Huddles'. These have been implemented across the Trust, complementing the multidisciplinary board rounds. We have developed a monitoring strategy to sustain this work, using a safety culture measurement tool, regular cross-site meetings and newsletters. Safety Huddles are designed to give frontline staff and bedside care-givers opportunities to stay informed, review events, make and share plans for ensuring well co-ordinated patient care. They are short meetings (typically held on a once daily basis) used for sharing information about potential or existing safety problems. The Patient Safety Team has introduced monthly safety walkrounds, during which the team visit wards and departments across the Trust. The visits currently last on average thirty minutes, and take place with ward leaders. Issues around safety are discussed and the Safety Huddles are monitored for regularity and effectiveness. The Patient Safety Team has also observed Safety Huddles on an ad hoc basis during the visits.

- **Enhance the dissemination of learning from serious incidents**

Progress:

**Nevermore:** The Trusts Patient Safety Team produces a monthly publication entitled Nevermore, which focuses on SIs within the Trust and the learning and strategic actions generated from the SIs. The focus is on acute and community sites on an alternating monthly basis.

The aim of Nevermore is also to direct staff members to service improvements and new policies or procedures which are available on the Trust's website and to provide other links to new national publications in patient safety. The publication is currently shared amongst Trust executive directors, non-executive directors and managers, with the expectation that managers will cascade learning to their colleagues.

There have so far been sixteen editions of the Nevermore; nine relating to inpatient SIs and seven relating to community SIs. The publication has been well received since its introduction and generates interesting debate and communication between readers.

**Sign up to Safety Latest News:** A fortnightly Sign Up to Safety Latest News bulletin is shared with all staff to keep them up to date with topical safety issues and learning from incidents. Key themes over the last year include; Falls, Sepsis, Naso-Gastric Tube placement, Freedom to Speak up, Saying Sorry and Learning from Deaths.

Pledge 4 – Collaborate - Take a leading role in supporting local collaborative learning, so that improvements are made across all the local services that patients use.

- **Continue to work with our partner organisations including:**
  - NHS Improvement Academy;
  - University of York;
  - Global Sepsis Alliance;
  - UK Sepsis Trust.

Progress: we have continued to work with partner organisations.

**Patient Safety Matters:** Patient Safety Matters is a monthly newsletter aimed at Junior Doctors, to keep them up to date with topical national and local safety issues. Articles are written by various specialists and junior doctors, both internal and external to the organisation and topics have included; Safe NG Tube, placement, learning from medication errors, Sepsis and many more. The Trusts Clinical Improvement Fellows form part of the editorial team, giving the newsletter a Quality Improvement theme, linking with the training provided from both the NHS Improvement Academy and the NHS Leadership Academy. The newsletter regularly promotes the use of the Trust's IGNAZ smartphone app which has been developed to provide junior doctors with access to the latest key clinical information from the Trust intranet in an easy and simple way. Patient Safety Matters has its own Twitter handle so that news can be shared easily with followers and all back issues are uploaded to the Trusts external website <https://www.yorkhospitals.nhs.uk/about-us/patient-safety-matters/>

Pledge 5 – Support - Help people understand why things go wrong and how to put them right. Give staff the time and support to improve and celebrate the progress.

- **Ensure that our clinical staff are skilled and motivated and that our leaders can identify and develop patient safety behaviours and skills.**
- **Continue to encourage reporting of errors and incidents in order to learn from them; however we will not tolerate neglect or wilful misconduct.**

Progress:

**Statutory and Mandatory Training:** Human Factors training across the healthcare workforce can have an impact on reducing errors of performance, errors of behaviours and improves human performance in complex systems. Human Factors training is a major part of the Patient Safety statutory and mandatory training which places its emphasis on the human factor element relating to falls, pressure ulcers, Never Events and communication within teams. The Human Factors training also covers the important area of

Situation, Background, Assessment and Recommendation (SBAR) in improving communication, particularly in the safe handover of patients.

**Foundations in Patient Safety:** The Foundations in Patient Safety training programme is in its second year. The programme is designed to support and develop awareness of and engagement in patient safety and quality improvement, aimed at junior doctors, and our goal is to develop leaders of improvement as well as foster a culture of patient safety and quality. On completion of the programme, successful trainees will receive a Certificate in Patient Safety and Improvement from the Trust.

The programme covers a number of Patient Safety themes:

- Introduction to Patient Safety, including incident reporting and investigation;
- Quality Improvement methodology;
- Being Open and Patient Engagement;
- Human Factors /Ergonomics Science;
- Reducing Medication Errors;
- Infection Prevention and Control.

As part of the programme the participants are required to complete a number of learning opportunities to include:

- Complete an incident report;
- Participate in the analysis of an adverse event;
- Attend Trust senior management and executive level meetings;
- Participate in a Patient Safety Walk Round;
- Observe clinical practice from a patient's perspective;
- Lead a small Quality Improvement activity;
- Presentation and publication of a Quality Improvement Project;
- Run a Trust wide annual Patient Safety Conference.

Progress: In 2017 we held our third annual Patient Safety Conference with over 560 staff and colleagues from primary and secondary healthcare in attendance. Attendees included a mixture of medical staff, nurses, midwives and allied health professionals from right across the region and further afield.

The outlining themes for this year's conference were quality improvement and patient safety culture. The day's agenda featured international and national speakers, as well as a number of local speakers. The keynote speaker was Dr Lori Paine from The Johns Hopkins Hospital and Armstrong Institute for Patient Safety and Quality, Baltimore, who presented on 'Leading to High Reliability: A Cultural Transformation'.

There were 124 abstract submissions covering themes such as measuring and monitoring patient safety, patient-centered care, teamwork and prevention of deterioration and harm. The conference gave us an invaluable opportunity to listen and learn. In addition it gave our staff, who work in all different roles, the opportunity to hear about the fantastic work that is taking place to improve patient safety across the region - as well as what we need to do in the future to continue to reduce harm for our patients.

We want our staff to feel that they have the power to make a difference by acknowledging that those who work closest to patients know best what needs to happen to reduce avoidable harm and save lives.

### **The Statutory Duty of Candour for Healthcare Organisations**

The CQC has put in place a requirement for healthcare providers to be open with patients and apologise when things go wrong. This duty applies to all registered providers of both NHS and independent healthcare bodies, as well as providers of social care from 1 April 2015. The organisational duty of candour does not apply to individuals, but organisations providing healthcare will be expected to implement the new duty throughout their organisation by making sure that staff understand the duty and are appropriately trained.

Regulation 20 of the *Health and Social Care Act 2008 (Regulated Activities) Regulations 2014* intends to make sure that providers are open and transparent in relation to care and treatment with people who use their services. It also sets out some specific requirements that providers must follow when things go wrong with care or treatment, including informing people about the incident, providing reasonable support, giving truthful information and apologising when things go wrong. The CQC can prosecute for a breach of parts 20(2)a and 20(3) of this regulation.

Duty of Candour refers to safety incidents caused through the provision of care. It does not refer to recognised complications or undesirable outcomes that occur as part of the natural course of the patient's illness or their underlying condition.

The patient and their supporters are entitled to written notification, within ten working days of the incident. This letter will include an apology and update the patient on all information, including any investigation of the incident. The letter may include arrangements for further updates on an investigation.

The Professional Duty of Candour for Doctors - The General Medical Council guidance says that doctors should (this applies to nurses and midwives):

- Speak to a patient, or those close to them, as soon as possible after they realise something has gone wrong with their care;
- Apologise to the patient, explaining what happened, what can be done if they have suffered harm and what will be done to prevent someone else being harmed in the future;
- Report errors at an early stage so that lessons can be learned quickly, and patients are protected from harm in the future;
- Follow all GMC guidance: serious or persistent failure to do so will put their registration at risk.

An audit carried out by the Trust in 2016 indicated that there could be improvements in relation to meeting the requirements related to written

notification of the incident. The audit has been reviewed by both the Executive Board and Quality and Safety Committee and a multi-faceted approach to highlighting the action required is being taken, including:

- Issue of a high level statement;
- Use of screen savers, briefings and a focus on governance sessions;
- Inclusion in the Committee work programme;
- Updating of policies, including whistleblowing and Being Open;
- Improvements to the capture of information;
- Additional training.

## **Quality of Environment**

FM Compliance - The Trust continues to develop environmental assurance against Health & Social Care Act 2008, (Regulated Activities Regulations) 2014 Part 3 through participation in national benchmarking and assessment exercises and through the introduction of an FM Compliance team that, once implemented in Quarters 3 & 4 of 2018-2019, will ensure that Estates and Facilities service providers provide these services in accordance with legislation and national guidance.

The Directorate has also adopted the Estates Element of the NHS Model Hospital benchmarking tool to regularly review efficiency, productivity and quality and safety of the FM services provided.

Prioritisation of the backlog maintenance and capital investment programme - Condition and Compliance surveys of our Estate refreshed in Spring 2018 with the results of the surveys then used to inform our Capital programme for the financial year.

The Estate Strategy published in 2016 was reviewed in 2017.

Establish a 24 hour 7 day a week building management monitoring system - We have an established 24 hour 7 day a week building management monitoring system (BMS) on our remote sites (Selby, Whitecross Court, St Monicas, Tang Hall Health Centre, Clementhorpe Health Centre and Malton). BMS is a global network and also covers the main Trust properties at York, Scarborough and Bridlington which already have a remote monitoring facility. We are working with our service providers to ensure that we continue to improve the monitoring and control of our building services remotely. We have capital investment secured for the next financial year to upgrade parts of the infrastructure of our remote sites.

Carbon Energy Fund Project - The Carbon Energy Fund projects at York, Scarborough and Bridlington have been completed.

Review patient catering on all sites - The Food and Drink Strategy has been reviewed in March 2018 and this strategy continues to set out our ambitions for high quality nutrition and hydration for staff, visitors and patients alike.

Work continues to progress the supply of patient meals from the central production unit at York with groups established to ensure compliance with national directives including CQUIN, patient led assessments of the care environment (PLACE) and the Hospital Food Panel Report.

Continue to develop local sourcing of fresh ingredients to support central production unit - Food purchasing contracts have been reviewed and, where applicable, new contracts set up to ensure local and sustainable food procurement is a key component. These contracts will not only be used at York but across all Trust catering departments.

Ensure the environment is clean and meets regulatory standards as a minimum - Revised cleaning rotas were introduced in July 2016 and work is on-going to ensure frequencies of cleaning are achieved and standards maintained.

In Quarter 3 of 2017-2018 The Trust implemented additional surveillance and assessment activities to support the Annual PLACE Assessment that already exists. The new arrangements provide real time technical cleanliness audit and quarterly environmental inspection through the Trust Assessment of Patient Environment (TAPE) arrangements.

The Management restructure in the Directorate was undertaken and the revised structure implemented in summer of 2017

## **2.2 Statement of Assurance from the Board of Directors**

### **The Regulations**

The Government introduced a specific set of regulations that Foundation Trusts are required to address as part of the Quality Report. These requirements are included in the assurance statements made by the Board of Directors.

### **Assurance from the Board**

During 2017-18 the York Teaching Hospital NHS Foundation Trust provided and/or sub-contracted 36 relevant health services.

The York Teaching Hospital NHS Foundation Trust has reviewed all the data available to them on the quality of care in 36 of these relevant health services.

The income generated by the relevant health services reviewed in 2017-18 represents 100 per cent of the total income generated from the provision of relevant health services by York Teaching Hospital NHS Foundation Trust for 2017-18. The income generated has been received from services commissioned by Clinical Commissioning Groups, NHS England, and the Local Authorities.

## Clinical Audit

During 2017-18, **46** national clinical audits and **5** national confidential enquiries covered relevant health services that York Teaching Hospital NHS Foundation Trust provides.

During that period York Teaching Hospital NHS Foundation Trust participated in **46 (100%)** national clinical audits and **5 (100%)** national confidential enquiries which it was eligible to participate in.

The national clinical audits and national confidential enquiries that York Teaching Hospital NHS Foundation Trust was eligible to participate in during 2017-18 appear in Table 1 below

The national clinical audits and national confidential enquires that York Teaching Hospital 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 submitted to each audit or enquire as a percentage of the number of registered cases required by the terms of that audit or enquiry.

### National Audit & Enquiry Activity (Table 1)

National Clinical Audits York Teaching Hospital NHS Foundation Trust were eligible for and participated in 2017-18	Data Collection Undertaken 2017-18	Data Collection Completed%	
		YH	SGH
<b>Child Health</b>			
National Audit of Seizures and Epilepsies in Children & Young People	✓	<i>Not yet started - TBC to be commissioned by HQIP in 2017</i>	
NNAP - National Neonatal Audit Programme	✓	100%	
NPDA - National Paediatric Diabetes Audit	✓	100%	
<b>Community</b>			
National Audit of Intermediate Care	✓	<i>Audit provider currently analysing data</i>	
<b>Corporate - Trustwide</b>			
LeDeR Learning Disability Mortality Review Programme	✓	100%	
<b>Elderly</b>			
FFFAP - Falls and Fragility Fractures Audit Programme	✓	100%	
SSNAP - Sentinel Stroke National Audit Programme, includes SINAP	✓	100%	

National Clinical Audits York Teaching Hospital NHS Foundation Trust were eligible for and participated in 2017-18	Data Collection Undertaken 2017-18	Data Collection Completed%	
		YH	SGH
National Parkinson's Audit	✓	<i>Audit provider currently analysing data</i>	
National Dementia Audit	✓	100%	
<b>Emergency Medicine</b>			
RCEM Pain in Children	✓	100%	
RCEM Fractured Neck of Femur	✓	100%	
RCEM Procedural Sedation in Adults	✓	100%	
<b>General &amp; Acute Medicine</b>			
Myocardial Infarction National Audit Project (MINAP)	✓	<i>Audit provider currently analysing data</i>	
IBD - Inflammatory Bowel Disease Programme - Biological Therapy Audit (IBD Registry)	✓	<i>Audit provider currently analysing data</i>	
National Lung Cancer Data Audit (NLCA)	✓	82.8%	
COPD Audit - Chronic Obstructive Pulmonary Disease - Secondary Care	✓	100%	
National Cardiac Rhythm Management Audit (NICOR CRM)	✓	100%	
National Diabetes Audit - Adults	✓	<i>Audit provider currently analysing data</i>	
NICOR Coronary Angioplasty/Audit of PCI (NICOR BCIS)	✓	100%	N/A
UK Cystic Fibrosis Registry (Adults)	✓	100%	
National Heart Failure Audit	✓	<i>Audit provider currently analysing data</i>	
<b>General Surgery &amp; Urology</b>			
NBOCAP - National Bowel Cancer Audit Programme	✓	100%	
PROMS National Elective Surgery	✓	104-112%	
National Prostate Cancer Audit	✓	100%	
VSGBI Vascular Surgery Database (inc. Carotid Interventions)	✓	100%	N/A

National Clinical Audits York Teaching Hospital NHS Foundation Trust were eligible for and participated in 2017-18	Data Collection Undertaken 2017-18	Data Collection Completed%	
		YH	SGH
NOGCA National Oesophago-Gastric Cancer Audit	✓	71-80%	
National Audit of Breast Cancer in Older Patients	✓	100%	
National Emergency Laparotomy Audit	✓	97%	
National Bariatric Surgery Registry	✓	100%	N/A
BAUS Urology Audits: Nephrectomy	✓	100%	
BAUS Urology Audits: Percutaneous Nephrolithotomy	✓	100%	N/A
BAUS Urology Audits: Female Stress Urinary Incontinence	✓	100%	N/A
<b>Head &amp; Neck</b>			
Endocrine and Thyroid National Audit	✓	100%	
HANA - Head and Neck Cancer Audit	✓	100%	
<b>Obstetrics &amp; Gynaecology</b>			
MBRRACE Maternity, New-born and Infant Outcome Review Programme	✓	100%	
National Maternity and Perinatal Audit	✓	100%	
<b>Ophthalmology</b>			
National Ophthalmology Audit	✓	89%	
<b>Specialist Medicine</b>			
National Comparative Audit of Blood Transfusion Programme - Audit of Red Cell & Platelet Transfusion in Adult Haematology Patients	✓	100%	
National Clinical Audit for Inflammatory and Rheumatoid Arthritis	✓	<i>BSR delayed launching data collection for this national clinical audit (until April 2018).</i>	
Serious Hazards of Transfusion (SHOT)	✓	100%	
<b>Theatres, Anaesthetics &amp; Critical Care</b>			
ICNARC CMP - Adult critical care (Case Mix Programme)	✓	100%	

National Clinical Audits York Teaching Hospital NHS Foundation Trust were eligible for and participated in 2017-18	Data Collection Undertaken 2017-18	Data Collection Completed%	
		YH	SGH
National Cardiac Arrest Audit (NCAA)	✓	100%	
TARN - Severe Trauma (Trauma Audit & Research Network)	✓	100%	
NJR - National Joint Registry	✓	100%	
National Confidential Enquiries York Teaching Hospital NHS Foundation Trust were eligible for and participated in 2017-18	Data Collection Undertaken 2017-18	Data Collection Completed %	
Chronic Neurodisability	✓	100%	
Young People's Mental Health	✓	92%	
Cancer in Children, Teens and Young Adults	✓	100%	
Acute Heart Failure	✓	32%	
Perioperative Diabetes	✓	100%	

*The Trust's data submission was poor during 2017-18 for the Acute Heart Failure NCEPOD as a result of vacancies within the Cardiology team. These vacancies have now been recruited to and therefore it is anticipated that data submission will improve in 2018-19.*

The reports of **20** national clinical audits were reviewed by the provider in 2017-18 and York Teaching Hospital NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided as below:

**National Heart Failure Audit (NICOR)**  
**Project No.1340**

The National Report published in 2017 was based on 56,915 admissions to hospitals in England and Wales between April 2014 and March 2015. This represents 73% of Heart Failure admissions as the patient's primary diagnosis in England and 81% in Wales.

National Findings & Recommendations	Trust Findings & Actions
The number of patients seen by HF specialists has increased to 80% this year. In particular HF nurses saw more HF patients admitted onto general medical wards (24%) than last year (18%). This is important as specialist care improves mortality.	Improvement is required to increase Heart Failure Nurse follow-up capacity within the Trust. A business case was submitted in 2017 and approved. As a result there are now two additional Heart Failure Nurse (one at each site) to improve our performance

National Findings & Recommendations	Trust Findings & Actions
	against this audit criterion. As a result these numbers have improved from October 2017 onwards.
Mortality rates in hospital are better for those admitted to cardiology wards.	In York 23% of patients admitted with HF and at Scarborough 26.1% of patients were admitted as cardiology inpatients. Admission to Cardiology inpatient services is an issue in many hospitals nationally. The Trust continues to explore options to improve access to inpatient cardiology services.

Overall the data shows that we continue to perform well in most areas, with the exception of Cardiac Nurse follow-up and admission to Cardiology inpatient service.

### **National Audit of Percutaneous Coronary Interventional Procedures** **Project No. 1864**

The National Report published in 2017 was based on the data submitted between January and December 2014 from York Hospital site only.

National Findings & Recommendations	Trust Findings & Actions
Hospitals review their use of radial artery access for PCI and plan the appropriate training to ensure this route is used as the default access route whenever possible	Radial artery access for PCI is the default access route at the Trust, with 89% of patients having this route undertaken for PCI.
There are a number of NHS and private centres that do not conform to the national guidance of performing a minimum of 400 PCIs per annum	In order to significantly increase our volume, a 2nd Cardiac Lab would be required in order to enable Scarborough hospital to provide PCI treatment, as this currently goes to Hull due to our lack of capacity. This issue has been highlighted to the Trust management in the past.

The Trust data from 2014 shows that we continue to meet excellent levels of data completeness and no concern with regards to PCI practice and outcomes is raised for the Trust from this audit.

### **NICOR National Cardiac Rhythm Management Audit** **Project No. 2178**

The Annual Report published in 2016-2017 was based on the data submitted in 2014-15.

<b>National Findings &amp; Recommendations</b>	<b>Trust Findings &amp; Actions</b>
Medical Directors & Clinical Leads should monitor the use of atrial-based pacing for sick sinus syndrome (NICE TA88/TA324).	Review is to be undertaken of Sick Sinus Syndrome (SSS) cases and why there is a relatively low DDDR rate for the Trust. Plans are to establish if apparent low % Physiological pacing for SSS is related to inaccurate coding as suspected.

**National Bowel Cancer Audit (NBOCA)**  
**Project No. 742**

The Annual Report 2016 was published in 2017 for data submitted during 2014-15.

<b>National Findings &amp; Recommendations</b>	<b>Trust Findings &amp; Actions</b>
Improving the post-operative survival in patients undergoing emergency or urgent bowel cancer resection should remain a clinical priority.	The Trust has 10% more emergency surgeries for cancer than the National average. There was limited evidence that laparoscopic intervention is being offered to patients or considered by MDT's but the Trust should be able to offer it. This issue is being explored and addressed by the cancer surgeons.
Clinicians and data managers should prioritise data completeness for: reason for no treatment, performance status, care plan intent and pre-treatment M-stage. This will reduce the proportion of patients who do not undergo a major resection who are unassigned to a treatment pathway and therefore better describe the care and outcomes in this cohort.	The Trust reported 21% of patients who had no major resection without the reasons for this being documented. The Trust needs to ensure improvement in clinical documentation and discussions are being held with Clinical Nurse Specialist and the cancer co-ordinator to identify where this data loss is occurring and to identify a plan to address

**Myocardial Ischemia National Audit Programme (MINAP)**  
**Project No. 920**

The Annual Report 2016-17 was published for data submitted in 2014-15 and included the following key recommendations:

<b>National Findings &amp; Recommendations</b>	<b>Trust Findings &amp; Actions</b>
Ensure nSTEMI patients have access to timely angiography (within 72 hours of admission to hospital) where this is indicated.	Previously York Hospital has struggled to perform well in admitting NSTEMI patients to a Cardiology Ward. All patients are now admitted to AMU at York, where the Cardiac Outreach Team screens patients and triages. High risk patients are now admitted to
Explore and understand variations in the care of both STEMI and nSTEMI patients in their own institution and compare their	

National Findings & Recommendations	Trust Findings & Actions
care to the best performance at a national level, considering ways to maintain and improve the quality of their services.	CCU. Patient flow work to ensure appropriate patients are moved from AMU to Cardiology is on-going.

During 2014-15 Scarborough Hospital did not submit data to this audit, due to lack of staff capacity to collect and input data. York Hospital data shows that we continue to perform well in all areas of cardiac care.

**National Hip Fracture Database (NHFD)**  
**Project No. 941**

The 2016 Annual Report of the National Hip Fracture Database describes the process and outcome of care provided to 64,864 people who presented with a hip fracture in 2015 in England, Wales and Northern Ireland.

National Findings & Recommendations	Trust Findings & Actions
Consider adopting standardised, protocol-driven approaches to anaesthesia and surgical care	Further development of training for administering nerve blocks with the trauma co-ordinator and senior nursing staff.
Ensure that clinical governance extends beyond the acute part of the patient pathway – to include rehabilitation, intermediate care and community elements	The Trust plans to prepare a Business Case to improve care for neck of femur cases. Elderly Medicine Directorate have communicated the following challenges to Trust management: <ul style="list-style-type: none"> <li>• Need to improve Physiotherapy input by increasing resource;</li> <li>• Address the lack of Junior Doctor cover for the Trauma Ward;</li> <li>• Consider longer term solutions such as ACPs and CNS.</li> </ul>
Ensure that robust processes allow the accurate collection of data on hip fractures – with particular attention to surveillance of complications and validity of case mix factors.	The Directorate continues to review of performance at Operational Group meetings.

**National Audit for Cardiac Rehabilitation (NACR)**  
**Project No. 1142**

The 10th Annual Statistical Report on CR was published in 2016-2017 which reports on the data submitted to the audit in 2014-15 and which, for the first time, reports patient outcomes at a named local programme level.

