

ANNUAL REPORT AND ACCOUNTS

2014/2015

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Chairman and Chief Executive's Introduction

There is no doubt that 2014/15 was an extremely challenging year for the Trust as we worked towards achieving our objectives and targets in an environment characterized by significant strategic change and increased activity which reached unprecedented levels over a difficult winter period. At the outset, we must commend all of our staff who have worked throughout in a compassionate, enthusiastic and dedicated manner to deliver good quality services to our patients. Despite challenging circumstances, the efforts of our staff have allowed us to further progress partnership developments, take opportunities to make service improvements and achieve good results in key clinical areas.

Working together in partnership with key stakeholders is a necessity in the current environment, and few organisations will be in a position to deliver sustainable services in isolation. The Trust has a strong track record of partnership working and during 2014/15 we progressed joint service developments with the University Hospital of South Manchester NHS Foundation Trust, Tameside Hospital NHS Foundation Trust and East Cheshire NHS Trust, our colleague organisations in the Southern Sector Partnership. There has also been much progress on work to develop a sustainable local health economy and the Trust has fully participated in the 'Stockport Together' programme in conjunction with Stockport Clinical Commissioning Group and Stockport Metropolitan Borough Council. In addition, we have contributed to wider plans for service reconfiguration through the Healthier Together review programme.

These developments are now taking place in the context of, and will be influenced by, plans for Devolution in the Greater Manchester conurbation, which was announced in February 2015. The detail of how Devolution arrangements will work in practice are not yet known and the detailed arrangements will be worked up during the transitional year of 2015/16. Clearly, the Trust will need to be fully engaged with stakeholders as plans are developed and is well placed to do so through the Chief Executive's membership of the GM Devolution Strategic Partnership Board as representative for the Chief Executives from acute service providers in Greater Manchester.

The strategic context underlines the importance of a transformational approach to service development, both in terms of enhancing the quality of care and ensuring financial efficiency. Following its launch in 2013/14, the Trust continued to undertake service transformation through a *Building a Sustainable Future (BaSF)* programme which is a Trust-wide programme with delivery of constituent schemes monitored through a dedicated Board-level Committee. In 2014/15 the BaSF programme contributed to successful delivery of the Trust's cost improvement target of £13.8m.

However, from a performance perspective, 2014/15 was ultimately a disappointing year as we failed to achieve the national performance targets for four-waiting in A&E, and latterly, the 62-day cancer wait target from GP referral and the 18-week referral to treatment target. Factors affecting performance are explained in the Directors' Report but clearly we need to increase our efforts to both achieve and sustain performance in these areas in 2015/16. Our failure to meet the A&E standards meant that we remained in significant breach of our provider licence and that the regime of monthly performance review meetings with the independent regulator, Monitor continued throughout 2014/15.

One of the conditions applied by Monitor required the Trust to commission an independent Governance review. The review was undertaken by Deloitte LLP who reported the

outcomes in May 2014. A series of recommendations were made to strengthen governance arrangements and the Trust's progress in addressing recommendations was subject to a follow-up review which resulted in a further report from Deloitte LLP in March 2015. The report was encouraging in that it showed that the Trust had made positive progress in addressing recommendations. This was a positive outcome and the Board remains committed to identifying and adopting best practice wherever possible to further strengthen governance arrangements. In terms of financial management, we achieved our financial plans and maintained a continuity of services risk rating of 3 under Monitor's risk assessment framework. This reflects our emphasis on robust financial management and scrutiny which is imperative in such a testing financial environment.

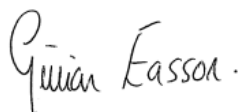
Throughout a challenging year our commitment to providing safe, good quality of care has never wavered and the question of 'what is in the best interests of patients' has been the first question asked in planning our response to challenging situations. It was extremely pleasing to note the positive outcomes of the Care Quality Commission (CQC) In-patient survey of our Emergency Department which showed that our efforts were acknowledged by patients. Pleasing also was the positive outcome from the CQC Intelligent Monitoring Tool report, which was published in December 2014, with the Trust ranked at Band 6. The monitoring tool incorporates 150 indicators, covering a range of information including patient experience and statistical measures of performance, with outcomes ranked in six bands where Band One is the worst and Band Six the best. The Trust was not subject to any inspection activity during 2014/15 and so we are yet to be assessed against the new Chief Inspector of Hospitals inspection regime. We anticipate that such an inspection will take place at some point during 2015/16. Details of our performance against quality indicators can be found in the Quality Report 2014/15 on page 89.

Composition of the Board has remained relatively stable during 2014/15 and this continuity has undoubtedly helped in addressing the various challenges faced by the Trust. However, our Director of Finance, Bill Gregory, left to take up a position with Lancashire Care NHS Foundation Trust on 31 January 2015 and we were pleased to appoint Kevin Howells as a capable Interim Director of Finance pending the arrival of a substantive replacement in August 2015. Our Council of Governors continues to play an important role in reflecting views of members and the public on the Trust's plans and our governors have made an excellent contribution through their work in the community, on Council committees and with our Board of Directors. Governors work on a completely voluntary basis and we greatly appreciate the commitment and the time that they give on behalf of their members.

A particular challenge for our staff, and indeed for everybody connected with the Trust, has been in continuing to deliver good quality services in the context of the trial of Victorino Chua, a staff nurse accused of murdering and poisoning patients with medical supplies at Stepping Hill Hospital in the summer of 2011, which commenced at Manchester Crown Court in January 2015. We recognise that the four month criminal trial followed an extremely difficult three and half years for the patients and their families, and our thoughts have been with them throughout this time. Our staff have shown tremendous professionalism since the incident, especially those directly impacted by the police investigation. We would both like to extend our gratitude for the professionalism of our staff in continuing to provide safe and compassionate care in such circumstances.

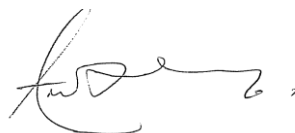
Our focus for 2015/16 and beyond is on building a sustainable future for delivery of our services to the public of Stockport and the High Peak. We will need to do this in the context of an operating environment characterized by increasing complexity and continuing pressure on available

resources. It will be difficult. However, we will approach these difficulties with a sense of shared purpose and optimism and an unflinching commitment to do our utmost for our patients. Finally, we would both like to thank our governors, volunteers, members and supporters for the difference they make to the life and work of our Trust. We would also like to thank the staff for their exceptional commitment and professionalism. It is their skill and dedication which allows us to provide the highest quality care to our patients.



Gillian Easson
Chairman

28 May 2015



Ann Barnes
Chief Executive

STRATEGIC REVIEW

Operating Review 2014/15

Detailed below are the headline achievements and challenges during 2014/15.

Targets and ratings

- The Trust was ranked at Band 6 against the Care Quality Commission (CQC) Intelligent Monitoring Tool in December 2014 and was one of just two trusts in Greater Manchester to be assessed at the highest banding.
- Despite real efforts and significant improvements made to unscheduled care throughout the year, the Trust failed to achieve the 95% four hour A&E target. Our performance was impacted by an unprecedented level of A&E presentations, a situation which affected performance both regionally and nationally.
- An AQUA Summary Hospital-Level Mortality Indicator (SHMI) report identified the Trust as the best hospital in Greater Manchester for low mortality. The report also showed reductions in mortality rates between weekend and weekday emergency admissions.
- Delivered 95.3% of Commissioning for Quality & Innovation (CQUIN) schemes in 2014/15.
- Our Patient-Led Assessment of the Care Environment (PLACE), which looks at patient privacy and dignity, food, cleanliness and general building maintenance, showed significant improvements in a number of domains. A £400k investment in new food trolleys to improve heat retention contributed to a 17% improvement in the Food domain.
- Uptake of flu vaccinations by staff continued to be positive with 67.6% of our front line staff receiving the vaccination in 2014/15. This compares well with the national average of 54.9%.
- Our annual staff survey results were excellent, with a high percentage of staff recommending our organisation as a place for treatment and to work

Business Development

- The Trust is involved in both local and regional strategic partnerships for health and social care. Within Stockport, a 'Stockport Together' programme to develop integrated services in the local health economy has been implemented in conjunction with our Clinical Commissioning Group and Local Authority partners.
- Building on Stockport Together, the Trust was selected as one of the initial 'Vanguard' sites in February 2015.
- Work has continued to develop our 'Building a Sustainable Future' (BaSF) portfolio and enhanced Programme Management Office arrangements have strengthened governance of the programme and supported the development of transformational plans for 2015/16.
- Work commenced on a new £17m Surgical and Medical Centre on the Stepping Hill Hospital site. The Centre will re-provide patient units and wards with 149 beds
- Stroke services were centralized to three hospitals in Greater Manchester; Stepping Hill, Salford and Bury to save 50 lives a year. As a hyper-acute specialist centre, our unit expands to treat more emergency cases
- The Trust invested circa £3m to complete a comprehensive refurbishment of the hospital kitchen to provide fit for purpose catering facilities for patients and staff.

- A new concept designed to inspire staff to learn, support and lead service improvement within the organization, The Ac@demy at Stockport was launched on 2 March 2015.
- The Trust opened a new pharmacy shop as a commercial undertaking in August 2014.

Patient improvements

- We introduced top of the range trolleys to keep our patients food piping hot on its way to the wards
- A MedEquip4Kids Shimmer Ball generated funds which were used to improve outdoor facilities at the Tree House children's unit which included development of a sensory garden.
- Fundraising by staff enabled the Trust to open a Dementia Café.

Awards and achievements

- In October 2014 the Trust received an award for Continence Promotion and Care ahead of six other teams in that category. The team, led by Advanced Nurse Practitioners Johanna Wilkinson and Nicky Pennington, received the award for their outstanding work in promoting the care of people who experience continence problems as a result of spinal cord injuries.
- Gill Clarke, lead gynaecology nurse, received the OBE from the Queen at Buckingham Palace for dedication and service to nursing.
- Two members of our Communities Business Group, Janet Robson, modern matron for dignity, and Jean Wood, healthcare assistant, won awards for healthcare community work in Tameside & Glossop.
- The Trust retained its UNICEF Level 3 Baby Friendly Accreditation – the top level in the country
- Two of our healthcare assistants won regional awards: Lynda Thompson, for career progression in the health and social care category (Health Education North West) and Bev Blakeman for Learner of the Year (Progress to Excellence)
- Our annual Pride of Trust awards ceremony celebrated excellence across the organisation
- Bill McKenna, a hospital volunteer for over 35 years, was awarded the BEM in the New Year Honours list
- The Trust was listed as a Top 100 UK Healthcare Employer in a joint Health Service Journal and NHS Employers survey
- Two members of staff were recognized as finalists in the NHS North West Leadership Recognition Awards: Joanne Conway, senior tissue viability nurse, in the Patient Champion of the Year category and Dr Shivakumar Krishnamoorthy, Associate Medical Director, in the Outstanding Collaborative Leadership category
- Our school nurse team at Heaton's special needs school and Rainforest children's ward were shortlisted for the University of Manchester Recognising Excellence in Practice awards in the child placement category
- The Bowel Care management team was shortlisted for a Nursing Times award in the continence promotion and care category
- Our Chairman, Gillian Easson, was elected to the NHS Providers Board for a three-year term
- Lisa Underhill, clinical coder, passed the Accredited Clinical Coding examination with one

of the top ten highest scores in the UK

- Our Communications Team was a finalist at the Healthcare Communications & Marketing Awards in the Best Engagement category for work with members.

Communications and publicity

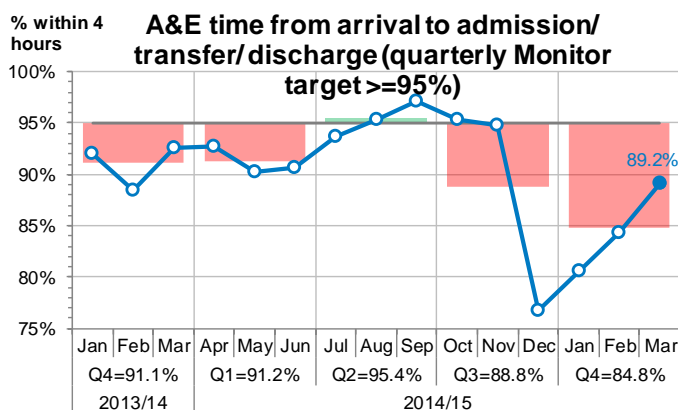
- Debs Sivori, one of our senior midwives, featured in a BBC3 documentary series titled 'Don't Drop the Baby'
- Louise Porritt, one of our cancer nurses, joined national health leads at the House of Commons to discuss future cancer care in the UK
- Our Stroke Unit hosted a wedding reception and this happy occasion was featured as 6Cs Live story of the month in May 2014

The summary above shows that much was achieved and that we experienced many successes during the past year. However, there is no escaping the fact that 2014/15 was an extremely challenging year and, arguably the most difficult year in the Trust's history as an NHS Foundation Trust. We commenced the year subject to regulatory scrutiny by Monitor due to continuing issues relating to sustainable delivery of the 4-hour emergency waiting time standard and concerns relating to the Trust's governance arrangements. We have worked hard throughout the year, not only to address regulatory concerns, but also to ensure that the quality of the service we provide to patients was maintained at our usual high levels. It is fair to say that, despite the undoubted effort from all of our staff, we were only partially successful in our endeavours.

Despite a reasonable start to the year, our performance against key health care targets has been variable.

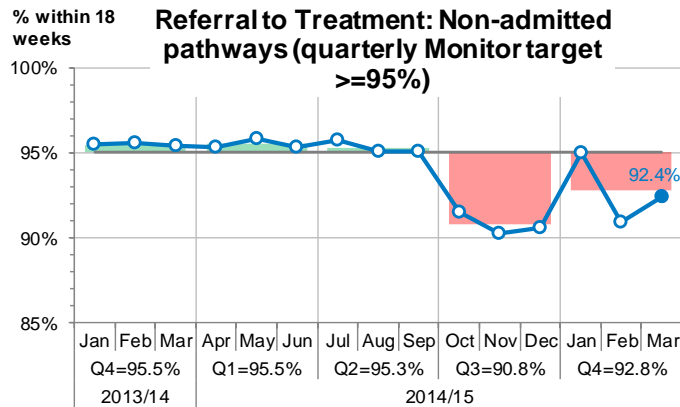
Accident & Emergency – 4-hour Waiting Time

Performance against the 4-hour standard during Quarter 1 was adversely affected by higher than normal attendance levels and we failed to attain the standard. We corrected this situation during Quarter 2, when the standard was delivered, and continued to perform strongly through to November 2014. At this time we began to experience winter pressures which were characterized by unprecedented levels of activity far in excess of the level for which we develop our winter plans. This was by no means a local phenomenon and was a situation experienced across the region and the country in general. These pressures continued throughout the winter months and were the prime contributory factor to our failure to achieve the standard in both Quarter 3 and Quarter 4.



18 Week Referral to Treatment

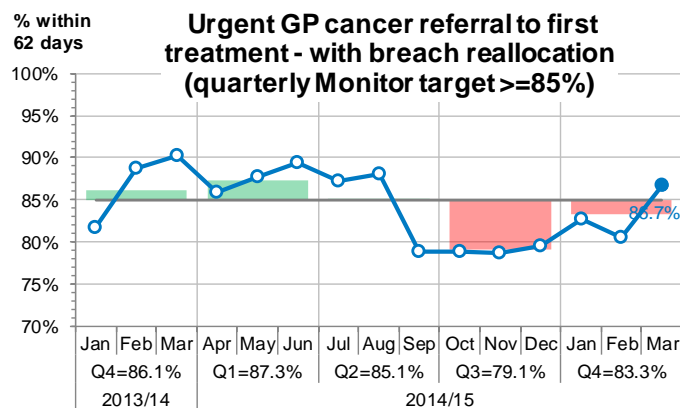
All three of the referral to treatment standards were delivered in both Quarter 1 and Quarter 2. The Trust implemented a managed failure of the standard during Quarter 3 in accordance with Department of Health guidance which was aimed at minimizing all 18-week backlogs. Regrettably, we were unable to recover the position during Quarter 4 as a result of pressures over the winter period which resulted in the cancellation of elective activity in order to maximize our emergency capacity. Initiatives to reduce backlog through the outsourcing of activity had a positive effect during Quarter 4 with a near return to compliance achieved by the year-end.



Cancer

Our performance against the 62 day standard was extremely encouraging during the first half of the year with the standard fully delivered in both Quarter 1 and Quarter 2. However, delivery of the standard became increasingly challenged during the second half of the year and failure in Quarter 3 resulted in a comprehensive review and redesign of our monitoring process which resulted in steady improvement during Quarter 4 and confidence that a return to compliance will be achieved in Quarter 1 2015/16.

Our performance against other Cancer standards has been strong with full compliance against the Two-Week standard throughout the year and a positive recovery against the same standard for Breast patients where we reversed a non-compliant position in Quarter 1 to full compliance over the remainder of the year. We expect this level of performance against these standards to continue in 2015/16.



Challenges to meeting national service standards in 2015/16

The Trust will continue to face challenges in consistently meeting the A&E 4 hour standard in 2015/16. There was a recognition in 2014/15 that resolving this situation on a sustainable basis necessitates fundamental changes to the way in which the local health economy operates, in order to improve patient flows through the hospital and beyond to social care settings. Consequently, we are working in partnership with both Stockport Clinical Commissioning Group and Stockport Metropolitan Borough Council to ensure that sustainable and resilient health and social care plans are not only in place but are operating effectively. Support for these initiatives is being provided by both Monitor and NHS England. Nonetheless, we anticipate that changes as a result of these initiatives will take time to positively affect the Trust's performance against the national standard. Consequently, the Board of Directors has declared a forward risk of non-compliance with the A&E 4-hour standard in 2015/16 as part of the Governance Declaration to Monitor.

Quality of Care & Patient Experience

The arrangements in place to govern service quality during 2014/15 are detailed in full in the Annual Quality Report on page 89. The Trust has used Monitor's Quality Governance Framework to guide developments in our governance arrangements during the past year which included an independent review of the arrangements which was conducted by Deloitte LLP. The review carried out by Deloitte was itself based on the domains of the Quality Governance Framework and more information on the outcomes of the review can be found on page 17.

Patient Experience is a key quality driver for the Trust and data is gathered from several sources including the Friends & Family Test, i-pad in-patient surveys, national in-patient surveys and complaints. Service improvements during 2014/15 following staff or patient surveys / comments and CQC reports were as follows:

- Expansion of the Friends & Family Test has seen the introduction of additional methods to allow data capture including postcards, SMS texting, landline voice recognition and online via the Trust's website. We have also worked to ensure that all patient groups have the opportunity to participate
- We have developed the ability to build patient surveys for data capture on i-pad technology. This allows us to undertake 'deep dive' reviews where more information regarding patient experience may be required e.g. for monitoring our Noise at Night standards
- We have worked to develop our ability to capture patient stories using a variety of mediums and have networked with colleagues in local trusts and Stockport Health Watch to develop capacity and capability to capture user and carer experience
- Red uniform tunics were introduced to improve visibility of the senior ward sister / charge nurse in acute wards following feedback from patients who had difficulty in identifying who was in charge of the ward
- Bedside televisions were installed in the Short Stay Older Peoples unit following a mock CQC assessment
- A number of reception staff completed customer care training following patient feedback
- Additional wheelchairs have been purchased for use across the Trust
- Patients' meal trollies were replaced as a result of feedback on the temperature of meals reaching the wards
- Support for patients at mealtimes continues to be a priority and we have continued to train volunteers to assist patients at mealtimes

- Environmental improvements have been made as a result of patient feedback including bathroom modernization on Wards D1/D2 to support privacy and dignity and provision of additional car parking spaces on the hospital site.

Improvements in information for patients, carers and visitors

A Carer's Information Point was opened in 2014 which offers information, advice and support for carers, staff and visitors. The office is staffed and supported by a number of organisations including Age UK, Alzheimer's Society, Stroke Association, Flag and Signpost for Carers.

We hosted a Deaf Awareness Event at the Trust in May 2014 and portable hearing loops are now available in a wide range of Trust locations in order to improve the experience of those patients with hearing difficulties. We also revised our patient leaflet 'Coming into Hospital' to include a reminder for patients to bring their hearing aids into hospital with them.

We installed two new telephone information points in the main Oak House reception and the Emergency Department which provide patients and relatives with the ability to access a number of services at the push of a button. The services include:

- Taxi service provider
- Traveline – for public transport information
- Transport for Greater Manchester
- Smokefree – a national helpline for free advice and support to stop smoking
- Healthy Stockport – providing support for people to make positive health and lifestyle changes
- NHS Dental Services – for urgent dental appointments or access to an NHS dentist in Stockport.

A stroke patient experience conference was held in May 2014 which was attended by 33 guests who were either stroke victims or their carers. The event, which was well received by all involved, was supported by Age UK, Signpost and the Stroke Association.

Information for patients and visitors was improved by the review and introduction of:

- New ward entrance information boards which provide a range of information on infection prevention, ward sister contact details and visiting times
- Internal ward 'Patient Safety & Experience' boards which display care measures including nursing care indicators, numbers of pressure ulcers and falls and patient feedback
- Following NICE guidance on nurse staffing in acute wards staffing numbers are now displayed in all ward areas for patients' visitors and staff. The information includes planned and actual numbers of registered and non-registered nurses on duty for each 24-hour period.

Arrangements for monitoring improvements in the quality of health care and progress towards meeting any national and local targets, incorporating CQC assessments and reviews and the NHS foundation trust's response to any recommendations made.

Monitoring of healthcare improvements at Stockport takes many forms, from steering groups or committees looking at a specific topic, to the reporting within business groups or to sub board committees on progress and any areas of concern. The key committees for this are the Quality Governance Committee and the Quality Assurance Committee. A monthly Quality report is submitted

to the Board as part of the Integrated Performance Report to highlight any areas where we are not achieving the target and the subsequent actions. A RAG rating table is produced to demonstrate progress against CQUINs and this is also included in the Quality report to the Board.

Many quality topics are corporate and in addition to the above committees will also be discussed at Heads of Nursing meetings and at Business group quality board meetings. This will include items such as Infection prevention for which we have made significant improvements and we continue to remain focused on these areas. Nursing care indicators enable each ward to see how they are performing; this data is downloaded for use by ward managers and is included in the Quality board report. The Trust has a Matron for Quality Improvement who is also the lead on monitoring CQC compliance, working closely with the Risk and Safety Assurance Manager and liaising with Ward managers and Heads of Nursing regarding requirements. Our current registration status is Registered, we have no conditions associated to us and have not had any enforcement action during 2014/15.