National Findings & Recommendations	Trust Findings & Actions
Cardiac Rehabilitation should start earlier for all patient groups.	<p>Poor interface between community and acute care (in-reach) cardiac rehabilitation identified, with patients not being seen within 10 days of being discharged home.</p> <p>Work is being undertaken to look at 'joined up working' between the Hospital and Community Teams, including all referrals to community cardiac rehab to made electronically and documents scanned in for both teams to see.</p>
The frequency and quality of patient assessment before and after Cardiac Rehabilitation needs to improve.	<p>Patient assessments are complex to complete/access on the Trust's CPD system.</p> <p>Work is ongoing between the University of York and the Trust's Systems &amp; Network team to develop NACR data base which will better capture the information.</p>

**Sentinel Stroke National Audit Programme (SSNAP)**  
**Project No. 1885**

The National SSNAP 2016 was published in 2016-2017, for the data entered between 10 June and 8 July 2016. The Report includes the following key findings and recommendations:

National Findings & Recommendations	Trust Findings & Actions
All units which treat patients in the first 72 hours following stroke should achieve a standard of 3 nurses per 10 beds on duty during the day at weekends.	The present nurse skill mix needs further discussion with the Trust Corporate Nursing Team and subsequent skill mix review.
Seven day working should be available for at least 2 types of (qualified) therapy (includes occupational therapy, physiotherapy and speech and language therapy).	An increase in therapy availability at weekends is not feasible at present within the current therapy staffing levels.
All acute stroke units should achieve a standard of at least 1 whole time equivalent (WTE) qualified clinical psychologist per 30 stroke unit beds.	Internal workforce reorganisation within Stroke services has been considered and is in process.
All acute stroke centres should ensure that their services are well enough organised, or that they have the necessary local arrangements in place, to ensure that every patient with acute stroke is directly admitted to a dedicated stroke unit within 4 hours of arrival in hospital.	<p>At Scarborough site - High Risk TIA patients are not routinely reviewed and treated in a TIA clinic on same day or within 24hrs of presenting with stroke symptoms.</p> <p>Scarborough TIA patient clinic services to be reviewed.</p>

National Findings & Recommendations	Trust Findings & Actions
	The Trust recruited to a new Clinical Nurse Specialist post to the support TIA service in March 2017

**British Society for Rheumatology (BSR) National Clinical Audit for Rheumatoid and Early Inflammatory Arthritis**  
**Project No. 2674**

The Annual Report published in February 2017 provides outcomes for data submitted between 01 February 2015 and 29 January 2016)

National Findings & Recommendations	Trust Findings & Actions
Rheumatology services should give strong consideration to continuing to collect data on waiting times, treatment initiation and measures of patient outcome and experience, for use in their own service	From undertaking local clinical audit, it has been established that the Trust was unable to see patients within 3 weeks in our current template. Even urgent new patient wait times are between 5-8 weeks. The need to create capacity to see patients within 3 weeks of referral (as per NICE QS3) was identified. Analysis of current referrals and required number of clinic appointments has been undertaken. A re-audit of clinic slots for patients with suspected IA known as RAPID slots is now underway (Project Number A7221) to inform further of areas for improvement.
A total of 31 providers (24%) which provided data had a much lower than expected proportion of patients seen within the NICE recommended 3 weeks of referral.	

**National Diabetes Audit - Adults - National Core**  
**Project No. A7087**

The Annual Report published in 2016-17 for this audit provides outcomes for data submitted in 2015-16.

National Findings & Recommendations	Trust Findings & Actions
GP and specialist services should use relevant parts of this report and the accompanying local level information to compare themselves to similar services and identify areas for improvement and implement local action plans.	The current report evidences that the Trust's performance (York site only) against the audit criteria is generally slightly lower than the national averages.

The data from this audit report relates to the York site only, as local GPs submitted the data for all Scarborough patients and therefore it was difficult to fully establish specific areas of improvement required by the Trust.

Data submitted in 2015-16 will be the first year that Trust specific information has been reported, and therefore will provide meaningful information from which the Trust can make improvements.

**National Audit of Lower Gastrointestinal Bleeding (LGIB) and the Use of Blood**

**Project No. A7139**

The Annual Report published in 2016-17 provides outcomes for data submitted between 1 September 2015 and 1 December 2015

National Findings & Recommendations	Trust Findings & Actions
Given the older age and high burden of co-morbid illness in patients with LGIB, hospitals that do not provide routine Care of the Elderly input for patients admitted under surgical teams should develop pathways that facilitate appropriate and timely access to elderly care (also recommended by NELA).	Neither Scarborough nor York has met the Care of Elderly Review of patients over 70 years old, but this is a national problem and nationally only 20.6% of hospitals reported that elderly patients admitted with LGIB were reviewed by Care of the Elderly doctors.
All hospitals should develop comprehensive local guidelines that cover both upper and lower GI bleeding (also recommended by NCEPOD). They should include the management of NSAIDs, warfarin, anti-platelet agents and other anticoagulant drugs.	The Trust's results for medicines management were lower than national average.  This information has been shared with the Medicines Safety Group for their review.
All emergency laparotomies for LGIB should be undertaken by a senior surgeon and senior anaesthetist	

**RCEM Procedural Sedation in Adults**

**Project No. B5006**

The Annual Report published in 2016-2017 provides outcomes for data submitted between 1 January 2015 and 31 December 2015 for consecutive cases during the data collection.

National Findings & Recommendations	Trust Findings & Actions
A pro-forma should be used for procedural sedation and analgesia (PSA) as a checklist and as a record of the procedure. A safe sedation pro-forma has been developed by RCEM and departments must implement this (or a local version) prior to re-audit.	There is a need to standardize local processes across the York & Scarborough sites.  York: to review and update the existing Procedural Sedation Proforma.  Scarborough: introduce a document similar to Procedural Sedation Proforma from York.

National Findings & Recommendations	Trust Findings & Actions
Written discharge advice should be developed, if one does not already exist, and implemented.	Training continues in the Trust for all junior doctors on the importance of comprehensive and safe completion of Electronic Discharge Notes (EDN).
ED clinicians should ensure adequate documentation of pre-procedural assessment and of patient's informed consent.	
ED clinicians should ensure adequate documentation of monitoring during procedural sedation and that an accurate record of the event is completed.	
ED clinicians should ensure adequate documentation of formal assessment of suitability of discharge.	

**CEM VTE Risk in Lower Limb Immobilisation in Plaster Cast**  
**Project No. B5008**

The Annual Report published in May 2016 provides outcomes for data submitted during 2015-16.

National Findings & Recommendations	Trust Findings & Actions
ED clinicians should ensure that VTE risk assessment is conducted and clearly documented.	<p>York ED is compliant with the standards on which this audit is based.</p> <p>However there is a problem in Scarborough since ankles injuries have gone to the Urgent Care Centre (UCC) for treatment as the UCC is run by a private company.</p> <p>In order to help improve our performance against the RCEM audit standards the Trust services would need to be integrated to Scarborough ED management.</p> <p>The SLA between the Trust and YDUC (private company) who run UCC at Scarborough is being reviewed and the intention is to look to make amendments to the SLA.</p>
EDs should ensure that where risk assessment and prophylaxis is provided outside of the ED there is a safe system that documents this. EDs may wish to consider developing or modifying a plaster cast prescription form to include VTE prophylaxis.	
Where thromboprophylaxis is indicated, ED clinicians should keep written evidence of patients receiving or being referred for treatment.	
RCEM will develop a template patient information leaflet for ED clinicians to use or modify.	
ED clinicians should document evidence of providing all patients with lower limb immobilisation information leaflets, outlining the risk and the need to seek medical attention if they develop symptoms of VTE.	

**National Lung Cancer Data Audit**  
**Project No. 1359**

The Annual Report published in 2016 provides outcomes for data submitted between January 2015 and December 2016

National Findings & Recommendations	Trust Findings & Actions
<p>Overall, only 57% of patients were recorded to have been seen by a Lung Cancer Nurse Specialist. (LCNS)</p>	<p>Numbers seen by the LCNS are lower than the national expectation. This may reflect the lower numbers seen in Scarborough, which have then been merged. Scarborough has only had 1 lung CNS previously, although in 2016, cross cover arrangements started between the 2 sites (although still not perfect, is now better than it was). Across both sites we still do not have the recommended number of CNS per patient number (recommended 1 per 80 patients).</p>
<p>As PET-CT scanning is now the key modality in the non-invasive staging of patient disease extent, we recommend that, where possible, all patients should undergo this imaging test prior to delivery of radical (curative intent) treatment.</p>	<p>There is a single Respiratory Oncologist on site but, with increasing high levels of PET scan requests, an active approach to management needs to be considered by the Trust.</p> <p>To explore options for a 2<sup>nd</sup> CT scanner and increased Consultant Radiology staff to support improvement against this standard or alternatively the possibility of additional radiology staff time.</p>
<p>MDTs with lower-than-expected active anticancer treatment rates (&lt;60% or low odds ratio after case mix adjustment) should perform detailed case-note review to determine why patients with good PS did not receive active anticancer treatment.</p>	<p>To establish if other MDTs within the Trust are recording/coding patients as having lung cancer which then gets included in our figures, but aren't coming through lung MDTM hence reflecting low figures for the Trust.</p>
<p>MDTs with lower-than-expected surgical resection rates for NSCLC (&lt;17% or low odds ratio after case mix adjustment) should perform detailed case-note review to determine why each resectable patient did not receive an operation, including whether a second opinion was offered to borderline-fit patients.</p>	<p>To undertake a further review of how data is collated and accuracy.</p> <p>Explore potential to recruit additional staff (SpR or Staff Grade may be sufficient).</p>
<p>MDTs with lower-than-expected radical treatment rates for NSCLC (&lt;30% or low odds ratio after case mix adjustment)</p>	

<b>National Findings &amp; Recommendations</b>	<b>Trust Findings &amp; Actions</b>
should perform detailed case-note review to determine why each patient with stage I/II disease did not receive surgery or radical (chemo) radiotherapy.	

**RCEM Moderate or Severe Asthma in Children National Audit (Data from 01 Project No. 2481-1**

The Annual Report published in May 2017 provides outcomes for data submitted throughout 2016.

<b>National Findings &amp; Recommendations</b>	<b>Trust Findings &amp; Actions</b>
On discharge, all moderate-severe asthmatic patients should have a written management plan in place which includes assessment of inhaler type, technique, steroids and follow-up.	Highlight that the use of the asthma proforma is the 'gold standard' results in closer adherence to the RCEM standards of care
A proforma should be considered by departments to improve documentation and act as an aide memoir for assessment, discharge/admission criteria and dosing of medication.	The following areas where the Trust needs to improve performance are to be included in a new proforma: Documentation of oxygen delivery to maintain SpO2 94-98%; Prescription for oxygen delivery to maintain SpO2 94-98%; Prompt to repeat a full set of observations if any are initially abnormal; Prompt for considering inhaler type.

**National Diabetes Foot Care Audit (NDFA) Project No. A7031**

This 2<sup>nd</sup> Annual Report published in 2016-2017 provides outcomes for data submitted between 14 July 2014 and 8 April 2016.

<b>National Findings &amp; Recommendations</b>	<b>Trust Findings &amp; Actions</b>
Participate in the NDFA to collaborate in this nationwide drive to improve the outcomes for diabetic foot disease.	Continue data submission as part of on-going participation. Continue RCA process for minor and major amputations.

**RCEM Severe Sepsis & Septic Shock in Adults National Audit (Data from 01) Project No. 2488-1**

The Annual Report published in May 2017 provides outcomes for data submitted between 1 January and 31 December 2016.

National Findings & Recommendations	Trust Findings & Actions
All EDs should have a sepsis lead and a sepsis protocol.	The Trust has a sepsis lead in place. Currently there are two different sepsis protocols in place in the Trust, one for the York site and another for the Scarborough site.
Early recognition of sepsis is critical to the clinical outcome. All patients with suspected sepsis and NEWS of 3 should undergo immediate screening for sepsis.	Update the Trust CPD to incorporate all current (required) Sepsis criteria/ standards.
Standardise pathways of care for patients fulfilling sepsis criteria to improve timely delivery of care and therefore outcomes	<p>Remind all ED relevant staff to document/ record all Sepsis data as required on a timely basis.</p> <p>Aim for 100% patients to have blood cultures taken in ED.</p> <p>Look at co-locating blood culture bottles with other blood taking items, and having a supply in resuscitation.</p> <p>Ensure that the PACT Form is fully utilised and completed.</p> <p>Increase Critical Care Team referrals for when patients go to the ward.</p> <p>Discuss a way forward to ensure BM testing is routinely undertaken as part of the ED observations. Consider the following:</p> <p>More BM machines to be available.</p> <p>Make BM machines more user friendly (train more staff etc.)</p>
Education and training around these for wider team for early recognition and instigation of optimal care	Re-educate/ update all ED relevant staff re. Sepsis standard and care.

Although the Trust is not fully compliant with the required Sepsis standards, the actions planned as an outcome of this audit are intended to address the areas of poor performance, and performance will continue to be monitored via the undertaking of local audits against the RCEM standards.

#### **LOCAL CLINICAL AUDIT ACTIVITY**

The reports of **129** local clinical audits were reviewed by the provider in 2017-18 and York Teaching Hospital NHS Foundation Trust intends to take actions to improve the quality of healthcare provided as a result of these audit outcomes.

Of the actions arising from local audits that will have beneficial outcomes on patient care, a selection is described below:

## **Re-Audit of Isotretinoin Use in Dermatology Department** **Project No. 2180-1**

This re-audit was undertaken to determine if there had been improvement to compliance with guidance for isotretinoin use for dermatological problems since the introduction of the checklist. The re-audit identified that:

- There has been a significant improvement in compliance with guidelines for undertaking baseline investigations and providing patients with appropriate advice regarding being on isotretinoin;
- Results for documentation of weight and family history and undertaking follow up blood tests have been maintained since the original audit in 2013.

The re-audit results for compliance with Isotretinoin Use Guidance within the Dermatology Department at York Teaching site are satisfactory and the current prescribing practice in the department is both appropriate and safe.

## **MRSA Suppression Patient Group Directive Audit** **Project No. A7043-1**

The purpose of this audit was to establish whether competently registered nurses working in all outpatients departments and in the Infection Prevention Team are compliant with the Patient Group Directive (PGD) as per the Trust's current MRSA Policy.

This audit identified issues with missing patient identification numbers and allergy documentation and the following actions have been undertaken to resolve:

- The importance of documentation is now highlighted at the PGD update training;
- The Infection Prevention Nurse (IPN) spreadsheet has been changed to incorporate the missed documentation regarding allergies;
- Information regarding allergies has been included in patient advice sheet.

## **Intravenous Fluid (IVF) Therapy Audit** **Project No. A7204**

The purpose of this audit was to establish compliance with NICE guidance on the use of intravenous fluid in adults, to ensure that patients who need intravenous fluid therapy receive appropriate fluid and electrolyte treatment.

This audit identified issues with the use of resuscitation fluids in the routine maintenance of IVF for patients on an intravenous prescribing practice, where compliance with NICE guideline is suboptimal. As a result of these shortcomings the following actions have been put in place:

- A review had been undertaken of the Trust's IV Fluid Prescription Chart and improvements made to support achievement of compliance with NICE guidance;
- The areas where non-compliance has been identified to be discussed at the Directorate Governance ½ Day Sessions and also to share learning from this audit with other relevant teams/specialties in order to explore options available to resolve issues identified.

### **Risk Identification Checklist Tool Audit** **Project No. C3103**

The purpose of this audit was to establish the effectiveness of existing Risk Identification tools in use across the Trust, and identify which tool would be selected for adoption by all Trust services, as a result of an action from a SI report which made recommendation for all patients to have a standardised risk assessment.

This audit identified that the Scarborough ED tool included the risk identification checklist, but that the tool in use at York ED was more concise and usable and also provided the opportunity for staff to sign for handing over and receiving risks. As a result of these findings the following actions have been put in place:

- Development of a standardised risk identification checklist which is incorporated across both sites to support staff in assessing risk and provides the opportunity to be used when undertaking handover to effectively communicate identified risks;
- Development of a standardised care plan template for risk management and review.

### **Oxygen Prescription & Administration in Chronic Obstructive Pulmonary Disease (COPD) in the Acute Medical Unit (AMU)** **Project No. A7234**

The purpose of this audit was to establish whether the AMU at York complied with the NICE guidelines for oxygen prescribing for Chronic Obstructive Pulmonary Disease (COPD).

This audit identified that the AMU was not achieving 100% compliance with the NICE guidance, specifically the achievement of the correct targets for oxygen saturation (SaO<sub>2</sub>) for patients with COPD, which is vital as oxygen toxicity can have potentially fatal effects on patients. As a result of these findings the aim is to increase compliance through:

- Education of the AMU team on the correct administration of oxygen (O<sub>2</sub>);

- The introduction of magnets with target SaO<sub>2</sub> (if <94%) and place them above patients' bed on the patient board to alert nurses for the correct SaO<sub>2</sub> aim.

### **Audit of Stroke Care Pathway** **Project No. 1706**

The purpose of this audit was to confirm that the Stroke care pathway is being completed correctly.

This audit identified that compliance with the Stroke care pathway is predominately good, but there is room for improvement regarding the completion of multi-professional patient goals and the documentation on day of discharge. As a result of these findings the aim is to increase compliance through:

- The Trust's cross site Stroke Pathway reviewed and updated with the assistance of all the stroke professions clinical leads;
- Stroke Pathway to be simplified and made more appropriate to the professions clinical requirements;
- Post monthly audit findings, specifically areas of poor or missed documentation to the stroke clinical leads to address areas of poor or non-compliance by staff members as required.

### **Assessment of Vision in Patients Presenting with Falls** **Project No. A7231**

The purpose of this audit was to evaluate the effectiveness and ease of use for the 'Look out!' bedside vision check tool for falls prevention, which had been introduced across the Trust.

This audit identified that overall we found the Vision Assessment Tool was an easy to use, validated tool, which could be used effectively in both outpatient and inpatient settings. However' patients with a diagnosis of dementia were the only factor, which prevented the full use of the Tool. As a result of these findings the aim is to ensure that the 'Look out!' tool is embedded into everyday practice for patients presenting with falls, unless diagnosed with dementia and the following actions are being undertaken to achieve this:

- Education amongst junior doctors about the new tool in order to raise awareness of its use within the Trust;
- Presentation of these audit findings to the Trust Falls Panel and its sub-group.

**Perioperative Thermoregulation in Patients Undergoing Fractured Neck of Femur Surgery**  
**Project No. C3118**

The purpose of this audit was to evaluate the degree and rate of peri-operative hypothermia in patients undergoing fractured neck of femur surgery.

This audit identified that 9.5% of patients are arriving in the anaesthetic room hypothermic, and require to be warmed peri-operatively and despite this are post-anaesthesia arriving in PACU again hypothermic. As a result of these findings the following actions are being undertaken to prevent hypothermia occurring:

- Commence use of bair hugger blankets to warm bed sheets prior to transfer;
- Commence pre-warming patients 30 minutes prior to theatre, thereby preventing heat loss for 2 hours.

**Re-audit of Ophthalmology Emergency Admissions**  
**Project No. 2784-1**

The purpose of this audit was to evaluate improvements made following the original audit into ophthalmology emergency admissions and compliance with NICE clinical guidance for venous thromboembolism (VTE) assessment and also the NHS Standard Contracts standard for dementia screening.

This audit identified at that Ophthalmology was now achieving 100% completion rate of VTE assessment and achieving 100% for prescription charts for warfarin and insulin charts being in place. However, 43% of patients requiring dementia screening assessment did not have this completed and 71% of patients did not have documentation on past medical history. Although these are improvements on the previous audit finding, the following actions are being undertaken to improve assessment of patients:

- Guided Education of VTE assessment and dementia screening on CPD during Directorate ½ Day Governance sessions;
- Re-Introduction of the VTE and dementia screening checklist on white board.

**Research and Development**

The aim of clinical trials is to increase knowledge about treatments to ensure we are treating based on the best possible evidence. Research offers participants the opportunity to be involved in research which may or may not be of benefit to them.

Yorkshire & Humber (Y&H) is one of 15 regions that form part of the Clinical Research Network (CRN). Every CRN is targeted with a figure by the National

Institute for Health (NIHR) on the number of patients entered into a clinical trial in a given financial year. As Y&H is 10 % of the national population, we are expected to represent 10% of the national NIHR target, which puts our regional annual target at 65,000.

This annual target is divided between the 22 partner organizations (Trusts), of which we are one. Each year we are asked to set a target on the number of patient accruals we think we can meet in a year based on our current portfolio, previous history and the numbers of studies closing and possibly opening in the year.

To reach the 65,000 the Y&H CRN requires our hospital to have been set a stretching target of 3689 patients accrued into clinical trials in our Trust from 1 April 2017 to 31 March 2018. It's important that we meet this target as this will determine our money flow into the Trust next financial year, which pays for all the research staff we have.

Currently in York and Scarborough alone we have 173 research studies open to recruitment.

The number of patients receiving relevant health services provided or sub-contracted by York Teaching Hospitals in the period 1 April 2017 to 31 March 2018 that were recruited during that period to participate in research approved by a research ethics committee is 4,039.

These patients were recruited across a wide range of specialties as most of our hospital now recruits patients into clinical trials. Some areas where we have performed really well are as follows:

- Haematology/ oncology team for being the highest recruiters in the region for the Facilitating Informed Decision Making in Haemato-Oncology (FIDO) trial by a significant number. So far the team have recruited an impressive 638 patients to this trial.
- The research midwife team recruited 152 patients to the PRIDE trial. This trial is aimed at looking at micronutrients in the blood of pregnant women at risk of gestational diabetes.
- We also had three occasions where our Trust recruited the first UK patient to a trial as follows
  - The York Renal Research Team to ASCEND-ND trial. This is a worldwide phase 3 study focusing on patients who have anaemia caused by chronic kidney disease. The study is comparing an investigational oral medication to the standard anaemia treatment which is currently an injection;
  - The neurology research team to the EXIST 3 trial. The role over study continues to monitor patients with tuberous sclerosis complex (TSC) and refractory seizures that have so far proven to benefit from continued treatment of Everolimus. Unfortunately this drug has not yet been licensed by NICE to use in the NHS for these specific neurologic conditions. By continuing to undertake this study here at

York, it is not only helping to show improvements into managing TLC and refractory seizures but is striding towards providing the evidence needed to support this drug for future use; to be licensed for these specific neurologic conditions within the NHS;

- The Cardiology research team to the Parallax study. This is a commercial drug study, funded by Novartis, looking at whether study drug is more effective than individualised medical therapy for co-morbidities in patients with heart failure.

### **Commissioning for Quality and Innovation Payment Framework (CQUIN)**

A proportion of York Teaching Hospital NHS Foundation Trust income in 2017-18 was conditional upon achieving quality improvement and innovation goals agreed between York Teaching Hospital 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.

The financial value of the scheme for 2017-18 is set at 2.5 per cent of all healthcare services commissioned through the NHS Standard Contract, excluding high cost drugs, devices and listed procedures. The value locally is approximately £9m.

The CQUIN goals are managed through our internal processes and cover a significant number of areas. They fall into two areas:

**National** – NHS Staff Health & Well-being, reducing the impact of serious infections (Antimicrobial Resistance and Sepsis), improving services for people with mental health needs who present to A&E, advice & guidance for non-urgent GP referrals, e-referrals (GP referrals to consultant-led 1st outpatient services only), supporting proactive and safe discharge; preventing ill health by risky behaviours - alcohol and tobacco, improving the assessment of wounds and personalised care and support planning.

**Specialist** – Chemotherapy dose banding, hospital pharmacy transformation and medicines optimisation and measures to aid patients with long-term conditions.

At the time of writing this report the Trust had agreed payment with the Commissioners for CQUINS. Further details of the agreed goals for 2017-18 and for the following 12 month period are available electronically at [www.yorkhospitals.nhs.uk](http://www.yorkhospitals.nhs.uk). The CQUIN is reported to the Board of Directors on a monthly basis and can be found as part of the Board papers.

The 2016-17 value of the CQUIN was set at 2.5 per cent of the contract value. The value locally was £10m.

The 2015-16 value of the CQUIN was set at 2.5 per cent of the contract value. The value locally was £8.5m.

## Care Quality Commission

York Teaching Hospital NHS Foundation Trust is required to register with the CQC and its current registration status is 'Registered without conditions'.

The CQC has not taken enforcement action against York Teaching Hospital NHS Foundation Trust during 2017-18.

The Trust was subject to a CQC inspection of its Core Services in September 2017, which was followed by a Well-Led Review in October 2017.

The CQC published their findings in February 2018. The grid below details the outcome of the inspections by site. Whilst the overall rating for the Trust was **Requires Improvement**, the assessment of York Hospital improved from 'Requires Improvement' to 'Good'.

The following improvement notices were received and an action plan was submitted to the CQC on 6 April:

**Regulation 5:** Fit and Proper Person Test;

**Regulation 8:** Person Centred Care (no paediatric area in York ED, no Rehab Clinic in Scarborough Critical Care Service and lack of Critical Care Strategy for Scarborough);

**Regulation 11:** Consent, MCA/DoLs;

**Regulation 12:** Safe Care and treatment (gaps in clinical record keeping in Scarborough ED, RMO issues at Brid, failure to completed stat mandatory training by all ED staff);

**Regulation 17:** Good Governance. BAF, QIA Assessment, lack of clear plan to establish financial stability, use of data;

**Regulation 18:** Staffing: Heavy use of Bank and Agency, especially at Scarborough. Not all staff retaining professional skills (NIV on Ward 34) and lack of clinical educator in Scarborough Critical Care.

The action plan will be monitored by the Board. However, a number of actions had already been addressed by the time the report was received.

## Ratings for the whole Trust

The rating for well-led is based on our inspection at trust level, taking into account what we found in individual services. Ratings for other key questions are from combining ratings for services and using our professional judgement.

Services				Overall
Safe	Effective	Caring	Responsive	Well-led
Requires improvement →← Oct 2017	Good →← Oct 2017	Good →← Oct 2017	Requires improvement →← Oct 2017	Requires improvement →← Oct 2017

## Rating for a combined trust

	Safe	Effective	Caring	Responsive	Well-led	Overall
<b>Acute</b>	Requires improvement →← Oct 2017	Good →← Oct 2017	Good →← Oct 2017	Requires improvement →← Oct 2017	Requires improvement →← Oct 2017	Requires improvement →← Oct 2017
<b>Community</b>	Requires Improvement Oct 2015	Good Oct 2015	Good Oct 2015	Good Oct 2015	Good Oct 2015	Good Oct 2015
<b>Overall trust</b>	Requires improvement →← Oct 2017	Good →← Oct 2017	Good →← Oct 2017	Requires improvement →← Oct 2017	Requires improvement →← Oct 2017	Requires improvement →← Oct 2017

Ratings for the trust are from combining ratings for hospitals. Our decisions on overall ratings take into account the relative size of services. We use our professional judgement to reach fair and balanced ratings.

## Rating for acute services/acute trust

	Safe	Effective	Caring	Responsive	Well-led	Overall
<b>York Hospital</b>	Requires improvement →← Oct 2017	Good →← Oct 2017	Good →← Oct 2017	Good ↑ Oct 2017	Good ↑ Oct 2017	Good ↑ Oct 2017
<b>Scarborough Hospital</b>	Requires improvement →← Oct 2017	Requires improvement →← Oct 2017	Good →← Oct 2017	Requires improvement →← Oct 2017	Requires improvement →← Oct 2017	Requires Improvement →← Oct 2017
<b>Bridlington Hospital</b>	Requires improvement →← Oct 2017	Good →← Oct 2017	Good →← Oct 2017	Requires improvement ↓ Oct 2017	Requires improvement →← Oct 2017	Requires improvement →← Oct 2017
<b>Overall trust</b>	Requires improvement →← Oct 2017	Good →← Oct 2017	Good →← Oct 2017	Requires improvement →← Oct 2017	Requires improvement →← Oct 2017	Requires improvement →← Oct 2017

Ratings for the Trust are from combining ratings for hospitals. Our decisions on overall ratings take into account the relative size of services. We use our professional judgement to reach fair and balanced ratings.

## Ratings for York Hospital

	Safe	Effective	Caring	Responsive	Well-led	Overall
Urgent and emergency services	Requires improvement →← Oct 2017	Good ↔ Oct 2017	Good ↔ Oct 2017	Good ↑ Oct 2017	Good ↑ Oct 2017	Good ↑ Oct 2017
Medical care (including older people's care)	Good ↑ Oct 2017	Requires improvement ↓ Oct 2017	Good ↔ Oct 2017	Good ↔ Oct 2017	Good ↔ Oct 2017	Good ↔ Oct 2017
Surgery	Good ↔ Oct 2017	Good ↔ Oct 2017	Good ↔ Oct 2017	Requires improvement →← Oct 2017	Good ↔ Oct 2017	Good ↔ Oct 2017
Critical care	Good ↔ Oct 2017	Good ↔ Oct 2017	Good ↔ Oct 2017	Good ↑ Oct 2017	Good ↑ Oct 2017	Good ↑ Oct 2017
Maternity	Good Oct 2015	Requires improvement Oct 2015	Good Oct 2015	Good Oct 2015	Good Oct 2015	Good Oct 2015
Services for children and young people	Requires improvement Mar 2015	Good Oct 2015	Good Oct 2015	Good Oct 2015	Good Oct 2015	Good Oct 2015
End of life care	Good Oct 2015	Good Oct 2015	Good Oct 2015	Good Oct 2015	Good Oct 2015	Good Oct 2015
Outpatients & Diagnostic imaging	Good Oct 2015	Not rated Oct 2015	Good Oct 2015	Good Oct 2015	Good Oct 2015	Good Oct 2015
<b>Overall*</b>	Requires improvement →← Oct 2017	Good ↔ Oct 2017	Good ↔ Oct 2017	Good ↑ Oct 2017	Good ↑ Oct 2017	Good ↑ Oct 2017

Over the year the Trust also participated in a number of other CQC Reviews. Namely

- ClasA Reviews ( Childrens Services) At York and Scarborough (joint reviews with North Yorkshire County Council and City of York Council)
- System Wide Review (Joint Review with City of York Council)

## Ratings for Scarborough Hospital

	Safe	Effective	Caring	Responsive	Well-led	Overall
Urgent & emergency services	Requires improvement →← Oct 2017	Requires improvement →← Oct 2017	Good →← Oct 2017	Requires improvement →← Oct 2017	Good ↑ Oct 2017	Requires improvement →← Oct 2017
Medical care (including older people's care)	Requires improvement →← Oct 2017	Requires improvement ↓ Oct 2017	Good →← Oct 2017	Requires improvement →← Oct 2017	Requires improvement →← Oct 2017	Requires improvement →← Oct 2017
Surgery	Requires improvement →← Oct 2017	Good →← Oct 2017	Good →← Oct 2017	Requires improvement →← Oct 2017	Requires improvement →← Oct 2017	Requires improvement →← Oct 2017
Critical care	Good ↑ Oct 2017	Requires improvement →← Oct 2017	Good →← Oct 2017	Requires improvement →← Oct 2017	Requires improvement →← Oct 2017	Requires improvement →← Oct 2017
Maternity	Requires improvement Oct 2015	Requires improvement Oct 2015	Good Oct 2015	Good Oct 2015	Good Oct 2015	Requires improvement Oct 2015
Services for children and young people	Requires improvement Oct 2015	Good Oct 2015	Good Oct 2015	Good Oct 2015	Good Oct 2015	Good Oct 2015
End of life care	Good Oct 2015	Good Oct 2015	Good Oct 2015	Good Oct 2015	Good Oct 2015	Good Oct 2015
Outpatients & Diagnostic imaging	Requires improvement Oct 2015	Not rated Oct 2015	Good Oct 2015	Requires improvement Oct 2015	Requires improvement Oct 2015	Requires improvement Oct 2015
<b>Overall*</b>	Requires improvement →← Oct 2017	Requires improvement →← Oct 2017	Good →← Oct 2017	Requires improvement →← Oct 2017	Requires improvement →← Oct 2017	Requires improvement →← Oct 2017

\*Overall ratings for this hospital are from combining ratings for services. Our decisions on overall ratings take into account the relative size of services. We use our professional judgement to reach fair and balanced ratings.

## Ratings for Bridlington Hospital

	Safe	Effecti	Carin	Responsi	Well-	Overa
Medical care (including older people's care)	Requires improvement →← Oct 2017	Requires improvement ↓ Oct 2017	Good →← Oct 2017	Requires improvement ↓ Oct 2017	Requires improvement →← Oct 2017	Requires improvement →← Oct 2017
Surgery	Requires improvement →← Oct 2017	Good →← Oct 2017	Good →← Oct 2017	Requires improvement ↓ Oct 2017	Good →← Oct 2017	Requires improvement ↓ Oct 2017
End of life care	Good Oct 2015	Good Oct 2015	Good Oct 2015	Good Oct 2015	Good Oct 2015	Good Oct 2015
Outpatients & Diagnostic imaging	Requires improvement Oct 2015	Not rated Oct 2015	Good Oct 2015	Good Oct 2015	Requires improvement Oct 2015	Requires improvement Oct 2015
<b>Overall*</b>	Requires improvement →← Oct 2017	Good →← Oct 2017	Good →← Oct 2017	Requires improvement ↓ Oct 2017	Requires improvement →← Oct 2017	Requires improvement →← Oct 2017

\*Overall ratings for this hospital are from combining ratings for services. Our decisions on overall ratings take into account the relative size of services. We use our professional judgement to reach fair and balanced ratings.

York Teaching Hospital NHS Foundation Trust has participated in special reviews or investigations by the CQC relating to the following areas during 2017-18:

- Looked after Children Review – City of York;
- Looked After Children Review – North Yorkshire County Council;
- Well Led Review;
- CQC Review of Health and Social Care Interface (City of York).

**Looked after Children Review (City of York)** - York Teaching Hospital intends to take the following action to address the conclusions or requirements reported by the CQC. The Trust was part of a Looked after and Safeguarding Review in City of York which took place in December 2016. An action plan was developed and is monitored by the Safeguarding Children Governance Group (Operational & Strategic).

York Teaching Hospital NHS Foundation Trust has made the following progress by 31 March 2018 in taking such action: Since 2017 the Trust has been collaborating with partners to ensure the capture of robust data and information about children who had been designated as 'looked after'. This has enabled the timely production of Initial Health Assessment Reports and discussion of reports at the Care Strategy Group which the Trust attends and plays a role. The Trust is now replicating the data collection process at Scarborough Hospital.

**Looked after Children Review (North Yorkshire County Council)** - York Teaching Hospital intends to take the following action to address the conclusions or requirements reported by the CQC. The Trust was part of a Children, Looked after and Safeguarding Review in North Yorkshire. Scarborough Hospital came under this review, which took place in February 2017. An action plan was developed and is monitored by the Safeguarding Children Governance Group (Operational & Strategic).

York Teaching Hospital NHS Foundation Trust has made the following progress by 31 March 2018 in taking such action: Issues were identified with the data capture process at Scarborough Hospital. The learning from the City of York Review allowed the Trust to put in place more robust procedures around data capture and this will ensure robust reporting in quarter 1 of 2018-19.

**Well Led Review** - York Teaching Hospital intends to take the following action to address the conclusions or requirements reported by the CQC. An action plan was submitted to the CQC on 6 April 2018.

York Teaching Hospital NHS Foundation Trust has made the following progress by 31 March 2018 in taking such action: The action plan will be monitored by the Board. However; a number of actions had already been addressed in relation to the Improvement Notices by the time the report was received.

**CQC Review of Health and Social Care Interface (City of York)** - The terms of the review were to look at the experience of older people (those aged over 65 years) moving between health and social care services. The review took place in October 2017. This concentrated on three key areas:

1. How people are supported to stay well and independent in the community;
2. How people are supported in a crisis and;
3. Where people are admitted to hospital, how they are supported to return home as soon as possible.

York Teaching Hospital intends to take the following action to address the conclusions or requirements reported by the CQC. The local system produced an action plan in response to the recommendations in the report which was submitted to the Department of Health and Social Care on 31 January 2018. The action plan is owned by the City of York Health and Wellbeing Board who have responsibility for ensuring that progress is made. In order to meet this responsibility the Health and Wellbeing Board (HWBB) has established the York Health and Care Place Based Improvement Board (YIB). The YIB will report to the HWBB and will have senior representatives from the main health and social care organisations who support people that live in York. The YIB has initially agreed 3 work streams mirroring the STP arrangements: Digital, Workforce and Estates and Capital.

York Teaching Hospital NHS Foundation Trust has made the following progress by 31 March 2018 in taking such action the Trust joined the Local Digital Roadmap and IT integration working group, which will deliver the digital work stream of the YIB. The Trust continued to work on the implementation of the 8 High Impact Changes, including the integrated discharge hub and pathway developments, designed operating principles for excellent practice in discharge planning and working together.

### **Data Quality**

York Teaching Hospital NHS Foundation Trust submitted records during 2017-18 (January 2018 latest freeze data) 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 published data:  
which included the patient's valid NHS number was:  
99.9% for admitted patient care;  
99.9% for outpatient care;  
98.4% for accident and emergency care.

which included the patient's valid General Medical Practice Code was:  
99.7% for admitted patient care;  
99.9% for outpatient care;  
98.4% for accident and emergency care.

York Teaching Hospital NHS Foundation Trust will be taking the following actions to improve data quality:

- Demographic details checked during receipt of referrals and during all patient contacts with the Trust;
- File of patient attendances sent to Spine twice weekly, consisting of activity for the previous 3 months (so checked multiple times), checking for missing NHS numbers and discrepancy in GP details;
- Missing data items on individual records manual checked by Data Quality Team.

### **Information Governance**

York Teaching Hospital NHS Foundation Trust's Information Governance Assessment Report overall score for 2017-18 was 86% and was graded green.

#### Information Governance Assurance Programme

Information Governance and Information Security are covered within the Statutory and Mandatory Training Programme, and all staff have confidentiality statements within their contracts. This is supported by a well-

developed set of policies and procedures which are underpinned by a series of staff guides. This includes an Information Security Policy. The Trust has established an Executive Information Governance Group that provides the organisation's strategic direction. The core membership comprises the IG Lead at Board, the Caldicott Guardian, the Senior Information Risk Officer, the Chief Clinical Information Officer, and the Deputy Director for Healthcare Governance. The Group has been involved in the process of reviewing its IG Framework and associated resource in the light of new legislation due to become operational in 2018.

The organisation has a well-tested disaster recovery plan for data which aims to ensure that data, and access to data is not compromised or vulnerable at a time of any unexpected system downtime.

The Chief Executive has overall responsibility for all aspects of information management, including security and governance, and is accountable to the Board of Directors. He is supported by the Deputy Director of Healthcare Governance who acts as the Trust's Data Protection Officer and the Director of Finance is the lead for Information Governance on the Board.

Information Governance risks are managed in accordance with compliance with the standards contained within the Information Governance Toolkit, and, where appropriate, recorded on the Corporate Risk Register. The Trust submitted its assessment of compliance with standards in the NHS Digital Information Governance Toolkit, achieving a score of 86%, and improvement on the previous years 75%. All areas achieved at least level two compliance, resulting in a rating of 'satisfactory.'

All staff are governed by the NHS code of confidentiality, and access to data held on IT systems is restricted to authorised users. Information Governance training is incorporated into the statutory/mandatory training programme and supplemented as appropriate in all IT training sessions. The corporate induction process has a dedicated Information Governance session.

The Trust had no information security breaches during the year which was of a scale or severity to require a report to the Information Commissioner. The Trust was subject to a Cyber Security Attack in May 2017. Action has subsequently been taken to strengthen Business Continuity Plans and security processes.

The Trust has been actively preparing for the implementation of GDPR IN May 2018.

### **Payment by Results**

York Teaching Hospital NHS Foundation Trust was not subject to the Payment by Results clinical coding audit during 2017-18 by the Audit Commission.

## **Reference Cost Submission**

During December 2017 York Teaching Hospital NHS Foundation Trust was selected for an initial review undertaken by NHSI to assess the overall accuracy of our 2016-17 reference cost submission. Data and reports were submitted to NHSI in January 2018, who, after assessing the data, confirmed that the Trust would not be subject to any further work or site visit as part of the 2016-17 reference costs audit process.

During March 2018 York Teaching Hospital NHS Foundation Trust was notified by NHSI that the Trust has been selected to be assessed as part of the NHSI Costing Assurance Programme. The process involves Ernst and Young visiting providers and spending around three to four days on site between April and June 2018 reviewing the Trust's costing methodology with their costing lead. The audit methodology will focus on improvement rather than enforcement and compliance to help trusts prepare for the move to patient level costing for acute activity for 2018-19 data submitted in summer 2019.

## **Learning from Deaths**

During 2017-18 2136 of York Teaching Hospital NHS Foundation Trust patients died. This comprised the following number of deaths which occurred in each quarter of that reporting period:

504 in the first quarter;  
479 in the second quarter;  
517 in the third quarter;  
636 in the fourth quarter.

By 31 March 2018, 1645 case record reviews and 67 investigations have been carried out in relation to 1500 of the deaths included in item above.

In 1645 cases a death was subjected to both a case record review and an investigation. The number of deaths in each quarter for which a case record review or an investigation was carried out was:

379 in the first quarter;  
373 in the second quarter;  
396 in the third quarter;  
497 in the fourth quarter.

2 representing 0.12% of the patient deaths during the reporting period are judged to be more likely than not to have been due to problems in the care provided to the patient.

In relation to each quarter, this consisted of:

Information not known for the first quarter;  
Information not known for the second quarter;

2 representing 0.17% for the third quarter;  
0 representing 0% for the fourth quarter.

These numbers have been estimated using several routes; structured judgement case note reviews, serious incident investigations and inquests.

Issues highlighted from these cases were:

- late senior input with inadequate examination and review;
- missed foreign body leading to death;
- restarted anticoagulation when it was not safe to do so;
- lack of suitable physician involvement in complex head injury case.

Actions proposed or taken:

- Need to review and improve head injury service so clear triggers for referral to physicians.

Guidance has been developed and is being consulted on between clinical colleagues to improve the transfer system. These discussions have also given rise to discussions about the possibility of developing a liaison service which would offer routine senior medical care for the trauma patient.

0 case record reviews and 0 investigations completed after 16 May 2018 for the period 1 April 2017 to 31 March 2018 which related to deaths which took place before the start of the reporting period.

0 representing 0% of the patient deaths before the reporting period, are judged to be more likely than not to have been due to problems in the care provided to the patient. The Trust developed a mortality proforma and also uses the SJCR national data tool which is described in the Trust's Policy. Clinicians have 6 weeks to return their completed proforma after the quarter end and there is a process in place to remind them and escalate any issues identified.

Therefore the previous figure stands:

2 representing 0.12% of the patient deaths during the reporting period are judged to be more likely than not to have been due to problems in the care provided to the patient.

### **2.3 Reporting Against Core Indicators**

Trust performance against the set of core indicators mandated for inclusion in the Quality Report by the Department of Health is shown below.

For each indicator, the number, percentage value, score or rate (as applicable) for the last two reporting periods is shown. Where this data has been published by NHS Digital (*also some from NHS England and the Staff survey results*), the lowest and highest values and national average for each indicator for the latest reporting period are also shown.

<b>Summary Hospital-level Mortality Indicator (SHMI) and Banding</b>	<b>Trust Oct 15 – Sept 16</b>	<b>Trust Oct 16 – Sept 17</b>	<b>NHS Average Oct 16 – Sept 17</b>
Trust score (lower value is better)	0.98	1.00*	1.00
Banding	As expected	As expected	As expected

\*Rounded up from 0.997

The SHMI is the ratio between the actual number of patients who die following hospitalisation at the Trust and the number that would be expected to die on the basis of average England figures, given the characteristics of the patients treated there. It includes deaths which occurred in hospital and deaths which occurred outside of hospital within 30 days (inclusive) of discharge.

The SHMI gives an indication for each non-specialist acute NHS trust in England whether the observed number of deaths within 30 days of discharge from hospital was 'higher than expected' (SHMI banding=1), 'as expected' (SHMI banding=2) or 'lower than expected' (SHMI banding=3) when compared to the national baseline.

**The York Teaching Hospital NHS Foundation Trust considers that this data is as described for the following reasons:**

- Information on the Summary Hospital-level Mortality Indicator (SHMI) is reported to and scrutinised by the Executive Board, Quality and Safety Committee and Board of Directors when published. The above data is consistent with locally reported data;
- We continue to audit the quality of our clinically coded data for deceased patients as part of our mortality reviews to ensure it is an accurate reflection of the patient's diagnoses and procedures. All clinicians are required to validate the clinical coding of patients who died in hospital to ensure it accurately reflects the main conditions for which the patient was treated and investigated, and that all co-morbidities have been recorded.

**The York Teaching Hospital NHS Foundation Trust has taken the following actions to improve this score, and so the quality of its services by:**

- Ensuring that all in-patient deaths are reviewed by a consultant within four weeks of the death occurring;
- Promoting discussion of learning from mortality review at department governance meetings;
- Providing a quarterly report on learning from mortality reviews;
- Expanding the terms of reference of the Trust Mortality Review Group to provide an emphasis on identification, review and learning from avoidable mortality;
- The Trust is now reporting a new avoidable mortality score and training is underway to conduct the new style mortality reviews with a selected number of clinicians.

**We will:**

- Continue with our mortality review programme including consultant mortality reviews and development of in-depth review of avoidable mortality.

Palliative Care Coding	Trust Oct 15 – Sept 16	Trust Oct 16 – Sep 17	*NHS Average Oct 16 – Sep 17	Highest Trust Oct 16 – Sep 17	Lowest Trust Oct 16 – Sep 17
% Deceased patients with palliative care coded	23.0%	24.2%	31.6%	59.8%	11.5%

\*Average for England is 31.5%

**The York Teaching Hospital NHS Foundation Trust considers that this data is as described for the following reasons:**

- This data is consistent with the data reported on the monthly Patient Safety and Quality Performance Report presented to the Board of Directors.

**The York Teaching Hospital NHS Foundation Trust has taken the following actions to improve this percentage, and so the quality of its services, by:**

- Monitoring the quality of our clinically coded data for deceased patients as part of our mortality reviews to ensure it is an accurate reflection of the patient's diagnoses and procedures. In addition, the Clinical Coding Team receives weekly information on any patients who have had palliative care or contact with the Palliative Care Team, so that this can be reflected in the clinical coding.

**We will:**

- Continue with our mortality review programme and ensure we continue to validate the clinical coding of deceased patients as part of the mortality reviews undertaken by consultants;
- The Trust is now a new avoidable mortality score and training is underway to conduct the new style mortality reviews with a selected number of clinicians.

Patient Reported Outcome Measures (EQ-5D Index, Percentage of Patients Improving scores)	*Trust Apr 16 – March 17	*Trust Apr – Sep 17	**England Apr- Sep 17	Highest Trust Apr- Sep 17	Lowest Trust Apr- Sep 17
Groin hernia	51.1%	56.0%	52.9%	Not available	
Hip replacement (Primary)	90.7%	Not available	Not available	Not available	
Knee replacement (Primary)	82.8%	Not available	Not available	Not available	
Varicose vein	55.4%	59.1%	54.7%	Not available	

\*Provisional scores for hip replacement and knee replacement

\*\*Provisional scores

Note: Patients undergoing elective inpatient surgery for the above elective procedures funded by the English NHS are asked to complete questionnaires before and after their operations to assess improvement in health as perceived by the patients themselves. As participation is voluntary, patients can choose not to participate. The percentage of patients reporting improvement after a procedure is only available at individual Trust level and at national level, therefore it is not possible to determine the highest and lowest score for Trusts.

**The York Teaching Hospital NHS Foundation Trust considers that this data is as described for the following reasons:**

- This data is consistent with locally reported data. This performance information is benchmarked against other Trusts in the Yorkshire and Humber region with Trust performance being within the expected range for all procedures.

**The York Teaching Hospital NHS Foundation Trust has taken the following actions to improve these scores, and so the quality of its services by:**

- Ensuring that relevant staff attend regional PROMs workshops which facilitate networking with colleagues from other Trusts and allows sharing of best practice.

**We will:**

- Continue to ensure that the Trust Executive Board and Board of Directors receive PROMs outcome and participation rates so that we can ensure that any areas of performance where the Trust may be an outlier are acted upon.