The Trust has a programme of audits which are undertaken not only to demonstrate assurance but to provide opportunity to deliver improved care for patients. Findings are shared with peers at planned Quarterly audit days and the process of the audit is captured on a Health Assure system. Audit continues to evolve as it is now recognised as a quality improvement tool by the Healthcare Quality Improvement Partnership and NHS England.

Progress towards targets as agreed with local commissioners, together with details of other key quality improvements.

The CQUIN programme for 2014/15 included some very challenging areas. Teams worked well to deliver the milestones each quarter and some significant improvements were delivered over the course of the year. We were successful in overall delivery of 95% of the national, Greater Manchester and local schemes. Details of performance against individual CQUIN schemes are included in the Annual Quality Report on page 89.

During 2014/15 the Board of Directors commenced participation in a regional Making Safety Visible programme which is being jointly facilitated by Haelo and the Health Foundation. The programme is based around three workshop sessions and culminates in a Making Safety Visible summit in October 2015. Board members joined colleagues from around 12 trusts from across the region to participate in the first workshop in February 2015 and further workshops are scheduled to be held in May and July 2015. The workshops promote an approach of learning from others and sharing best practice and enable local health economies to formulate joint plans based on the following framework:

- Past Harm: Has patient care been safe in the past?
- Reliability: Are our clinical systems and processes reliable?
- Sensitivity to Operations: Is care safe today?
- Anticipation and Preparedness: Will care be safe in the future?
- Integration and Learning: Are we responding and improving?

The content of the Making Safety Visible programme is consistent with the Trust's Quality Strategy and therefore Board participation will complement and support implementation of the strategy.

Any new or significantly revised services

No new services commenced during 2014/15. However, the scope of the Trust's role as a specialist stroke centre was expanded during Quarter 4 as part of developments across Greater Manchester to

improve access for stroke patients. The Trust commenced an expanded hyper acute stroke service on 24 March 2015 with extended consultant cover between 8.00am and 10.00pm, seven days a week. All stroke patients will now access one of the three Greater Manchester stroke centres in Stockport, Salford or Bury.

Complaints Handling 2014/15

The Trust received 775 formal complaints during 2014/15 compared to 712 in 2013/14 and 619 during 2012/13. The increase complaint levels is reflected nationally but may in part be due to changes in the way that the patient and Customers Services team capture complaints and improvements made to the information available to ensure that patients, their families and their carers know how and where to complain.

We are required to acknowledge all formal complaints within three days of receipt. Our performance in this respect during 2014/15 has been excellent with an acknowledgement being provided within three days on 96.2% of occasions. This was a significant improvement on the 2013/14 average of 75.5%. With regard to responses, we responded to 76.3% of complaints within the timescales advised to the complainant. Whilst this compares favourably with the average of 70.3% in 2013/14, we acknowledge that there is room for further improvement in this area.

The Patient and Customer Services Team has introduced changes during 2014/15 which aim to improve performance. Each new formal complaint is 'triaged' and allocated a specific response level with each level have a corresponding timescale for response. The timescales reflect the complexity of the required investigation. In addition, team members have been more proactive in visiting wards and departments in order to resolve issues informally and avoid escalation to the formal complaint process.

The Top 5 complaint themes during 2014/15 were as follows:

- Treatment = 150
- Communication = 90
- Appointment / Admission = 85
- Complaints about Staff = 84
- Nursing care on Wards = 50

The numbers, themes and trends of complaints are monitored on a monthly, quarterly and annual basis and are considered alongside mitigating action plans by the Quality Governance Committee. Three complaints referred to the Parliamentary and Health Service Ombudsman were upheld in 2014/15 and full action plans were completed following the Ombudsman's decisions.

Regulatory Ratings

The Trust is rated quarterly by Monitor, the NHS Foundation Trust regulator, on two aspects:

- Financial performance;
- Governance.

and given a risk rating for each of these, in accordance with the Risk Assessment Framework (RAF).

The tables below identify the Trust's performance against our planned risk rating performance in 2014/15, with 2013/14 also shown as a comparison. Further details of the criteria used to determine these risk ratings can be found in the Risk Assessment Framework, on Monitor's website

	Annual Plan 2014/15	Q1 2014/15	Q2 2014/15	Q3 2014/15	Q4 2014/15
Continuity of Service Risk Rating	3	3	3	4	4
Governance Rating	RED	RED	RED	RED	RED
	Annual Plan 2013/14	Q1 2013/14	Q2 2013/14	Q3 2013/14	Q4 2013/14
Continuity of Service Risk Rating <i>(under the Compliance Framework)</i>				4	4
Financial Risk Rating <i>(under the Risk Assessment Framework)</i>	2	2	3		
Governance Rating	RED	RED	RED	RED	RED

On the 24 April 2013 the Trust signed Enforcement Undertakings with Monitor in relation to the Trust's breaches of the A&E 4 hour target and potential weaknesses in Governance processes. Monitor's concerns were such that this was superseded on 4 August 2014 by imposition of an additional licence condition under section 111 of the Health and Social Care Act 2012 (a copy of which is available on Monitor's website).

The licence condition stipulated additional governance requirements relating to functioning of the Board and its committees, the need to address concerns arising from the independent governance review completed by Deloitte LLP in May 2014 and actions necessary to ensure compliance with the A&E 4-hour waiting time standard. As noted earlier in the statement, much has been done during 2014/15 to address identified weaknesses in governance arrangements and the outcomes of the follow-up review reported by Deloitte LLP in March 2015 provide independent assurance that necessary actions have been taken. The Board of Directors will subject the revised arrangements to regular review to ensure they remain effective.

Sustainable delivery of the A&E 4-hour waiting time standard has continued to be a major challenge despite the considerable efforts made by the Trust to achieve this target. This, together with assurance on governance arrangements, will continue to be a feature of the Trust's monthly progress review meetings with Monitor. Our aim in 2015/16 is to take the necessary actions to provide Monitor with assurance that the Trust is returning to full and sustainable compliance with the terms of its licence.

Independent Governance Review

A requirement of the regulatory action taken by Monitor was completion of an independent review of governance arrangements. The Trust commissioned Deloitte LLP to carry out the review which was based on the four domains of:

- Strategy and Planning;
- Capability and Culture;
- Process and Structure; and
- Measurement

The review, which included Board and Committee observation, a desktop review of key documentation, a survey and interviews with Board members, review of the Trust's self-assessment against the Quality Governance Framework, Governor and service user focus groups and meeting with stakeholders, commenced in February 2014 and resulted in a report to the Board of Directors on 12 May 2014.

The report concluded that there were areas for improvement in each of the above domains with an emphasis on Board and Committee structures, risk management and strategic planning. A total of 28 recommendations were made and the Trust developed an action plan, led by the Chief Executive, to address these areas. Key changes resulting from the action plan were a re-alignment of the Board programme, to provide more time for consideration of strategic matters, and a fundamental review of Board Committee arrangements. The revised Committee arrangements are designed to ensure that the Committees work to generate appropriate assurance for the Board and that the agendas for Board meetings are focused at an appropriate level. Four Board-level Committees were established in July 2014 and these were:

- Quality Assurance Committee
- Finance, Strategy & Investment Committee
- Building a Sustainable Future Committee
- Workforce & Organisational Development Committee

These Non-Executive led Committees developed their practice over the remainder of the year and are now firmly embedded in the Trust's governance arrangements and present Key Issues Reports to the Board of Directors following each meeting.

A follow-up review to measure progress against the initial recommendations was conducted by Deloitte LLP during the period November 2014 - February 2015 with a final report produced on 6 March 2015. The report concluded that "*Overall, the Trust is making positive progress and it has been evident throughout our review that significant focus and effort has been made to address the recommendations outlined in our previous report dated 12 May 2014*". The report highlighted specific examples of areas where positive progress had been made by the Trust which included; Strategic focus, Committee structure and Business Group processes, and noted that the majority of recommendations had been enacted by the Board in line with agreed timeframes.

Whilst the Board was pleased with the outcomes of the follow-up review, we are mindful of the need to both further embed the changes that have been made and react effectively to changes in the governance environment. A further seven recommendations to further strengthen our arrangements were made during the follow-up review and the Board agreed an action plan to address these areas at its meeting on 26 March 2015. Deloitte LLP also conducted a briefing session for our Governors on 20 March 2015 to provide an overview of their findings during the follow-up review. Monitor were provided with a copy of the report from the follow-up review and we anticipate that the outcomes will be taken into account when an assessment is made on the Trust's additional licence condition.

Financial Review

The Trust ended 2014/15 with a surplus of £3.694m. However this was after the impact of the Trust-wide building and land revaluation, which resulted in a £3.826m impairment benefit. The underlying revenue position was a deficit of £0.132m, £4.8m ahead of plan.

Monitor, the Foundation Trust regulator, measures whether the financial position of a Trust could put the Continuity of Services at risk. The Continuity of Service Risk Rating (CoSRR) is scored from 1 to 4, and the Trust's 2014/15 financial position delivered a 4.

The accounts present the consolidated Trust financial position as the group, which includes the Charitable Funds and the Trust's wholly owned subsidiary, Stepping Hill Healthcare Enterprises Ltd which provides the Pharmacy Shop. Further detail is given about both of these later in the report. The accounts also present the Trust position excluding both consolidations, and the following section of this report covers only the Trust position.

Our 2014/15 financial position includes the delivery of £13.5m of savings, known as our Cost Reduction Programme (CRP). Whilst we met our target, some of the savings were made non-recurrently, and therefore this does make the 2015/16 financial position more challenging. All cost reduction schemes were assessed for the impact they might have on the quality and safety of the services we provide, to ensure that there were no adverse impacts and that costs were reduced safely. The Trust has also continued to periodically run Mutually Agreed Resignation Schemes (MARS) and a number of staff left the organization under such schemes during 2014/15.

2015/16 will be even more financially challenging than 2014/15.

Despite the difficult financial climate the Trust has continued to invest to improve services for patients, both in terms of improving the quality and safety of our services and also investments in buildings and equipment. In 2014/15, we opened a new state-of-the-art kitchen costing £3.8m, and commenced building a new £17.25m theatre and ward complex known as the Surgical & Medical Centre.

The table below details our performance against the key financial performance indicators:

	2014/15 Plan	2014/15 Actual	2014/15 Variance	Result
<i>Financial Metrics (CoSRR)</i>				
Capital Service Cover (times)	1.42	2.25	0.83	✓
Liquidity (days)	19.8	28.3	8.51	✓
Continuity of Services Risk rating	3	4	1	
<i>Key Financial Metrics</i>				
EBITDA Achieved (%)	100%	161%	61%	✓
EBITDA Margin (%)	2.5%	4.0%	1.5%	✓
I&E Surplus Margin (%)	-1.7%	1.4%	3.1%	✓

Going Concern

The Trust is required to assess its ability to continue as a going concern over the next 12 months, and into the future, as part of preparing the Annual Accounts and as required by International Accounting Standard 1 (IAS 1). This is done by considering the information available about the future prospects of the Trust as at 31 March 2015, including the Trust’s assessment of the future cost reduction and productivity improvements required to enable it to manage through the very difficult economic climate facing it in the foreseeable future. The Financial and Governance risks assessed by Monitor are also examined as well as additional operational risks such as potential loss of key personnel.

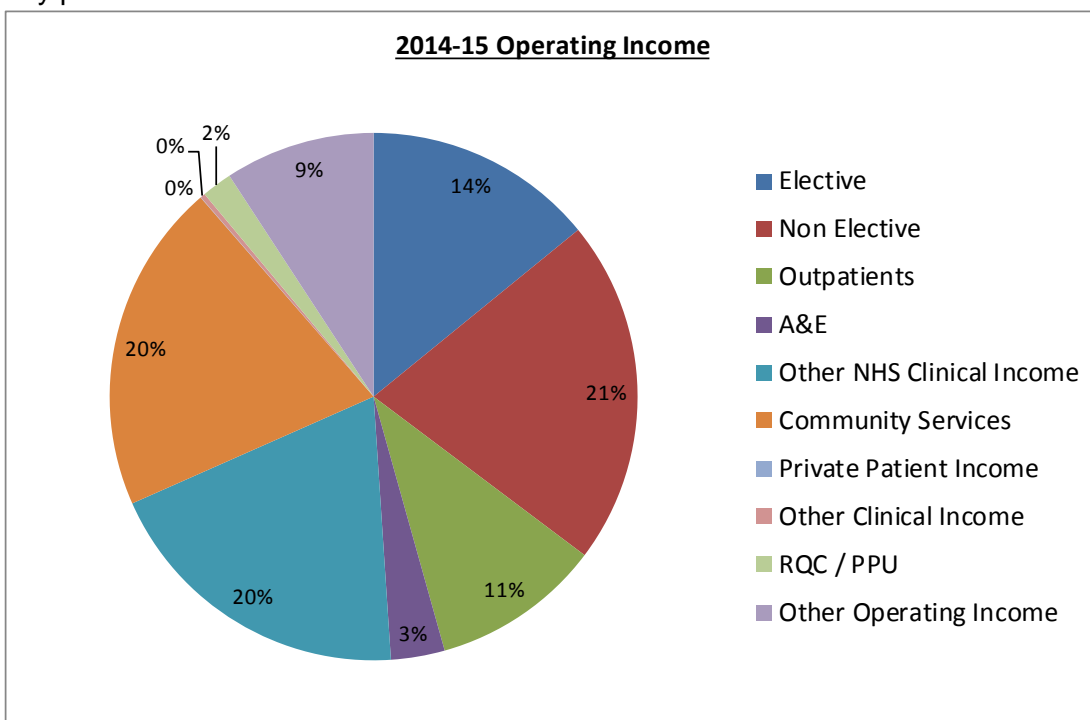
A detailed report covering all the risks and opinion drawn from this analysis was presented to and discussed at the Audit Committee on 19 May 2015, alongside the Annual Accounts. The report concluded that whilst 2015/16 will be even more challenging than 2014/15 and despite considerable risks due to the size and deliverability of the required savings, that due to its cash and working capital position, the Trust believes it is a going concern, and has taken steps to ensure this remains the case for at least the next 12 months. 2016/17 is expected to be even more challenging, and the Trust will continue to review its position. The anticipated continuation of the provision of Trust services in the future, as evidenced by inclusion of financial provision for those services in published documents, is also evidence that the Trust considers it is a going concern.

After making enquiries, the Directors have a reasonable expectation that Stockport NHS Foundation Trust has adequate resources to continue its operations on an on-going basis for the foreseeable future. For this reason, the Directors continue to adopt the going concern basis in preparing the accounts.

Income and Expenditure

A surplus of £3.694m was reported at the end of 2014/15, however, after the technical non-cash adjustment of £3.826m, the underlying position was a deficit of £0.132m.

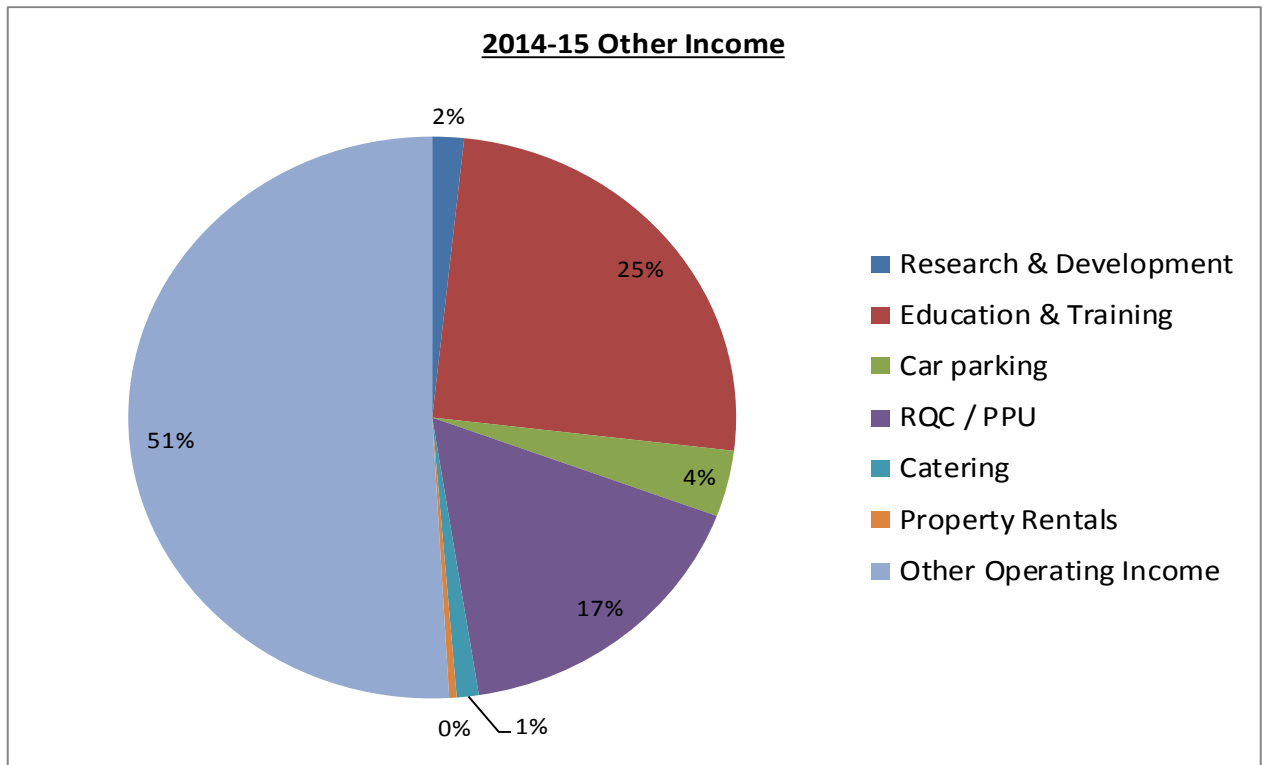
In 2014/15 our overall income was £302.2m (£293.8m in 2013/14). The Trust did not receive any political donations in 2014/15. Source of income is shown below:



Actual income was above planned levels during 2014/15 due to two main factors which were the increased activity in emergency attendances through A&E and the national directive to reduce referral to treatment waiting times for Elective procedures. The over- performance was marginally off set by the reduction in births at Stepping Hill and the reduction in road traffic accident income which has reduced nationally.

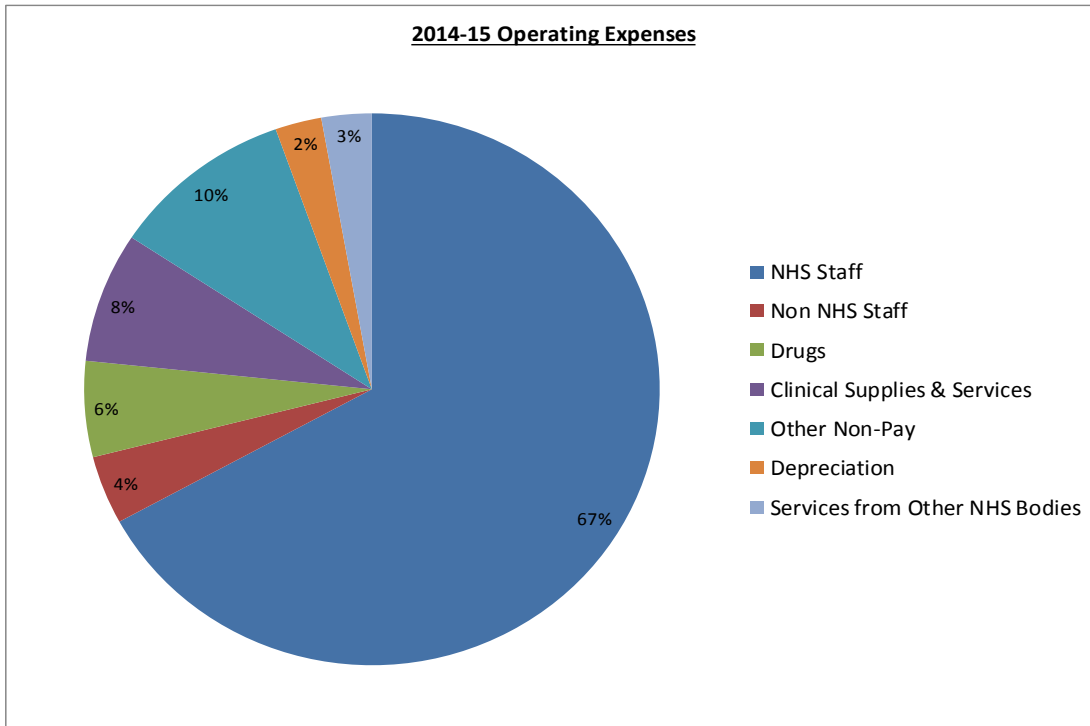
The Trust confirms that income from the provision of goods and services for the purposes of the health service in England was greater than its income from the provision of goods and services for any other purpose.

The Trust's breakdown of Other Income is shown below. Most of the income has a direct offsetting expenditure relating to the same subject as the income.

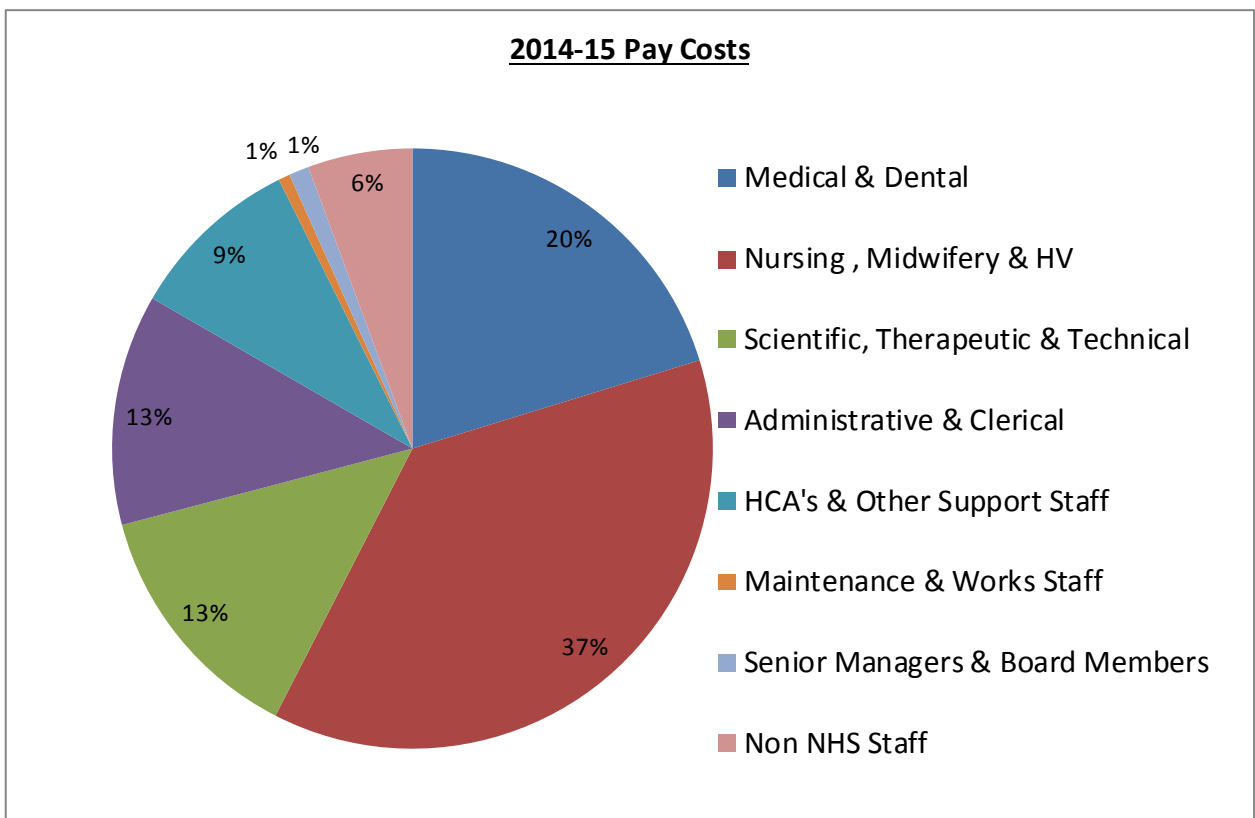


Operating expenditure was £299.2m (£288.8m in 2013/14), the increase in-year being due to the costs of supporting additional activity throughout the hospital in order to meet emergency demand and elective activity predominantly by employing additional clinical staffing. The cost of this has often been at premium rates in order to deal with unprecedented surges in demand and the Trust has also needed to use other providers to help them at time during the year.

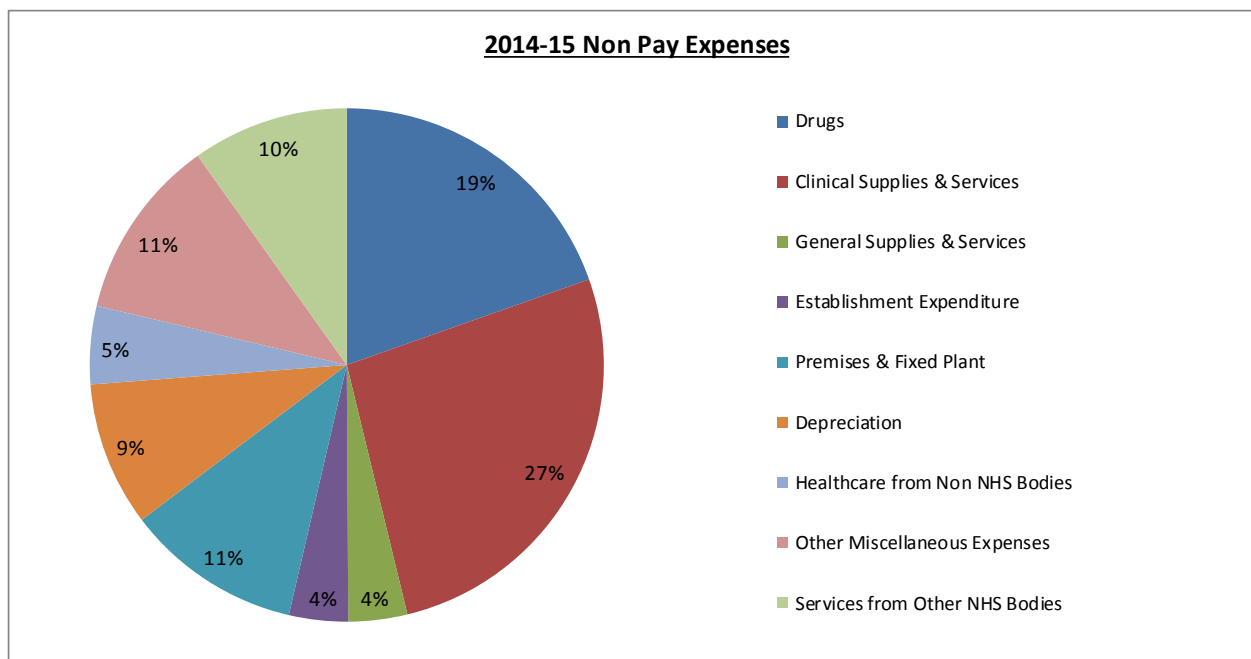
The Trust's costs are split over the following areas:



Pay is 72% of our operating expenses, and our pay spend is split over the following categories:



Completing the picture, we spend our non-pay on the following:



Balance Sheet

In 2014/15 we spent £ 9.9m (£9.4m in 2013/14) on our capital programme. This included £2.5m on the completion of a new Catering facility and £3.6m on the new Surgical and Medical Centre which is not due to open until 2016/17.

We also invested £1.3m in improving and updating our IT infrastructure and software programs including the further roll out of the Patienttrack software to more wards across the Hospital. £1.1m was spent on replacing and purchasing new items of medical equipment and a further £0.8m on refurbishment and renewal projects.

The regulations around the calculation of the Public Dividend Capital and current commercial interest rates mean that it is more beneficial for the Trust to keep bank balances in the government bank account. Therefore we only earned £0.1m interest during 2014/15, which is similar to that earned in 2013/14. Our year-end cash balance was £44.6m, which represents 28 days liquidity. This is a decrease from our opening cash position of £46.5m.

Charitable Funds

The Board acts as Corporate Trustee in respect of its charitable funds. Our primary statements in our Accounts show the Consolidated or group position, including the Charitable Funds and the unconsolidated Trust position. Copies of the separate Annual Report and Accounts for these charitable funds (Registered Charity Number 1048661) are available on request from the Director of Finance, or from the Charities Commission website www.charity-commission.gov.uk.

The Charitable Funds Committee oversees the management of the Charitable Funds, and their policy remains one of annual spending in line with the continuing levels of bequests and donations received in the year. This accords with the aims and objectives approved by the Charities Commission, for NHS charities in general.

In 2014/15, incoming resources for Charitable Funds was £1.3m and total resources expended

£0.2m. The Charity received notification of a very generous legacy of just over £1m, to be spent on medical equipment. Donations received via the Charity's Just Giving website totalled £26k, which is more than double the amount received in 2013/14. The charitable funds spent £66k on capital equipment including £17k on a transport incubator for the neonatal unit and £46k on a sensory garden for the Treehouse children's unit. Additionally, the funds purchased £13k of neonatal equipment, £5k on a dialysis couch for the Laurel Suite and £20k on training a new ultrasound technician in Radiology. Charitable funds were also used to improve patient welfare at a cost of £68k and £10k was spent on staff welfare to support staff in their duties.

Financial Outlook

The last few years have been challenging financially - the Trust has commenced the last two financial years with planned deficits and significant CRP targets to meet. In 2014/15 a surplus was delivered due to the revaluation, however there was an underlying deficit of £0.1m. Whilst we delivered £13.5m CRP and exceeded our target, a significant proportion was non-recurrent and therefore this makes the 2015/16 challenge more difficult.

2015/16's financial challenge is larger than 2014/15's. We have a £24.9m financial deficit, and have identified areas totaling £11.8m of savings to contribute towards resolving this. Therefore we have a £13.1m deficit for 2015/16, after this £11.8m savings challenge. Our cash position has historically been healthy, but we have continued to invest in significant capital schemes to improve patient care, despite reducing cash balances due to operational pressures, and our cash balance will come under increasing pressure during 2015/16.

Although all political parties made commitments for additional NHS funding during the General Election campaign, 2016/17 looks to be an even more challenging year. In response to these extremely challenging financial targets, the Trust has launched the "Building a Sustainable Future" (BSF) transformation programme to drive these savings safely from our cost base.

The financial plans still include investing c.£1.1m in nurse staffing to increase the numbers of staff on our wards. It also includes implementing some exciting developments such as Electronic Patient Record (EPR) which will improve patient care by reducing the amount of time staff spend on administration. By the end of 2015/16 our new £17.25m Surgical & Medical Centre (formerly known as D-block) will also almost be complete.

The Trust's financial plans for the next three years focus on securing quality and sustainability. However, our plans only include proposals for new developments or investments where there are distinct funding streams, where they enable further efficiency schemes or there are direct links to safety and quality of patient care.

We believe that the only way for the longer term financial challenge to be met will be through closer working with our partners in the wider Stockport health economy in an initiative known as Stockport Together, and through transformational change and collaboration across the Southern Sector and wider health economies.

Capital

We are planning to spend £18.2m on capital in 2015/16, compared to £11.9m in 2014/15. The key investments planned for the coming year include:

- Surgical & Medical Centre
- Electronic Patient Record
- Medical Equipment including:

- CT Scanner
- 3 Gastrosopes
- 2 Ultrasound machines
- Endoscopic CO2 regulator

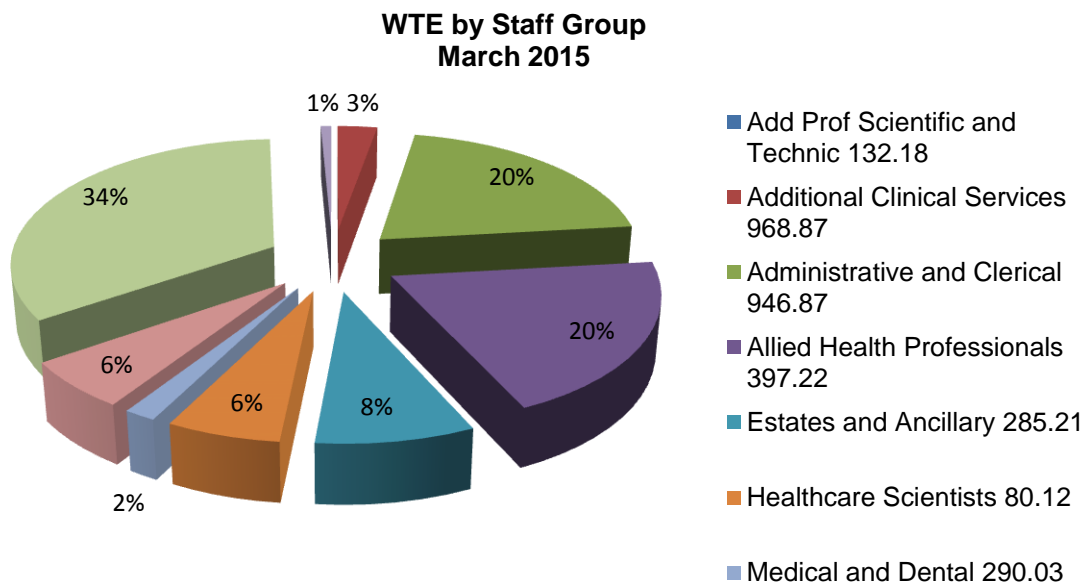
Our Workforce

The Trust recognises the valuable contribution of its workforce who provide a range of clinical and non-clinical services across hospital and community sites as well as in patient’s homes. In September 2014, the Trust was listed in the Health Service Journal Top 100 Employers. Organisations were ranked on the basis of analysis of NHS staff survey findings across seven core areas of; leadership and planning, corporate culture and communications, role satisfaction, work environment, relationship with supervisor, training and development and employee engagement and satisfaction.

We were very proud of this achievement. However, we recognize that engaging with our workforce and ensuring that they feel valued is an on-going dialogue and one to which we are fully committed. In support of this dialogue we have developed a Health & Wellbeing Strategy to support our staff with their work-life balance and resilience. The wellbeing programme is complemented by a developing coaching culture which helps us to continue to respond to key themes identified in the Francis Report such as; increasing openness, transparency and candour across the Trust, providing strong leadership in nursing and other professions and creating a level playing field for accountability.

Services are delivered by our committed workforce of 4741.5 whole time equivalent (WTE) staff (headcount 5,730). The breakdown of all Trust staff, as at 31 March 2015, is shown below:

Supporting our staff to maintain their own health and wellbeing is a priority area for us and we know that a healthy and engaged workforce delivers better outcomes for patients. That’s why we have worked with NHS Employers and a team of Trust staff, to review what we have done to date and our work plan for the future. This work will be progressed during 2014/15 and will include the development of a comprehensive Health and Wellbeing Strategy that will build on the work undertaken to date and prioritise areas for action.



Profile:

The breakdown by gender of our 5,730 staff is as follows:

- 83% female; and 17% male

A more detailed breakdown is provided in the table below:

Gender Headcount	Male	Female
Directors	10	5
Other Senior Managers	8	12
Other Employees	950	4,745

Workforce Health and Wellbeing

We are fully committed to the Health and Wellbeing of our staff. We believe that the way to provide the best experience for our patients is to provide the best experience for our staff. We know that **Healthy Staff = Better outcomes for our patients.**

As a NHS Trust, health and wellbeing applies as much to our employees as it does to our patients, their carers and families and our local population. We want to do as much as we can to support our staff to enable them to be at their best, be energised, be motivated and committed to their work and to reach their full potential.

Our 'Workforce Health & Wellbeing Strategy' brings together multiple strands with the aim of improving the health and wellbeing of staff. These key themes are aimed at:

- Engaging all staff to identify, develop and improve their health and wellbeing, including; physical activity, smoking cessation, alcohol consumption, weight management and mental health;
- Encouraging staff to better recognise their physical and emotional needs and to feel more resilient, committed and able to contribute to the development of the Trust;
- Improving the Health and Wellbeing of staff by promoting the benefits of a healthy and supportive working environment;
- Recognising the importance of wellbeing and ensuring assistance is provided to help staff to remain and return to work;
- Ensuring that the Organisational Development agenda and people management plans are totally aligned to support managers to lead, and staff to "self-lead" to remain, healthy, motivated and able to do their jobs

We have demonstrated our commitment to supporting our staff through methods such as the availability of dedicated staff counselling support services, Occupational Health services and access to staff fast-track physiotherapy, plus a number of other initiatives including:

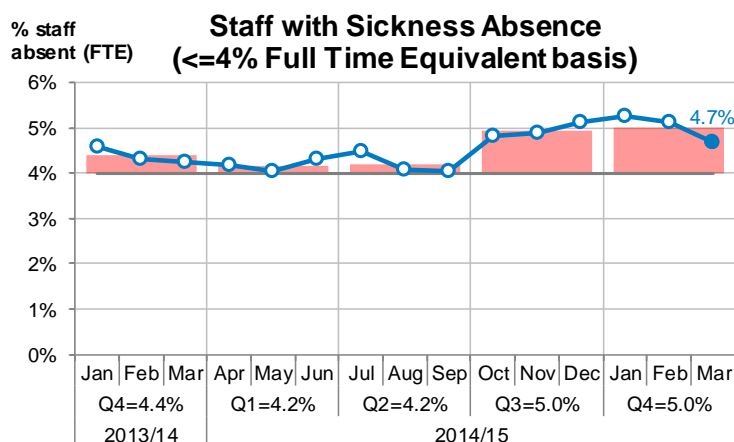
- Programme of health and wellbeing campaigns
- Spiritual and pastoral care
- Preventive interventions e.g. stress risk assessments and facilitated team working
- Coaching and guidance for managers
- Training and communication about workplace stress
- Staff benefits and incentives

We have an Occupational Health Service, designed to maximise the physical, psychological and social health of all staff and supporting managers by undertaking health interventions and providing advice on medical issues. In addition to core services of new employee health assessments, management referrals and immunization / vaccination programmes, other services offered to staff include fast track physiotherapy, counselling, and lifestyle health advice.

A range of health promotion support services are provided for staff including smoking cessation and raising awareness to prevent workplace incidents, such as sharps injuries. Vaccinating health care staff against potential workplace infections will protect staff from infection and mitigate the risk of transfer to patients. The OH services leads on the delivery of the staff flu vaccination each autumn with the assistance of many link nurses and achieved an uptake of 68% in 2014/15, which compares with the national average of 55% and the Greater Manchester average of 61%.

The service is active in providing comprehensive Occupational Health care for the employees of the Trust but also in offering specialist services to other employers in Stockport and further afield. For example, we work with NHS partners in occupational health to provide a comprehensive region-wide service to North West Ambulance Service NHS Trust. Our service was successful in retaining accreditation of the national quality assurance scheme called SEQOHS (safe, effective, quality OH Service) allowing it to continue to bid for new OH work in the region and wider afield. The Trust continues to explore potential service reconfiguration of OH services with local Trusts to maintain and enhance the services provided for NHS staff.

The chart below details our sickness absence performance during 2014/15 and clearly shows how absence levels were impacted over the winter period. Progress towards our internal target of 4% absence will continue to be a key objective for the Trust during 2015/16.



We will take a variety of approaches to reduce absence rates and during Quarter 4 of 2014/15 we introduced ‘absence challenge’ meetings with Business Group managers to better understand and manage any factors that may be affecting absence levels. We will also

emphasise individual and team responsibility and an initiative which will assist with this was our successful bid to undertake the NHS North West Leadership Academy 'Perform @ your Peak' in-house programme, which is designed to promote resilience, engagement, health and wellbeing. This exciting and innovative intervention, which will commence in 2015/16, supports the promotion of an organisational culture that fosters individual and team responsibility for health and well-being and how this relates to 'peak performance'.

Working in Partnership

The Trust recognises the importance of working in partnership with staff side colleagues and well established consultation and negotiation mechanisms are in place. Meetings are attended by Executive Directors, senior managers and staff side representatives. We continue to work in partnership with staff side colleagues to review and update and during 2014/15 we revised our consultation approach to ensure full engagement with union partners at the earliest opportunity during periods of organizational change. In 2015/16 we plan to further develop our approach to partnership working through implementation of a partnership agreement.

Staff Engagement - Team Brief and Start the Year

The Trust has a comprehensive cascade communication system which is initiated through a monthly Team Brief by the Chief Executive. Key messages are shared with all staff across the organisation. It is designed to ensure that all staff are aware of the very latest developments and are kept abreast of the Trust's performance across all areas including any financial issues. Staff are encouraged to feed information back up the organisation using the normal management channels.

At the start of each year a formal presentation is delivered, again by a cascade system, to all staff. This sets out key achievements and milestones over the previous year, recognising good practice together with any learning opportunities. It also includes priorities for the forthcoming year. The programme is launched via a series of presentations led by the Chief Executive, supported by other Executive Directors and the Chairman. These are followed up with local presentations within Business Groups to ensure as many staff as possible are included.

Equality and Diversity

Throughout the year we have continued to make sure that equality and diversity is part of our day-to-day work in everything that we do through implementation of the Trust's Equality and Diversity Strategy. The current equality and diversity objectives within the strategy are:

- Develop, support and embed Human Rights, Equality and Diversity into all aspects of our business.
- Promote a culture of inclusion throughout by ensuring that all patients access services appropriate to their needs regardless of protected characteristic(s).
- Ensure that we attain full equalities legal compliance beyond the baseline in reference to all of the equality strands in line with the Equality Act 2010 and progress towards achieving "Excelling" in the Equality Delivery System (EDS) annual audit.
- Enable us to fulfil our wider role in the community.

Equality Delivery System

The Equality Delivery System (EDS) is an NHS toolkit designed to support NHS organisations to improve their equality and diversity outcomes. EDS has four goals within which are 18 outcomes. The goals and outcome relate to:

- Better health outcomes for all
- Improved patient access and experience
- Improved, engaged and well supported staff
- Inclusive leadership at all levels.

EDS2 was launched in 2014 retaining much of the original design, but it encourages local adaptation with a focus on addressing issues and problems locally. The approach of EDS2 has allowed us to concentrate on specific goals and protected characteristics. It is our intention to focus on Goals One and Two (Better Health Outcomes for All and Improved Patient Access & Experience) in the year 2015-16 with specific reference to patients with disabilities.

Equality Impact Assessments

All new or revised policies are subject to a rigorous equality impact assessment which helps to ensure that our policies support the advancements of equality and do not have any negative effects upon any particular groups. Completion of the assessments also helps us to ensure that we comply with our duties under the Equality Act 2010. Our new business planning template has been updated to include a section around equality and diversity considerations.

Raising the profile of Equality, Diversity and Human Rights

The Trust undertakes its duty as a public body to promote diversity through organisation of a number of events across the year. In 2014/15 we held a Cultural Awareness event, led by our Black and Minority Staff Network and a Deaf Health event run in conjunction with Stockport Clinical Commissioning Group. We also ran a Raising Aspirations event for 5-16 year olds. This gave our staff the opportunity to work with two local youth groups; one of which was children from Walthew House (age 5 to 13) who are hard of hearing, deaf, visually impaired or blind. The second, a youth group from My Community UK (age 7-13) where the children were mostly from a Muslim background. In addition the Trust held a very successful Safeguarding Conference addressing topics of child sexual exploitation, forced marriage and honour based violence.

In 2014/15 the Trust won a Stockport Young Stars award in the category of 'Working with Young People' in the annual awards presented by Stockport Metropolitan Borough Council. We were recognised for our volunteering opportunities, career events, cadetships and apprenticeship scheme, which allow young people to undertake training whilst working in both the hospital and the community health settings. A new Carers Information Point was opened in 2014 at Stepping Hill Hospital. The new Carers Information Point inside the hospital entrance unites local groups in providing access to a range of services for Carers. There are approximately 32,000 carers across Stockport, each providing an average 18 hours of unpaid care and support each week.

A new wall at Stepping Hill Hospital showing 'real life thank you messages' from patients to staff is now in place, giving visitors an idea of the many messages of gratitude which staff receive every single day. As well as individual messages from patients the wall includes a colourful art

display of the word 'thank you' in some of the many languages used in the Stockport, Tameside and South Manchester areas, including Farsi, Polish, Mandarin, Bengali, Somali and many more. The wall does not just contain written languages – but Braille messages from blind patients as well. The Braille element was included as a mark of our commitment to support patients with visual impairments.

Equality and Diversity Training

An interactive equality and diversity session is now delivered on the corporate welcome and as part of our Essentials Training. Feedback from attendees has been very positive and resulted in a greater understanding around unconscious bias, fair access to services and employment, communication barriers, health inequalities and chaplaincy services. We also have a mandatory equality and diversity e-learning package for all new starters.

In addition, an Inclusive Leadership session was delivered to the Board of Directors, Senior Managers and Clinical Directors in April 2014 and we ensure the inclusion of equality and diversity training on many of our internal courses including the Health Care Assistant pool training, Ward Leadership and Recruitment Training for Managers.