<b>Readmissions within 28 Days of Discharge</b>	<b>Trust 2011-12</b>	<b>Trust 2012-13</b>	<b>NHS Average 2012-13</b>	<b>Highest Trust 2012-13</b>	<b>Lowest Trust 2012-13</b>
Percentage of Readmissions aged 0 to 15	9.7% York (10.0%) SGH	Not available	Not available	Not available	Not available
Percentage of readmissions aged 16 and Over	10.6% York (9.8%) SGH	Not available	Not available	Not available	Not available

Note: This data is based readmissions for hospitals categorised as medium acute hospitals only. The lower the percentage the better the performance.

Monitoring on readmissions within 30 days of discharge is included in the monthly performance report to the Board of Directors.

**The York Teaching Hospital NHS Foundation Trust considers that this data is as described for the following reasons:**

- The data is consistent with that reported locally on the Trust's electronic performance monitoring system.

**The York Teaching Hospital NHS Foundation Trust has taken the following actions to improve this percentage, and so the quality of its services by:**

- Continuing with the weekly Quality and Safety briefings to consistently address any issues raised. The meetings are chaired by the Medical Director and are attended by the Director of Nursing, Deputy Director of Patient Safety, Deputy Director of Healthcare Governance and Assistant Director of Nursing;
- The agenda of these meetings includes emergency readmissions and other quality and safety issues.

**We will:**

- Continue to hold our weekly quality and safety briefings and take action to address any issues raised;
- Continue to monitor readmission rates as part of our contract monitoring process with our commissioners and take remedial action if the rate is exceeded.

<b>Responsiveness to personal needs of patients</b>	<b>*Trust 2015-16</b>	<b>**Trust 2016-17</b>	<b>**NHS average 2016-17</b>	<b>**Highest Trust 2016-17</b>	<b>**Lowest Trust 2016-17</b>
Responsiveness to inpatients' personal needs	71.2	65.9	68.1	85.2	60.0

\*Data collected is from hospital stay: 1 July 2015 to 31 July 2015; Survey collected 1 August 2015 to 31 January 2016

\*\*Data collected is from hospital stay: 1 July 2016 to 31 July 2016; Survey collected 1 August 2016 to 31 January 2017

**The York Teaching Hospital NHS Foundation Trust considers that this data is as described for the following reasons:**

- All feedback from patient surveys is reported to and scrutinised by the Trust's Quality and Safety Committee, and by Board of Directors in the Chief Nurse Report;
- Feedback from the Friends and Family test is also reported to the Patient Experience Steering Group, Quality and Safety Committee and Board of Directors.

**The York Teaching Hospital NHS Foundation Trust has taken the following actions to improve this percentage, and so the quality of its services by:**

- Delivering the Trust's Patient Experience Strategy 2015-18 which focuses on listening to feedback, effective reporting and responding and acting on lessons learned;
- Developing new posters to be displayed in all wards encouraging people to speak to the nurse in charge or matron if they have any questions or concerns;
- Using learning from the Friends and Family Test results to highlight particular wards where patients are concerned about lack of privacy and taking action;
- Increasing the numbers and roles of volunteers on our wards, including visitors, dining companions and patient experience volunteers.

**We will**

- Carefully consider the results of the National Inpatient Survey in our Patient Experience Steering Group alongside insights from other patient experience information sources, including Friends and Family Test results, Patient Advice and Liaison Service data and complaints data. We will engage with frontline staff to identify and share good practice;
- Continue to focus on the discharge process and, within this, improving our communication with patients and families.

<b>Staff recommending the Trust to family and friends</b>	<b>Trust 2016</b>	<b>Trust 2017</b>	<b>Median Score 2017</b>	<b>Highest 2017</b>	<b>Lowest 2017</b>
Staff recommendation of the organisation as a place to work or receive treatment*	3.71	3.65	3.75	4.18	3.38

\*Scores for combined acute and community trusts

*Possible scores range from 1 to 5, with 1 representing that staff would be unlikely to recommend the organisation as a place to work or receive treatment, and 5 representing that staff would be likely to recommend the organisation as a place to work or receive treatment.*

*Calculation: The mean of scores for each question (strongly disagree = 1; strongly agree = 5), including all those who answered at least two of the three questions.*

**The York Teaching Hospital NHS Foundation Trust considers that this data is as described for the following reasons:**

- The data published by the Information Centre is consistent with the staff survey results received by the Directorate of Human Resources for the 2015, 2016 and 2017 staff surveys. The results of the annual staff survey are reported to the Board of Directors.

**The York Teaching Hospital NHS Foundation Trust has taken the following actions to improve this percentage, and so the quality of its services by:**

The results of the 2017 survey will be used to fully evaluate the actions which were taken in response to the 2016 survey.

- Staff and Patient suggestions will be used to inform decisions;
- Improved communication between staff and senior managers. Specifically, feedback will be provided about how staff and patient suggestions have been used;
- Incident reporting procedures are and should be seen to be fair and effective.

**We will:**

- Continue to encourage all of our staff to complete the Staff Friends and Family Test. This will give valuable feedback which we will use to improve outcomes for our patients;
- The results will also be used to inform a corporate action plan to address the

worse ranking scores and those which have deteriorated.

**Staff survey results presented to the Board in March 2017**

<b>Patients admitted and risk assessed for venous thromboembolism</b>	<b>Trust Oct – Dec 2016</b>	<b>Trust Oct - Dec 2017</b>	<b>NHS Average Oct - Dec 2017</b>	<b>Highest Trust Oct– Dec 2017</b>	<b>Lowest Trust Oct – Dec 2017</b>
Percentage of patients risk assessed	98.72%	98.24%	95.25%	100%	76.08%

**The York Teaching Hospital NHS Foundation Trust considers that this data is as described for the following reasons:**

- Compliance with venous thromboembolism (VTE) assessments is reported monthly to the Board of Directors as part of the Patient Safety and Quality Report. Compliance is also reported on Signal, the Trust’s electronic activity and performance monitoring dashboard. The above data is consistent with locally reported data.

**The York Teaching Hospital NHS Foundation Trust has taken the following actions to improve this percentage, and so the quality of its services by:**

- Continuing to measure and report compliance with VTE risk assessments as described above.

**We will:**

- Continue to monitor and report compliance with VTE assessments as described above to ensure that performance continues to meet and exceed the required standards.

<b>Clostridium difficile infection (for patients aged 2 and over)</b>	<b>Trust 2015-16</b>	<b>Trust 2016-17</b>	<b>NHS average 2016-17</b>	<b>Highest Trust 2016-17</b>	<b>Lowest Trust 2016-17</b>
Trust apportioned cases - rate per 100,000 bed days	18.8	13.3	12.9	82.7	0.0

**The York Teaching Hospital NHS Foundation Trust considers that this data is as described for the following reasons:**

- Clostridium difficile Infection incidence is reviewed and discussed at the Infection Prevention Operational Group, Quality and Safety briefing and at Post Infection Review (PIR);
- Incidence of all Healthcare Associated Infection (HCAI) is reported to the Quality and Safety Committee and the Trust Board via the quarterly Director of Infection Prevention and Control report that aims to assure the Board of action and mitigation

in relation to HCAI and infection prevention performance;

- HCAI is also reviewed and actions agreed at the Trust Infection Prevention and Control Steering Group (TIPSG) and with Directorate leads at Performance and Assurance Meetings lead by the Chief Nurse, Chief Executive and Finance Director.

**The York Teaching Hospital NHS Foundation Trust has taken the following actions to improve this rate, and so the quality of its services by:**

- Continuing to monitor progress against trajectory through multi-disciplinary Post Infection Review (PIR) of all cases overseen by the clostridium difficile Operational Group;
- Through PIR and case follow up, continually and critically monitoring and auditing infection prevention practices to ensure they reflect best practice and enhance patient safety;
- Audit and monitoring of antibiotic prescribing remains a key priority for the Trust's Antimicrobial Stewardship Team. Compliance with antibiotic prescribing is reported to the Quality and Safety Committee via the TIPSG and to the Board of Directors. Audit results are also disseminated to individual consultants, clinical directors and matrons for information and action;
- Ward based training and education sessions are delivered to staff in high incidence areas to address and raise awareness of PIR outcome and best practice in line with Trust IP policies/guidelines with subsequent dissemination at PNLF, Senior Nurse meetings and Medical Staff training. PIR outcomes and lessons learnt are also disseminated via staffroom and case studies are developed to assist understanding and learning.

**We will:**

- Continue with PIR and dissemination to staff of lessons learnt to inspire and generate improvement. Audit of compliance with best practice and antimicrobial stewardship will continue together with seeking new initiatives to reduce incidence;
- Continue to report progress to the Quality and Safety Committee and the Board of Directors in the Director of Infection Prevention and Control quarterly report which as previously described, provides assurance to the Board of Directors that initiatives continue to be developed aimed at achieving sustainable reduction in HCAI;
- Continue to discuss incidence and risk at weekly quality and safety briefings to identify and agree action required.

<b>Patient safety incidents and the number of incidents resulting in severe harm or death</b>	<b>Trust Apr - Sep 16</b>	<b>Trust Oct 16 - Mar 17</b>	<b>NHS average Oct 16 – Mar 17</b>	<b>Highest Trust Oct 16 - Mar 17</b>	<b>Lowest Trust Oct 16 - Mar 17</b>
Rate of patient safety incidents	34.7	34.7	41.1	69.0	23.1
*Number of incidents resulting in severe harm or death	47	39	19.3	92.0	1.0
% of incidents resulting in severe harm or death	0.80	0.64	0.40	2.13	0.03

Note – data represents acute non-specialist trusts only.

\*Not all Trusts reported over a 6 month period (*I have not included the overall numbers for incidents for this reason*)

The rate of patient safety incidents is based on per 1,000 bed days. The data is taken from information reported to the National Learning and Reporting System (NLRs).

**The York Teaching Hospital NHS Foundation Trust considers that this data is as described for the following reasons:**

- All incidents of severe harm or death are validated by the Deputy Director of Patient Safety and the Deputy Director of Healthcare Governance prior to being reported to the National Patient Safety Agency.

**The York Teaching Hospital NHS Foundation Trust has taken the following actions to improve this rate, number and percentage, and so the quality of its services by:**

- Holding weekly quality and safety briefings and ensuring that appropriate action is taken in response to any issues raised. These meetings between the Medical Director, Director of Nursing, Deputy Director of Patient Safety, Deputy Director of Healthcare Governance and Assistant Director of Nursing are held to discuss quality and safety issues, which includes deaths, serious incidents, critical incidents, adverse incidents, and safety alerts;
- Information on numbers of patient safety incidents and those resulting in severe harm or death are reported monthly to the Quality and Safety Committee and the Board of Directors as part of the Patient Safety and Quality Performance Report.

**We will:**

- Continue to hold our weekly quality and safety briefings and take action to address any issues raised, and continue to validate all incidents of severe harm and death.

Family and friends test score (patient element)	Trust Jan - 2017	Trust - Jan 2018	NHS average - Jan 2018	Highest Trust - Jan 2018	Lowest Trust - Jan 2018
Inpatient % recommend	96%	98%	*96%	100%	75%
A&E % recommend	84%	87%	**88%	100%	66%

Note – data for NHS Trusts only.

\*Total for England was 95%

\*\*Total for England was 86%

**The York Teaching Hospital NHS Foundation Trust considers that this data is as described for the following reasons:**

- Matrons act as the lead for the Friends and Family Test within their clinical areas. Response rates and recommend rates are part of performance dashboards. ED performance remains a challenge and is kept under close review. Narrative responses show that the main cause of ED dissatisfaction is linked to waiting times.

**The York Teaching Hospital NHS Foundation Trust has taken the following actions to improve this score, and so the quality of its services by:**

- Each ward receives a monthly report with their Friends and Family Test results. The Patient Experience Team highlights themes and trends and engages with matrons to support celebration of success and improvement actions.

**We will:**

- Continue to monitor performance with the FFT with regular updates to the Board of Directors

<b>Percentage of staff experiencing harassment, bullying or abuse from staff in last 12 months</b>	<b>Trust 2016</b>	<b>Trust 2017</b>	<b>NHS Average 2017</b>	<b>Highest Trust 2017</b>	<b>Lowest Trust 2017</b>
Percentage of staff experiencing harassment, bullying or abuse from staff in last 12 months	24%	25%	24%	32%	20%

- Scores are for combined community and acute trusts only

The results of the annual staff survey are reported to the Board of Directors. The data is consistent with that reported to the Board of Directors.

**The York Teaching Hospital NHS Foundation Trust has taken the following actions to improve this score, and so the quality of its services by:**

The results of the 2017 survey will be used to evaluate the actions which were taken in response to the 2016 survey.

**We will:**

Use the results to inform a corporate action plan to address the worst ranking scores and those which have deteriorated;  
Share department level data as appropriate so it can also be determined whether additional local level actions are required for department or directorate specific issues.

Percentage of staff believing that the organisation provides equal opportunities for career progression or promotion	Trust 2016	Trust 2017	NHS average 2017	Highest Trust 2017	Lowest Trust 2017
Percentage of staff believing that the organisation provides equal opportunities for career progression or promotion	90%	90%	85%	93%	71%
<ul style="list-style-type: none"> <li>Score are for combined community and acute trusts only</li> </ul> <p>The results of the annual staff survey are reported to the Board of Directors. The data is consistent with that reported to the Board of Directors.</p> <p><b>The York Teaching Hospital NHS Foundation Trust intends has taken the following actions to improve this score, and so the quality of its services by:</b></p> <p>The results of the 2017 survey will be used to fully evaluate the actions which were taken in response to the 2016 survey.</p> <p><b>We will:</b>            Use the results will to inform a corporate action plan to address the worst ranking scores and those which have deteriorated;            Share department level data as appropriate so it can also be determined whether additional local level actions are required for department or directorate specific issues.</p>					

## Part 3 – Other Information

### 3.1 In More Detail Performance for the last 12 months

Priorities set in 2016/17 to be measured in 2017-18

#### Quality Priorities set in 2016-17 for 2017-18

Key	Green	Achieved
	Amber	Partially Achieved (more than 50%)
	Red	Not Achieved (less than 50%)

<b>Patient Safety – we said</b>	
<b>By the End of March 2018, we will ensure that:</b>	
<b>SAFER patient bundle</b> - We will implement the SAFER patient bundle throughout our adult inpatient wards to improve patient flow and prevent unnecessary waiting for patients by:	How did we do:  Green-Amber- Red
effective ward and board rounds;	AMBER
ensuring that all patients have an estimated date of discharge;	RED
ensuring early in the day flow from assessment units;	RED
ensuring that patients are discharged early in the day;	RED
proactive review of patients with a long length of stay.	AMBER
<i>For further information please see the Patient Safety section on page 164</i>	
<b>Early identification of the deteriorating patient and reducing the impact of antimicrobial resistance</b> - Early identification of the deteriorating patient (National Early Warning System (NEWS) of 5 or more) and reducing the impact of the antimicrobial resistance by (CQUIN):	How did we do:  Green-Amber- Red
timely identification of patients with sepsis in emergency departments and acute inpatient settings;	GREEN
timely treatment of sepsis in emergency departments and acute inpatient settings;	AMBER
clinical antibiotic review between 24-72 hours of patients with sepsis who are still inpatients at 72 hours;	GREEN
reduction in antibiotic consumption per 1,000 admissions.	GREEN
<b>Learning from Deaths through Implementation of the National Quality Board Framework</b> - Implementation of the National Quality Board Framework on Identifying, Reporting, Investigating and Learning from Deaths by:	How did we do:  Green-Amber- Red
ensuring that staff reporting deaths have appropriate skills through specialist training and protected time under their contracted hours to review and investigate deaths to a high standard;	GREEN
working more closely with bereaved families and carers to ensure that a consistent level of timely, meaningful and compassionate support and engagement is delivered and assured at every stage, from notification of the death to an investigation report and its lessons learned and actions taken;	GREEN
publishing a policy by September 2017 on how to respond to, and learn from, deaths of patients who die within our care and specifically how we respond to the death of an individual with a learning disability, or mental health needs, an infant or child death or a stillbirth or maternal death.	GREEN

<b>Clinical Effectiveness and Outcomes – we said</b>	
<b>By the End of March 2018, we will ensure that:</b>	
<b>7 Day Services</b> - The four priority clinical standards for seven day services in hospitals are achieved by:	How did we do: Green-Amber- Red
ensuring a review of patients within 14 hours of admission to hospital;	GREEN
ensuring timely access to diagnostics;	GREEN
access to consultant delivered interventions;	GREEN
on-going consultant directed review.	GREEN
<b>Mental Health Services in the Emergency Department</b>	How did we do: Green-Amber- Red
To improve services for people with mental health needs who present to our Emergency Departments by considering a selected cohort of frequent attenders who would benefit from mental health and psychosocial interventions, and establish improved services (CQUIN).	GREEN
<b>Community Wound Assessments</b>	How did we do: Green-Amber- Red
To improve the assessment of wounds for patients in the community (CQUIN).	GREEN
<b>Patient Experience – we said</b>	
<b>By the End of March 2018, we will ensure that:</b>	
<b>Night Owl Initiative</b>	How did we do: Green-Amber- Red
Engage front line staff in the Night Owl initiative to reduce noise and disruption at night and help patients get a good night's sleep in hospital.  <i>For further information please see the Quality of Care section on page 165</i>	GREEN
<b>Complaints</b>	How did we do: Green-Amber- Red
Learning from the pilot in 2016-17, implement a regular complaints audit looking at delivery of actions plans. Pilot a survey of people who have received a complaint response to monitor satisfaction with the process.  <i>For further information please see the Quality of Care section on page 165</i>	AMBER
<b>Volunteering</b>	How did we do: Green-Amber- Red
Develop and recruit to the volunteering roles which promote peer support, release staff time to care and	GREEN

improving patient experience of discharge.

For further information please see the Quality of Care section on page 165

### Trust Performance Against National Quality Indicators

Indicator	2016-17	Target 2017-18	Q1 2017-18	Q2 2017-18	Q3 2017-18	Q4 2017-18	Total 2017-18
Total time in ED under 4 hours – national*	86.36%	95%	90.89	86.16	86.97	81.46	86.49
*The Trust is monitored on the total for the Trust (type 1) and (type 3) the minor injuries units Type 1 attendances at the main Emergency Departments only, compliance for 2017/18 was 76.92%							
Referral to treatment time, 18 weeks in aggregate, incomplete pathways		92%	89.2	87.5	86.8	84.4	
Cancer 2 week wait (all)	90.94%	93%	86.6	83.6	90.8	94.2	88.71
Cancer 2 week wait Breast Symptomatic	95.25%	93%	93.8	97.9	94.9	97.5	95.95
Cancer 31 days from diagnosis to first treatment	98.30%	96%	97.2	98.0	98.2	98.9	98.08
Cancer 31 days for second or subsequent treatment – surgery	95.88%	94%	94.5	95.2	92.9	96.4	94.77
Cancer 31 days for second or subsequent treatment – drug treatment	99.91%	98%	100	100	100	100	100
Cancer 62 day wait for first treatment (urgent GP)	83.19%	85%	80.3	80.6	82.7	84.2	81.93
Cancer 62 day wait for first treatment (NHS Cancer Screening Referral Service)	91.80	90%	93.3	93.4	90.3	92.9	92.44
Diagnostics – 6 week wait referral to test		99%	98.1	99	98.1	97.6	

## Recognising excellence

The Trust's Star Award is a monthly award presented to staff that go above and beyond the call of duty in the development or delivery of their services to improve patient care. It is awarded to teams or individuals who have made a real difference by:

- Improving patients' experience and/or safety;
- Living the values and beliefs of the organisation;
- Going the extra mile within or outside of the everyday workload;
- Demonstrating efficiency and value for money.

The Trust also holds an annual awards ceremony to recognise and reward individual and team key achievements, and innovative ways of delivering great care. The award categories and winners for 2017 are detailed below.

Excellence in Patient Experience Award	Awarded to a Deputy Sister at the Intensive Care Unit (ICU) in York who was nominated for her outstanding care of a long-term ventilated patient on ICU.
Living Our Values Award	Awarded to a Domestic Technician at Scarborough Hospital who was nominated for doing an excellent job in keeping the corridors clear and taking immense pride in the work undertaken.
Partnership Matters Award	Awarded to Trust staff working with City of York Council on the Supported Discharge Project who were nominated for their crucial teamwork in making sure patients got home as soon as possible with the right care. This work has further helped reduce the number of patients facing extended stays in hospital.
Enhancing Systems and Services Award	Awarded to the Scarborough First Assessment Team who were nominated for overcoming a number of challenges to provide more consistent assessments, reduce delays in the Emergency Department and enhance service for patients.
Efficiency Award	Awarded to Bridlington Hospital's Express Carpal Tunnel Release team for their exceptional work in cutting patient length of stay times to a routine two hours and improving bed efficiency by up to 1,000%.
Unsung Hero Award	Awarded to two members of the End of Life Care Team who were nominated for averting a tragedy by following up when a patient had failed to attend an appointment.
Volunteer of the Year Award	Awarded to a volunteer at York Hospital who was nominated for being a vital part of the service and for their commitment and dedication to volunteering.
Patient Safety Award	Awarded to a Senior Sister at Scarborough Hospital who had recently implemented co-ordinated overnight monitoring which has seen the average number of falls on Oak Ward significantly decrease.
Patient Award	Awarded to a Staff Nurse at York Hospital who was

	nominated by a family for providing outstanding care to their terminally ill father and for making sure their final days were dignified and pain free.
Charity Supporter of the Year	Awarded to a couple whose child required the support of the Special Care Baby Unit at Scarborough Hospital. This prompted the couple to raise £7,000 to help Scarborough Hospital purchase an extra airways pressure machine that will go on to help many others.
Governor's Award	Awarded to the Breast Screening Service in York who were nominated for their empathy and understanding to patients at difficult times and living up to the Trust values each and every day.
Chair's Award	Awarded to four Scarborough Hospital Matrons.
Chief Executive's Award	Awarded to the Deputy Chief Executive and the Director of Systems and Network Services.
Nurse Leadership Award	Awarded to a Sister at York Hospital for their inspiring energy and organisation when opening an extra ward to manage winter pressures.
Lifetime Achievement Award	Awarded to a retired Urology Consultant who had served 42 years in the NHS, of which 28 were with the Trust.

## National awards

Awarding Body	Winners
	Awarded to a York Teaching Hospital Gastroenterologist, working with the Yorkshire & Humber Academic Health Science Network for designing a new method of testing patients for serious bowel complaints which has revolutionised treatment for hundreds of people in the York area and is set to save £1.4 million for the NHS in the Yorkshire and Humber region.
 Sustainable Development Unit Working across the NHS, Public Health and Social Care system	THE Sustainable Development Unit (SDU) has recognised the Trust for its excellent sustainability reporting in last year's Annual Report.
	The Anaesthetics Department at the hospital has received the Anaesthesia Clinical Services Accreditation (ACSA) from the Royal College of Anaesthetists at a ceremony at the Patient Safety Conference in June. ACSA is the Royal College of Anaesthetists peer-review scheme which promotes quality improvement and the highest standards of anaesthetic service. To receive accreditation, departments are expected to demonstrate a high standard in areas as diverse as patient experience, patient safety and clinical leadership.

	<p>The Malton Urology nursing team were awarded Urology Team of the Year by the British Association of Urological Nurses. The team was nominated following the opening of the Malton Diagnostic Centre. The award is for a team who have contributed towards improving the patient pathway and experience and developing services.</p>
	<p>The Trust was one of only 45 qualifying NHS hospitals demonstrating commitment to patient safety by meeting six ambitious targets set by the National Joint Registry (NJR) during 2016-17 financial year. The award recognises and rewards best practice and highlights the importance of quality data collection, creating the ethos that better data ultimately equals better care.</p>

## Local awards

Awarded By	Winners
	<p>A Trust Waiting List Co-ordinator was awarded as Health Hero in the York Community Pride Awards. The staff member was described as shining example of how the NHS should operate.</p>

## **Annex 1 – Statements from Key Stakeholders**

### **Statement on behalf of the Council of Governors (CoG)**

The Governors were pleased to receive a copy of the Quality Report 2017-18. We feel it is an accurate reflection of the current position in the Trust, the work undertaken to meet agreed objectives and it highlights areas that need further investment. The Trust is under considerable pressure both financially and performance wise but staff, at all levels, have endeavoured to ensure patient safety is always at the forefront of whatever actions are taken. Despite the current very difficult position the trust is in it has been good to see and hear about the new developments that have taken place and staff have continued to develop the care they provide either as teams or individuals. A lot of work has been undertaken in the last year but there remains much to do particularly in ensuring that everyone across the organisation feels valued and involved and that service developments meet the needs of the local community.