Equality and Diversity in Employment

Delivering professional equality practice within employment is led by the Workforce & Organisational Development Directorate. The Directorate has an on-going programme of work that aims to ensure that equality is central to all employment activities and our work spreads across all areas of the Directorate – Recruitment, Workforce Planning, Learning & Education, Occupational Health and the day to day management of staff.

Our employment policies reflect the employment law provisions in relation to discrimination and advocate best employment practice when managing equality based issues in the workplace. We have a series of specialist policies that cover Equal Opportunities in Employment, Disability, Special Leave, Flexible Working, Maternity, Paternity & Adoption Leave, Transgender Support Policy and Dignity at Work (Bullying & Harassment). Our employment policies are subject to regular review and update, in partnership with our staff side colleagues, to ensure that they continue to reflect best practice.

Following the launch of a Reasonable Adjustment Policy in 2013, the number of staff using Access to Work to gain workplace assessments has increased, with a far better understanding of the Employer role in the process. In particular, we have seen a more open disclosure around dyslexia. The subsequent software and equipment recommended by Access to Work has made a substantial difference to the staff members' ability to perform in their job roles.

Equality Networks

We support three staff networks; Black and Minority Ethnic (BME), Disability and Lesbian, Gay, Bisexual and Transgender (LGBT) whose aim is to support staff from different equality groups and to enable us to gain a better understanding of issues faced by staff in the workplace.

Summary of Workforce Statistics 2014/15

There are several minority ethnic groups within our workforce which are noticeably larger than others and differ slightly from the local profile. These are: Indian; Other Asian; 'Other White'; and Black African. This does reflect the ethnic profile of NHS staff nationally. In common with most health organisations, women make up the majority of our workforce with 83% of our employees being female. At present, approximately 25% of our staff are aged 35 years or under.

The 1.1% of staff who have declared their sexuality as lesbian, gay or bisexual appears low and could be due to false declaration or a real absence of lesbian, gay and bisexual individuals within the Trust workforce. Our staff profile shows that 3% of our staff have declared a disability. We will be increasing awareness and support for staff to declare their disability. Monitoring figures for religion / belief show Christianity as the most declared (53%) followed by Atheism (7%). Whilst there are still some gaps in the personal information staff provide we anticipate that this will improve following our roll-out of ESR Employee Self Service, allowing staff direct access to update their personal details.

2014 National Staff Survey

A review of our 2014 staff survey findings shows our score for staff engagement has reduced marginally from 2013, with the score for 2014 being 3.75 out of 5 (1 indicating that staff are poorly engaged and 5 indicating that staff are highly engaged), which was slightly higher than the national average.

Overall in the 2014 survey, of the 29 key findings set out in CQC Report, we have been placed in the best 20% of acute Trusts in 9 areas, scored better than average (i.e. ranked in the top 34 acute trusts) in a further 8 areas, average in 3 areas, worse than average in 7 areas and in the worst 20% of acute Trusts in 2 areas.

2013		2014	
Trust	National Average	Trust	National Average
54%	50%	29%	49%

The response rate for our 2014 annual staff survey is disappointing. We understand the reasons for this and will put plans in place to improve our response rate for the 2015 survey.

Summary of performance

The majority of outcomes from the 2014 survey were positive, with improvements in the percentage of staff receiving an appraisal and high scores for staff feeling they supported by their manager. When considering all 29 Key Findings, 17 Key Findings are above average, 9 are below average and the remaining 9 are average for acute Trusts. Of the 17 above average Key Findings, 9 are in the top 20% of acute Trusts. The tables below detail our best and worst scores when compared to other acute Trusts.

Top 5 ranking scores for 2014 / 2015

	2014		2013	
	Trust	National Average	Trust	National Average
KF 28: Staff experiencing discrimination at work in last 12 months (the lower the score the better)	7%	11%	8%	11%
KF 9: Support from immediate managers (the higher the score the better)	3.78	3.65	3.72	3.64
KF 4: Effective team working (the higher the score the better)	3.83	3.74	3.76	3.74
KF 20: Staff feeling pressure in last 3 months to attend work when feeling unwell (the lower the score the better)	22%	26%	29%	28%
KF 27: Staff believing the trust provides equal opportunities for career progression or promotion (the higher the score the better)	91%	87%	92%	88%

Bottom 5 ranking scores for 2014/ 2015

	2014		2013	
	Trust	National Average	Trust	National Average
KF 3: Work pressure felt by staff (the lower the score the better)	3.19	3.07	3.04	3.06
KF 1: Staff feeling satisfied with the quality of work and patient care they are able to deliver (the higher the score the better)	74%	77%	79%	79%
KF 13: Percentage of staff reporting errors, near misses or incidents witnessed in the last month (the higher the score the better)	88%	90%	97%	90%
KF 10: Staff receiving health and safety training in last 12 months. (the higher the score the better)	72%	77%	70%	76%
KF 21: Staff reporting good communication between senior management and staff (the higher the score the better)	26%	30%	37%	29%

An action plan to address outcomes of the staff survey has been developed and delivery of actions will be monitored by the Workforce & Organisational Development Committee. The areas of focus in the action plan are:

- Developing a performance culture to improve quality of care
- Increasing staff communications and engagement
- Strengthening leadership capability
- Improving staff health, wellbeing and resilience.

Staff Engagement Score

Over the last 12 months, several initiatives have been rolled out in an attempt to address key staff concerns providing additional ways throughout the year for staff to feedback their opinions through the 'listening to you' programme. Many actions have been taken as a direct result of staff suggestions and the programme has shown positive results in terms of the staff engagement score, placing us above average for all acute Trusts.

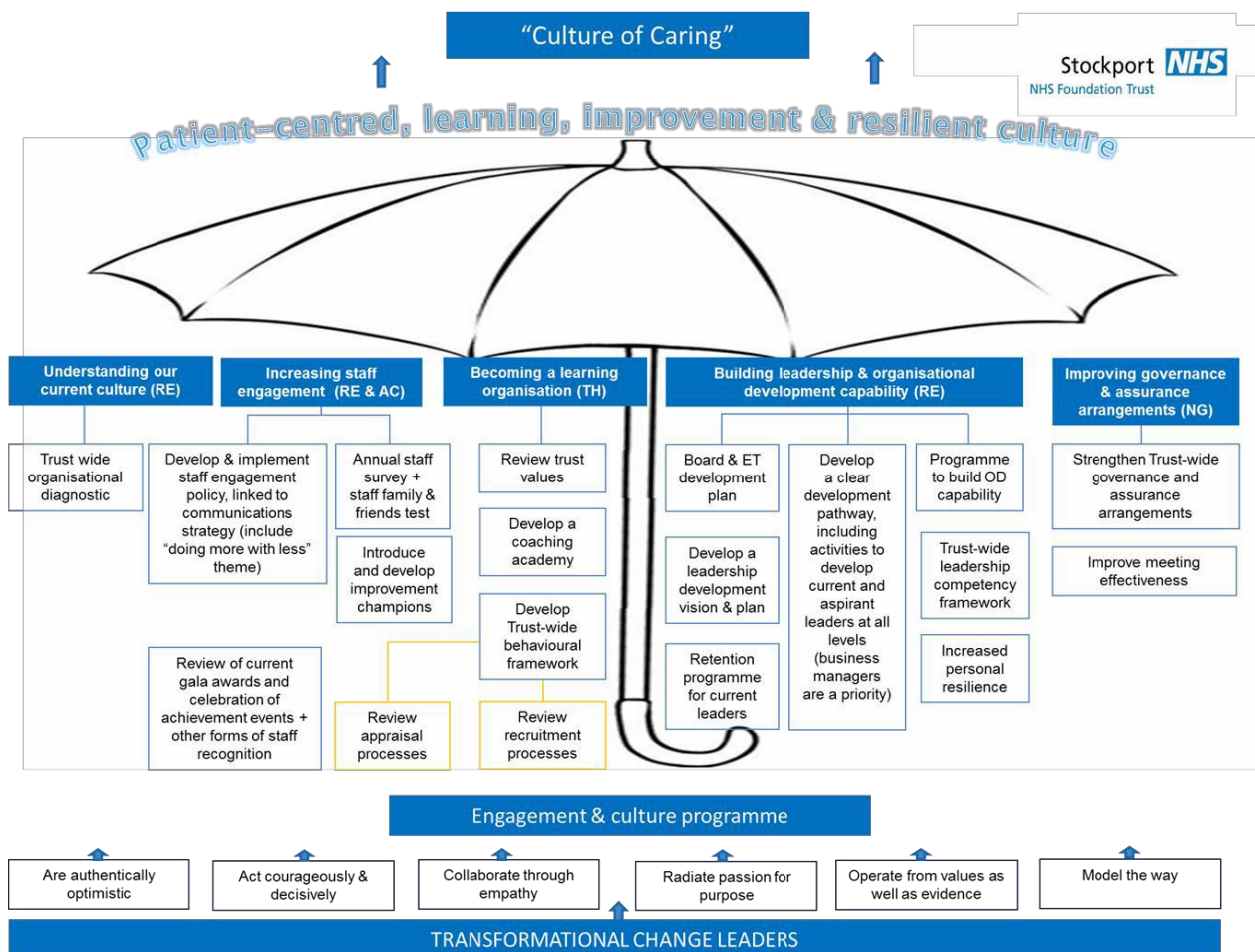
2014		2013	
National Average	Trust	National Average	Trust
3.74	3.75	3.74	3.86

Work on Staff Engagement and communication of survey results and subsequent actions will continue across the next 12 months to hopefully lead to a further improved score for 2015.

Staff Engagement Update

Improving how we engage with our staff is a vital component to achieving our strategic priorities. We want our staff to feel engaged because as well as being happier, healthier and more fulfilled, engaged staff deliver better patient care. We have undertaken much work during 2014/15 in exploring views from our staff and we now have a rich source of data to assist us with our staff engagement journey.

As part of the 2014 – 2017 Organisational Development Strategy, five high level goals have been identified as the focus of organisational development over the next two years as shown in the ‘umbrella’ diagram below:



Values-based Behaviours Framework

Following on from the Francis 'Listening to You' staff events held in 2013, we continued with a programme of 'Have your Say' events during 2014/15. These events resulted in a refresh of the



Trust's values in December 2014 to align our values more strongly with our strategic priorities; specifically in the areas of collaborative working, teamwork, staff health and wellbeing, innovation and improving the quality of patient care. We subsequently launched our Trust-wide values-based behaviours framework from 1 April 2015.

The values-based behaviours have been designed to underpin our values, provide a clear framework for 'living our values' and to support development of our organisational culture. This supports the overall aim of our engagement and culture programme to strengthen our 'culture of caring' through fully engaging our workforce to consistently deliver safe and high quality care; through continuous learning, improvement and 'putting patients at the heart of everything we do'".

In 2015/16 we will work to embed the values-based behaviours in services and operations across the Trust. They will also be aligned to the new performance appraisal framework, recruitment processes, Pride of Trust Awards and staff & leadership development programmes. Our values-based behaviours framework is for all staff, guiding the way in which we behave:

Demonstrating our values-based behaviours

Values	Values statements	Expect to see 	Do not want to see 
Quality and Safety	We deliver safe, high quality and compassionate care	<ul style="list-style-type: none"> I put patients first, recognising there is a patient behind everything I do. I always follow the Trust's practices, guidance and protocols. I take pride in the way I do things and take responsibility for my performance. I share my knowledge and offer practical support to help and develop others. I learn from mistakes when things go wrong and build upon successes. 	<ul style="list-style-type: none"> I put my own interests or those of my service area first. I make excuses for my poor performance and look to blame others. My actions put the Trust at risk. I am inflexible and do not offer support to others.
	We ensure a clean and safe environment for better care	<ul style="list-style-type: none"> I do everything in my power to protect those who use our services from avoidable harm. I act immediately to raise any genuine concerns which may adversely affect patients, public or staff. I take pride in our surroundings and my appearance. I observe the confidential nature of information and circumstances. I demonstrate responsibility for my own, as well as others' wellbeing. 	<ul style="list-style-type: none"> I act in a way that puts my personal or others' wellbeing at risk. I hide issues, do not share with the team and/or escalate issues to others. I demonstrate no interest in improving patient services.
Communication	We treat our patients, their families and our staff with dignity and respect	<ul style="list-style-type: none"> I treat others as I would wish to be treated and challenge inappropriate or poor behaviour. I ask whether patients and others have everything they need, respond with kindness, carry out the things I can do, or find someone who can. I consider the needs and views of others and respect their opinion even if it is different from my own. I value other people's time by being punctual, responding to requests for information and queries promptly and delivering on commitments. I am accessible, approachable, professional and say thank you to colleagues for a job well done. 	<ul style="list-style-type: none"> I ignore, judge, am rude to, or humiliate people. I am insensitive or dismissive to the needs of others from different cultures and backgrounds, or who have different views. I consider the patient as an inconvenience. I criticise other people or services without consideration of the impact on the reputation of the Trust or abuse my position or authority. I am often late for appointments, arrive unprepared or don't turn up; and often require chasing for agreed work and actions to be completed
	We communicate with everyone in a clear and open way	<ul style="list-style-type: none"> I introduce myself, welcome and listen to others, and show an interest in what they have to say. I use clear and plain language and check people's understanding. I involve others in decisions that affect them, give them information, and keep them informed. I engage with patients and colleagues to identify and resolve complaints and concerns. I am honest about my point of view and what I can and cannot do. 	<ul style="list-style-type: none"> I am not always open and transparent about motives. I make assumptions without listening. I talk over people and do not allow them to express their opinions. I use unnecessary jargon or do not adjust my language to suit the person or situation. I hide behind email and take issues above colleague's heads without talking to them first.

Values	Values statements	Expect to see 	Do not want to see 
Service	We provide effective, efficient and innovative care	<p>I strive to do the right thing, first time, every time and learn from mistakes to develop better and safer services.</p> <p>I look for solutions and encourage people to share their ideas, rather than accepting that nothing can be done.</p> <p>I embrace change and continually look for ways to improve how we work, putting forward and trying out new ideas.</p> <p>I offer, encourage and act on feedback as a way of learning and improving.</p> <p>I look for opportunities to develop and learn from those around me – and attend all relevant training and development for my role.</p>	<p>I do not raise concerns when noticing inefficiency in others, practices or systems.</p> <p>I am wasteful with Trust budgets, equipment or other resources.</p> <p>I am complacent about the services we provide and stand in the way of change.</p> <p>I say no without considering different options.</p>
	We work in partnership with others to deliver the right care, in the right place, at the right time	<p>I embrace involvement and work collaboratively with others in the patient's best interests.</p> <p>I consider the needs of other teams and partner organisations when carrying out my role.</p> <p>I try to help whenever possible, even when it's not my role.</p> <p>I offer to participate where my skills and experience will be of value, in and outside my service area.</p>	<p>I create barriers to collaborative working, intentionally or otherwise.</p> <p>I exhibit high levels of self interest and resist change.</p> <p>I am negative about other teams and partner organisations.</p>

Leadership Development

Through our leaders, we aim to support the implementation of the Organisational Development Strategy through strengthening our leadership and organisational development capability resulting in inclusive, collective and 'place-based' leadership that provides our staff with ambition, capability and commitment to fulfil their potential.

We have made good progress in this area during 2014/15. We introduced a two-year Board Development Plan which included each Board member completing 360 degree feedback and participating in Board away days on the themes of 'Achieving our Strategic Priorities' and 'Shaping a Healthy Culture'. The Board Development plan is supported by an Executive Directors' Leadership Development Plan, which involves each member of the Executive Team working with an executive coach.

We were successful in securing funding from the Health Education North West Forerunner Fund to support the development of effective partnership working across the Southern Sector Programme; through developing senior leadership resilience and collaborative competencies across the four organisations to facilitate delivery of the future vision and plans. Forerunner Funding was also secured to deliver a clinical coaching programme for Heads of Nursing and Ward Managers. Senior manager development was also progressed through participation in North West Leadership Academy development programmes and we delivered a Clinical Leadership Development Programme to a further 44 Ward Managers.

Our managers will face many challenges in leading service delivery and managing and motivating staff in an extremely challenging operating environment. In order to develop the leadership and management capacity and capability required to overcome these challenges, we will continue to develop a range of transformational development programmes to build leadership and organisational development capability. In addition to building on progress made during 2014/15, we will design and implement a leadership development framework based on the principles of inclusive, collective and 'place-based' leadership. We also aim to enhance leadership and management skills for staff at all levels by offering a range of programmes which includes:

- 2014 – 2016 Board Development Plan and Executive Leadership Development Programmes
- In-house Leadership Development Programme for our senior leaders
- Consultant Foundation Programme for newly appointed consultants
- Clinical Leadership Programme for ward managers and community healthcare clinical leaders
- BTEC Level 5 Certificate in Management and Leadership Programme for middle managers
- Introduction to Management Programme for newly appointed managers and supervisors.

Coaching Academy

In 2014/15 we launched the Trust's Coaching Academy. Developing a coaching culture across the Trust is recognised as a key enabler to successfully delivering the Building a Sustainable Future Programme. It will also support us in continuing to respond to the key themes highlighted in the Francis Report e.g. increasing openness, transparency and candour across the Trust; providing strong leadership in nursing and other professions; strong support for leadership roles and creating a level playing field for accountability.

To be an organisation fit for purpose and the future we recognise the need to build workforce capability through learning and development, based on the belief that there is a link between learning, behavioural change and improved performance, leading to better patient care and services. Developing a coaching culture is a critical component in building our workforce capability.

We have done considerable work in 2014/15 to establish the Trust's Coaching Academy and evaluate the organisational impact of initial coaching programmes. 16 senior leaders and managers commenced a 16-day Advanced Certificate in Coaching and Mentoring and 100 people completed a 2-day 'Manager as Coach' programme. In 2015/16 we will continue to develop the Trust's Coaching Academy through delivering further 2-day 'Manager as Coach' programmes together with a range of Continuous Professional Development workshops to further develop the knowledge, skills and experience of our existing coaches.

Recruiting and retaining our people

We recognise that staff are fundamental to our success. Consequently, there is a need for us to attract and retain staff of the highest calibre and the correct approach to recruitment is necessary to do this. We will need to ensure that our values and behaviours are inherent in our workforce and that we continue to recruit the very best staff who are able to continually demonstrate high levels of skill and competence.

Employing over 5,700 staff in extremely diverse roles, we aim to ensure that there are opportunities for career development in each and every part of the business. This is important in retaining the skills that our staff bring to us. We have an average staff turnover rate of approximately 10% although there are a small number of areas where recruitment can be difficult, such as medical consultants and middle grade doctors in some specialties for example. In part, this situation was exacerbated in 2014/15 by our intention to enhance senior medical presence in the emergency department through an increase in the number of consultants. Plans were reviewed and refined in the context of recruitment challenges which we anticipate will have a positive impact in 2015/16.

Our approach to nurse recruitment is subject to regular review in order to respond effectively to what is a competitive recruitment market. During 2014/15 we adopted a dual approach of both local and international nurse recruitment and, with regard to the latter, were successful in recruiting approximately 60 nurses from Spain. As a result of this success, we will continue with this dual approach and plan to undertake further international recruitment during the first Quarter of 2015/16. However, we will also maintain our commitment to support the recruitment of local people in order to encourage growth and prosperity in Stockport.

Apprenticeships

It is imperative that our staff are adequately trained and have the necessary qualifications, skills and competencies to perform effectively in their roles and deliver high quality health care. We participate in an Apprenticeship Framework which provides relevant training which is tailored to meet the demands of the role and the employer. The learner is supported throughout the programme, both on and off the job, and the scheme provides employees with the opportunity to earn while they learn.

The programme provides individuals with knowledge and understanding of the expectations of their roles and the opportunity to acquire practical skills and experience together with a recognised qualification on completion of the programme. These factors will ensure that participants are well-equipped to compete for substantive employment opportunities. From a Trust perspective, the programme contributes to improved retention and productivity and the opportunity to 'grow' a highly committed, skilled and competent workforce. Apprentices work in areas providing clinical healthcare support, business administration and domestic services. At 31 March 2015 we had 18 apprentices working in the Trust and we plan to increase this number during 2015/16.

Work Experience

We work hard to encourage young people to take up work experience opportunities with the Trust and during 2014/15 we hosted 108 students who completed placements in a variety of wards and departments. The placements provided individuals with an understanding of working within the NHS and an appreciation of the types of career opportunities that are available. In addition, we have a partnership scheme with Stockport College which enables work experience trainees from the School of Health & Beauty to visit older patients to provide soothing hand massages and nail care.

Main Trends and Factors likely to affect the future Development, Performance and Position of the NHS Foundation Trust

Health and Wellbeing in and around the Stockport and High Peak areas

The populations of Stockport, High Peak and Tameside and Glossop are diverse neighbourhoods stretching from the urban borough of Stockport and the nine towns that compose Tameside, which contrast sharply with the more rural areas in High Peak and Glossop.

Health inequalities - Stockport¹

Overall Stockport is similar to the national average for deprivation, although it includes some of the most affluent areas in the country; it also has some of the most deprived. Although life expectancy has improved in all areas of Stockport over the past 20 years, marked inequalities still remain.

The main causes of death are heart disease, cancer and respiratory disease, which together account for 75% of all deaths. These diseases link strongly with poor lifestyle choices: smoking, alcohol, poor diet and inactivity. There are also inequalities associated with mental wellbeing in Stockport. Reducing inequalities in health is a key priority for Stockport, and this is reflected in the priorities of the Stockport Together programme.

Health inequalities – High Peak²

The health of the people of High Peak is generally better than the England average. Deprivation levels are low and life expectancy for men is higher than the average for England. However rural deprivation is often hidden by traditional indicators.

Health inequalities – Tameside and Glossop³

The life expectancy for men and women in Tameside and Glossop remains below the average for England. As with Stockport, some of the lowest rates of life expectancy are found in the most deprived wards in the borough.

An aging population, and increasing levels of long term health conditions

Despite improvements in health, demand for NHS services continues to rise. Many people are now living with one or more long term conditions (e.g. asthma, diabetes, dementia). All of the boroughs served by the Trust are characterised by an ageing population which is forecast to become increasingly older with an expectation of, and requirement for, increasing access to healthcare. This is occurring at a time when medicinal advancements are pushing the boundaries of what is achievable, but at a cost. These trends are seen clearly in the year on year rise in A&E attendances and unplanned admissions to hospital.

Health and wellbeing strategies

The three local communities that the Trust serves have developed their Health and Wellbeing Strategies, based on the analysis of the needs of the population. These Strategies set out the main focus for improving health and wellbeing and are broadly similar. This provides the one of the foundation stones of the commissioning plans of the local Clinical Commissioning Groups (CCGs).

¹ Health Inequalities, A refresh April 2013, Stockport Joint Strategic Needs assessment, and 21st Annual Public Health Report for Stockport

² Profile of High Peak. Public Health contributing to the Joint Strategic Needs Assessment process 2012, Derbyshire County

³ Tameside and Glossop Joint Strategic Needs Assessment 2011-12

Health and Wellbeing Strategies for populations served by the Trust			
	Stockport 2012-2015	Tameside & Glossop 2013-2016	High Peak (Derbyshire) 2012-2015
Themes	Children and families	Starting well – ensuring the best start in life for children	Improve health and wellbeing in early years
		Developing well – enabling all children and young people to maximise their capabilities and have control over their lives	
	Leisure, activity and healthy weight	Living well – creating a safe environment to build strong healthy communities and strengthening ill health prevention	Promote healthier lifestyles
	Mental wellbeing		Improve emotional and mental health
	Alcohol		
		Working well – creating fair employment and good work for all	
	Prevention and maximising independence for everyone	Being well – promoting independence and working together to make Tameside a good place to grow old	Promote the independence of people living with long term conditions and their carers
Healthy ageing and quality of life	Dying well – ensuring access to high quality care to all who need it	Improve the health and wellbeing of older people	

Stakeholder Environment

Southern Sector Partnership

Since 2011/12, Stockport FT has been party to a collaborative agreement with East Cheshire NHS Trust, signified by a formal memorandum of understanding (MOU). In October 2012, University Hospitals South Manchester NHS Foundation Trust also signed the MOU and, more recently, Tameside NHS Foundation Trust joined the partnership. Having established the Southern Sector Partnership, the Boards of all four participating trusts share a commitment to work together to create a configuration of services across the Southern Sector of Greater Manchester and Cheshire which will be consistent with the aims set out in the “*Healthier Together*” programme for Greater Manchester. The strategic benefits of the partnership are as follows:

- Building on existing patient flows to improve patient pathways and accelerate de-hospitalisation – reaping clinical and financial benefits from care closer to home
- Collaborating in the provision of clinical services to offer South Sector access to local tertiary services while bolstering the provision of all secondary care services to deliver clinically compliant and financial benefit
- Positioning the South Sector as a hub within the Academic Health Science Network, linked in to the Manchester Academic Health Science Centre, offering leveraged gains from a large patient footprint and delivering clinical and financial benefits
- Offering the opportunity for local healthcare (and other organisations) to lever financial and qualitative gains from different models of support functions.

During 2014/15 the Southern Sector Partnership has worked collaboratively on the development of Pathology services and procurement of a common Electronic Patient Record system.

Healthier Together - Greater Manchester-wide Review of Service Provision

The Healthier Together programme was established in 2011 by the combined Greater Manchester commissioners. It is aimed at developing a Greater Manchester-wide plan for the future of services which will both improve quality and consistency and reduce the projected burgeoning cost of health and social care across the conurbation in the next five to ten years. The ‘Case for Change’ document published by Healthier Together highlights variation in the quality and accessibility of services and describes the predicted future demand for care as a result of the changing profile of the population and changes in patterns of medical treatment. The models of care for the future that have been developed by the Healthier Together programme incorporate primary, community and hospital services.

Options for the future configuration of hospital services were subject to formal consultation during the summer of 2014. That changes that were proposed, which related to Accident & Emergency, acute medicine and general surgery services were supported by the principle that everyone in Greater Manchester should have access to the highest standards of care regardless of where they live, time of day or night or whether it is a weekday or a weekend. Medical teams from separate hospitals would be combined into Single Services which would mean providing care at two types of hospital; a local general hospital and a specialist hospital. Local general hospitals will provide the best care for most patients who live locally. For a smaller number of patients a smaller number of hospitals will provide the most specialized care. Specialist hospitals will provide emergency and high-risk general surgery as well as the

services that a local general hospital provides.

Eight options for future configurations were proposed as part of the consultation process. Five of the options identified the Trust as a local general hospital and three of the options identified the Trust as a specialist hospital. From a Southern Sector perspective, whichever option is finally implemented, either Stockport NHS Foundation Trust or University Hospitals of South Manchester NHS Foundation Trust will be the specialist hospital. The Trust has participated fully in the Healthier Together programme and has clearly stated its case as to why we believe that Stockport is best placed to become a specialist hospital. The outcomes from the Healthier Together programme are expected to be announced during the summer of 2015.

Stockport Together

Stockport, like many other health and social care economies, faces a number of financial and service delivery challenges in the coming years. We will increasingly see a combination of increased demand, driven by an ageing population, and scarce financial resources. It has been estimated that the financial pressure which would result if no action is taken address growth in demand or transform service delivery to achieve efficiency and productivity gains would amount to circa £110m by 2018/19 on a current combined spend in the local health economy of circa £432m.

A substantial element of the financial challenge arises from the need for Stockport Metropolitan Borough Council (SMBC) to make significant reductions in its cash limit budgets, the largest of which relate to health and social care. The SMBC medium term financial plan identifies budget reductions of circa £20m by 2016/17 with further reductions likely in following years. Similarly, continuing pressure on health service budgets will require the Trust to identify and deliver year on year efficiency savings of circa £12m for the foreseeable future. It was in this context that, in January 2015, leaders from the Trust, SMBC, Stockport Clinical Commissioning Group and Pennine Care NHS Foundation Trust took part in a two-day Congress to help shape the future of health and social care services in Stockport. Approximately 100 representatives from the four partner organisations worked together to develop strategic blueprints for proposed programmes of change and an overall single strategic plan.

The partner organisations have since agreed and established a programme management approach with appropriate governance arrangements and the transformation programme is being led by a Health & Social Care Leaders Group supported by an Integrated Care Board which includes relevant corporate and service directors. The transformation programme is based on four work streams which encompass the full range of health and social care provision. These work streams and their key characteristics are as follows:

Prevention and Empowerment

- Will target more people
- Will look at wider determinants of health and wellbeing
- Will listen to and respond to what people need to maintain their health and wellbeing
- Will empower communities and individuals

Planned Care

- Will 'see and treat' and discharge non-complex cases
- Will manage complex care and long term conditions within planned packages of care

- Will not be assumed to be a wholly 'acute' service

Proactive Care

- Will focus on prevention where there is a known need
- Will reduce deterioration, exacerbation and co-morbidities
- Will focus on self-management
- Will apply a neighbourhood-based approach

Urgent Care

- Will see fewer people
- Will see patients outside hospital
- Will maximize access to expertise at the right time and in the right place

Vanguard Status

On 10 March 2015, NHS England announced the first 29 'Vanguard' geographies that will take the national lead on transforming care for patients in towns, cities and counties across England. The 29 Vanguard sites were selected from a total of 269 applications and Stockport is just one of just two sites in Greater Manchester to have secured Vanguard status. Backed by a £200m transformation fund and tailored national support, Vanguards will develop local health and social care services to keep people well and, for patients, this lead to a significant improvement in their experience of health services. The Stockport initiative, which will be focused on moving specialist care out of hospital and into the community, will build upon and progress work commenced as part of the Stockport Together programme.

Greater Manchester Devolution

A significant strategic development emerged during 2014/15 when the Greater Manchester Devolution Agreement was settled with the Government in November 2014. Preparatory work resulted in a Memorandum of Understanding being completed on 27 February 2015 between the Government, the Greater Manchester health bodies and local authorities and NHS England with the aim of the region being given direct, local control over an estimated annual budget of £6bn from April 2016.

From a health perspective, the Memorandum of Understanding covers; acute care, primary care, community services, mental health services, social care and public health. The intention is that the full devolution of health and social care will allow:

- Improvement in the health and wellbeing of all of the residents in Greater Manchester from early age to older people, recognizing that this will only be achieved with a focus on the prevention of ill health and the promotion of wellbeing
- A move from having some of the worst health outcomes to having some of the best
- Faster closure of the health inequalities gap within Greater Manchester and between Greater Manchester and the rest of the United Kingdom.

The GM Devolution is moving at pace with much work to be completed during 2015/16. A Strategic Partnership Board has been established and the Trust will be at the centre of events as our Chief Executive is a member of this Board as the representative of the Chief Executives from the Greater Manchester acute hospitals. At the time of preparing this report, it is unclear what impact the GM Devolution programme will have on the Trust and how it provides its

services, although there will clearly be a link with work already well progressed by the Healthier Together programme. A number of 'milestones' have been agreed for 2015/16 which are as follows:

From **April 2015** arrangements began to form two shadow bodies; a Health and Social Care Strategic Partnership Board and a Joint Commissioning Body

By **October 2015** a proposal will be developed to link to the government's comprehensive spending review

By **December 2015**, in preparation for devolution, Greater Manchester and NHS England will have approved the details of the devolution of funds and governance arrangements. Local authorities and Clinical Commissioning Groups will formally agree integrated health and social care arrangements

By **December 2015** a Greater Manchester Health and Social Care Strategic Sustainability Plan will be produced and agreed

In **April 2016** full devolution and / or delegation with final governance arrangements will be in place.

Responding to the Challenge

It is widely acknowledged that the Trust is currently operating in one of the most complex environments in the country and all of the major programmes which are described above have the potential to inform, influence or impact the Trust's strategic direction. The Trust has acknowledged the challenges it faces, and remains committed to a comprehensive and solution- focused approach to addressing these challenges.

In 2012/13 the Trust set out its three year strategic direction, which is encompassed in the four priorities:

Quality

Deliver safe, effective and compassionate care, that meets national standards and gains positive patient feedback

Partnership

Work with all our partners such as the Southern Sector Partnership trusts to provide excellent care, 24/7; sharing expertise, skills and facilities in clinical and non-clinical services

Integration

Integrate appropriate hospital and community health services with social and primary care, to provide high quality care in the community through the creation of locality teams in Stockport. The proposed model is focused on adults with complex needs and based on one referral and assessment route, one integrated care plan and record, one contact point and one pooled commissioning budget

Efficiency

Achieve the required efficiency savings each year, avoiding waste and duplication whilst investing in IT, organisational development and modernising both hospital and community facilities

The difference that we wanted to make for our service users for each strategic priority was described by two strategic outcomes, which translate the priorities into the tangible benefits we want to achieve.

Priority	Strategic outcomes
Quality	<ul style="list-style-type: none"> • Patients health and well-being is supported by high quality, safe and timely care • Patients and their families feel cared for and empowered
Partnership	<ul style="list-style-type: none"> • The Trust is an effective member of a modern and innovative health care community • Effective and efficiently run services across the Southern Sector partnership
Integration	<ul style="list-style-type: none"> • Patients' lives are easier because they receive their treatment closer to home • Patients' receive better quality services through seamless health and social care
Efficiency	<ul style="list-style-type: none"> • The Trust is able to demonstrate to Governors, local residents, partner organisations and regulators that it makes the best use of its resources • Trust staff are enabled to deliver their best care within a high quality environment

The Strategic Outcomes described above formed the basis for development and improvement objectives to increase efficiency, build sustainable services and improve our performance. These outcomes have also informed our engagement with stakeholders on local and regional developments.

Alignment of plans with local and national priorities - building a safe and sustainable service

The Trust's priorities, underpinning strategic outcomes and improvement objectives for 2014-16 contribute towards the delivery of national outcomes as laid out in the three frameworks for health, public health and social care. They also support delivery of local Health and Wellbeing Strategies and Clinical Commissioning Group priorities.

Trust Strategic Priority	Trust Strategic Outcomes	Aligned with local health and wellbeing strategies	Aligned with Stockport CCG strategic priorities	Contributing to the delivery of the National Outcomes Frameworks	Monitor / CQC requirements
Quality	Patient health and well-being is supported by high quality, safe and timely care	✓	✓	NHS, Social Care, Public Health	✓
	Patients and their families feel cared for and empowered	✓	✓	NHS, Social Car	✓
Partnerships	The Trust is an effective member of a modern and innovative health care community		✓	NHS, Public Health	✓
	Effective and efficiently run services are available across the Southern Sector partnership		✓	Public Health	✓
Integration	Patients' lives are easier because they receive their treatment closer to home	✓	✓	NHS, Social Care	✓
	Patients' receive better quality services through seamless health and social care	✓	✓	NHS, Social Care, Public Health	✓
Efficiency	The Trust is able to demonstrate to Governors, local residents, partner organisations and regulators that it makes the best use of its resources		✓	Public Health	✓
	Trust staff are enabled to deliver their best care within a high quality environment		✓	NHS, Social Care, Public Health	✓

Looking to the Future

The Trust's strategic plan covered a three year-period from 2012/13 and during 2014/15 we have worked to review our strategic plans, in order to incorporate the factors described earlier in the Strategic Review, and accommodate known and potential developments arising from changes in the Trust's operating environment. Clearly, the financial environment will remain challenging in 2015/16, and in the foreseeable future, and our longer term plans will need to be predicated on year on year delivery of efficiencies to meet cost improvement programmes with a value of circa £12m per annum.

The process for strategic review was led by the Chief Operating Officer with the support of a 'Design Team' comprised of medical, nursing, clinical support and managerial staff. The Trust also commissioned the services of a health economist to inform and advise the review process and this investment has reaped dividends through access to expertise in modelling service inputs and outputs and, through robust analysis techniques, developing a greater level of understanding of the current and potential market for our services. The Design Team completed a Capability Analysis to determine areas where the Trust is successful along with areas where improvement may be required. The analysis identified groups of services that require either; nurturing, innovation, investment or different models of service delivery. Market analysis and competitor analysis was also undertaken along with a segmentation exercise which divided the patient population into eight distinct groups.

Preparation for the review process commenced during Quarter 3 of 2014/15 with the process itself being progressed throughout Quarter 4. The outcomes identified Care for the Elderly and Cancer as areas where the Trust should seek to maximize strategic focus over the next three to five years. Naturally, delivery of these strategic services would necessitate effective provision of associated services such as General Surgery, Accident & Emergency and Trauma & Orthopaedics. The review process also identified a number of service lines where an innovative approach will be required to ensure competitive advantage and effectiveness. These service lines were:

- Geriatric Medicine
- Breast Surgery
- Ophthalmology
- General Medicine
- General Surgery
- Orthopaedics
- Accident & Emergency.

The outcomes of the review were considered, and adopted, by the Board of Directors during a Strategy Day held on 24 April 2015. In simple terms, the Trust's strategy for the period 2015/16 to 2019/20 can be summarised as follows:

Period	Strategic Focus
2015/16	Innovation
2016/17	Reconfiguration
2017/18	Consolidation
2018/19	Growth
2019/20	Compete



Ann Barnes
Chief Executive

28 May 2015

Directors' Report

Brief History of Stockport NHS Foundation Trust

We were established as an NHS Foundation Trust on 1 April 2004, pursuant to Section 6 of the Health and Social Care (Community Health and Standards) Act 2003. The Trust provides acute hospital care for children and adults predominantly across Stockport and the High Peak area of Derbyshire. With effect from 2011/12, the Trust also provides Community Services for the populations of Stockport and Tameside and Glossop.

We employ over 5,700 staff working across hospital and community premises. Our major hospital is Stepping Hill Hospital located on the A6, south of Stockport town centre. We also provide services from the Meadows and Devonshire Centre within Stockport.

The Trust is licensed to provide the following mandatory services (more information can be found in our Terms of Authorisation):

Anaesthetics	Neurology
Breast Surgery	Neurosurgery
Community Services	Obstetrics
Dermatology	Ophthalmology
Emergency Department	Oral Surgery
Ear, Nose & Throat	Orthodontics
General Medicine	Paediatrics
General Surgery	Rehabilitation Medicine
Genito Urinary Medicine	Rheumatology
Gynaecology	Trauma & Orthopaedics
Haematology	Urology
Medical Oncology	

These services are delivered through our Business Groups which are led by a 'triumvirate' comprised of, an Associate Director, an Associate Medical Director and a Head of Nursing. Our Business Groups during 2014/15 were:

- Child and Family
- Community Services
- Diagnostic & Clinical Support Services
- Medicine
- Surgical & Critical Care

Our Business Groups are supported by a full range of in-house corporate services which include; Finance, Workforce & Organisational Development, Learning & Education, Estates & Facilities, Information Management & Technology and Communications.

Board of Directors and Board Committees

The Board of Directors is responsible for managing the business of the Trust and, subject to the Constitution, exercises all the powers of the Trust. The Board of Directors therefore has overall responsibility for delivering the activities of the Trust and is accountable for the operational performance of the Trust as well as the definition and implementation of strategy and policy.

The Board of Directors therefore takes decisions with regard to:

- **Quality Issues** – which includes Clinical Effectiveness, performance against Quality Indicators, Infection Control, Patient Experience, Risk Management and Staff Development
- **Strategic and Developmental Issues** – this includes decisions with regard to business planning, the Trust's Annual Plan, decisions to invest in additional capacity and site development, the Trust's Capital Programme and other strategic issues affecting the Trust as they arise.
- **Finance and Performance** – this includes taking decisions with regard to the Trust's financial performance as well as its performance against all key performance indicators.
- **Governance Issues**

Day to day management of the Trust is undertaken by the Chief Executive and Executive Directors who are responsible for taking decisions, particularly with regard to financial and performance issues and quality matters, subject to the levels of delegated authority set out in the Trust's Scheme of Delegation and Standing Financial Instructions.

The Board of Directors is comprised of a Chairman, six Non-Executive Directors and six Executive Directors. The Board considers each of the Non-Executive Directors to be independent in character and judgement and has identified no relationships or circumstances that are likely to affect or appear to affect their judgement. The criteria considered by the Board in determining the independence of the Non-Executive Directors were:

- Whether the individual had been an employee of the Trust within the last five years
- Whether the individual has, or has had within the last three years, a material business relationship with the Trust either directly or as a partner, shareholder, Director or senior employee of a body that has such a relationship with the Trust
- Whether the individual has received, or receives, remuneration from the Trust in addition to a Director's fee, participates in a performance-related pay scheme or is a member of the Trust's pension scheme
- Whether the individual has close family ties with any of the Trust's advisers, Directors or senior employees
- Whether the individual holds cross-directorships or has significant links with other Directors through involvement in other companies or bodies
- Whether the individual has served on the Board of the Trust from more than six years

from the date of their first appointment

- Whether the individual is an appointed representative of the Trust's university, medical or dental school.

During 2014/15 the Board of Directors met on eight occasions. Details of individual directors and their attendance at meetings are as follows:

Gillian Easson - Chairman

Appointed on 01.11.2012 until 31.10.2015.

Attendance: 8/8

Background

Following graduation from Cambridge University, Gillian Easson qualified as a solicitor in Stockport and became one of the North West's first female prosecuting solicitors. In 2000, she was appointed a Non-Executive Director of the Christie Hospital, a governor of UMIST and in 2004, a founder governor of the University of Manchester, becoming the first Deputy Chair in 2007. In 2012 she was appointed as Pro-Chancellor of the University of Manchester and in July 2014 she became a member of the NHS Providers Board. Gillian has over a decade's public sector experience in both the NHS and higher education sectors, together with significant experience of regulation and strategic oversight of organisational risk and change. Gillian was appointed as a Non- Executive Director of Stockport NHS Foundation Trust on 1 January 2007 and was also Deputy Chairman until 31 October 2012. She was appointed as Chairman of the Trust on 1 November 2012.

The Chairman does not have any other significant commitments.

Mike Cheshire – Non-Executive Director

Appointed on 01.09.2013 until 31.08.2016

Attendance: 8/8

Background

Dr Mike Cheshire is a hugely experienced clinician, having worked as a consultant physician, specialising in geriatric and general medicine for many years, including nearly three decades working at Central Manchester Hospitals Foundation Trust. He was Clinical Vice President at the Royal College of Physicians, London from 2007 to 2010. Dr Cheshire has also held a number of other important management and regional responsibilities, including Director of Post Graduate Education (1997-2001) and clinical head of intermediate care for Central Manchester Primary Care Trust (2004-2007). From 2009 until recently, Dr Cheshire was the Medical Director for NHS North West, which was our regional health authority.

Carol Prowse – Non-Executive Director (Deputy Chairman & Senior Independent Director)

Re-appointed on 01.04.2015 until 31.03.2016.

Attendance: 8/8

Background

Carol Prowse currently works with the High Peak Theatre Trust in the position of Chairman. and also works with the Kinder Children's Choirs of the High Peak. Carol Prowse worked for a number of years for the High Peak Borough Council. For five years she was a Non-Executive Director on the High Peak and Dales Primary Care Trust Board and was their appointed Governor with this Trust.

John Sandford – Non-Executive Director (Chair of Audit Committee)

Appointed on 01.07.2011 until 30.06.2014. Subsequently re-appointed for a further three-year term from 01.07.2014 – 30.06.2017.

Attendance: 8/8

Background

John Sandford has a degree and is a chartered accountant who worked for many years with KPMG. He was an audit partner/director responsible for audit opinions, managing teams and setting audit strategy, until his retirement from the organisation on 31 December 2010. Following his retirement from KPMG, Mr Sandford has established a joint venture with a local firm of chartered accountants and is developing a financial consulting business in Stockport. Mr Sandford lives in Bramhall, Stockport, and is married with two children. He has a range of local community interests, together with being a keen cricketer and golfer.

John Schultz – Non-Executive Director

Appointed on 01.09.2013 until 31.08.2016

Attendance: 8/8

Background

John Schultz CBE was Chief Executive of Stockport Council for 16 years until his retirement in 2010. Under his leadership, the Council reached the Audit Commission's top performance category. John was instrumental in setting up the Greater Manchester Health Commission, and jointly chaired the Greater Manchester Public Health Network. He is currently the independent chair of an NHS board overseeing the development of integrated care in Trafford (the Trafford Clinical Commissioning Group's Integrated Care Redesign Board). John also assists with the governance of a number of educational establishments and charities, as well as carrying out management consultancy work. He was recognised for services to local government and appointed CBE in 2010.

Malcolm Sugden – Non-Executive Director

Appointed on 01.04.2012 until 31.03.2015. Subsequently re-appointed for a further three-year term from 1 April 2015.

Attendance: 8/8

Background

Before his appointment as Non-Executive Director of Stockport NHS Foundation Trust, Malcolm was a Non-Executive Director at Tameside and Glossop Primary Care Trust from July 2010 and took an active role sitting on finance and audit committees. Previously Malcolm had worked as an Executive Finance Director for Electricity Northwest which held the licence to distribute electricity across the North West of England. The business had a turnover approaching £350 million providing services to around 2.4 million customers and this work provided excellent experience in dealing with large scale accounting and other strategic financial matters. Malcolm lives in Ashton Under Lyne.