Despite the financial pressures the trust is under, the patient always comes first. Governors were very pleased to note that at every opportunity a patient's experience of the care provided is discussed, the lessons learnt and shared within the organisation. Governors will be very interested to receive the report of last year's audit which reviewed specific issues in relation to the use of the National Early Warning Score (NEWS), the scoring system to highlight the deteriorating patient. This year's audit agreed was a review of the dementia assessment tool and the number of admissions that have the assessment carried out to ensure the agreed target is met. The wording is as follows: Over 90% of patients (aged 75 or over) acutely admitted with delirium or dementia, have a dementia specific assessment and are referred for further diagnostic advice and specialist treatments on all our hospital sites.

Margaret Jackson, Lead Governor on behalf of the Council of Governors

11 May 2018

## **Statements from Overview & Scrutiny Committee**

York Health, Housing and Adult Social Care Policy and Scrutiny Committee has worked with York Teaching Hospital NHS Foundation Trust over the past year through both formal committee meetings and informal discussions to help deliver effective hospital based health services in the area. Formal discussions have included the Trust's financial situation; the hospital's winter plan and its winter experience and the latest CQC inspection. Informal discussions have included engagement around the new Home First Strategy, and these will become formal discussions during the course of the new municipal year.

The committee acknowledges the pressures and challenges faced by the hospital and the way key services are delivered to people in York in light of rising demand, staff shortages and the financial situation. As such the Committee seeks to work professionally with the hospital with a shared aim of improving services for local people.

The Committee is working with the hospital and other NHS organisations on an engagement protocol which aims to develop and maintain a strong working relationship through open, honest and respectful discussions and liaison around forward planning and programmes, with the shared common goals of improving the health and wellbeing of all people in York, reducing health inequalities and ensuring access to, and the quality of, local health services.

City of York Council – 15 May 2018

Over the past 12 months, the North Yorkshire Scrutiny of Health Committee has continued to liaise with York Teaching Hospital NHS Foundation Trust to better understand some of the pressures that they face.

It is recognised that staff shortages, particularly in emergency medicine, nursing and anaesthesia can have a significant impact upon what services can be delivered from what site and for how long. The trust contributed to an in-depth investigation into health and social care workforce pressures that was undertaken by the Scrutiny of Health Committee in the autumn of 2017. The information, data and analysis provided helped the committee to appreciate the issue across the whole system and the support of the trust was much appreciated.

It is also recognised that the rural nature of the county and the length of time that it can take to travel to and from appointments can have an impact upon how services are planned and delivered. The committee, however, remains committed to ensuring that people are not excluded from services based upon where they live. The presumption is that you should be able to access the same type and quality of care no matter where you live in North Yorkshire.

The current financial pressures within the health system in North Yorkshire are of great concern. Whilst there are doubts as to whether the funding formula for health is fair and concerns that it disadvantage rural areas, we need to work together to find a way to make the money that we have work the hardest and result in good outcomes across the health and social care system.

The Scrutiny of Health Committee remains committed to a system-wide view of services that helps to ensure that decisions on the planning and delivery of health care are not made in isolation and that the key role that a broad base of community services have to play is not overlooked. This will not be easy going forward as the health commissioners and providers in the county are pulled in three different directions as the new NHS integrated systems for planning and delivery in the West, South and North of the county are put in place.

County Councillor Jim Clark  
North Yorkshire Scrutiny of Health Committee  
15 May 2018.



**Vale of York**  
**Clinical Commissioning Group**

West Offices  
Station Rise  
York,  
YO1 6GA  
Tel: 01904 555870  
RNID typetalk: prefix-18001  
Email: [valeofyork.contactus@nhs.net](mailto:valeofyork.contactus@nhs.net)  
Website: [www.valeofyorkccg.nhs.uk](http://www.valeofyorkccg.nhs.uk)  
14 May 2018

Pat Crowley  
Chief Executive  
York Teaching Hospital NHS  
Foundation Trust  
Wigginton Road  
YORK

Dear Mr Crowley,  
**RE YORK TEACHING HOSPITAL NHS FOUNDATION TRUST QUALITY  
REPORT 2017/18**

On behalf of NHS Scarborough and Ryedale CCG, NHS East Riding of Yorkshire CCG, NHS Vale of York CCG is pleased to provide comments on York Teaching Hospital NHS Foundation Trust's Quality Report for 2017/18.

The past twelve months have seen unprecedented change and challenge across the whole of the health and social care system.

Significant pressures on services have resulted in the Trust continuing to fail the 4-hour Emergency Care Standard, the cancer 2 week wait standard and the 62 day wait from first treatment standard due a number of significant challenges across the system. The diagnostic - 6 week wait from referral to test standard has also proved challenging.

Compounded by population demand the shortages of both medical and nursing workforce continue to be recognised as a key challenge for the organisation. In response the Trust continue to successfully lead on the training and recruitment of innovative workforce models. These included Advance Clinical Practitioners, Nurse Associates and Associate Practitioners. Additionally it is recognised that the Trust have initiated new models of delivery in response to the risks associated with patients waiting for

assessment and treatment. Of particular note is the one stop dermatology clinic in Malton to address the failing cancer 2 week wait standard.

However, patient flow has been compromised and the direct impact for patients has been highlighted with the continued high numbers of 12 hour trolley waits specifically at Scarborough Hospital.

Referral to Treatment performance has continued to deteriorate as a result of these continued operational pressures and we welcome the opportunity to work with the Trust to improve on this. However we have worked in partnership with the Trust to improve the quality and safety of patient services. We are especially pleased to note the following achievements:-

- Improvements in the quality of completed Serious Incident reports
- Increased understanding and awareness of the improvement work on Safer Surgery checking processes, given the Never Events which all show requirements for improvement in the use of the safety checklist.
- Our attendance at the Falls and Pressure Ulcer panels has demonstrated evidence of embedded learning and continued improvements to practice as well as adherence to guidance, including duty of candour. The Trust has seen a further reduction in the numbers of incidents and we know the Trust remains committed to further improvements in this area, particularly pressure area reduction in community services.
- Significantly improved uptake of flu vaccinations for frontline clinical staff.
- The positive impact that has been seen following the restructure of the Infection Prevention & Control Team , which has resulted in greater engagement with commissioners and a desire to develop collaborative review and monitoring processes for Clostridium difficile, MRSA and Ecoli bacteraemia
- Our attendance at the Ward Accreditation visits which we are keen to develop further.

The commitment the Trust has shown in its participation with both national and local audits is welcomed. However we would welcome further opportunity to continue to work closely with the Trust, specifically to improve learning from Never Events and Serious Incidents.

The Trust underwent a core services inspection by the CQC in September 2017 which was followed by a Well Led Inspection in October 2017. It is acknowledged by the CCG that improvements have been made by the trust to achieve a Good rating at the York Hospital site, however the overall rating of requires improvement remains with further improvements required at the Scarborough site. The CCG looks forward to working with the Trust in helping them achieve a good rating across all sites.

York Teaching Hospital NHS Foundation Trust achieved the majority of the requirements of the 2017/18 CQUIN Scheme – but only partially met the national indicators for Sepsis and Staff Health & Wellbeing.

The Trust and CCGs are working together in response to the National CQUIN indicators for 2018/19 to provide continued opportunity for quality Improvement for both acute and community services as follows:-

- NHS Staff Health & Wellbeing
- Reducing the impact of Serious Infections (Antimicrobial Resistance and Sepsis)
- Improving services for people with Mental Health needs who present at the Emergency Department
- Offering Advice & Guidance to GPs
- Preventing ill health by risky behaviours – alcohol and tobacco
- Improving the assessment of wounds
- Personalised care and support planning

The report shows that patients and staff have been consulted about patient safety and what is important to them through the patient safety team participating in the National Kitchen Table Week in April 2017, with 6 key themes being identified as a result.

It has been refreshing to see that junior Doctors have been encouraged to participate in patient safety and quality improvements within the Trust including the patient safety walk rounds, and also the Foundations in Patient Safety course that has been developed to train junior doctors. The CCG welcomes this approach and hopes to see similar training rolled out to nurses and other allied health professionals.

We acknowledge the success of the third Annual Patient Safety Conference with an impressive number of staff attending; this is an excellent platform to promote quality improvements and patient safety.

We understand that you are committed to your priorities for 2018/19 and commend your continued focus on patient quality and safety.

As lead commissioner for York Teaching Hospital NHS Foundation Trust, NHS Vale for York CCG would like to commend the work of the Trust in 2017/18. We can confirm that with NHS Scarborough and Ryedale CCG and NHS East Riding of Yorkshire CCG, NHS Vale of York CCG are satisfied with the accuracy of this Quality Report. The CCGs look forward to working collaboratively with York Teaching Hospital NHS Foundation Trust in 2018/19.

On behalf of NHS Scarborough and Ryedale CCG, NHS East Riding of Yorkshire CCG, NHS Vale of York CCG is pleased to provide comments on York Teaching Hospital NHS Foundation Trust's Quality Report for 2017/18.

Yours sincerely



Michelle Carrington  
Executive Director Quality and Nursing  
NHS Vale of York Clinical Commissioning Group

Cc: Carrie Wollerton, Executive Nurse, NHS Scarborough and Ryedale CCG  
Paula South, Director of Quality and Governance/Lead Nurse NHS East  
Riding CCG

## **Independent Practitioner's Limited Assurance Report to the Council of Governors of York Teaching Hospital NHS Foundation Trust on the Quality Report**

We have been engaged by the Council of Governors of York Teaching Hospital NHS Foundation Trust to perform an independent limited assurance engagement in respect of York Teaching Hospital NHS Foundation Trust's Quality Report for the year ended 31 March 2018 (the "Quality Report") and certain performance indicators contained therein against the criteria set out in the 'NHS foundation trust annual reporting manual 2017/18' and additional supporting guidance in the 'Detailed requirements for quality reports 2017/18' (the 'Criteria').

### **Scope and subject matter**

The indicators for the year ended 31 March 2018 subject to the limited assurance engagement consist of the national priority indicators as mandated by NHS Improvement:

- Percentage of patients with a total time in Accident and Emergency (A&E) of four hours or less from arrival to admission, transfer or discharge;
- Percentage of incomplete pathways within 18 weeks for patients on incomplete pathways at the end of the reporting period

We refer to these national priority indicators collectively as the 'Indicators'.

### **Respective responsibilities of the directors and Practitioner**

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 2017/18' and supporting guidance 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 2017/18' and supporting guidance;

- the Quality Report is not consistent in all material respects with the sources specified in NHS Improvement's 'Detailed requirements for external assurance for quality reports 2017/18'; 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 2017/18' and supporting guidance and the six dimensions of data quality set out in the "Detailed requirements for external assurance for quality reports 2017/18'.

We read the Quality Report and consider whether it addresses the content requirements of the 'NHS foundation trust annual reporting manual 2017/18' and supporting guidance, and consider the implications for our report if we become aware of any material omissions.

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

- Board minutes for the period 1 April 2017 to 25 May 2018;
- papers relating to quality reported to the Board over the period 1 April 2017 to 25 May 2018;
- feedback from commissioners dated 16 May 2018;
- feedback from governors dated 11 May 2018;
- feedback from the Overview and Scrutiny Committee dated 15 May 2018;
- the Trust's complaints report published under regulation 18 of the Local Authority Social Services and National Health Service Complaints (England) Regulations 2009, dated May 2018;
- the national patient survey dated 20 February 2018;
- the national staff survey dated 6 March 2018;
- the Care Quality Commission inspection report dated 28 February 2018; and
- the Head of Internal Audit's annual opinion over the Trust's control environment dated 18 May 2018;

We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with those documents (collectively, the “documents”). Our responsibilities do not extend to any other information.

The firm applies International Standard on Quality Control 1 (Revised) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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 York Teaching Hospital NHS Foundation Trust as a body, to assist the Council of Governors in reporting York Teaching Hospital 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 indicators. 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 York Teaching Hospital NHS Foundation Trust for our work or this report, except where terms are expressly agreed and with our prior consent in writing.

### **Assurance work performed**

We conducted this limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) ‘Assurance Engagements other than Audits or Reviews of Historical Financial Information’ issued by the International Auditing and Assurance Standards Board (‘ISAE 3000’). Our limited assurance procedures included:

- evaluating the design and implementation of the key processes and controls for managing and reporting the indicators
- making enquiries of management
- limited testing, on a selective basis, of the data used to calculate the indicators tested against supporting documentation
- comparing the content requirements of the 'NHS foundation trust annual reporting manual 2017/18' and supporting guidance 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 that 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 2017/18' and supporting guidance.

The scope of our limited assurance work has not included governance over quality or non-mandated indicators, which have been determined locally by York Teaching Hospital NHS Foundation Trust.

Our audit work on the financial statements of York Teaching Hospital NHS Foundation Trust is carried out in accordance with our statutory obligations. This engagement will not be treated as having any effect on our separate duties and responsibilities as York Teaching Hospital NHS Foundation Trust's external auditors. Our audit reports on the financial statements are made solely to York Teaching Hospital NHS Foundation Trust's members, as a body, in accordance with paragraph 24(5) of Schedule 7 of the National Health Service Act 2006. Our audit work is undertaken so that we might state to York Teaching Hospital NHS Foundation Trust's members those matters we are required to state to them in an auditor's report and for no other purpose. Our audits of York Teaching Hospital NHS Foundation Trust's financial statements are not planned or conducted to address or reflect matters in which anyone other than such members as a body may be interested for such purpose. In these circumstances, to the fullest extent permitted by law, we do not accept or assume any responsibility to anyone other than York Teaching Hospital NHS Foundation Trust and York Teaching Hospital NHS Foundation Trust's members as a body, for our audit work, for our audit reports, or for the opinions we have formed in respect of those audits.

## **Basis for qualified conclusion**

The indicator reporting the 'percentage of incomplete pathways within 18 weeks for patients on incomplete pathways at the end of the reporting period' did not meet the six dimensions of data quality in the following respect:

- Accuracy – Our testing identified errors where the waiting list clock stop or start times were incorrectly recorded in six of the twenty cases tested. Four of the errors reduced the true waiting time and two of the errors increased the true waiting time.

## **Qualified conclusion**

Based on the results of our procedures, with the exception of the matter reported in the basis for qualified conclusion paragraph above, 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 2017/18' and supporting guidance;
- the Quality Report is not consistent in all material respects with the sources specified in NHS Improvement's 'Detailed requirements for external assurance for quality reports 2017/18'; and
- the indicators in the Quality Report identified as having been subject to limited assurance have not been reasonably stated in all material respects in accordance with the 'NHS foundation trust annual reporting manual 2017/18' and supporting guidance.

## ***Grant Thornton UK LLP***

Grant Thornton UK LLP  
Chartered Accountants  
Glasgow

29 May 2018

## **Statement of Directors' Responsibilities in respect of the Quality Report**

The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations to prepare Quality Accounts for each financial year.

NHS Improvement has issued guidance to NHS foundation trust boards on the form and content of annual quality reports (which incorporate the above legal requirements) and on the arrangements that NHS foundation trust boards should put in place to support the data quality for the preparation of the quality report.

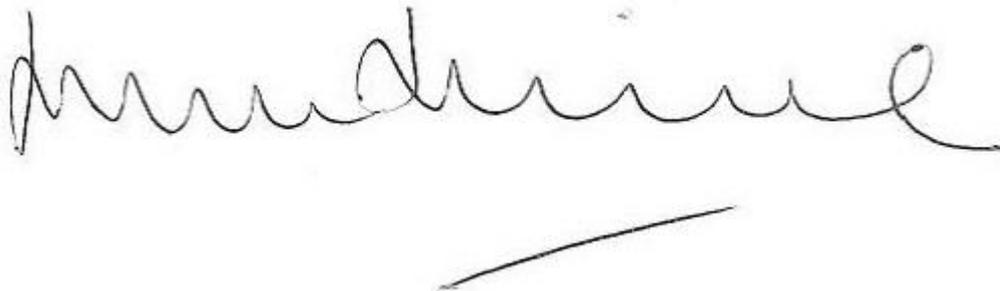
In preparing the Quality Report, directors are required to take steps to satisfy themselves that:

- the content of the Quality Report meets the requirements set out in the NHS foundation trust annual reporting manual 2017-18 and supporting guidance
- the content of the Quality Report is not inconsistent with internal and external sources of information including:
  - Board minutes for the period 1 April 2017 to 25 May 2018;
  - papers relating to quality reported to the Board over the period 1 April 2017 to 25 May 2018;
  - feedback from commissioners dated 16 May 2018;
  - feedback from governors dated 11 May 2018;
  - feedback from Overview and Scrutiny Committee dated 15 May 2018;
  - the Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints (England) Regulations 2009, dated May 2018;
  - the national patient survey 20 February 2018;
  - the national staff survey 06 March 2018;
  - the Care Quality Commission inspection report dates 28 February 2018; and
  - the Head of Internal Audit's annual opinion of the trust's control environment dated 18 May 2018.
- the Quality Report presents a balanced picture of the NHS foundation trust's performance over the period covered

- the performance information reported in the Quality Report is reliable and accurate
- there are proper internal controls over the collection and reporting of the measures of performance included in the Quality Report, and these controls are subject to review to confirm that they are working effectively in practice
- the data underpinning the measures of performance reported in the Quality Report is robust and reliable, conforms to specified data quality standards and prescribed definitions, is subject to appropriate scrutiny and review and
- the Quality Report has been prepared in accordance with NHS Improvement's annual reporting manual and supporting guidance (which incorporates the Quality Accounts regulations) as well as the standards to support data quality for the preparation of the Quality Report.

The directors confirm to the best of their knowledge and belief they have complied with the above requirements in preparing the Quality Report.

By order of the Board



29 May 2018 .....Chair



29 May 2018 .....Chief Executive

## Glossary

**Board of Directors** - Individuals appointed by the Council of Governors and Non-Executive Directors. The Board of Directors assumes legal responsibility for the strategic direction and management of the Trust.

**Clostridium Difficile (C Diff)** - Clostridium difficile is a species of bacteria of the genus Clostridium that causes severe diarrhoea and other intestinal disease when competing bacteria in the gut flora are wiped out by antibiotics.

**Care Quality Commission (CQC)** - The CQC regulates care provided by the NHS, local authorities, private companies and voluntary organisations. They aim to make sure better care is provided for everyone – in hospitals, care homes and people's own homes. They also seek to protect the interests of people whose rights are restricted under the Mental Health Act.

**Commissioning for Quality and Innovation (CQUIN) Payment Framework** - The CQUIN scheme was announced in *High Quality Care for All* (2008) and introduced through the new standard NHS contracts and the NHS Operating Framework for 2009-10. It is a key element of the NHS Quality Framework, introducing an approach to incentivising quality improvement. CQUIN schemes were mandated for acute contracts from 2009-10.

**Council of Governors (CoG)** - Every NHS Foundation Trust is required to establish a Council of Governors. The main role of the Council of Governors is threefold:

**Advisory** – to advise the Board of Directors on decisions about the strategic direction of the organisation and hold the Board to account.

**Strategic** – to inform the development of the future strategy for the organisation.

**Guardianship** – to act as guardian of the NHS Foundation Trust for the local community.

The Chair of the Council of Governors is also the Chair of the NHS Foundation Trust. The Council of Governors does not 'run' the Trust, or get involved in operational issues.

**Department of Health (DH)** - The Department of Health is a government department with responsibility for government policy for health and social care matters and for the (NHS) in England. It is led by the Secretary of State for Health.

**Deteriorating Patient** - Sometimes, the health of a patient in hospital may get worse suddenly. There are certain times when this is more likely, for example following an emergency admission to hospital, after surgery and after leaving critical care. However, it can happen at any stage of an illness. It increases the patient's risk of needing to stay longer in hospital, not recovering fully or dying. Monitoring patients regularly while they are in hospital and taking action if they show signs of becoming worse can help avoid serious problems.

**Family and Friends Test** - From April 2013, all patients will be asked a simple question to identify if they would recommend a particular A&E department or ward to their friends and family. The results of this friends and family test will be used to improve the experience of patients by providing timely feedback alongside other sources of patient feedback.

**Hospital Episode Statistics (HES)** - HES is a data warehouse containing details of all admissions, outpatient appointments and A&E attendances at NHS hospitals in England. This data is collected during a patient's time at hospital and is submitted to allow hospitals to be paid for the care they deliver. HES data is designed to enable secondary use, that is use for non-clinical purposes, of this administrative data.

**Information Governance Toolkit** - The Information Governance Toolkit is a performance tool produced by the Department of Health. It draws together the legal rules and central guidance set out above and presents them in one place as a set of information governance requirements. The organisations are required to carry out self-assessments of their compliance against the Information Governance requirements.

**Methicillin-resistant Staphylococcus aureus (MRSA)** - MRSA is a bacterium responsible for several difficult-to-treat infections in humans. It may also be called multi-drug-resistant Staphylococcus aureus or oxacillin-resistant Staphylococcus aureus (ORSA). MRSA is, by definition, any strain of Staphylococcus aureus that has developed resistance to certain antibiotics.

**NHS Improvement** - NHS Improvement is responsible for overseeing foundation trusts and NHS trusts, as well as independent providers that provide NHS-funded care. They offer the support these providers need to give patients consistently safe, high quality, compassionate care within local health systems that are financially sustainable. By holding providers to account and, where necessary, intervening, they help the NHS to meet its short-term challenges and secure its future.

**National Clinical Audits** - The National Clinical Audit and Patient Outcomes Programme (NCAPOP) is a set of centrally-funded national projects that provide local Trusts with a common format by which to collect audit data. The projects analyse the data centrally and feedback comparative findings to help participants identify necessary improvements for patients. Most of these projects involve services in England and Wales; some also include services from Scotland and Northern Ireland.

**National Confidential Enquiry into Patient Outcome and Death (NCEPOD)** - NCEPOD promote improvements in healthcare and support hospitals and doctors to ensure that the highest possible quality of safe patient care is delivered. NCEPOD use critical senior and appropriately chosen specialists to critically examine what has actually happened to the patients.

**National Early Warning System (NEWS)** - NEWS is based on a simple scoring system in which a score is allocated to six physiological measurements already taken in hospitals – respiratory rate, oxygen saturations, temperature, systolic blood pressure, pulse rate and level of consciousness. The more the measurements vary from what would have been expected (either higher or lower), the higher the score. The six scores are then aggregated to produce an overall score which, if high, will alert the nursing or medical team of the need to escalate the care of the patient.

**National Institute for Clinical Excellence (NICE) quality standards** - National Institute for Clinical Excellence (NICE) quality standards are a set of specific, concise statements that act as markers of high-quality, cost-effective patient care, covering the treatment and prevention of different diseases and conditions. Derived from the best available evidence such as NICE guidance and other evidence sources accredited by NHS Evidence, they are developed independently by NICE, in collaboration with the NHS and social care professionals, their partners and service users, and address three dimensions of quality: clinical effectiveness, patient safety and patient experience.

**Oxygen Saturation** - Oxygen saturation is a measure of how much oxygen the blood is carrying as a percentage of the maximum it could carry.

**Patient Reported Outcome Measures (PROMS)** - Patient Reported Outcome Measures are

questionnaires that ask patients about their health before and after an operation. This helps to measure the results or outcome of the operation from the patient's point of view. This outcome is known as the 'health gain'. All NHS patients undergoing planned hip replacement, knee replacement, varicose vein or groin hernia surgery procedures are invited to fill in PROMs questionnaires.

**Pulse** - Measurement of a pulse is the equivalent of measuring the heart rate, or how many times the heart beats per minute. Your heart rate can vary depending on what you're doing. For example, it will be slower if you're sleeping and faster if you're exercising.

**Pressure Ulcers** - Pressure ulcers or decubitus ulcers, are lesions caused by many factors such as: unrelieved pressure; friction; humidity; shearing forces; temperature; age; continence and medication; to any part of the body, especially portions over bony or cartilaginous areas such as sacrum, elbows, knees, and ankles.