Leslie Wilcock – Non-Executive Director

Re-appointed on 01.07.2012 until 30.06.2015.

Attendance: 8/8

Background

Leslie Wilcock graduated with an honours degree in Computer Science and holds a diploma in marketing and in management studies. He is the Managing Director of Opening Doors, a full service marketing agency based in Congleton. He has been with the company for nine years and previously also held a senior position at professional services, KPMG. But it is the four years he spent with a fire and flood restoration company looking after the Stockport, High Peak and East Cheshire area that Les feels really benefits him in his role as a Non-Executive Director of Stockport NHS Foundation Trust.

Ann Barnes – Chief Executive

Attendance: 7/8

Background

Ann Barnes has worked in the NHS since 1979 and during the past 36 years has worked both at regional and hospital level across the full spectrum of district general hospital service provision.

James Catania – Medical Director

Attendance: 7/8

Background

James Catania has been a Medical Director for the last 13 years and is a specialist in the care of older people, for which he has retained his clinical commitments. He has worked as a consultant physician for the last 22 years and has been involved in management for over 20 years.

Bill Gregory – Director of Finance (until 31 January 2015)

Attendance: 6/6

Background

Bill Gregory joined the Trust on 1 June 2007, from Sherwood Forest NHS Foundation Trust where he had been Executive Director of Finance since November 2003. He has worked in a variety of finance and commercial roles within the public and private sectors. Having trained as an Accountant with Coopers and Lybrand, he joined the NHS in 1993 and has previously held the post of Director of Finance at two NHS Trusts in northwest England, and Head of Business Development for BUPA Hospitals. Bill Gregory left the Trust on 31 January 2015 to take up the position of Director of Finance at Lancashire Care NHS Foundation Trust.

Kevin Howells – Interim Director of Finance (from 1 February 2015)

Attendance: 2/2

Background

Kevin Howells has a wealth of experience, having worked at both director of finance and chief executive level at a number of NHS organisations. These include Leeds Teaching Hospitals, Leeds CCG, United Lincolnshire Trust and Nottinghamshire Healthcare Trust.

Judith Morris – Director of Nursing & Midwifery

Attendance: 8/8

Background

Judith Morris began her career at Manchester Royal Infirmary and became one of the first intake to study for the new Bachelor of Nursing qualification at the University of Manchester. She became a Nursing Tutor in 1987 and went on to work in various nursing specialist roles, being appointed as Assistant Director of Nursing with the then Stockport Healthcare Trust. She continued in that role when the Stockport Trusts merged in 2000 and became Deputy of Director of Nursing and Midwifery in 2004 and Director of Nursing and Midwifery in 2008.

Jayne Shaw – Director of Workforce & Organisational Development

Attendance: 7/8

Background

Before joining the Trust as Interim Director of Human Resources on 1 January 2013, Jayne spent twelve months as the Interim Director of Workforce at Mid Cheshire NHS Foundation Trust. Prior to this, she was the Director of Human Resources and Organisational Development at Alder Hey Children's NHS Foundation Trust for five years. Jayne's experience in human resources spans a range of roles and organisations across the NHS. Jayne Shaw was appointed as Director of Workforce and Organisational Development on 22 August 2013.

James Sumner – Chief Operating Officer / Deputy Chief Executive

Attendance: 7/8

Background

James Sumner joined the NHS in 1999. James started at our Trust as Associate Director on 1 September 2009. His background is a mix of primary, secondary care and service improvement work. Prior to starting here, James was General Manager for the Surgical Care Group at St Helens & Knowsley NHS Teaching Hospitals Trust. He was Acting Director of Operations and Performance from November 2012 before being appointed as Chief Operating Officer with effect from 13 September 2013.

Balance, Completeness and Appropriateness of the Membership of the Board

With the exception of the Director of Finance position, there have been no changes to the composition of the Board of Directors during 2014/15. The Board considers that skills and experience of the Non-Executive Directors (see below), aligned with the skills and experience of the Executive Directors, provides a Board of Directors which is balanced, complete and appropriate.

<u>Skill</u>	<u>Responsible Non-Executive Director</u>
Clinical	Mike Cheshire
Financial Acumen	John Sandford / Malcolm Sugden
Marketing / Commerce	Leslie Wilcock
Legal	Gillian Easson
Patient Advocate / General Board Experience	Carol Prowse
Transformational	John Schultz

In accordance with statutory requirements, the Trust maintains a register of interests of the Board of Directors which is available upon request for inspection by members of the public (please contact the Company Secretary on tel no 0161 419 5164 or e-mail paul.buckingham@stockport.nhs.uk if you wish to have access to the register).

Performance Evaluation

Six-monthly development sessions for the Board of Directors are scheduled in April and October of each year. These sessions provide the opportunity for Board members to reflect on the collective performance of the Board and undertake development activities aimed at enhancing Board and individual effectiveness. During 2013/14 these have focused on issues such as:

- Coaching & Coaching Academy Development
- Quality and Inclusion
- Future Vision & Strategic Priorities
- Working Together Effectively
- Increasing Staff Engagement

All Directors have individual appraisals on an annual basis which are carried out by the Chairman for the Non-Executive Directors and the Chief Executive and by the Chief Executive for the Executive Directors. Appraisal of the Chairman is led by the Senior Independent Director in accordance with arrangements agreed with the Council of Governors. All Directors have individual personal development plans.

Engagement with Governors

Members of the Board of Directors are able to develop an understanding of the views of governors and members through regular attendance at Council of Governors meetings and participation in the Annual Members Meeting. Our Non-Executive Directors also attend meetings of the various Committees of the Council of Governors and have the opportunity to further develop their understanding of Governor's views through participation in joint Governor and Non-Executive Director meetings. These joint meetings, which allow for an informal exchange of views and information-sharing, were held in June 2014 and March 2015.

Audit Committee

The Trust has an Audit Committee which meets at least four times a year. The membership of the committee is as detailed below. Attendance at meetings during 2014/15 is shown in brackets.

- John Sandford (Chair of the Audit Committee) – Non-Executive Director (attendance 6/6)
- Malcolm Sugden (Deputy Chair of the Audit Committee) – Non-Executive Director (attendance 6/6)
- John Schultz – Non-Executive Director (attendance 4/6)
- Leslie Wilcock – Non-Executive Director (attendance 5/6)

The Director of Finance, Company Secretary, Deputy Director of Finance and the Director of Nursing & Midwifery (as executive lead on risk management) together with representatives from both Internal and External Audit are routinely in attendance at meetings. Other Directors and senior managers attend meetings by invitation.

The Audit Committee has Board-approved Terms of Reference which are available on request from the Company Secretary and are subject to annual review. Its primary purpose is to conclude upon the accuracy and effective operation of the Trust's overall control system. In performing this role the Committee's work predominantly focuses upon the framework of risks, controls and related assurances that underpin the delivery of Trust objectives. The Committee reviews the disclosure statements that flow from the Trust's assurance processes, in particular, the Annual Governance Statement.

The Audit Committee also independently monitors, reviews and reports to the Board on the processes of governance and, where appropriate, facilitates and supports, through its independence, the attainment of effective processes. Regular progress reports from Internal Audit are considered, and a robust follow-up process is in place to provide the Committee with assurance on the implementation of recommendations arising from audit work. The Audit Committee has approved a policy for use where external audit are required to provide non-audit services to ensure that objectivity and independence is safeguarded.

With regard to discussion of key matters, during the course of the year the Committee has:

- Reviewed the outcomes of internal audit reports
- Received follow-up reports on internal audit recommendations to provide assurance that actions had been completed
- Reviewed losses and compensation payments and instances where standing financial instructions have been waived
- Approved the internal and external audit plans for the coming year
- Received technical updates and information relating to the health sector from both internal and external audit
- Completed an annual self-assessment of Committee effectiveness
- Considered assurance processes for compliance with registration requirements of the Care Quality Commission
- Obtained assurance on a review of the Trust's Raising Concerns at Work Policy concerning the arrangements that allow staff to raise, in confidence, concerns about potential improprieties in matters of financial reporting and control, clinical quality, patient safety or other matters
- Reviewed and, where appropriate, approved the Annual Accounts, Annual Governance Statement and Annual Quality Report for 2014/15
- Reviewed compliance with the NHS Foundation Trust Code of Governance
- Received management assurance reports on areas where Internal Audit Work had resulted in an assessment of limited assurance
- Obtained assurance on delivery of the Clinical Audit programme

The External Audit plan for audit of the financial statements for 2014/15 was considered and approved by the Audit Committee on 11 November 2014. The plan identified a number of significant audit risks as follows:

- Recognition of NHS Revenue
- Management override of Controls
- Full revaluation of land and buildings; and
- Accounting for Capital expenditure

The Committee received assurance on the auditor's planned approach for coverage of these risk areas and was assured that appropriate focus would be applied during the audit period. Committee members gained assurance on the effectiveness of controls in place for the risk areas through discussions with senior managers from the Trust's finance team.

The Audit Committee met on 17 March 2015 to consider significant issues and key accounting judgements related to the financial statements for 2014/15. These were:

- The overall year-end financial position;
- Consolidation of Pharmacy Shop and Charitable Funds statements;
- District Valuation of Land & Buildings 2014/15;
- Restructuring Provision;
- Overseas Visitor Information;
- Off-payroll arrangements, and
- Claims against the Trust

Internal Audit

Internal Audit services, including a counter fraud services, have been provided by Mersey Internal Audit Agency (MIAA) since 1 April 2013. The main purpose of the Internal Audit service is:

- to provide an independent and objective opinion to the Accountable Officer, the Board, and the Audit Committee on the degree to which risk management, control and governance support the achievement of the organisation's agreed objectives; and
- the provision of an independent and objective consultancy service specifically to assist the Trust's management to improve the organisation's risk management, control and governance arrangements.

MIAA deliver a risk-assessed audit plan, which is approved each year by the Audit Committee. This is delivered by appropriately qualified and trained Internal Auditors led by a nominated Audit Manager. The Internal Audit plan was fully delivered during 2014/15.

Countering Fraud and Corruption

During 2014/15 the Trust's Local Counter Fraud Specialist (LCFS) and counter fraud service was provided by Mersey Internal Audit Agency (MIAA). The Trust's Counter Fraud and Corruption Policy supports our strong anti-fraud culture and the annual work plan, agreed by the Director of Finance and the Audit Committee, covered areas such as enhancing the anti-fraud culture, deterring, preventing and investigating fraud. The LCFS regularly attends the Audit Committee to provide updates on the progress of the annual work plan and investigations.

The Trust reviewed its Raising Concerns at Work Policy during 2014/15 and the policy outlines how staff can raise concerns, including those relating to fraud. Staff are reminded of their responsibility to report such matters at induction and mandatory training.

External Audit

External Audit services were provided by KPMG LLP for the period 1 April – 30 September 2014. No non-audit services were provided by KPMG LLP during this period. The Council of Governors approved the appointment of Deloitte LLP as the Trust's External Audit provider with effect from 1

October 2014 following a competitive tender process. No contracts for provision of non-audit services were awarded to Deloitte LLP during the period from the date of appointment to 31 March 2015. For the avoidance of doubt, Deloitte LLP had been commissioned to carry out the independent review of governance arrangements prior to their appointment as External Audit provider. The cost of the External Audit totaled £66,000 comprised of £49,000 for the Trust accounts, £12,000 for audit work on the Quality Report and £5,000 for Charitable Funds. All figures are inclusive of VAT.

As a result of the change in External Audit provider, an assessment of External Audit effectiveness was not completed during 2014/15. An assessment of the effectiveness of Deloitte LLP, as the new audit provider, will be completed as soon as practicable following completion of the audit of the 2014/15 financial statements. So far as the Directors are aware, there is no relevant audit information of which the 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 Auditors are aware of that information.

Directors' responsibility for preparing accounts

The Trust's Accounting Officer (Chief Executive) delegates the responsibility for preparing the accounts to the Director of Finance. These are undertaken by the finance team, comprising qualified accountants and support staff, appropriately trained to produce professional accounts.

The Audit Committee has delegated authority from the Board of Directors to review and approve the Annual Accounts. The Directors consider 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.

Accounting Policies

The Annual Accounts have been prepared under a direction issued by Monitor under the National Health Service Act 2006. They have also been prepared in accordance with International Financial Reporting Standards (IFRS) and under the direction of Monitor's NHS Foundation Trust Annual Reporting Manual (ARM).

The accounting policies for pensions and other retirement benefits are set out in note 1.3 to the accounts, and details of senior managers remuneration can be found in the Remuneration Report on page 164. Note 7.2 to the Accounts provides further information about employees who have retired early on ill-health grounds during the year. The Trust has complied with the cost allocation and charging mechanisms set out in HM Treasury and Office of Public Sector Information guidance.

Better Payment Practice Code

The Trust aims to comply with The Better Payment Practice Code which requires us to pay all valid non-NHS invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later. No significant interest was paid under the Late Payments of Commercial Debts (interest) Act 1988. Our performance against the Better Payment Practice Code in 2014/15 was as follows:

	2014/15	2013/14
Total number of invoices within 30 days	83.67%	89.87%
Total value of invoices within 30 days	79.86%	88.17%

Clearly, our performance against the Code target of 95% deteriorated in comparison with the 2013/14 position and this is an area which we will be looking to address during 2015/16.

The Trust is an accepted signatory of the Institute of Credit Management's Prompt Payment Code. Further details about this code can be found on the Institute of Credit Managements website www.promptpaymentcode.org.uk. The Trust takes its responsibility to assist smaller organisations seriously and has a procedure in place whereby small and medium sized (SME) businesses can apply to be eligible for faster payment terms, to support these businesses in maintaining their cash flow.

Review of the Effectiveness of the System of Internal Control

The Accounting Officer has responsibility for reviewing the effectiveness of the system of internal control. The Annual Governance Statement on page 81 describes how this is undertaken.

Nominations Committee

The Trust has a Nominations Committee for the appointment of the Chairman and Non-Executive Directors. The Committee has a standing membership of five Governors, including the Lead Governor, the Chairman, Chief Executive and the Senior Independent Director. The Chairman of the Trust is Chairman of the Committee. While there were no relevant vacancies arising during 2014/15, the Committee's business during this period included; outcomes of the Chairman's appraisal, review of a Non-Executive Director skills matrix and recommendations to re-appoint both the Chairman and Deputy Chairman.

Termination of Appointment of the Chairman and other Non-Executive Directors

Arrangements for any potential termination of appointment of either the Chairman or other Non-Executive Directors fall within the remit of the Council of Governors, in accordance with paragraph 13.6. of the Constitution of the Stockport NHS Foundation Trust.

Council of Governors

The Council of Governors presently has 30 places, of which 24 represent the public and staff and are elected by our Members. The remaining 6 are appointed by partnership organisations which include Stockport Metropolitan Borough Council, the voluntary sector, the education sector and other local bodies. The Council of Governors meet formally four times per year. Ad hoc meetings of the Council are called as required.

The responsibilities of the Council of Governors include:

- The appointment / removal of the Chairman and other Non-Executive Directors.
- The approval of the appointment (by the Non-Executive Directors) of the Chief Executive.
- Approval of the remuneration and allowances and the other terms and conditions of the Non-Executive Directors.
- The appointment / removal of the Trust's External Auditor.
- Receiving the Annual Accounts, any report of the External Auditor on the Annual Accounts and the Annual Report.
- The provision of views to the Board of Directors when the Board of Directors is preparing the document containing information about the Trust's forward planning.
- Responding as appropriate when consulted by the Board of Directors in accordance with the Constitution.
- Undertaking such functions as the Board of Directors shall from time to time request.
- Preparing and reviewing the Trust's Membership Development Strategy, its policy for the composition of the Council of Governors and of the Non-Executive Directors.

The Council of Governors has established three Committees, each of which meets on a bi-monthly basis:

- Governance Committee
- Membership Development Committee
- Patient Safety and Quality Standards Committee.

These Committees have met throughout 2014/15 and provide reports and recommendations to the Council of Governors at their quarterly meetings. Each of the Governor Committees include Non-Executive Director involvement and, in the case of the Governance Committee, direct involvement by the Chairman. The Committees have a core membership but all Governors are welcome to attend meetings.

The Council of Governors works closely with the Board of Directors and during 2014/15 Directors have routinely attended meetings of the Council of Governors. The Governors have not exercised their power under paragraph 10.C of Schedule 7 of the NHS Act to require one or more Directors to attend a Governors' meeting. The Council of Governors receives at each of their meetings reports from the Chief Executive on current performance and operational issues and also on strategic issues.

The Trust ensures that governors are provided with opportunities to develop their skills and knowledge and Council members are regular attendees at the North West Governors' Forum.

Directors and Governors have been involved in the following areas of membership engagement:

- a) The Trust produces a newsletter for all its members which is circulated three times per year. The publication provides members with details of what is happening within the Trust with regard to developments in services and other topical issues such as infection control. The newsletter also provides details of Governors and how they can be contacted and has a section that invites members to contact the Trust if they have any issues or comments that they wish to raise with us.
- b) The Trust's internet site provides details of Governors and how they can be contacted. The website also provides information about developments within the Trust and provides a link for members to communicate either with the Governors or with the Trust. Board papers are also posted on the Trust's internet site.
- c) Receiving feedback from Trust members who have become involved with the Trust at local level including:
 - Being used as "mystery shoppers" to measure the level of customer care given by Departments
 - Taking part in Ward audits and surveys
 - Reading and reviewing Trust patient information leaflets
 - Commenting on patient information, planned for patients taking part in clinical trials
 - Receiving appropriate divisional and departmental newsletters
 - Participating in patient and carer groups
 - Undertaking visits to areas of the hospital
 - Being kept informed of local, regional and national consultation exercises so that they can offer their views.
 - Providing their views on a number of specific topics of interest to the Trust by completion of regular questionnaires.

Governors operate on a non-paid voluntary basis but the Trust does reimburse travel expenses. In 2014/15, Governors were reimbursed a total of £1.2k (£0.7k in 2013/14).

Elections 2014/15

Elections were held in 2014/15 in the following constituencies. The results of the elections are shown in brackets:

Public:

- Heatons and Victoria (three Governors elected unopposed, leaving one vacancy)
- (By-election) Tame Valley and Werneth (two Governors elected unopposed, leaving two vacancies)
- (By-election) Tameside (no Governors elected, leaving one vacancy)

Results of these elections, which were held under the independent scrutiny of Electoral Reform Services, were announced at the Annual Members' Meeting in October 2014.

Membership of the Council of Governors

Details of our elected Governors and their attendance at meetings are provided in the following tables:

Name	Constituency	Elected Until	Attendance at formal Governors' meetings
Stuart Clensy	Community Staff	Annual Members' Meeting 2015	2/4
Jean Rogers	Other Staff	Annual Members' Meeting 2015	3/4
Kay Wiss	Other Staff	Annual Members' Meeting 2015	4/4
Simon Plevin	Other Staff	Annual Members' Meeting 2015 <i>(resigned in October 2014)</i>	2/2
Robert Cryer	Public – Bramhall & Cheadle	Annual Members' Meeting 2016	4/4
Charles Galasko	Public – Bramhall & Cheadle	Annual Members' Meeting 2016	4/4
Maureen Harrison	Public – Bramhall & Cheadle	Annual Members' Meeting 2016	4/4
Margaret Nabb	Public – Bramhall & Cheadle	Annual Members' Meeting 2016 <i>(resigned in October 2014)</i>	3/3
Tony Johnson	Public – Bramhall & Cheadle	Annual Members' Meeting 2016	1/1
Roy Driver	Public – Tame Valley & Werneth	Annual Members' Meeting 2015	2/2
David White	Public – Tame Valley & Werneth	Annual Members' Meeting 2015	1/2
Lesley Auger	Public – Heatons & Victoria	Annual Members' Meeting 2017	3/4

Eve Brown	Public – Heatons & Victoria	Annual Members' Meeting 2017	4/4
Gerald Wright	Public – Heatons & Victoria	Annual Members' Meeting 2017	3/4
Ronald Catlow	Public – Marple & Stepping Hill	Annual Members' Meeting 2016	4/4
Les Jenkins	Public – Marple & Stepping Hill	Annual Members' Meeting 2016	4/4
Carole Normington	Public – Marple & Stepping Hill	Annual Members' Meeting 2016	4/4
Chris Wrigley	Public – Marple & Stepping Hill	Annual Members' Meeting 2016	3/4
Tim Norton	Public – High Peak	Annual Members' Meeting 2015	0/4
Lynne Woodward	Public – High Peak	Annual Members' Meeting 2015	3/4
Terence Moore	Public – Outer Region	Annual Members' Meeting 2015	0/4

Appointed Governors

Name	Appointed By	Appointed Until	Attendance at formal Governors' meetings
John Pantall	Stockport MBC	Annual Members' Meeting 2015	3/4
Anand Dutta	Stockport Community and Voluntary Services	Annual Members' Meeting 2015	1/4
Fiona Fox	Stockport College	Annual Members' Meeting 2015	2/4

In accordance with the statutory requirements, we keep a register of interests of the Council of Governors which is available upon request for inspection by members of the public (please contact Paul Buckingham, Company Secretary, on 0161 419 5164 or paul.buckingham@stockport.nhs.uk if you wish to have access to the register). The same contact point can be used for members wishing to communicate with Governors.

Membership

Eligibility Requirements

Our Membership is open to any individual who:

- is over 11 years of age, and
- is entitled under our Constitution of to be a member of one of the public constituencies or of one of the classes of the staff constituency (as below).

Public Constituencies

The Trust has adopted an “opt-in” membership system for our public constituency which is open to individuals who:

- are not a member of another public constituency
- complete an application form in whatever form the Council of Governors specifies, and
- are not eligible to be members of any of the classes of the staff constituency
- live within one of the six geographic areas set out below:

The areas of the Trust are as detailed below.

Four areas covered by Stockport Metropolitan Borough Council as follows:

- 1) **Bramhall and Cheadle – containing the following Local Authority wards:** Bramhall North, Bramhall South, Cheadle Hulme South, Cheadle and Gatley, Cheadle Hulme North and Heald Green.
- 2) **Tame Valley and Werneth– containing the following Local Authority wards:** Brinnington and Central, Reddish North, Reddish South, Bredbury and Woodley, Bredbury Green and Romiley
- 3) **The Heatons and Victoria – containing the following Local Authority wards:** Heatons North, Heatons South, Davenport and Cale Green, Edgeley and Cheadle Heath, Manor
- 4) **Marple and Stepping Hill – containing the following Local Authority wards:** Marple North, Marple South, Hazel Grove, Offerton, Stepping Hill

One area covering the High Peak and Dales and Tameside and Glossop:

- 5) **High Peak and Dales and Tameside and Glossop – which covers the following wards**
 - **The wards that fall within the Metropolitan Borough Council of Tameside**
 - **The following wards in High Peak:**
Barms, Blackbrook, Burbage, Buxton Central, Chapel East, Chapel West, Corbar, Cote Heath, Hayfield, Limestone Peak, New Mills East, New Mills West, Sett, Stone Bench, Temple, Whaley Bridge, Dinting, Gamesley, Hadfield North, Hadfield South, Howard Town, Old Glossop, Padfield, Simmondley, St John’s, Tintwistle, Whitfield.