Pressure ulcers are graded from 1 to 4 as follows:

Grade 1 – no breakdown to the skin surface

Grade 2 – present as partial thickness wounds with damage to the epidermis and/or dermis. Skin can be cracked, blistered and broken

Grade 3 – develop to full thickness wounds involving necrosis of the epidermis/dermis and extend into the subcutaneous tissues

Grade 4 – present as full thickness wounds penetrating through the subcutaneous tissue.

**Respiratory Rate** - The number of breaths over a set period of time. In practice, the respiratory rate is usually determined by counting the number of times the chest rises or falls per minute. The aim of measuring respiratory rate is to determine whether the respirations are normal, abnormally fast, abnormally slow or non-existent.

**Secondary Uses Service (SUS)** - The SUS is a service which is designed to provide anonymous patient-based data for purposes other than direct clinical care such as healthcare planning, commissioning, public health, clinical audit and governance, benchmarking, performance improvement, medical research and national policy development. The service is provided by the Health and Social Care Information Centre.

**Summary Hospital-level Mortality Indicator (SHMI)** - The SHMI is a measure of deaths following hospital treatment based on all conditions, which occur in or out of hospital within 30 days following discharge from a hospital admission. It is reported at Trust level across the NHS in England using standard methodology.

**Supported Discharge** - Supported Discharge describes pathways of care for people transferred out of a hospital environment to continue a period of rehabilitation and recuperation at a similar level of intensity and delivered by staff with the same level of expertise as they would have received in hospital.

**Venous thromboembolism (VTE)** - VTE is a condition in which a blood clot (thrombus) forms in a vein. Blood flow through the affected vein can be limited by the clot, and may cause swelling and pain. Venous thrombosis occurs most commonly in the deep veins of the leg or pelvis; this is known as a deep vein thrombosis (DVT). An embolism occurs if all or a part of the clot breaks off from the site where it forms and travels through the venous system. If the clot lodges in the lung a potentially serious and sometimes fatal condition, pulmonary embolism (PE) occurs.

Venous thrombosis can occur in any part of the venous system. However, DVT and PE are

the commonest manifestations of venous thrombosis. The term VTE embraces both the acute conditions of DVT and PE, and also the chronic conditions which may arise after acute VTE, such as post thrombotic syndrome and pulmonary hypertension, both problems being associated with significant ill-health and disability.

**World Health Organisation (WHO) Surgical Safety Checklist** - The aim of the WHO checklist is to ensure that all conditions are optimum for patient safety, that all hospital staff present are identifiable and accountable, and that errors in patient identity, site and type of procedure are avoided. By following a few critical steps, healthcare professionals can minimise the most common and avoidable risks endangering the lives and well-being of surgical patients.

# Independent auditor's report to the Council of Governors of York Teaching Hospital NHS Foundation Trust

## Report on the Audit of the Financial Statements

### Opinion

#### **Our opinion on the financial statements is unmodified**

We have audited the financial statements of York Teaching Hospital NHS Foundation Trust (the "Trust") for the year ended 31 March 2018 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Taxpayers' Equity, the Statement of Cash Flows and notes to the accounts, including the accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and the NHS foundation trust annual reporting manual 2017/18.

In our opinion the financial statements:

- give a true and fair view of the financial position of the Trust as at 31 March 2018 and of its expenditure and income for the year then ended; and
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union, as interpreted and adapted by the NHS foundation trust annual reporting manual 2017/2018; and
- have been prepared in accordance with the requirements of the National Health Service Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Who we are reporting to

This report is made solely to the Council of Governors of the Trust, as a body, in accordance with Schedule 10 of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Trust's Council of Governors those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trust and the Trust's Council of Governors, as a body, for our audit work, for this report, or for the opinions we have formed.

### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Accounting Officer's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Accounting Officer has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

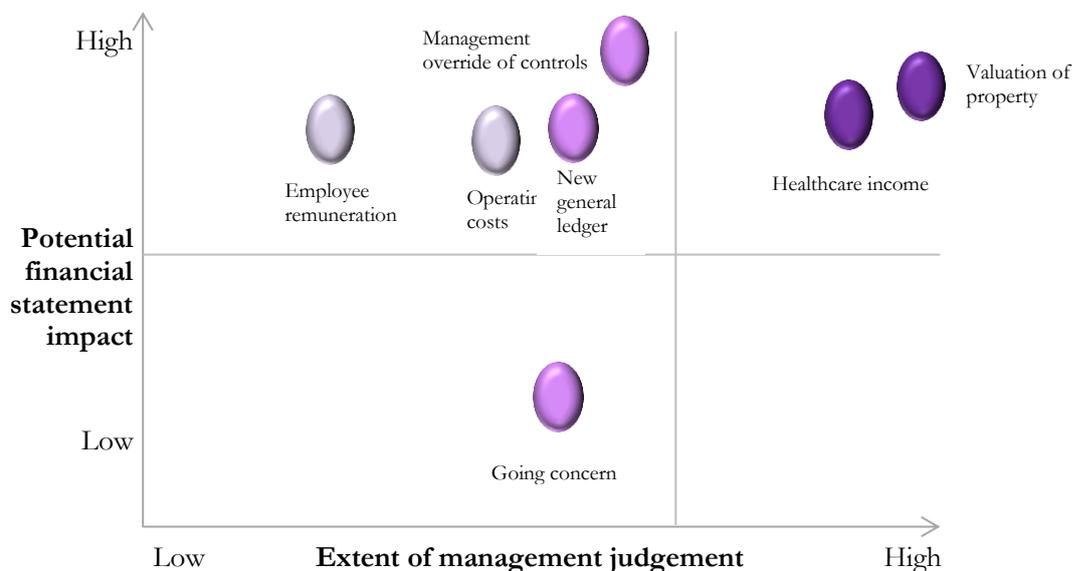


### Overview of our audit approach

- Overall materiality: £8,543,000, which represents 1.75% of the Trust's gross operating expenses;
- K audit matters were identified as:
  - valuation of property; and
  - healthcare income contract variations.
- We performed a full scope audit of York Teaching Hospital NHS Foundation Trust. We have tested all of the Trust's material income and expenditure streams and assets and liabilities.

### Key audit matters

The graph below depicts the audit risks identified and their relative significance based on the extent of the financial statement impact and the extent of management judgement.



Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those that 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.

Key Audit Matter	How the matter was addressed in the audit
<p><b>Risk 1 - Valuation of property</b></p> <p>The Trust revalues its land and buildings on a five-yearly basis to ensure the carrying value in the Trust's financial statements is not materially different from fair value at the financial statements date. In the intervening years, such as</p>	<p>Our audit work included, but was not restricted to:</p> <ul style="list-style-type: none"> <li>• evaluating management's processes and assumptions for the calculation of the estimate, the instructions issued to valuation experts and the scope of their work</li> <li>• evaluating the competence, capabilities and objectivity of the valuation expert</li> <li>• challenging the information and assumptions used by the valuer to assess completeness and consistency with</li> </ul>

<b>Key Audit Matter</b>	<b>How the matter was addressed in the audit</b>
<p>2017/18, the Trust requests a desktop valuation from the District Valuer. This valuation represents a significant estimate by management in the financial statements.</p> <p>We therefore identified valuation of property as a significant risk, which was one of the most significant assessed risks of material misstatement.</p>	<p>our understanding</p> <ul style="list-style-type: none"> <li>• assessing the overall reasonableness of the valuation movement</li> <li>• testing revaluations and impairments made during the year to see if they had been input correctly into the Trust's asset register and financial statements.</li> </ul> <p>The Trust's accounting policy on valuation of property is shown in note 1.6 to the financial statements and related disclosures are included in note 14.</p> <p><b>Key observations</b></p> <p>We obtained sufficient audit assurance to conclude that:</p> <ul style="list-style-type: none"> <li>• the basis of the valuation was appropriate and the assumptions and processes used by management in determining the estimate were reasonable</li> <li>• the valuation of property disclosed in the financial statements is reasonable.</li> </ul>
<p><b>Risk 2 - Healthcare income</b></p> <p>90% of the Trust's income is from patient care activities and contracts with NHS commissioners. These contracts include the rates for and the level of patient care activity to be undertaken by the Trust. Any patient care activities provided that are additional to those incorporated in these contracts (contract variations) are subject to verification and agreement by the commissioners.</p> <p>We therefore identified the occurrence and accuracy of activity based contract income and non-contract activity income as a significant risk, which was one of the most significant assessed risks of material misstatement.</p>	<p>Our audit work included, but was not restricted to:</p> <ul style="list-style-type: none"> <li>• evaluating the Trust's accounting policy for recognition of operating income for compliance with the Department of Health and Social Care (DHSC) Group Accounting Manual 2017/18</li> <li>• gaining an understanding of the Trust's system for accounting for operating income and evaluating the design of the associated controls</li> <li>• agreeing a sample of income from activity based contracts and non-contract activities to supporting evidence and testing that it has been accounted for in accordance with the stated accounting policy.</li> </ul> <p>The Trust's accounting policy on operating income is shown in note 1.3 to the financial statements and related disclosures are included in note 3.</p> <p><b>Key observations</b></p> <p>We obtained sufficient audit evidence to conclude that:</p> <ul style="list-style-type: none"> <li>• the Trust's accounting policy for recognition of operating income complies with the DHSC Group Accounting Manual 2017/18 and has been properly applied; and</li> <li>• operating income is not materially misstated.</li> </ul>

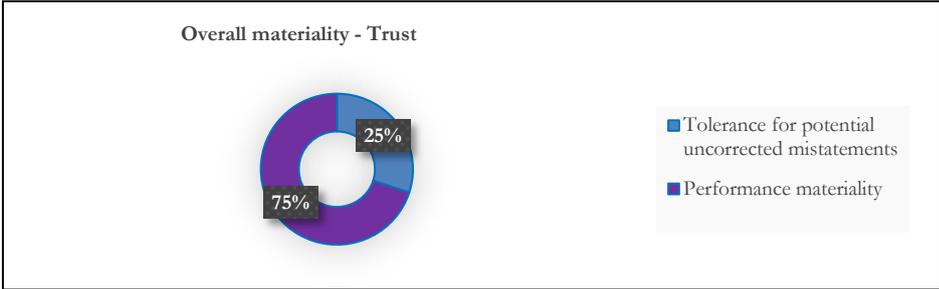
### **Our application of materiality**

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality in determining the nature, timing and extent of our audit work and in evaluating the results of that work.

Materiality was determined as follows:

Materiality Measure	Trust
Financial statements as a whole	£8,543,000 which is 1.75% of the Trust’s gross operating costs. This benchmark is considered the most appropriate because we consider users of the financial statements to be most interested in how it has expended its revenue and other funding.
Performance materiality used to drive the extent of our testing	75% of Trust financial statement materiality.
Specific materiality	Disclosure of senior managers’ remuneration in the Remuneration Report £23,062 based on 1.75% of the total senior managers’ remuneration. Related Party Transactions £100,000 being the amount above which users of the financial statements would be interested in.
Communication of misstatements to the Audit Committee	£300,000 and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.

The graph below illustrates how performance materiality interacts with our overall materiality and the tolerance for potential uncorrected misstatements.



**An overview of the scope of our audit**

Our audit approach was a risk-based approach founded on a thorough understanding of the Trust's business, its environment and risk profile. It included an evaluation of the Trust's internal controls including relevant IT systems and controls over key financial systems.

Our work involved obtaining evidence about the amounts and disclosures in the financial statements to give us reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. The scope of our audit included:

- undertaking an interim audit visit where we:
  - obtained an understanding of and evaluated the Trust’s overall control environment relevant to the preparation of the financial statements, including its IT systems
  - completed walk through tests of the Trust’s controls operating in key financial systems where we consider that there is a risk of material misstatement to the financial statements
  - performed interim testing, on a sample basis of operating expenditure and non-healthcare income.
- performing year end testing on the Trust’s financial statements, which focussed on gaining assurance around the Trust’s material income streams and operating costs, testing the Trust’s employee remuneration

costs and the notes to the accounts to ensure that they were compliant with the Department of Health and Social Care's Group Accounting Manual for 2017/18.

- We tested, on a sample basis of:
  - 100% of the Trust's material income streams;
  - 100% operating expenses, covering 99.9% of the Trust's expenditure;
  - 78% of the Trust's assets; and
  - 98.7% of the Trust's liabilities.

### **Other information**

The Accounting Officer is responsible for the other information. The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge of the Trust obtained in the course of our work including that gained through work in relation to the Trust's arrangements for securing value for money through economy, efficiency and effectiveness in the use of its resources or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

In this context, we also have nothing to report in regard to our responsibility to specifically address the following items in the other information and to report as uncorrected material misstatements of the other information where we conclude that those items meet the following conditions:

- Fair, balanced and understandable in accordance with provision C.1.1 of the NHS Foundation Trust Code of Governance – the statement given by the directors that they consider the Annual Report and financial statements taken as a whole is fair, balanced and understandable and provides the information necessary for patients, regulators and other stakeholders to assess the Trust's performance, business model and strategy, is materially inconsistent with our knowledge of the Trust obtained in the audit; or
- Audit Committee reporting in accordance with provision C.3.9 of the NHS Foundation Trust Code of Governance – the section describing the work of the Audit committee does not appropriately address matters communicated by us to the Audit Committee.

### **Other information we are required to report on by exception under the Code of Audit Practice**

Under the Code of Audit Practice published by the National Audit Office on behalf of the Comptroller and Auditor General (the Code of Audit Practice) we are required to consider whether the Annual Governance Statement does not meet the disclosure requirements set out in the NHS foundation trust annual reporting manual 2017/18. We are not required to consider whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls.

We have nothing to report in this regard.

### **Our opinion on other matters required by the Code of Audit Practice is unmodified**

In our opinion:

- the parts of the Remuneration Report and the Staff Report to be audited have been properly prepared in accordance with IFRSs as adopted by the European Union, as interpreted and adapted by the NHS foundation trust annual reporting manual 2017/18 and the requirements of the National Health Service Act 2006; and
- based on the work undertaken in the course of the audit of the financial statements and our knowledge of the Trust gained through our work in relation to the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources the other information published together with the financial statements in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **Matters on which we are required to report by exception**

Under the Code of Audit Practice we are required to report to you if:

- we have reported a matter in the public interest under Schedule 10 (3) of the National Health Service Act 2006 in the course of, or at the conclusion of the audit; or
- we have referred a matter to the regulator under Schedule 10 (6) of the National Health Service Act 2006 because we had reason to believe that the Trust, or a director or officer of the Trust, was about to make, or had made, a decision which involved or would involve the incurring of expenditure that was unlawful, or was about to take, or had taken a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency.

We have nothing to report in respect of the above matters.

### **Responsibilities of the Accounting Officer and Those Charged with Governance for the financial statements**

As explained more fully in the Statement of Accounting Officer's responsibilities, the Chief Executive, as Accounting Officer, is responsible for the preparation of the financial statements in the form and on the basis set out in the Accounts Directions included in the NHS foundation trust annual reporting manual 2017/18, for being satisfied that they give a true and fair view, and for such internal control as the Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Accounting Officer is responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trust lacks funding for its continued existence or when policy decisions have been made that affect the services provided by the Trust.

The Audit Committee is Those Charged with Governance.

### **Auditor's responsibilities for the audit of the financial statements**

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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## **Report on other legal and regulatory requirements – Conclusion on the Trust’s arrangements for securing economy, efficiency and effectiveness in its use of resources**

### **Qualified conclusion**

On the basis of our work, having regard to the guidance issued by the Comptroller and Auditor General in November 2017, except for the effects of the matter described in the basis for qualified conclusion section of our report, we are satisfied that, in all significant respects, York Teaching Hospital NHS Foundation Trust put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2018.

### **Basis for qualified conclusion**

Our review of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources identified the following matters:

- The Trust delivered a deficit of £20.1 million in 2017/18 and had to secure in-year revenue support from the Department of Health and Social Care of £23.1 million; and
- As a result of the Trust’s deteriorating in-year financial performance, NHS Improvement opened up a formal investigation in the last quarter of 2017/18. Following this review, on 30 April 2018 the Trust signed up to the NHS Improvement’s proposed enforcement undertakings issued under Section 106 of the Health and Social Care Act 2012, that detailed breaches of conditions of the Trust’s licence in relation to financial governance.

These matters identify weaknesses in the Trust's financial governance arrangements for evidencing adequate and timely Board challenge and action to ensure delivery of its financial recovery plan, and transformational savings programmes. These issues are evidence of weaknesses in proper arrangements for sustainable resource deployment in planning finances effectively to support the sustainable delivery of strategic priorities and maintain statutory functions.

### **Responsibilities of the Accounting Officer**

The Accounting Officer is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in the use of the Trust's resources.

### **Auditor’s responsibilities for the review of the Trust’s arrangements for securing economy, efficiency and effectiveness in its use of resources**

We are required under paragraph 1 of Schedule 10 of the National Health Service Act 2006 to be satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources and to report where we have not been able to satisfy ourselves that it has done so. We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the guidance on the specified criterion issued by the Comptroller and Auditor General in November 2017, as to whether in all significant respects, 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. The Comptroller and Auditor General determined this criterion as that necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the Trust put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2018, and to report by exception where we are not satisfied.

We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary to be satisfied that the Trust has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

### **Report on other legal and regulatory requirements - Certificate**

We certify that we have completed the audit of the financial statements of York Teaching Hospital NHS Foundation Trust in accordance with the requirements of Chapter 5 of Part 2 of the National Health Service Act 2006 and the Code of Audit Practice.

***Gareth Kelly***

Gareth Kelly  
Associate Director  
for and on behalf of Grant Thornton UK LLP

110 Queen Street  
Glasgow  
G1 3BX

29 May 2018

**York Teaching Hospital NHS Foundation Trust**

**Annual Accounts for the year  
ended 31 March 2018**



# Foreword to the accounts

## York Teaching Hospital NHS Foundation Trust

These accounts, for the year ended 31 March 2018, have been prepared by York Teaching Hospital NHS Foundation Trust in accordance with paragraphs 24 & 25 of Schedule 7 within the National Health Service Act 2006.

York Teaching Hospital NHS Foundation Trust Annual Report and Accounts are presented to Parliament pursuant to Schedule 7, paragraph 25 (4) (a) of the National Health Service Act 2006.

Signed .....



**Chief Executive**

**29 May 2018**

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

		2017/18	2016/17
	<b>Note</b>	<b>£000</b>	<b>£000</b>
Operating income from patient care activities	3	439,790	433,520
Other operating income	4	49,450	61,622
Operating expenses	5, 7	<u>(501,680)</u>	<u>(488,154)</u>
<b>Operating surplus/(deficit) from continuing operations</b>		<b><u>(12,440)</u></b>	<b><u>6,988</u></b>
Finance income	10	88	148
Finance expenses	11	(502)	(436)
PDC dividends payable		<u>(7,277)</u>	<u>(6,472)</u>
<b>Net finance costs</b>		<b><u>(7,691)</u></b>	<b><u>(6,760)</u></b>
Other gains / (losses)	12	<u>(1)</u>	<u>(70)</u>
<b>Surplus / (deficit) for the year</b>		<b><u><u>(20,132)</u></u></b>	<b><u><u>158</u></u></b>
<b>Other comprehensive income</b>			
<b>Will not be reclassified to income and expenditure:</b>			
Impairments	6	(3,743)	(1,413)
Revaluations	16	22,406	8,348
<b>Total comprehensive income / (expense) for the period</b>		<b><u>(1,469)</u></b>	<b><u>7,093</u></b>
<b>Including impairments and revaluations</b>		<b><u><u>(1,469)</u></u></b>	<b><u><u>7,093</u></u></b>

The notes on the following pages form part of these accounts  
All income and expenditure is derived from continuing operations

### Sustainability and Transformation Fund (STF)

As part of the action to strengthen financial performance and accountability in the NHS a Sustainability and Transformation Fund was created nationally in 2016/17 and all Trust's with an emergency care contract were allocated a proportion of the fund. The Trust has been allocated £3.1m from the Sustainability and Transformation General Distribution Fund. These figures are included in the Statement of Comprehensive Income within the Other Operating Income note 4.

## Statement of Financial Position - 31st March 2018

		31 March 2018	31 March 2017
	Note	£000	£000
<b>Non-current assets</b>			
Intangible assets	13	4,143	2,818
Property, plant and equipment	14	276,724	251,074
Trade and other receivables	20	1,269	912
<b>Total non-current assets</b>		<b><u>282,136</u></b>	<b><u>254,804</u></b>
<b>Current assets</b>			
Inventories	19	8,516	8,740
Trade and other receivables	20	23,224	23,703
Non-current assets held for sale / assets in disposal groups	18	147	-
Cash and cash equivalents	21	16,806	14,031
<b>Total current assets</b>		<b><u>48,693</u></b>	<b><u>46,474</u></b>
<b>Current liabilities</b>			
Trade and other payables	23	(44,094)	(41,965)
Borrowings	25	(2,548)	(1,955)
Provisions	22.1	(109)	(108)
Other liabilities	24	(2,095)	(1,795)
<b>Total current liabilities</b>		<b><u>(48,846)</u></b>	<b><u>(45,823)</u></b>
<b>Total assets less current liabilities</b>		<b><u>281,983</u></b>	<b><u>255,455</u></b>
<b>Non-current liabilities</b>			
Trade and other payables	23	(55)	(25)
Borrowings	25	(43,290)	(16,153)
Provisions	22.1	(1,084)	(1,084)
<b>Total non-current liabilities</b>		<b><u>(44,429)</u></b>	<b><u>(17,262)</u></b>
<b>Total assets employed</b>		<b><u>237,554</u></b>	<b><u>238,193</u></b>
<b>Financed by</b>			
Public dividend capital		89,797	88,967
Revaluation reserve		98,511	79,929
Income and expenditure reserve		49,246	69,297
<b>Total taxpayers' equity</b>		<b><u>237,554</u></b>	<b><u>238,193</u></b>

Notes 1 to 34 of the financial statements on the following pages were approved by the Board of Directors on 25th May 2018 and signed on its behalf by :



Signed  
Name  
Position  
Date

Chief Executive  
29 May 2018

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

	Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Total £000
<b>Taxpayers' equity at 1 April 2017 - brought forward</b>	<b>88,967</b>	<b>79,929</b>	<b>69,297</b>	<b>238,193</b>
Surplus/(deficit) for the year	-	-	(20,132)	(20,132)
Impairments	-	(3,743)	-	(3,743)
Revaluations	-	22,406	-	22,406
Transfer to retained earnings on disposal of assets	-	(81)	81	-
Public dividend capital received	830	-	-	830
<b>Taxpayers' equity at 31 March 2018</b>	<b>89,797</b>	<b>98,511</b>	<b>49,246</b>	<b>237,554</b>

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

	Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Total £000
<b>Taxpayers' equity at 1 April 2016 - brought forward</b>	<b>88,967</b>	<b>73,721</b>	<b>68,412</b>	<b>231,100</b>
Surplus/(deficit) for the year	-	-	158	158
Impairments	-	(1,413)	-	(1,413)
Revaluations	-	8,348	-	8,348
Transfer to retained earnings on disposal of assets	-	(727)	727	-
<b>Taxpayers' equity at 31 March 2017</b>	<b>88,967</b>	<b>79,929</b>	<b>69,297</b>	<b>238,193</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 Trust's 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.