One area covering a wider district around our hospital:

6) **Outer Region – the areas covered by the metropolitan councils / districts of:**

Cheshire East, Manchester, Trafford, Salford, Oldham, Rochdale, Bury, Bolton, Wigan and those wards in High Peak not covered under 5) above.

Staff Constituency

The Trust has adopted an “opt-out” membership system for the staff constituency which is divided into the following classes:

- Community Staff
- Other Staff.

Membership of one of the classes of the staff constituency is open to individuals:

- who we employ under a contract of employment and who either
 - are under a contract which has no fixed term or a fixed term of at least 12 months, or
 - have been continuously employed for at least 12 months, or
- who are not employed by us but who are employed by some other body and who exercise functions for the purposes of the Trust; and who have exercised these functions for a continuous period of at least 12 months. For the avoidance of doubt, this does not include those who assist or provide services to the Trust on a voluntary basis.

All individuals who are entitled to become members of one of the classes of the staff constituency, and who:

- have been invited by us to become a member of the appropriate class, and
- have not informed us that they do not wish to do so

shall become members of that class.

The Secretary makes the final decision about the class to which an individual is eligible to be a member.

Membership Numbers

Public Members by Constituency (as at 31 March 2015)

Area	No. of Members
Bramhall and Cheadle	2,814
Tame Valley and Werneth	2,132
The Heatons and Victoria	2,272
Marple and Stepping Hill	2,827

High Peak and Dales and Tameside and Glossop	1,417
Outer Region	667
Total	12,129

Staff Members by Constituency (as at 31 March 2015)

Staff constituency	No. of Members
Community staff	1,422
Other staff	3,900
Total	5,322

Membership Development & Involvement

One of our key objectives is to build and maintain a vibrant and engaged membership. In 2012/13 we set out our three-year membership development strategy, recognising that the process of building meaningful membership structures takes a serious commitment to time and resources. In 2014/15 we continued to work to this strategy, and have developed a full plan detailing a number of objectives, the implementation of which is led and monitored by the Council of Governors through its Membership Development Committee.

The Membership Development Committee oversees:

- The development and implementation of the membership development strategy and plans.
- Membership recruitment and development.
- Communication with members, including the ongoing development of the Trust's internet and membership newsletter.

The Membership Strategy sets out a framework to deliver and develop the benefits of membership. The document sets out how we intend to sustain and build on our membership numbers and sets out the relationship we seek to have with our membership body and what benefits both parties can expect to derive from that relationship.

Some of the guiding principles of the Membership Strategy are that:

- We should regularly check to determine that we are seeking representation from all aspects of our local society within our membership.
- The activities of membership should be valuable to both individuals and to the Trust.
- Activities undertaken should be prioritised to ensure achievability both in terms of time and resources.

We feel that the Trust can derive significant benefits from its membership body in the following ways:

- Engaged ambassadors who will support the Trust through good and not so good times.

- The future workforce could be found within a strong young person membership.
- Future governors will be found here.
- Through listening to our members in local constituencies, we can ensure we have plans to satisfy their perceptions of what it means to be a good neighbour and to contribute to the community.

During 2014/15 events for members which took place in the Trust included:

- A 'forget-me-not' dementia health talk on 25 March 2014
- A '24 hours in A&E' health talk on 17 June 2014
- An open day event in July 2014
- A 'Road to Recovery' tour of therapies held on 16 September 2014
- The Annual Members Meeting held on 2 October 2014
- An 'Infection Prevention-Everybody's Business' health talk held on 18 November 2014

During 2015/16 we intend to:

- Continue to focus on under-represented groups, including members from Tameside and Glossop and socio-economic groups (specifically C2, D,& E).
- Our target is to increase the number of members from Tameside and Glossop to 600 members and we will aim to achieve this through:
 - Working closely with community based staff
 - Attendance at colleges in Tameside specifically to sign up health and social care students
 - Working closely with Tameside Healthwatch and third sector partners
- Socio-economic groups C2, D & E. We recognize that membership should be seen as relevant to all sections of the community. We will seek to ensure that our membership is socially inclusive and our aim is to increase the number of members in these groups to 1,640 by 31 March 2016.
- Younger people. Three new youth ambassadors will be appointed from September 2015. We will work closely with our youth ambassadors, seeking to ensure that their views are incorporated into younger member communications using social media and online mediums.
- The Trust loses approximately 600 members per annum through natural attrition. We aim to maintain our overall membership within a 10% tolerance of our baseline membership of 12,000 public members.
- We will run a 'membership week' during week commencing 5 October 2015, when we will focus on membership activities such as recruitment drives and membership social media.
- Host an open day for members and the public to join us for entertainment and information, and tours of the hospital.

Our communication with members will include:

- Our newsletter “Stepping Up”
- Our Annual Members’ Meeting
- A welcome pack for new members
- The members’ section on the Trust’s website
- Use of social media, including Twitter and Facebook
- Regular e-mails to members who have supplied an e-mail address
- An organised programme of events aimed at members and the public offering public health messages and delivered with the support of Governors and staff experts.
- Events will allow for communication between Governors and members and will be advertised in Stepping Up, website, Twitter, through the local newspaper, the council newsletters and on posters.

Events for 2015/16 are:

- ‘Come Dine with Us’ – tour of our new kitchens – 14 July 2015
- ‘As Good as New’ – knee & hip replacement health talk – 15 September 2015
- Annual Members’ Meeting – 8 October 2015
- ‘Staying Out, Not Staying In’ - community health services – 19 November 2015

Performance indicators have been set for all of our engagement and these will be used by the Membership Development Committee to evaluate success in 2015/16.

NHS Foundation Trust Code of Governance

The NHS Foundation Trust Code of Governance (the Code of Governance) was first published in 2006 and was most recently updated in July 2014. The purpose of the Code of Governance is to assist NHS Foundation Trust Boards in improving their governance practices by bringing together the best practice of public and private sector corporate governance. The Code is issued as best practice advice but imposes some disclosure requirements. Stockport NHS Foundation Trust has applied the principles of the NHS Foundation Trust Code of Governance on a comply or explain basis. The NHS Foundation Trust Code of Governance, most recently revised in July 2014, is based on the principles of the UK Corporate Governance Code issued in 2012.

NHS Foundation Trusts are required to provide a specific set of disclosures to meet the requirements of the NHS Foundation Trust Code of Governance which should be submitted as part of the Annual Report (as referenced in the NHS Foundation Trust Annual Reporting Manual). Schedule A to the Code of Governance specifies everything that is required within these disclosures. Schedule A is divided into six categories and the disclosures being made by the Trust for each of these categories are detailed below:

Below are the statutory requirements that we have highlighted in the Code. This supersedes the “comply or explain” requirements of the Code. **However, there is no need to report on these provisions in the Code disclosure.** For the purposes of completeness, the Trust will comment upon each requirement.

Reference	Statutory requirement:
A.2.2	<p>The roles of chairperson and chief executive must not be undertaken by the same individual.</p> <p><i>The Trust complies with this requirement.</i></p>
A.5.10	<p>The council of governors has a statutory duty to hold the non-executive directors individually and collectively to account for the performance of the board of directors.</p> <p><i>The Board of Directors and the Council of Governors comply with this requirement.</i></p>
A.5.11	<p>The 2006 Act, as amended, gives the council of governors a statutory requirement to receive the following documents. These documents should be provided in the annual report as per the <i>NHS Foundation Trust Annual Reporting Manual</i>:</p> <ul style="list-style-type: none"> (a) the annual accounts; (b) any report of the auditor on them; and (c) the annual report. <p><i>The Trust complies with this requirement.</i></p>
A.5.12	<p>The directors must provide governors with an agenda prior to any meeting of the board, and a copy of the approved minutes as soon as is practicable afterwards. There is no legal basis on which the minutes of private sessions of board meetings should be exempted from being shared with the governors. In practice, it may be necessary to redact some information, for example, for data protection or commercial reasons. Governors should respect the confidentiality of these documents.</p> <p><i>The Trust complies with this requirement.</i></p>

A.5.13	<p>The council of governors may require one or more of the directors to attend a meeting to obtain information about performance of the trust's functions or the directors' performance of their duties, and to help the council of governors to decide whether to propose a vote on the trust's or directors' performance.</p> <p><i>The Trust is aware of this requirement. This situation did not arise during 2014/15.</i></p>
A.5.14	<p>Governors have the right to refer a question to the independent panel for advising governors. More than 50% of governors who vote must approve this referral. The council should ensure dialogue with the board of directors takes place before considering such a referral, as it may be possible to resolve questions in this way.</p> <p><i>The Trust is aware of this requirement. This situation did not arise during 2014/15.</i></p>
A.5.15	<p>Governors should use their new rights and voting powers from the 2012 Act to represent the interests of members and the public on major decisions taken by the board of directors. These are outlined in full at A.5.15.</p> <p><i>The Trust complies with this requirement.</i></p>
B.2.11	<p>It is a requirement of the 2006 Act that the chairperson, the other non-executive directors and – except in the case of the appointment of a chief executive – the chief executive, are responsible for deciding the appointment of executive directors. The nominations committee with responsibility for executive director nominations should identify suitable candidates to fill executive director vacancies as they arise and make recommendations to the chairperson, the other non-executives directors and, except in the case of the appointment of a chief executive, the chief executive.</p> <p><i>The Trust complies with this requirement.</i></p>
B.2.12	<p>It is for the non-executive directors to appoint and remove the chief executive. The appointment of a chief executive requires the approval of the council of governors.</p> <p><i>The Trust complies with this requirement.</i></p>
B.2.13	<p>The governors are responsible at a general meeting for the appointment, re-appointment and removal of the chairperson and the other non-executive directors.</p> <p><i>The Trust complies with this requirement.</i></p>
B.4.3	<p>The board has a duty to take steps to ensure that governors are equipped with the skills and knowledge they need to discharge their duties appropriately.</p> <p><i>The Trust complies with this requirement.</i></p>
B.5.8	<p>The board of directors must have regard for the views of the council of governors on the NHS foundation trust's forward plan.</p> <p><i>The Trust complies with this requirement.</i></p>

B.7.3	Approval by the council of governors of the appointment of a chief executive should be a subject of the first general meeting after the appointment by a committee of the chairperson and non-executive directors. All other executive directors should be appointed by a committee of the chief executive, the chairperson and non-executive directors. <i>The Trust complies with this requirement.</i>
B.7.4	Non-executive directors, including the chairperson should be appointed by the council of governors for the specified terms subject to re-appointment thereafter at intervals of no more than three years and subject to the 2006 Act provisions relating to removal of a director. <i>The Trust complies with this requirement.</i>
B.7.5	Elected governors must be subject to re-election by the members of their constituency at regular intervals not exceeding three years. <i>The Trust complies with this requirement.</i>
D.2.4	The council of governors is responsible for setting the remuneration of non-executive directors and the chairperson. <i>The Trust complies with this requirement.</i>
E.1.7	The board of directors must make board meetings and the annual meeting open to the public. The trust's constitution may provide for members of the public to be excluded from a meeting for special reasons. <i>The Trust complies with this requirement.</i>
E.1.8	The trust must hold annual members' meetings. At least one of the directors must present the trust's annual report and accounts, and any report of the auditor on the accounts, to members at this meeting. <i>The Trust complies with this requirement.</i>

The provisions listed below require a supporting explanation, even in the case that the NHS foundation trust is compliant with the provision. **Where the information is already contained within the annual report, a reference to its location is sufficient to avoid unnecessary duplication.**

Reference	Statutory requirement:
A.1.1	The schedule of matters reserved for the Board of Directors should include a clear statement detailing the roles and responsibilities of the Council of Governors. This statement should also describe how any disagreements between the Council of Governors and the Board of Directors will be resolved. The annual report should include this schedule of matters or a summary statement of how the Board of Directors and the Council of Governors operate, including a summary of the types of decisions to be taken by each of the Boards and which are delegated to the executive management of the Board of Directors. <i>See Annual Report page 48 and page 58.</i>

A.1.2	<p>The annual report should identify the chairperson, the deputy chairperson (where there is one), the chief executive, the senior independent director (see A.4.1) and the chairperson and members of the nominations, audit and remuneration committees. It should also set out the number of meetings of the board and those committees and individual attendance by directors.</p> <p>See Annual Report pages 49, 53, 57 and 90.</p>
A.5.3	<p>The annual report should identify the members of the council of governors, including a description of the constituency or organisation that they represent, whether they were elected or appointed, and the duration of their appointments. The annual report should also identify the nominated lead governor.</p> <p>See Annual Report page 60.</p>
FT ARM	<p>The annual report should include a statement about the number of meetings of the council of governors and individual attendance by governors and directors.</p> <p>See Annual Report page 60.</p>
B.1.1	<p>The board of directors should identify in the annual report each non-executive director it considers to be independent, with reasons where necessary.</p> <p>See Annual Report page 48.</p>
B.1.4	<p>The board of directors should include in its annual report a description of each director's skills, expertise and experience. Alongside this, in the annual report, the board should make a clear statement about its own balance, completeness and appropriateness to the requirements of the NHS foundation trust.</p> <p>See Annual Report page 52.</p>
FT ARM	<p>The annual report should include a brief description of the length of appointments of the non-executive directors and how they may be terminated.</p> <p>See Annual Report pages 49 and 57.</p>
B.2.10	<p>A separate section of the annual report should describe the work of the nominations committee(s), including the process it has used in relation to board appointments.</p> <p>See Annual Report page 57.</p>
FT ARM	<p>The disclosure in the annual report on the work of the nominations committee should include an explanation if neither an external search consultancy nor open advertising has been used in the appointment of a chair or non-executive director.</p> <p>See Annual Report page 57.</p>
B.3.1	<p>A chairperson's other significant commitments should be disclosed to the council of governors before appointment and included in the annual report. Changes to such commitments should be reported to the council of governors as they arise, and included in the next annual report.</p> <p>See Annual Report page 49</p>

B.5.6	<p>Governors should canvass the opinion of the trust's members and the public, and for appointed governors the body they represent, on the NHS foundation trust's forward plan, including its objectives, priorities and strategy, and their views should be communicated to the board of directors. The annual report should contain a statement as to how this requirement has been undertaken and satisfied.</p> <p>See Annual Report page 64.</p>
FT ARM	<p>If, during the financial year, the Governors have exercised their power under paragraph 10C of schedule 7 of the NHS Act 2006, then information on this must be included in the annual report.</p> <p>See Annual Report page 59.</p>
B.6.1	<p>The board of directors should state in the annual report how performance evaluation of the board, its committees, and its directors, including the chairperson, has been conducted.</p> <p>See Annual Report page 53</p>
B.6.2	<p>Where there has been external evaluation of the board and/or governance of the trust, the external facilitator should be identified in the annual report and a statement made as to whether they have any other connection to the trust.</p> <p>See Annual Report page 17.</p>
C.1.1	<p>The directors should explain in the annual report their responsibility for preparing the annual report and accounts, and state that they consider the annual report and accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for patients, regulators and other stakeholders to assess the NHS foundation trust's performance, business model and strategy. Directors should also explain their approach to quality governance in the Annual Governance Statement (within the annual report).</p> <p>See Annual Report pages 56 and 81.</p>
C.2.1	<p>The annual report should contain a statement that the board has conducted a review of the effectiveness of its system of internal controls.</p> <p>See Annual Governance Statement on page 81.</p>
C.2.2	<p>A trust should disclose in the annual report:</p> <ul style="list-style-type: none"> a) If it has an internal audit function, how the function is structured and what role it performs; or b) If it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes. <p>See Annual Report page 55.</p>

C.3.5	<p>If the council of governors does not accept the audit committee's recommendation on the appointment, reappointment or removal of an external auditor, the board of directors should include in the annual report a statement from the audit committee explaining the recommendation and should set out reasons why the council of governors has taken a different position.</p> <p><i>This situation did not arise during 2014/15.</i></p>
C.3.9	<p>A separate section of the annual report should describe the work of the audit committee in discharging its responsibilities. The report should include:</p> <ul style="list-style-type: none"> • the significant issues that the committee considered in relation to financial statements, operations and compliance, and how these issues were addressed; • an explanation of how it has assessed the effectiveness of the external audit process and the approach taken to the appointment or re-appointment of the external auditor, the value of external audit services and information on the length of tenure of the current audit firm and when a tender was last conducted; and • if the external auditor provides non-audit services, the value of the non-audit services provided and an explanation of how auditor objectivity and independence are safeguarded. <p><i>See Annual Report page 53</i></p>
D.1.3	<p>Where an NHS foundation trust releases an executive director, for example to serve as a non-executive director elsewhere, the remuneration disclosures of the annual report should include a statement of whether or not the director will retain such earnings.</p> <p><i>This situation did not arise during 2014/15.</i></p>
E.1.5	<p>The board of directors should state in the annual report the steps they have taken to ensure that the members of the board, and in particular the non-executive directors, develop an understanding of the views of governors and members about the NHS foundation trust, for example through attendance at meetings of the council of governors, direct face-to-face contact, surveys of members' opinions and consultations.</p> <p><i>See Annual Report page 53.</i></p>
E.1.6	<p>The board of directors should monitor how representative the NHS foundation trust's membership is and the level and effectiveness of member engagement and report on this in the annual report.</p> <p><i>See Annual Report page 64.</i></p>
FT ARM	<p>The annual report should include:</p> <ul style="list-style-type: none"> • A brief description of the eligibility requirements for joining different membership constituencies, including the boundaries for public membership; • Information on the number of members and the number of members in each constituency; and • A summary of the membership strategy, an assessment of the membership and a description of any steps taken during the year to ensure a representative membership including progress towards any recruitment targets for members. <p><i>See Annual Report page 62.</i></p>

FT ARM	<p>The annual report should disclose details of company directorships or other material interests in companies held by governors and/or directors where those companies or related parties are likely to do business with the NHS foundation trust. As each NHS foundation trust must have registers of governors' and directors' interests which are available to the public, an alternative disclosure is for the annual report to simply state how members of the public can gain access to the registers instead of listing all the interests in the annual report.</p> <p>See Annual Report pages 53 and 61.</p>
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'FT ARM' indicates that the disclosure is required by the NHS Foundation Trust Annual Reporting Manual rather than the code of governance.

The provisions listed below require supporting information to be made publicly available even in the case that the NHS foundation trust is compliant with the provision. This requirement can be met by making supporting information available on request and on the NHS foundation trust's website.

The information detailed below is available on request from the Company Secretary and will also be placed on the Trust's website.

Reference	Statutory requirement:
A.1.3	The board of directors should make available a statement of the objectives of the NHS foundation trust showing how it intends to balance the interests of patients, the local community and other stakeholders, and use this as the basis for its decision-making and forward planning.
B.1.4	A description of each director's expertise and experience, with a clear statement about the board of director's balance, completeness and appropriateness.
B.2.10	The main role and responsibilities of the nominations committee should be set out in publicly available, written terms of reference.
B.3.2	The terms and conditions of appointment of non-executive directors.
C.3.2	The main role and responsibilities of the audit committee should be set out in publicly available, written terms of reference.
D.2.1	The remuneration committee should make available its terms of reference, explaining its role and the authority delegated to it by the board of directors. Where remuneration consultants are appointed, a statement should be made available as to whether they have any other connection with the NHS foundation trust.
E.1.1	The board of directors should make available a public document that sets out its policy on the involvement of members, patients and the local community at large, including a description of the kind of issues it will consult on.
E.1.4	Contact procedures for members who wish to communicate with governors and/or directors should be made clearly available to members on the NHS foundation trust's website.

The provisions listed below require supporting information to be made available to governors, even in the case that the NHS foundation trust is compliant with the provision. This information should be set out in papers accompanying a resolution to re-appoint a non-executive director

Reference	Statutory requirement:
B.7.1	In the case of re-appointment of non-executive directors, the chairperson should confirm to the governors that following formal performance evaluation, the performance of the individual proposed for re-appointment continues to be effective and to demonstrate commitment to the role.

This information has been supplied to the Council of Governors in reports seeking the reappointment of Non-Executive Directors during 2014/15.

The provisions listed below require supporting information to be made **available to members**, even in the case that the NHS foundation trust is compliant with the provision. This information should be set out in papers accompanying a resolution to elect or re-elect a governor.

Reference	Statutory requirement:
B.7.2	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.

This information is included within the election material circulated to members by Electoral Reform Services who manage governor elections on behalf of the Trust.

For all provisions listed below there are no special requirements as per 1-5 above. For these provisions, the basic “comply or explain” requirement stands. The disclosure should therefore contain **an explanation in each case where the trust has departed from the Code, explaining the reasons for the departure and how the alternative arrangements continue to reflect the main principles of the Code.**

A disclosure is only required for **departures** from the Code for the provisions listed in this section. NHS foundation trusts are welcome but not required to provide a simple statement of compliance with each individual provision. This may be useful in ensuring the disclosure is comprehensive and may help to ensure that each provision has been considered in turn.

In providing an explanation for any variation from the *NHS Foundation Trust Code of Governance*, the NHS foundation trust should aim to illustrate how its actual practices are consistent with the principle to which the particular provision relates. It should set out the background, provide a clear rationale, and describe any mitigating actions it is taking to address any risks and maintain conformity with the relevant principle. Where deviation from a particular provision is intended to be limited in time, the explanation should indicate when the NHS foundation trust expects to conform to the provision.

The table below provides a summary of the provisions – the full provisions as listed in the document should be used for reference. In this summary “the board” refers to the board of directors, “the council” to the council of governors, and “trust” refers to the NHS foundation trust.