#### Income and expenditure reserve

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

## Statement of Cash Flows for the year ending 31st March 2018

	Note	2017/18 £000	2016/17 £000
<b>Cash flows from operating activities</b>			
Operating surplus / (deficit)		(12,440)	6,988
<b>Non-cash income and expense:</b>			
Depreciation and amortisation	5	12,256	11,852
Net impairments	5	(1,791)	1,746
Income recognised in respect of capital donations	4	(918)	(760)
(Increase) / decrease in receivables and other assets		(511)	(2,273)
(Increase) / decrease in inventories		224	(650)
Increase / (decrease) in payables and other liabilities		2,405	5,418
Increase / (decrease) in provisions		(2)	14
Other movements in operating cash flows		(4)	2
<b>Net cash generated from / (used in) operating activities</b>		<b><u>(781)</u></b>	<b><u>22,337</u></b>
<b>Cash flows from investing activities</b>			
Interest received	10	88	148
Purchase of intangible assets	13.1	(633)	(575)
Purchase of property, plant, and equipment		(17,369)	(14,494)
Sales of property, plant, and equipment		15	841
Receipt of cash donations to purchase capital assets		348	760
<b>Net cash generated from / (used in) investing activities</b>		<b><u>(17,551)</u></b>	<b><u>(13,320)</u></b>
<b>Cash flows from financing activities</b>			
Public dividend capital received		830	-
Movement on capital loans from the Department of Health		4,595	(1,783)
Movement on revenue support loans from the Department of Health		23,135	
Movement on other loans		-	(6)
Other interest paid		(392)	(430)
PDC dividend (paid) / refunded		(7,061)	(6,429)
<b>Net cash generated from / (used in) financing activities</b>		<b><u>21,107</u></b>	<b><u>(8,648)</u></b>
<b>Increase / (decrease) in cash and cash equivalents</b>		<b><u>2,775</u></b>	<b><u>369</u></b>
<b>Cash and cash equivalents at 1 April - brought forward</b>		<b><u>14,031</u></b>	<b><u>13,662</u></b>
<b>Cash and cash equivalents at 31 March</b>	21	<b><u><u>16,806</u></u></b>	<b><u><u>14,031</u></u></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 and Social Care. 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 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

The Trust has prepared its accounts on a going concern basis. This is directed by the Department of Health Group Accounting Manual (DH GAM) 2017/18, whereby, unless the Trust has been informed by the relevant national body of the intention for dissolution without transfer of services or functions to another entity, this should be assumed. The Trust, however, recognises that there are operational and funding factors that represent uncertainties with regard to the adoption of the going concern basis, these include:-

- The current year's deficit together with the 2018/19 planned deficit of £14.4m (excluding Provider Sustainability Funding of £12.5m), which is in line with the control total issued by NHS Improvement (NHSI); this position includes a £21.7m savings target
- Formal confirmation of financing of the Trust's 2018/19 operational plan by NHSI / Department of Health & Social Care

These issues noted above, in particular the financing of the Trust's operational plan, represents an uncertainty that may cast doubt about the Trust's ability to continue as a going concern, however this is mitigated by the following:-

- The Trust's 2018/19 operational plan is in line with the agreed control total issued by NHSI
- The Trust's major commissioner contracts for 2018/19 have been agreed and signed
- The Trust has assessed the risks in achieving the 2018/19 financial plan, in particular the cost improvement programme, where the Trust has a clear track record of over achievement
- The Trust is actively engaging in local strategic transformation planning with health economy partners, to develop models to deliver sustainable healthcare from 2018/19
- The Trust has the appropriate financial and operational risk management processes in place to support its operational plans

The Board, having made appropriate enquiries, still has reasonable expectations that the Trust will have adequate resources to continue its operational existence for the foreseeable future, being a period of at least 12 months from the date of approval of the financial statements. On this basis, the Trust has adopted the going concern basis for preparing the financial statements and has not included the adjustments that would result if it was unable to continue as a going concern.

### 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 accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

Estimates and judgements have to be made in preparing the Trust's annual accounts. These are continually evaluated and updated as required, although actual results may differ from these estimates.

### **Note 1.2.1 Sources of estimation uncertainty**

In the course of preparing the annual accounts, the directors have to make use of estimated figures in certain cases, and routinely exercise judgement in assessing the amounts to be included. In the case of the 2017/18 accounts, the impact of estimation has been mitigated regarding the recognition of clinical income due from the Trust's key commissioners as year-end positions have been agreed in advance wherever possible. The Directors have formed the judgement that the Trust has recognised the appropriate level of income due under the terms of the signed contract, and anticipate recovery of outstanding debts in line with previous settlements.

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

#### Provisions

The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the year, taking into account the risks and uncertainties.

#### Injury Benefits -

The carrying amount of injury benefit provisions is estimated as the present value of those cash flows using HM Treasury's discount rate of 0.1% in real terms. The period over which future cash flows will be paid is estimated using the England life expectancy tables as published by the office of National Statistics.

#### Other Legal-

Estimates are based on information supplied by NHS Resolution and the Trust's solicitors.

#### Non-Current Asset Valuations

In line with accounting policies, every five years the Trust receives a full valuation carried out by the District Valuer, who is a member of the Royal Institute of Chartered Surveyors. The impact of this valuation was reflected in the accounts as at the 31st March 2014. In subsequent years desk top valuations of the Trust's estate were obtained in addition to site visits to York, Scarborough and Bridlington and this has been the basis for the valuation as at 31 March 2018.

#### Actuarial Assumptions for costs relating to the NHS pension scheme

The Trust reports, as operating expenditure, employer contributions to staff pensions. The employer contribution is based on an annual actuarial estimate of the required contribution to the scheme's liabilities. It is an expense that is subject to change.

#### Segmental Reporting

The Trust has one material segment, being the provision of healthcare. Service divisions within the Group all have similar economic characteristics; all of the healthcare activity is undertaken in relation to NHS patients.

#### Going Concern

Refer to note 1.1.2

### **Note 1.2.2 Subsidiaries**

Entities over which The Trust has the power to exercise control are classified as subsidiaries and are consolidated. The Trust has control when it has the ability to affect the variable returns from the other entity through its power to direct relevant activities. The income, expenses, assets, liabilities, equity and reserves of the subsidiary are consolidated in full into the appropriate financial statement lines in accordance with IAS27. 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.

On the 7 March 2018 The Trust along with Northumbria Healthcare Facilities Management Ltd incorporated a limited liability Partnership - York Teaching Hospitals Facilities Management under the Limited Liability Partnership Act 2000 and Limited Liability Partnership Regulations 2001 and as such the two members own the partnership 50:50. This ratio will change when the members agreement is entered into with the proposed ratio being 95:5 in favour of the Trust. The LLP will not become operational until the current planned date of 1 October 2018, therefore during the year April 2017-March 2018 there were no financial transactions to report. After applying these circumstances to the criteria set out in IAS27 (consolidated and separate statements) and IAS 10 (Events after the reporting period) the Trust has concluded that there are no group accounts to prepare for the year 2017/18 and no Events after the reporting period to report based on the LLP not becoming operational until the planned date.

### **Note 1.3 Income**

Income in respect of services provided is recognised when, and to the extent that, performance occurs and is measured at the fair value of the consideration receivable. The main source of 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.

#### Revenue grants and other contributions to expenditure

Government grants are grants from government bodies other than income from commissioners or Trust's 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 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 1.4 Expenditure on employee benefits**

#### **Short-term employee benefits**

##### 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.

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 the operating expenses at the time the Trust commits itself to the retirement, regardless of the method of payment.

##### Local Government Pension Scheme

Some employees are members of the Local Government Pension Scheme which is a defined benefit pension scheme. The scheme assets and liabilities attributable to these employees can be identified and are recognised in the Trust's accounts. The assets are measured at fair value, and the liabilities at the present value of future obligations.

The increase in the liability arising from pensionable service earned during the year is recognised within operating expenses. The net interest cost during the year arising from the unwinding of the discount on the net scheme liabilities is recognised within finance costs. Remeasurements of the defined benefit plan are recognised in the income and expenditure reserve and reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

##### Alternative pension scheme

York Teaching Hospital NHS Foundation Trust offers an alternative pension scheme to all employees who are either not eligible or choose not to be members of the NHS pension scheme at the Trust. This includes employees who are members of the NHS pension scheme through another role outside of the Trust and those that are not eligible to join the NHS pension scheme.

The alternative pension scheme is a defined contribution scheme operated by the National Employment Savings Trust (NEST). Employee and employer contribution rates are a combined minimum of 5% (with a minimum 2% being contributed by the Trust) and from October 2018 the combined contribution rate will be 8% (with a minimum 3% being contributed by the Trust).

### **Note 1.5 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 1.6 Property, plant and equipment**

### **Note 1.6.1 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 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.

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 1.6.2 Measurement**

Land and buildings used for the NHS Foundation Trust's services or for administrative purposes are stated in the Statement of Financial Position at their revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses. Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the Statement of Financial Position date. Fair values are determined as follows:

- Specialised buildings – depreciated replacement cost based on modern equivalent assets
- Land and non-specialised buildings – existing use value
- Non-operational properties (including surplus land) – existing use value - 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 requirement of IAS 40 or IFRS 5

From 2015/16 IFRS 13 Fair Value is adopted in full; however, IAS 16 and IAS 38 have been adapted and interpreted for the public sector context which limits the circumstances in which a valuation is prepared under IFRS 13.

HM Treasury has adopted a standard approach to depreciated replacement cost valuations based on modern equivalent assets and where it would meet the location requirements of the service being provided, an alternative site can be valued. The NHS Foundation Trust has applied this basis of valuation from 1 April 2013. A full desk top revaluation was carried out at 31 March 2018 to reflect the changes in building values throughout the year.

Valuations are carried out by professionally qualified valuers, external to the Trust, in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual. ([www.rics.org](http://www.rics.org))

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees but not borrowing costs, which are recognised as expenses immediately, as allowed by IAS 23 for assets held at fair value. Assets are re-valued and depreciation commences when they are brought into use.

Fixtures and equipment are carried at depreciated historic cost as this is not considered to be materially different from fair value.

### ***Subsequent expenditure***

Subsequent expenditure relating to an item of property, plant and equipment is recognised as an increase in the carrying amount of the asset when it is probable that additional future economic benefits or service potential deriving from the cost incurred to replace 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 Assets in the course of construction are not depreciated until the asset is brought into use.

### **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 is reversed. Reversals are recognised in operating expenditure to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised.

Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

### **Note 1.6.3 Derecognition**

Assets intended for disposal are reclassified as 'held for sale' once all of the following criteria are met:

- the asset is available for immediate sale in its present condition subject only to terms which are usual and customary for such sales;
- the sale must be highly probable 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.

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 1.6.4 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.

### Note 1.6.5 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 are shown in the table below:

	Min life Years	Max life Years
Buildings, excluding dwellings	20	60
Dwellings	5	60
Medical Equipment, Plant & machinery	5	15
Transport equipment	3	7
Information technology	3	8
Furniture & fittings	5	10

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 1.7 Intangible assets

#### Note 1.7.1 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.

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 which is integral to the operation of hardware, eg an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware, eg application software, is capitalised as an intangible asset.

#### Note 1.7.2 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 of 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 1.7.3 Useful economic lives 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 are shown in the table below:

	<b>Min life Years</b>	<b>Max life Years</b>
Development expenditure	5	10
Software licences	5	10

#### **Note 1.8 Inventories**

Inventories are stated at the lower of cost and net realisable value. Inventories are stated at actual cost and this is considered to be a reasonable approximation to current cost due to the high turnover of stocks. Partially completed contracts for patient services are not accounted for as inventories, but rather as receivables.

#### **Note 1.9 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 1.10 Financial instruments and financial liabilities**

##### **Recognition**

Financial assets and financial liabilities which arise from contracts for the purchase or sale of non-financial items (such as goods or services), 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.

##### **De-recognition**

All financial assets are de-recognised when the rights to receive cash flows from the assets have expired or the Trust has transferred substantially all of the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

#### **Classification and measurement**

Financial assets are categorised as "fair value through income and expenditure", loans and receivables or "available-for-sale financial assets".

Financial liabilities are classified as "fair value through income and expenditure" or as "other financial liabilities".

#### **Financial assets and financial liabilities at "fair value through income and expenditure"**

Financial assets and financial liabilities at "fair value through income and expenditure" are financial assets or financial liabilities held for trading. A financial asset or financial liability is classified in this category if acquired principally for the purpose of selling in the short-term.

These financial assets and financial liabilities are recognised initially at fair value, with transaction costs expensed in the income and expenditure account. Subsequent movements in the fair value are recognised as gains or losses in the Statement of Comprehensive Income.

### **Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market.

The Trust's loans and receivables comprise: current investments, cash and cash equivalents, NHS receivables, accrued income and "other receivables".

Loans and receivables are recognised initially at fair value, net of transactions costs, and are measured subsequently at amortised cost, using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash receipts through the expected life of the financial asset or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

Interest on loans and receivables is calculated using the effective interest method and credited to the Statement of Comprehensive Income.

### **Available-for-sale financial assets**

Available-for-sale financial assets are non-derivative financial assets which are either designated in this category or not classified in any of the other categories. They are included in long-term assets unless the Trust intends to dispose of them within 12 months of the Statement of Financial Position date.

Available-for-sale financial assets are recognised initially at fair value, including transaction costs, and measured subsequently at fair value, with gains or losses recognised in reserves and reported in the Statement of Comprehensive Income as an item of "other comprehensive income". When items classified as "available-for-sale" are sold or impaired, the accumulated fair value adjustments recognised are transferred from reserves and recognised in "finance costs" in the Statement of Comprehensive Income.

### **Other financial liabilities**

All other financial liabilities are recognised initially at fair value, net of transaction costs incurred, and measured subsequently at amortised cost using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash payments through the expected life of the financial liability or, when appropriate, a shorter period, to the net carrying amount of the financial liability.

They are included in current liabilities except for amounts payable more than 12 months after the Statement of Financial Position date, which are classified as long-term liabilities.

Interest on financial liabilities carried at amortised cost is calculated using the effective interest method and charged to finance costs. Interest on financial liabilities taken out to finance property, plant and equipment or intangible assets is not capitalised as part of the cost of those assets.

### **Determination of fair value**

For financial assets and financial liabilities carried at fair value, the carrying amounts are determined from

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active markets are determined with reference to quoted market prices.
- the fair value of other financial assets and financial liabilities (excluding derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.
- the fair value of derivative instruments are calculated using quoted prices. Where such prices are not available, use is made of discounted cash flow analysis using the applicable yield curve for the duration of the instrument.

### **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 through the use of an allowance as a bad debt provision, changes in which are recognised in the statement of Comprehensive Income.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the Statement of Comprehensive Income to the extent that the carrying amount of the receivable at the date of the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

**Note 1.11 Leases**

Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

**Note 1.11.1 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 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 1.11.2 The Trust as lessor****Finance leases**

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Trust 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 1.12 Provisions**

The Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using the discount rates published and mandated by HM Treasury.

**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 22.2 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 1.13 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 30 where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in a note, 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 1.14 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 PDC 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 the audit of the annual accounts.

### **Note 1.15 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 1.16 Corporation tax**

The Trust does not undertake any activities that would give rise to the payment of corporation tax and therefore has determined that it has no corporation tax liability.

### **Note 1.17 Foreign exchange**

The functional and presentational currency of the Trust is sterling.

A transaction which is denominated in a foreign currency is translated into the functional currency at the spot exchange rate on the date of the transaction.

### **Note 1.18 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 FRoM.

### **Note 1.19 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 is compiled directly from the losses and compensations register which reports on an accrual basis with the exception of provisions for future losses.

### **Note 1.20 Early adoption of standards, amendments and interpretations**

No new accounting standards or revisions to existing standards have been adopted early in 2017/18.

### **Note 1.21 Standards, amendments and interpretations in issue but not yet effective or adopted**

The HM Treasury FReM does not require the following Standards and Interpretations to be applied in 2017/18. These standards are still subject to HM Treasury FReM interpretation, with IFRS 9 and IFRS 15 being due for implementation in 2018/19, and the Government implementation date for IFRS 16 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.

It is expected that IFRS 9 will not have an impact on the Trust.

- IFRS 15 Revenue for Contracts with Customers - Application required for accounting periods beginning on or after 1 January 2018, but not yet adopted by the FReM: early adoption is not therefore permitted.

IFRS 15 will require the Trust to review its contracts, so as to identify any contractual performance obligations to ensure that the timing of recognition of this revenue is when the obligations are satisfied. The Trust will be assessing all its contracts in due course.

- 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 16 removes the distinction between operating and finance leases this means that the current operating leases shown in note 9.1 which are currently off balance sheet will be shown in the Trust Balance Sheet.

- IFRS17 Insurance Contracts – 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.

- 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 2018

- IFRS 14 Regulatory Deferral Accounts - Not yet EU-endorsed. Applies to first time adopters of IFRS after 1 January 2016. Therefore not applicable to the DH group bodies.

The impact of all the standards is still being assessed

### **Note 2 Operating Segments**

All income and activities are for the provision of health and health related services in the UK. The Trust reports revenues on a Trust wide basis in its internal reports and therefore deems there to be a single segment, healthcare.

**Note 3 Operating income from patient care activities****Note 3.1 Income from patient care activities (by nature)**

	<b>2017/18</b>	<b>2016/17</b>
	<b>£000</b>	<b>£000</b>
<b>Income from Activities</b>		
Elective income	63,613	65,254
Non elective income	114,337	110,361
Outpatient income	26,459	26,036
Follow up outpatient income	30,799	34,967
A & E income	16,297	14,217
High cost drugs income from commissioners (excluding pass-through costs)	45,947	44,618
Other NHS clinical income	103,001	99,941
<b>Community services</b>		
Community services income	35,400	35,576
<b>All services</b>		
Private patient income	977	943
Other clinical income	2,960	1,607
<b>Total income from activities</b>	<b><u>439,790</u></b>	<b><u>433,520</u></b>

**Note 3.2 Income from patient care activities (by source)****Income from patient care activities received from:**

	<b>2017/18</b>	<b>2016/17</b>
	<b>£000</b>	<b>£000</b>
NHS England	62,684	62,762
Clinical commissioning groups	368,297	362,881
NHS other	-	289
Local authorities	4,872	5,038
Non-NHS: private patients	977	943
Non-NHS: overseas patients (chargeable to patient)	306	250
NHS injury scheme	1,643	854
Non NHS: other	1,011	503
<b>Total income from activities</b>	<b><u>439,790</u></b>	<b><u>433,520</u></b>
<b>Of which:</b>		
Related to continuing operations	439,790	433,520

**Note 3.3 Overseas visitors (relating to patients charged directly by the provider)**

	<b>2017/18</b>	<b>2016/17</b>
	<b>£000</b>	<b>£000</b>
Income recognised this year	306	250
Cash payments received in-year	132	172
Amounts added to provision for impairment of receivables	35	43
Amounts written off in-year	67	1

**Note 4 Other operating income**

	<b>2017/18</b>	<b>2016/17</b>
	<b>£000</b>	<b>£000</b>
Research and development	3,280	3,481
Education and training	14,574	15,135
Receipt of capital grants and donations	918	760
Charitable and other contributions to expenditure	230	172
Non-patient care services to other bodies	17,767	14,074
Rental revenue from operating leases	287	749
Income in respect of staff costs where accounted on gross basis	2,485	2,721
*Other income	6,828	4,823
Sustainability and transformation fund income	3,081	9,662
Transition Support Income	-	10,045
<b>Total other operating income</b>	<b>49,450</b>	<b>61,622</b>
<b>Of which:</b>		
Related to continuing operations	49,450	61,622

**Note 4.1 Analysis of \*Other income**

	<b>2017/18</b>	<b>2016/17</b>
	<b>£000</b>	<b>£000</b>
Car Parking	2,055	1,962
Staff Accommodation rentals	207	330
Catering	1,324	1,303
Estates recharges (external)	1,135	419
IT recharges (external)	633	-
Other income generation schemes	687	-
Other	787	809
<b>Total other operating income</b>	<b>6,828</b>	<b>4,823</b>

**Note 4.2 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 license and are services that commissioners believe would need to be protected in the event of provider failure. This information is provided in the table below:

	<b>2017/18</b>	<b>2016/17</b>
	<b>£000</b>	<b>£000</b>
Income from services designated as commissioner requested services	437,407	432,403
Income from services not designated as commissioner requested services	51,833	62,739
<b>Total</b>	<b>489,240</b>	<b>495,142</b>

**Note 5 Operating expenses**

	<b>2017/18</b>	<b>2016/17</b>
	<b>£000</b>	<b>£000</b>
Purchase of healthcare from NHS and DHSC bodies	286	233
Purchase of healthcare from non-NHS and non-DHSC bodies	5,125	6,144
Staff and executive directors costs	329,448	317,467
Remuneration of non-executive directors	173	165
Supplies and services - clinical (excluding drugs costs)	46,283	43,692
Supplies and services - general	10,283	10,011
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	53,291	52,845
Consultancy costs	309	40
Establishment	4,101	3,756
Premises	13,727	13,591
Transport (including patient travel)	3,011	3,104
Depreciation on property, plant and equipment	11,944	11,504
Amortisation on intangible assets	312	348
Net impairments	(1,791)	1,746
Increase/(decrease) in provision for impairment of receivables	339	804
Increase/(decrease) in other provisions	3	-
Change in provisions discount rate(s)	11	85
<i>Audit fees payable to the external auditor</i>		
audit services- statutory audit opinion	50	52
audit services- statutory audit quality report	8	8
audit services - irrecoverable VAT element of audit opinion & quality report	11	12
other auditor remuneration (external auditor only)	4	-
Internal audit costs	371	371
Clinical negligence	9,022	6,445
Legal fees	130	295
Insurance	613	642
Research and development	2,180	2,357
Education and training	3,688	3,191
Rentals under operating leases	6,386	7,532
Early retirements	96	17
Redundancy	387	109
Hospitality	7	10
Losses, ex gratia & special payments	-	28
Other	1,872	1,550
<b>Total</b>	<b>501,680</b>	<b>488,154</b>
<b>Of which:</b>		
Related to continuing operations	501,680	488,154
Related to discontinued operations	-	-

**Note 5.1 Limitation on auditor's liability**

The limitation on auditor's liability for external audit work is £2m (2016/17: £2m).

**Note 6 Impairment of assets**

	<b>2017/18</b>	<b>2016/17</b>
	<b>£000</b>	<b>£000</b>
<b>Net impairments charged to operating surplus / deficit resulting from:</b>		
Abandonment of assets in course of construction	-	14
Changes in market price	(1,850)	1,732
Other	59	-
<b>Total net impairments charged to operating surplus / deficit</b>	<b>(1,791)</b>	<b>1,746</b>
Impairments charged to the revaluation reserve	3,743	1,413
<b>Total net impairments</b>	<b>1,952</b>	<b>3,159</b>

**Note 7 Employee benefits**

	<b>2017/18</b>	<b>2016/17</b>
	<b>Total</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>
Salaries and wages	259,777	248,913
Social security costs	25,250	24,198
Apprenticeship levy	1,270	-
Employer's contributions to NHS pensions	30,945	29,541
Pension cost - other	33	25
Termination benefits	483	126
Temporary staff (including agency)	18,032	20,216
<b>Total gross staff costs</b>	<b>335,790</b>	<b>323,019</b>
<b>Of which</b>		
Costs capitalised as part of assets	976	910

**Note 7.1 Retirements due to ill-health**

During 2017/18 there were 10 early retirements from the Trust agreed on the grounds of ill-health (13 in the year ended 31 March 2017). The estimated additional pension liabilities of these ill-health retirements is £768k (£490k in 2016/17).

The cost of these ill-health retirements will be borne by the NHS Business Services Authority - Pensions Division.

During the year 5 Executive Directors had benefits accruing under the NHS Pension scheme and the Trust made employer contributions to the NHS Pension Scheme of £81k in respect of these Directors.

## **Note 8 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: 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 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 is to be carried out as at 31 March 2016 and is currently being prepared. The direction assumptions are published by HM Treasury which are used to complete the valuation calculations, from which the final valuation report can be signed off by the scheme actuary. This will set the employer contribution rate payable from April 2019 and will consider the cost of the Scheme relative to the employer cost cap. There are provisions in the Public Service Pension Act 2013 to adjust member benefits or contribution rates if the cost of the Scheme changes by more than 2% of pay. Subject to this 'employer cost cap' assessment, any required revisions to member benefits or contribution rates will be determined by the Secretary of State for Health after consultation with the relevant stakeholders.

## Note 9 Operating leases

### Note 9.1 York Teaching Hospital NHS Foundation Trust as a lessor

This note discloses income generated in operating lease agreements where York Teaching Hospital NHS Foundation Trust is the lessor.

	2017/18	2016/17
	£000	£000
<b>Operating lease revenue</b>		
Minimum lease receipts	287	749
<b>Total</b>	<b>287</b>	<b>749</b>
	<b>31 March</b>	<b>31 March</b>
	<b>2018</b>	<b>2017</b>
	<b>£000</b>	<b>£000</b>
<b>Future minimum lease receipts due:</b>		
- not later than one year;	84	112
- later than one year and not later than five years;	334	120
<b>Total</b>	<b>418</b>	<b>232</b>

### Note 9.2 York Teaching Hospital NHS Foundation Trust as a lessee

This note discloses costs and commitments incurred in operating lease arrangements where York Teaching Hospital NHS Foundation Trust is the lessee.

	2017/18	2016/17
	£000	£000
<b>Operating lease expense</b>		
Minimum lease payments	6,386	7,532
<b>Total</b>	<b>6,386</b>	<b>7,532</b>
	<b>31 March</b>	<b>31 March</b>
	<b>2018</b>	<b>2017</b>
	<b>£000</b>	<b>£000</b>
<b>Future minimum lease payments due:</b>		
- not later than one year;	4,878	4,776
- later than one year and not later than five years;	9,609	7,799
- later than five years.	1,107	1,203
<b>Total</b>	<b>15,594</b>	<b>13,778</b>

**Note 10 Finance income**

Finance income represents interest received on assets and investments in the period.

	2017/18	2016/17
	£000	£000
Interest on bank accounts	54	102
Interest on other investments / financial assets	34	46
<b>Total</b>	<b>88</b>	<b>148</b>

**Note 11.1 Finance expenditure**

Finance expenditure represents interest and other charges involved in the borrowing of money.

	2017/18	2016/17
	£000	£000
<b>Interest expense:</b>		
Loans from the Department of Health and Social Care	495	413
Other loans	-	7
Interest on late payment of commercial debt	1	-
<b>Total interest expense</b>	<b>496</b>	<b>420</b>
Unwinding of discount on provisions	3	16
Other finance costs	3	-
<b>Total finance costs</b>	<b>502</b>	<b>436</b>

**Note 11.2 The late payment of commercial debts (interest) Act 1998 / Public Contract Regulations 2015**

	2017/18	2016/17
	£000	£000
Amounts included within interest payable arising from claims made under this legislation	1	0

**Note 12 Other gains / (losses)**

	2017/18	2016/17
	£000	£000
Gains on disposal of assets	-	38
Losses on disposal of assets	(1)	(108)
<b>Total gains / (losses) on disposal of assets</b>	<b>(1)</b>	<b>(70)</b>
<b>Total other gains / (losses)</b>	<b>(1)</b>	<b>(70)</b>

**Note 13.1 Intangible assets - 2017/18**

	Software licences £000	Internally generated information technology £000	Total £000
<b>Valuation / gross cost at 1 April 2017 - brought forward</b>	6,446	-	6,446
Additions	633	-	633
Reclassifications	212	792	1,004
<b>Gross cost at 31 March 2018</b>	<b>7,291</b>	<b>792</b>	<b>8,083</b>
<b>Amortisation at 1 April 2017 - brought forward</b>	<b>3,628</b>	-	<b>3,628</b>
Provided during the year	312	-	312
<b>Amortisation at 31 March 2018</b>	<b>3,940</b>	-	<b>3,940</b>
<b>Net book value at 31 March 2018</b>	<b>3,351</b>	<b>792</b>	<b>4,143</b>
<b>Net book value at 1 April 2017</b>	<b>2,818</b>	-	<b>2,818</b>

**Note 13.2 Intangible assets - 2016/17**

	Software licences £000	Internally generated information technology £000	Total £000
<b>Valuation / gross cost at 1 April 2016 - as previously stated</b>	5,784	-	5,784
Prior period adjustments	-	-	-
<b>Valuation / gross cost at 1 April 2016 - restated</b>	<b>5,784</b>	-	<b>5,784</b>
Additions	575	-	575
Reclassifications	92	-	92
Transfers to/ from assets held for sale	-	-	-
Disposals / derecognition	(5)	-	(5)
<b>Valuation / gross cost at 31 March 2017</b>	<b>6,446</b>	-	<b>6,446</b>
<b>Amortisation at 1 April 2016 - as previously stated</b>	<b>3,285</b>	-	<b>3,285</b>
Provided during the year	348	-	348
Disposals / derecognition	(5)	-	(5)
<b>Amortisation at 31 March 2017</b>	<b>3,628</b>	-	<b>3,628</b>
<b>Net book value at 31 March 2017</b>	<b>2,818</b>	-	<b>2,818</b>
<b>Net book value at 1 April 2016</b>	<b>2,499</b>	-	<b>2,499</b>

**Note 14.1 Property, plant and equipment - 2017/18**

	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
<b>Valuation/gross cost at 1 April 2017 - brought forward</b>	<b>17,067</b>	<b>207,949</b>	<b>1,937</b>	<b>8,105</b>	<b>44,276</b>	<b>148</b>	<b>28,494</b>	<b>82</b>	<b>308,058</b>
Additions	-	1,668	3	14,805	258	570	1,002	-	18,306
Impairments	(326)	(4,115)	(465)	-	-	-	-	-	(4,906)
Reversals of impairments	-	1,992	-	-	-	-	-	-	1,992
Revaluations	-	16,034	-	-	-	-	-	-	16,034
Reclassifications	-	7,627	3	(9,795)	673	25	463	-	(1,004)
Transfers to/ from assets held for sale	(75)	(75)	-	-	-	-	-	-	(150)
Disposals / derecognition	-	-	-	-	(24)	-	-	-	(24)
<b>Valuation/gross cost at 31 March 2018</b>	<b>16,666</b>	<b>231,080</b>	<b>1,478</b>	<b>13,115</b>	<b>45,183</b>	<b>743</b>	<b>29,959</b>	<b>82</b>	<b>338,306</b>
<b>Accumulated depreciation at 1 April 2017 - brought forward</b>	-	<b>982</b>	-	-	<b>35,488</b>	<b>134</b>	<b>20,309</b>	<b>71</b>	<b>56,984</b>
Provided during the year	-	<b>7,903</b>	<b>101</b>	-	<b>1,764</b>	<b>46</b>	<b>2,127</b>	<b>3</b>	<b>11,944</b>
Impairments	-	(403)	(81)	-	-	-	-	-	(484)
Reversals of impairments	-	(478)	-	-	-	-	-	-	(478)
Revaluations	-	(6,352)	(20)	-	-	-	-	-	(6,372)
Transfers to / from assets held for sale	-	(3)	-	-	-	-	-	-	(3)
Disposals / derecognition	-	-	-	-	(9)	-	-	-	(9)
<b>Accumulated depreciation at 31 March 2018</b>	-	<b>1,649</b>	-	-	<b>37,243</b>	<b>180</b>	<b>22,436</b>	<b>74</b>	<b>61,582</b>
<b>Net book value at 31 March 2018</b>	<b>16,666</b>	<b>229,431</b>	<b>1,478</b>	<b>13,115</b>	<b>7,940</b>	<b>563</b>	<b>7,523</b>	<b>8</b>	<b>276,724</b>
<b>Net book value at 1 April 2017</b>	<b>17,067</b>	<b>206,967</b>	<b>1,937</b>	<b>8,105</b>	<b>8,788</b>	<b>14</b>	<b>8,185</b>	<b>11</b>	<b>251,074</b>

**Note 14.2 Property, plant and equipment - 2016/17**

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Valuation / gross cost at 1 April 2016 - as previously stated</b>	<b>17,067</b>	<b>198,952</b>	<b>2,036</b>	<b>9,983</b>	<b>43,064</b>	<b>185</b>	<b>26,000</b>	<b>82</b>	<b>297,369</b>
Additions	-	2,277	40	10,060	695	-	1,041	-	14,113
Impairments	(302)	(4,640)	(139)	(14)	-	-	-	-	(5,095)
Reversals of impairments	-	72	-	-	-	-	-	-	72
Revaluations	153	2,882	-	-	-	-	-	-	3,035
Reclassifications	400	9,034	-	(11,924)	945	-	1,453	-	(92)
Disposals / derecognition	(251)	(628)	-	-	(428)	(37)	-	-	(1,344)
<b>Valuation/gross cost at 31 March 2017</b>	<b>17,067</b>	<b>207,949</b>	<b>1,937</b>	<b>8,105</b>	<b>44,276</b>	<b>148</b>	<b>28,494</b>	<b>82</b>	<b>308,058</b>
<b>Accumulated depreciation at 1 April 2016 - as previously stated</b>	-	<b>839</b>	-	-	<b>33,787</b>	<b>167</b>	<b>18,229</b>	<b>68</b>	<b>53,090</b>
Provided during the year	-	<b>7,223</b>	<b>105</b>	-	<b>2,089</b>	<b>4</b>	<b>2,080</b>	<b>3</b>	<b>11,504</b>
Impairments	-	(1,334)	(86)	-	-	-	-	-	(1,420)
Reversals of impairments	-	(444)	-	-	-	-	-	-	(444)
Revaluations	-	(5,294)	(19)	-	-	-	-	-	(5,313)
Disposals/ derecognition	-	(8)	-	-	(388)	(37)	-	-	(433)
<b>Accumulated depreciation at 31 March 2017</b>	-	<b>982</b>	-	-	<b>35,488</b>	<b>134</b>	<b>20,309</b>	<b>71</b>	<b>56,984</b>
<b>Net book value at 31 March 2017</b>	<b>17,067</b>	<b>206,967</b>	<b>1,937</b>	<b>8,105</b>	<b>8,788</b>	<b>14</b>	<b>8,185</b>	<b>11</b>	<b>251,074</b>
<b>Net book value at 1 April 2016</b>	<b>17,067</b>	<b>198,113</b>	<b>2,036</b>	<b>9,983</b>	<b>9,277</b>	<b>18</b>	<b>7,771</b>	<b>14</b>	<b>244,279</b>

**Note 14.3 Property, plant and equipment financing - 2017/18**

	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
<b>Net book value at 31 March 2018</b>									
Owned - purchased	16,666	224,985	1,478	13,115	6,791	34	7,523	8	<b>270,600</b>
Owned - donated	-	4,446	-	-	1,149	529	-	-	<b>6,124</b>
<b>NBV total at 31 March 2018</b>	<b>16,666</b>	<b>229,431</b>	<b>1,478</b>	<b>13,115</b>	<b>7,940</b>	<b>563</b>	<b>7,523</b>	<b>8</b>	<b>276,724</b>

**Note 14.4 Property, plant and equipment financing - 2016/17**

	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
<b>Net book value at 31 March 2017</b>									
Owned - purchased	17,067	203,029	1,937	8,105	7,546	14	8,185	11	<b>245,894</b>
Owned - donated	-	3,938	-	-	1,242	-	-	-	<b>5,180</b>
<b>NBV total at 31 March 2017</b>	<b>17,067</b>	<b>206,967</b>	<b>1,937</b>	<b>8,105</b>	<b>8,788</b>	<b>14</b>	<b>8,185</b>	<b>11</b>	<b>251,074</b>

### Note 15 Donations of property, plant and equipment

The Trust received £918k of donated assets in 2017/18, this consisted of a physical donation of a Mobile mammography unit with a value of £570k and cash donations to purchase medical equipment and fund minor capital schemes of £348k.

### Note 16 Revaluations of property, plant and equipment

In 2017/18 the Trust's Estate was revalued by a RICS registered surveyor via the District Valuers Office as of the 31 March 2018. The valuation was in line with the Trust's accounting policy note 1.6.2.

The total at 31 March 2018 included land valued at £2.5m open market value (31 March 2017 £2.5m) and dwellings at £1.5m (31 March 2017 £1.9m)

### Note 17 Investment Property

The Trust does not own properties for the purpose of investment.

### Note 18 Non-current assets held for sale and assets in disposal groups

	2017/18	2016/17
	£000	£000
<b>NBV of non-current assets for sale and assets in disposal groups at 1 April</b>	-	-
Assets classified as available for sale in the year	147	-
<b>NBV of non-current assets for sale and assets in disposal groups at 31 March</b>	<b>147</b>	<b>-</b>

Beck House is a semi-detached converted office building with large car park in the Falsgrave area of Scarborough on the entrance road to Sainsbury's super market. The property is arranged as offices over three floors and provides approximately (270 Sq.M) 2,900 sqft of floor area with a basement and a garage.

The property was declared surplus because: (a) the property needed extensive backlog maintenance when the Trust's capital finance was being prioritised towards projects that will improve facilities for clinical services, and (b) the staff group that occupied Beck House could be accommodated at another Trust property. The property was formally disposed of, via an open market transaction, at the start of April 2018.

### Note 19 Inventories

	2018	2017
	£000	£000
Drugs	2,084	1,784
Consumables	6,353	6,813
Energy	79	143
<b>Total inventories</b>	<b>8,516</b>	<b>8,740</b>
<b>of which:</b>		
Held at fair value less costs to sell	-	-

Inventories recognised in expenses for the year were £53,291k (2016/17: £51,416k). Write-down of inventories recognised as expenses for the year were £0k (2016/17: £0k).

**Note 20.1 Trade receivables and other receivables**

	<b>31 March 2018 £000</b>	<b>31 March 2017 £000</b>
<b>Current</b>		
Trade receivables	11,090	11,069
Accrued income	9,024	9,788
Provision for impaired receivables	(932)	(1,371)
Prepayments (non-PFI)	2,519	2,632
PDC dividend receivable	-	155
VAT receivable	404	-
Other receivables	1,119	1,430 *
<b>Total current trade and other receivables</b>	<b><u>23,224</u></b>	<b><u>23,703</u></b>

\*For comparison purposes non NHS trade receivables has been moved from Other receivables to Trade receivables in 2016-17.

**Non-current**

Trade receivables	1,493	1,073
Provision for impaired receivables	(224)	(161)
<b>Total non-current trade and other receivables</b>	<b><u>1,269</u></b>	<b><u>912</u></b>

**Of which receivables from NHS and DHSC group bodies:**

Current	12,783	14,400
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**Note 20.2 Provision for impairment of receivables**

	<b>2017/18 £000</b>	<b>2016/17 £000</b>
<b>At 1 April as previously stated</b>	<b>1,532</b>	<b>1,431</b>
Increase in provision	437	964
Amounts utilised	(715)	(703)
Unused amounts reversed	(98)	(160)
<b>At 31 March</b>	<b><u>1,156</u></b>	<b><u>1,532</u></b>

**Note 20.3 Credit quality of financial assets**

	<b>31 March 2018</b>	<b>31 March 2017</b>
<b>Ageing of impaired financial assets</b>	<b>Trade and other receivables £000</b>	<b>Trade and other receivables £000</b>
0 - 30 days	-	270
30-60 Days	-	127
60-90 days	65	163
90- 180 days	41	442
Over 180 days	4,066	3,611
<b>Total</b>	<b><u>4,172</u></b>	<b><u>4,613</u></b>
<b>Ageing of non-impaired financial assets past their due date</b>		
0 - 30 days	2,027	4,278
30-60 Days	1,193	749
60-90 days	432	459
90- 180 days	867	361
Over 180 days	801	736
<b>Total</b>	<b><u>5,320</u></b>	<b><u>6,583</u></b>

## Note 21 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.

	2017/18	2016/17
	£000	£000
<b>At 1 April</b>	<b>14,031</b>	<b>13,662</b>
Net change in year	2,775	369
<b>At 31 March</b>	<b>16,806</b>	<b>14,031</b>
<b>Broken down into:</b>		
Cash at commercial banks and in hand	114	66
Cash with the Government Banking Service	16,692	13,965
<b>Total cash and cash equivalents as in SoFP</b>	<b>16,806</b>	<b>14,031</b>

### Note 21.1 Third party assets held by the Trust

The Trust held cash and cash equivalents which relate to monies held by the the Trust on behalf of patients or other parties. This has been excluded from the cash and cash equivalents figure reported in the accounts.

	31 March	31 March
	2018	2017
	£000	£000
Bank balances	3	1
<b>Total third party assets</b>	<b>3</b>	<b>1</b>

### Note Finance leases

The Trust has no finance lease agreements

### Note 22.1 Provisions for liabilities and charges analysis

	Pensions - early departure costs £000
<b>At 1 April 2017</b>	<b>1,192</b>
Change in the discount rate	11
Arising during the year	96
Utilised during the year	(109)
Unwinding of discount	3
<b>At 31 March 2018</b>	<b>1,193</b>
<b>Expected timing of cash flows:</b>	
- not later than one year;	109
<b>Current Liabilities - Provisions</b>	<b>109</b>
- later than one year and not later than five years;	436
- later than five years.	648
<b>Non Current Liabilities - Provisions</b>	<b>1,084</b>
<b>Total Provisions - 2017/18</b>	<b>1,193</b>

### Note 22.2 Clinical negligence liabilities

At 31 March 2018, £183,844k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of York Teaching Hospital NHS Foundation Trust (31 March 2017: £142,704k).



## Note 26 Contingent assets and liabilities

There are no contingent liabilities identified for this financial year.

	<b>31 March 2018 £000</b>	<b>31 March 2017 £000</b>
<b>Net value of contingent assets</b>	6,000	-

Following the incorporation of York Teaching Hospital Facilities Management LLP (YTHFM LLP) on the 7 March 2018; York Teaching Hospital NHS Foundation Trust has recognised a contingent asset for probable income relating to a historic VAT reclaim. The assessed value of the VAT reclaim when submitted to HMRC is £6m and this amount is recognised as a contingent asset at 28 March 2018 in line with the letter of intent from YTHFT to YTHFM LLP at that date. The VAT reclaim is expected to be submitted within the 2018/19 financial year.

## Note 27 Contractual capital commitments

	<b>31 March 2018 £000</b>	<b>31 March 2017 £000</b>
Property, plant and equipment	11,782	1,311
<b>Total</b>	<b>11,782</b>	<b>1,311</b>

The increase in contractual commitments in 2017-18 compared to 2016-17 is due to the on going Endoscopy development.

## Note 28 Financial instruments

### Note 28.1 Financial risk management

IAS 32, 39 and IFRS 7 regarding Financial Instruments, require disclosure of the role that financial instruments have had during the period in creating or changing the risks an entity faces in undertaking its activities. Due to the continuing service provider relationship that the NHS Foundation Trust has with local Clinical Commissioning Groups (CCG) and the way those CCGs are financed, the NHS Foundation Trust is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of the listed companies to which IAS 32, 39 and IFRS 7 mainly apply.

#### Liquidity Risk

The NHS Foundation Trust's net operating costs are incurred under annual service agreements with local CCG, which are financed from resources voted annually by Parliament. York Teaching Hospital NHS Foundation Trust is not generally exposed to significant liquidity risks.

#### Interest Rate Risk

The NHS Foundation Trust's financial assets and financial liabilities carry nil or fixed rates of interest. Therefore, York Teaching Hospital NHS Foundation Trust is not exposed to significant interest-rate risk.

#### Credit Risk

The NHS Foundation Trust receives the majority of its income from CCGs and Statutory Bodies, the credit risk is therefore generally negligible.

#### Foreign Currency Risk

The NHS Foundation Trust carries out a minimal amount of foreign currency trading therefore the foreign currency risk is negligible

### Note 28.2 Carrying values of financial assets

	<b>Loans and receivables £000</b>	<b>Total book value £000</b>
<b>Assets as per SoFP as at 31 March 2018</b>		
Trade and other receivables excluding non financial assets	15,863	<b>15,863</b>
Cash and cash equivalents at bank and in hand	16,806	<b>16,806</b>
<b>Total at 31 March 2018</b>	<b><u>32,669</u></b>	<b><u>32,669</u></b>
	<b>Loans and receivables £000</b>	<b>Total book value £000</b>
<b>Assets as per SoFP as at 31 March 2017</b>		
Trade and other receivables excluding non financial assets	19,179	<b>19,179</b>
Cash and cash equivalents at bank and in hand	14,031	<b>14,031</b>
<b>Total at 31 March 2017</b>	<b><u>33,210</u></b>	<b><u>33,210</u></b>

### Note 28.3 Carrying value of financial liabilities

	Other financial liabilities £000	Total book value £000
<b>Liabilities as per SoFP as at 31 March 2018</b>		
Borrowings excluding finance leases	45,838	45,838
liabilities	36,773	36,773
<b>Total at 31 March 2018</b>	<b>82,611</b>	<b>82,611</b>

	Other financial liabilities £000	Total book value £000
<b>Liabilities as per SoFP as at 31 March 2017</b>		
Borrowings excluding finance leases	18,108	18,108
Trade and other payables excluding non financial liabilities	34,652	34,652
<b>Total at 31 March 2017</b>	<b>52,760</b>	<b>52,760</b>

### Note 28.4 Fair values of financial assets and liabilities

The NHS Foundation Trust has carried all financial assets and financial liabilities at fair value for the year 2017/18.

### Note 28.5 Maturity of financial liabilities

	2018 £000	2017 £000
In one year or less	39,321	36,606
In more than one year but not more than two years	3,391	2,450
In more than two years but not more than five years	34,274	7,349
In more than five years	5,625	6,355
<b>Total</b>	<b>82,611</b>	<b>52,760</b>

### Note 29 Losses and special payments

	2017/18		2016/17	
	number of Number	value of £000	number of Number	value of £000
<b>Losses</b>				
Cash losses	21	-	19	7
Bad debts and claims abandoned	189	92	114	59
Stores losses and damage to property	2	-	16	3
<b>Total losses</b>	<b>212</b>	<b>92</b>	<b>149</b>	<b>69</b>
<b>Special payments</b>				
Ex-gratia payments	79	134	88	73
<b>Total special payments</b>	<b>79</b>	<b>134</b>	<b>88</b>	<b>73</b>
<b>Total losses and special payments</b>	<b>291</b>	<b>226</b>	<b>237</b>	<b>142</b>
Compensation payments received				27

### Note 30 Gifts

The Trust has made no donations of gifts to any party during the year 2017/18

### **Note 31 Related parties**

York Teaching Hospital NHS Foundation Trust is a corporate body established by order of the Secretary of State for Health.

During the year none of the Board Members, members of the Council of Governors or members of the key management staff or parties related to them has undertaken any material transactions with York Teaching Hospital NHS Foundation Trust.

The Department of Health is regarded as a related party. During the year York Teaching Hospital NHS Foundation Trust has had a significant number of material transactions with the Department, and with other entities for which the Department is regarded as the parent Department.

In addition, the Trust has had a number of material transactions with other English government departments and other central and local government bodies. Most of these transactions have been in the course of the latter's business as government agencies.

For those entities where significant transactions have occurred during the year, details of income and expenditure and balances receivable and payable are listed below. Transactions are considered significant, if income or expenditure for the year exceeds £2.0m or the receivable or payable balance exceeds £0.5m.

The Trust has also received contributions of £199k towards revenue expenditure and £348k towards capital expenditure from the York Teaching Hospital Charity, the Corporate Trustee for which is the York Teaching Hospital NHS Foundation Trust. At the year-end there was a receivable balance in the Trust of £154k due from the York Teaching Hospital Charity.

### **Related Parties Transactions**

Department of Work & Pensions  
Harrogate & District NHS Foundation Trust  
Health Education England  
HM Revenue & Customs  
Hull & East Yorkshire NHS Trust  
Leeds Teaching Hospital NHS Trust  
NHS East Riding of Yorkshire CCG  
NHS England  
NHS Hambleton, Richmondshire and Whitby CCG  
NHS Harrogate and Rural District CCG  
NHS Pension Scheme  
NHS Resolution  
NHS Scarborough and Ryedale CCG  
NHS Vale of York CCG  
North Yorkshire County Council  
Sheffield Teaching Hospital NHS Foundation Trust

### **Note 32 Transfers by absorption**

There have been no transfers by absorption during 2017/18

### **Note 33 Prior period adjustments**

There are no prior period adjustments

### **Note 34 Events after the reporting date**

#### *Transfer of Functions - Scarborough & Ryedale Community Services*

Following a formal tender process by the commissioner, which the Trust made a decision not to participate in, the Scarborough & Ryedale Community Services contract and associated SLAs transferred to Humber NHS Foundation Trust on 1 May 2018. The transfer of this service, and associated staffing, will represent a machinery of government change and the intention will be to account for it as a transfer by absorption. The anticipated impact on the Trust will be a reduction in income of approximately £11.4m in full year terms (£10.4m for 18/19); the majority of this income loss will be matched by a reduction in expenditure, and the residual expenditure pressure has been addressed within the 2018/19 financial plan.

#### *Senior Management Appointment*

On 31 May 2018 Patrick Crowley Chief Executive will retire from the Trust. Michael Proctor has been appointed Accounting Officer by the Trust's Remuneration Committee from the 21 May 2018.