Provision	Summary:
A.1.4	<p>The board should ensure that adequate systems and processes are maintained to measure and monitor the NHS foundation trust's effectiveness, efficiency and economy as well as the quality of its health care delivery</p> <p><i>The Trust is declaring compliance.</i></p>
A.1.5	<p>The board should ensure that relevant metrics, measures, milestones and accountabilities are developed and agreed so as to understand and assess progress and delivery of performance</p> <p><i>The Trust is declaring compliance.</i></p>
A.1.6	<p>The board should report on its approach to clinical governance.</p> <p><i>The Trust is declaring compliance.</i></p>
A.1.7	<p>The chief executive as the accounting officer should follow the procedure set out by Monitor for advising the board and the council and for recording and submitting objections to decisions.</p> <p><i>The Trust is declaring compliance.</i></p>
A.1.8	<p>The board should establish the constitution and standards of conduct for the NHS foundation trust and its staff in accordance with NHS values and accepted standards of behaviour in public life.</p> <p><i>The Trust is declaring compliance.</i></p>
A.1.9	<p>The board should operate a code of conduct that builds on the values of the NHS foundation trust and reflect high standards of probity and responsibility.</p> <p><i>The Trust is declaring compliance. A joint Code of Conduct for the Board and Council was introduced during 2014/15.</i></p>
A.1.10	<p>The NHS foundation trust should arrange appropriate insurance to cover the risk of legal action against its directors.</p> <p><i>The Trust is declaring compliance.</i></p>
A.3.1	<p>The chairperson should, on appointment by the council, meet the independence criteria set out in B.1.1. A chief executive should not go on to be the chairperson of the same NHS foundation trust.</p> <p><i>The Trust is declaring compliance.</i></p>
A.4.1	<p>In consultation with the council, the board should appoint one of the independent non-executive directors to be the senior independent director.</p> <p><i>The Trust is declaring compliance.</i></p>
A.4.2	<p>The chairperson should hold meetings with the non-executive directors without the executives present.</p> <p><i>The Trust is declaring compliance.</i></p>

Provision	Summary:
A.4.3	<p>Where directors have concerns that cannot be resolved about the running of the NHS foundation trust or a proposed action, they should ensure that their concerns are recorded in the board minutes.</p> <p><i>The Trust is declaring compliance.</i></p>
A.5.1	<p>The council of governors should meet sufficiently regularly to discharge its duties.</p> <p><i>The Trust is declaring compliance.</i></p>
A.5.2	<p>The council of governors should not be so large as to be unwieldy.</p> <p><i>The Trust is declaring compliance.</i></p>
A.5.4	<p>The roles and responsibilities of the council of governors should be set out in a written document.</p> <p><i>The Trust is declaring compliance.</i></p>
A.5.5	<p>The chairperson is responsible for leadership of both the board and the council but the governors also have a responsibility to make the arrangements work and should take the lead in inviting the chief executive to their meetings and inviting attendance by other executives and non-executives, as appropriate.</p> <p><i>The Trust is declaring compliance.</i></p>
A.5.6	<p>The council should establish a policy for engagement with the board of directors for those circumstances when they have concerns.</p> <p><i>The Trust is declaring compliance.</i></p>
A.5.7	<p>The council should ensure its interaction and relationship with the board of directors is appropriate and effective.</p> <p><i>The Trust is declaring compliance.</i></p>
A.5.8	<p>The council should only exercise its power to remove the chairperson or any non-executive directors after exhausting all means of engagement with the board.</p> <p><i>The Trust is declaring compliance.</i></p>
A.5.9	<p>The council should receive and consider other appropriate information required to enable it to discharge its duties.</p> <p><i>The Trust is declaring compliance.</i></p>
B.1.2	<p>At least half the board, excluding the chairperson, should comprise non-executive directors determined by the board to be independent.</p> <p><i>The Trust is declaring compliance.</i></p>
B.1.3	<p>No individual should hold, at the same time, positions of director and governor of any NHS foundation trust.</p> <p><i>The Trust is declaring compliance.</i></p>

Provision	Summary:
B.2.1	<p>The nominations committee or committees, with external advice as appropriate, are responsible for the identification and nomination of executive and non-executive directors.</p> <p><i>The Trust is declaring compliance.</i></p>
B.2.2	<p>Directors on the board of directors and governors on the council should meet the “fit and proper” persons test described in the provider licence.</p> <p><i>The Trust is declaring compliance.</i></p>
B.2.3	<p>The nominations committee(s) should regularly review the structure, size and composition of the board and make recommendations for changes where appropriate.</p> <p><i>The Trust is declaring compliance.</i></p>
B.2.4	<p>The chairperson or an independent non-executive director should chair the nominations committee(s).</p> <p><i>The Trust is declaring compliance.</i></p>
B.2.5	<p>The governors should agree with the nominations committee a clear process for the nomination of a new chairperson and non-executive directors.</p> <p><i>The Trust is declaring compliance.</i></p>
B.2.6	<p>Where an NHS foundation trust has two nominations committees, the nominations committee responsible for the appointment of non-executive directors should consist of a majority of governors.</p> <p><i>The Trust is declaring compliance.</i></p>
B.2.7	<p>When considering the appointment of non-executive directors, the council should take into account the views of the board and the nominations committee on the qualifications, skills and experience required for each position.</p> <p><i>The Trust is declaring compliance.</i></p>
B.2.8	<p>The annual report should describe the process followed by the council in relation to appointments of the chairperson and non-executive directors.</p> <p><i>The Trust is declaring compliance.</i></p>
B.2.9	<p>An independent external adviser should not be a member of or have a vote on the nominations committee(s).</p> <p><i>The Trust is declaring compliance.</i></p>
B.3.3	<p>The board should not agree to a full-time executive director taking on more than one non-executive directorship of an NHS foundation trust or another organisation of comparable size and complexity.</p> <p><i>The Trust is declaring compliance.</i></p>
B.5.1	<p>The board and the council governors should be provided with high-quality information appropriate to their respective functions and relevant to the decisions they have to make.</p> <p><i>The Trust is declaring compliance.</i></p>

Provision	Summary:
B.5.2	<p>The board and in particular non-executive directors, may reasonably wish to challenge assurances received from the executive management. They need not seek to appoint a relevant adviser for each and every subject area that comes before the board, although they should, wherever possible, ensure that they have sufficient information and understanding to enable challenge and to take decisions on an informed basis.</p> <p><i>The Trust is declaring compliance.</i></p>
B.5.3	<p>The board should ensure that directors, especially non-executive directors, have access to the independent professional advice, at the NHS foundation trust's expense, where they judge it necessary to discharge their responsibilities as directors.</p> <p><i>The Trust is declaring compliance.</i></p>
B.5.4	<p>Committees should be provided with sufficient resources to undertake their duties.</p> <p><i>The Trust is declaring compliance.</i></p>
B.6.3	<p>The senior independent director should lead the performance evaluation of the chairperson.</p> <p><i>The Trust is declaring compliance.</i></p>
B.6.4	<p>The chairperson, with assistance of the board secretary, if applicable, should use the performance evaluations as the basis for determining individual and collective professional development programmes for non-executive directors relevant to their duties as board members.</p> <p><i>The Trust is declaring compliance.</i></p>
B.6.5	<p>Led by the chairperson, the council should periodically assess their collective performance and they should regularly communicate to members and the public details on how they have discharged their responsibilities.</p> <p><i>The Trust is declaring compliance.</i></p>
B.6.6	<p>There should be a clear policy and a fair process, agreed and adopted by the council, for the removal from the council of any governor who consistently and unjustifiably fails to attend the meetings of the council or has an actual or potential conflict of interest which prevents the proper exercise of their duties.</p> <p><i>The Trust is declaring compliance.</i></p>
B.8.1	<p>The remuneration committee should not agree to an executive member of the board leaving the employment of an NHS foundation trust, except in accordance with the terms of their contract of employment, including but not limited to service of their full notice period and/or material reductions in their time commitment to the role, without the board first having completed and approved a full risk assessment.</p> <p><i>The Trust is declaring compliance.</i></p>
C.1.2	<p>The directors should report that the NHS foundation trust is a going concern with supporting assumptions or qualifications as necessary.</p> <p><i>The Trust is declaring compliance.</i></p>

Reference	Statutory requirement:
C.1.3	<p>At least annually and in a timely manner, the board should set out clearly its financial, quality and operating objectives for the NHS foundation trust and disclose sufficient information, both quantitative and qualitative, of the NHS foundation trust's business and operation, including clinical outcome data, to allow members and governors to evaluate its performance.</p> <p><i>The Trust is declaring compliance.</i></p>
C.1.4	<p>a) The board of directors must notify Monitor and the council of governors without delay and should consider whether it is in the public's interest to bring to the public attention, any major new developments in the NHS foundation trust's sphere of activity which are not public knowledge, which it is able to disclose and which may lead by virtue of their effect on its assets and liabilities, or financial position or on the general course of its business, to a substantial change to the financial wellbeing, health care delivery performance or reputation and standing of the NHS foundation trust.</p> <p>b) The board of directors must notify Monitor and the council of governors without delay and should consider whether it is in the public interest to bring to public attention all relevant information which is not public knowledge concerning a material change in:</p> <ul style="list-style-type: none"> i. The NHS foundation trust's financial condition; ii. The performance of its business; and/or iii. The NHS foundation trust's expectations as to its performance which, if made public, would be likely to lead to a substantial change to the financial wellbeing, health care delivery performance or reputation and standing of the NHS foundation trust. <p><i>The Trust is declaring compliance.</i></p>
C.3.1	<p>The board should establish an audit committee composed of at least three members who are all independent non-executive directors.</p> <p><i>The Trust is declaring compliance.</i></p>
C.3.3	<p>The council should take the lead in agreeing with the audit committee the criteria for appointing, re-appointing and removing external auditors.</p> <p><i>The Trust is declaring compliance.</i></p>
C.3.6	<p>The NHS foundation trust should appoint an external auditor for a period of time which allows the auditor to develop a strong understanding of the finances, operations and forward plans of the NHS foundation trust.</p> <p><i>The Trust is declaring compliance.</i></p>
C.3.7	<p>When the council ends an external auditor's appointment in disputed circumstances, the chairperson should write to Monitor informing it of the reasons behind the decision.</p> <p><i>The Trust is declaring compliance.</i></p>

C.3.8	<p>The audit committee should review arrangements that allow staff of the NHS foundation trust and other individuals where relevant, to raise, in confidence, concerns about possible improprieties in matters of financial reporting and control, clinical quality, patient safety or other matters.</p> <p><i>The Trust is declaring compliance.</i></p>
D.1.1	<p>Any performance-related elements of the remuneration of executive directors should be designed to align their interests with those of patients, service users and taxpayers and to give these directors keen incentives to perform at the highest levels.</p> <p><i>The Trust did not have a performance-related element of remuneration for Executives during 2014/15.</i></p>
D.1.2	<p>Levels of remuneration for the chairperson and other non-executive directors should reflect the time commitment and responsibilities of their roles.</p> <p><i>The Trust is declaring compliance.</i></p>
D.1.4	<p>The remuneration committee should carefully consider what compensation commitments (including pension contributions and all other elements) their directors' terms of appointments would give rise to in the event of early termination.</p> <p><i>The Trust is declaring compliance.</i></p>
D.2.2	<p>The remuneration committee should have delegated responsibility for setting remuneration for all executive directors, including pension rights and any compensation payments.</p> <p><i>The Trust is declaring compliance.</i></p>
D.2.3	<p>The council should consult external professional advisers to market-test the remuneration levels of the chairperson and other non-executives at least once every three years and when they intend to make a material change to the remuneration of a non-executive.</p> <p><i>The Trust is declaring compliance.</i></p>
E.1.2	<p>The board should clarify in writing how the public interests of patients and the local community will be represented, including its approach for addressing the overlap and interface between governors and any local consultative forums.</p> <p><i>The Trust is declaring compliance.</i></p>
E.1.3	<p>The chairperson should ensure that the views of governors and members are communicated to the board as a whole.</p> <p><i>The Trust is declaring compliance.</i></p>
E.2.1	<p>The board should be clear as to the specific third party bodies in relation to which the NHS foundation trust has a duty to co-operate.</p> <p><i>The Trust is declaring compliance.</i></p>
E.2.2	<p>The board should ensure that effective mechanisms are in place to co-operate with relevant third party bodies and that collaborative and productive relationships are maintained with relevant stakeholders at appropriate levels of seniority in each.</p> <p><i>The Trust is declaring compliance.</i></p>

Annual Governance Statement 2014/15

Scope of Responsibility

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

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of Stockport NHS Foundation Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Stockport NHS Foundation Trust for the year ended 31 March 2015 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

Leadership and management of the risk management process is provided through:-

- The Quality Assurance Committee as the Board of Directors committee with responsibility for overseeing all aspects of risk management.
- The Audit Committee whose role is to receive and review assurance on the systems in place to manage risk.
- The Chief Executive and the designated Executive Directors with responsibility for specific aspects of risk management.
- The Risk Management Committee, a sub-committee of the Quality Assurance Committee, which has responsibility for organisation-wide co-ordination and prioritisation of risk management issues.
- An assessment of the level of risk management training that is required for staff and its delivery.
- Review of the Risk Management Training Needs Audit matrix by the Risk Management Committee, which strengthens assurance that risk management training is effective, inclusive of a monitoring and review process.
- Ensuring that employees with specific responsibilities for co-ordinating and advising on aspects of risk management having adequate training and development to fulfil their role.
- The Trust's Risk Management Strategy and Policy, which clearly defines managers' levels of authority to manage and mitigate risks, according to risk scored ratings.

The risk and control framework

The Trust has a Board-approved Risk Management Strategy & Policy which sets out our approach to the management of risk and the system which assists in the identification, assessment, control and

monitoring of risk. Risk management is recognised as a fundamental part of the Trust's culture and is firmly embedded in our philosophy, practices and business plans.

Our risk assessment process, incident reporting and investigation and matters arising from complaints and claims are the principal sources of risk identification. The Trust has an open and accountable reporting culture and staff are encouraged to identify and report incidents by means of an online incident reporting tool. The Trust's Incident Reporting and Management Policy aims to ensure that when a serious event or incident occurs, there are systematic measures in place for safeguarding patients, property, resources and reputation. The policy ensures that a thorough investigation is undertaken and that any lessons learned are disseminated throughout the Trust and, if applicable, to other agencies to reduce the likelihood of a reoccurrence.

We use a '5x5 matrix' to assess and rate risks on both the likelihood and consequence to generate a risk score of between 1 and 25. The risk score then determines an appropriate level of escalation, management and scrutiny. The Risk Assessment process applies to all types of risk; clinical, financial, and operational, and risk registers are maintained by each of our Business Groups with registers subject to regular review at Business Group Quality Board meetings. Any risks with a residual risk score of 15 or above are placed on the Corporate Risk Register which is monitored on a monthly basis by the Risk Management Committee, all Board-level Committees and the Board of Directors.

The Board Assurance Framework details risks associated with delivery of the Trust's principal objectives. In the early part of the year we worked with Mersey Internal Audit Agency to review the format and presentation of the Board Assurance Framework and a revised, more concise, version was subsequently adopted by the Board of Directors in July 2014. Control measures and sources of assurance are clearly detailed in the Board Assurance Framework, together with details of any gaps in either control or assurance, and each entry has an associated action plan. The Board Assurance Framework is reviewed by the Board of Directors on a quarterly basis and the Board considers developments in the external environment in relation to inform Board Assurance Framework content.

Management capability, in terms of leadership, the availability of knowledgeable and skilled staff and adequate financial and physical resources, to ensure that processes and internal controls work effectively is routinely monitored by the Executive Team. The Board monitors and reviews the system of internal control and, where necessary, will identify improvements to accountability arrangements, processes or capability in order to deliver better outcomes. In 2014/15 this included strengthening the Board's Committee arrangements in addressing recommendations made during an independent Governance Review conducted by Deloitte LLP.

Key Organisational Risk in 2014/15 and 2015/16

The risks to the principal objectives of the Trust, as identified in the Board Assurance Framework for 2014/15, were:

- Failure to meet all access and other targets resulting in adverse impact on patient experience, reputation, provider licence and contractual payments
- Inability to deliver financial compliance and cost improvement programmes through efficiency an transformation leading to impact on safe services and regulatory intervention
- Not having the right number of staff who have the right skills and are engaged, developed and motivated to deliver services now and into the future
- Failure to frame, commit to and deliver, a clear, benefits-focused and timely vision and strategic plan resulting in a detriment to influence, decision-making and engagement
- Failure to establish, and engage effectively with, appropriate governance arrangements

resulting in loss of influence and effectiveness

- Inability to deliver CQC compliance resulting in poor patient experience, loss of reputation and regulatory intervention
- Failure to maintain and enhance the quality and safety of the patient experience resulting in poor outcomes, loss of reputation, loss of market share and regulatory and commissioner concerns
- Poor setting and tracking of IT strategy and related projects and systems resulting in an informatics infrastructure, systems and service that does not support the objectives of the Trust

The principal risks to compliance with condition FT4 of the Trust's provider licence ('the FT governance condition') are as follows:

- 4-hour emergency department waiting time (target breached in Quarter 1, Quarter 3 and Quarter 4 of 2014/15)
- 18 week referral to treatment for non-admitted pathways (target breached in Quarter 3 and Quarter 4 of 2014/15)
- C. difficile annual trajectory (target achieved in 2014/15 but risk to achievement identified for 2015/16)

The Trust remained in breach of its provider licence throughout 2014/15 and Board members have continued to meet with Monitor representatives at monthly Progress Review Meetings to discuss the effectiveness of measures being taken to address weaknesses in performance. As part of its regulatory intervention, Monitor required the Trust to commission an independent Governance Review. Consequently, a review based on the four elements of the Well-Led framework was completed by Deloitte LLP in May 2014. This review resulted in a total of 28 recommendations to address identified areas of improvement in the Trust's governance arrangements.

An action plan to address the recommendations was prepared and progress against the plan was monitored at each Board meeting. Key actions included a fundamental review of Board Committee arrangements which resulted in the establishment of four Assurance Committees, each of which is chaired by a Non-Executive Director and report directly to the Board. These Committees are:

- Finance, Strategy & Investment Committee
- Quality Assurance Committee
- Building a Sustainable Future Committee, and
- Workforce & Organisational Development Committee

Reports from the Assurance Committees which detail key issues considered by the Committees and associated risks are presented by the Committee chairs at each Board of Directors meeting.

Another key action related to a review of Board arrangements was to ensure that the Board has sufficient time for strategic discussion and that the content of agendas is relevant for Board consideration. A Follow-Up Review was subsequently completed by Deloitte LLP during the period November 2014 to February 2015 with a final report published in March 2015. The outcomes of the Follow-Up Review were positive with the majority of recommendations fully completed. A small number of additional recommendations to further strengthen governance arrangements were made during the Follow-Up Review and the Board approved an action plan to address these recommendations on 26 March 2015 with a date of 30 June 2015 identified for completion of the associated actions.

Monitor also required the Trust to establish 'buddy' arrangements with another NHS foundation trust in order to share best practice in addressing delivery of operational performance targets. We identified Kettering NHS Foundation Trust as our buddy organisation and Executive Directors and senior managers from the Trust have liaised with their counterparts and a productive visit to Kettering took place in February 2015. There will be a reciprocal visit to Stockport by staff from Kettering and it is clear that there are opportunities for both trusts to learn from each other.

A key area of scrutiny has been the Trust's performance against the 4-hour emergency department standard. Although delivery of the target was achieved in Quarter 2, the impact of unprecedented demand levels in the autumn and winter months resulted in non-achievement of the standard in both Quarter 3 and Quarter 4 of 2014/15. Delivery of this standard remains a risk in 2015/16. The Trust implemented initiatives to manage patient flows, which included the provision of additional bed capacity over and above winter plan levels and the outsourcing of activity to create capacity. However, difficulties were experienced in managing the effective discharge of patients with social care needs, particularly at weekends, which had a significant impact on capacity. It has become evident that delivery of the standard on a sustainable basis is reliant on a local health economy approach to ensure that processes are efficient and effective at each point in the patient journey. Monitor recognized the necessity of such an approach and initiated meetings attended by representatives from NHS England, Stockport CCG, Stockport Metropolitan Borough Council and the Trust in February 2015 to drive the development of a local health economy resilience plan. This work will continue in 2015/16.

Non-achievement of the 18 week referral to treatment target for non-admitted pathways was mandated in Quarter 3 of 2014/15 in order to manage backlog of referrals. However, delivery of the standard in Quarter 4 was also not achieved as work continued to manage backlogs in the ENT, General Surgery and Gastroenterology specialties. The Trust has decided to declare a forward risk to target achievement in 2015/16.

Other key business risks in 2015/16 include:

- Delivery of the Trust's cost improvement programme of £11.8m
- Delivery of the transformational change schemes associated with the cost improvement programme
- Implementation, and year on year delivery, of a new 5-year Organisational Development Strategy
- Potential service reconfigurations that could result from the Healthier Together and Greater Manchester Devolution programmes
- Potential impact on service delivery and quality of measures to address the budget deficit of £12m in 2015/16
- Potential impact on management capacity resulting from participation in the Stockport Together, South Sector Partnership, Healthier Together and Greater Manchester Devolution programmes

The revised governance framework described above will ensure that risks are identified and, where necessary, escalated for action from Business Groups to Executive Team, Committees and the Board of Directors. Risks or developments that may have a consequent impact on quality of care will be identified through completion of quality impact assessments for business cases and cost improvement schemes. The outcomes of quality impact assessments are subject to validation by the Medical Director and Director of Nursing & Midwifery.

Quality Governance Framework

Stockport NHS Foundation Trust has effective arrangements for monitoring and continually improving the quality of care provided to its patients. The Board of Directors monitors performance against a suite of indicators relating to clinical, access and partnership and efficiency metrics through consideration of an Integrated Performance Report at each Board meeting. This report was enhanced towards the end of 2014/15 to incorporate additional specific quality metrics relating to the five domains of the NHS Operating Framework:

- Mortality & preventable deaths
- Quality of life in long term conditions
- Helping patients recover
- Positive experience of care
- Avoidable harm & complications

The Trust is fully compliant with the registration requirements of the Care Quality Commission. Assurance on continued compliance is gained through a system of 'mock' CQC inspections framed around a comprehensive audit programme. The format of the inspections is based on the five domains of safe, well-led, caring, effective and responsive to patients' needs. Action plans are developed to address any identified weaknesses which are followed up during repeat inspections, the frequency of which is determined by the relevant level of compliance. Outcomes of the inspections are monitored by the Quality Governance Committee which is a sub-committee of the Quality Assurance Committee.

Assurance on continued compliance with registration requirements is also provided through the outcomes of the CQC Intelligent Monitoring Tool where the Trust was ranked at Band 6, the highest band.

Information Risks

Specific risks relating to information governance and data quality are overseen and co-ordinated by the Health Informatics Steering Board (HISB). As well as adopting proactive measures to prevent loss of data and improvements in data quality and security, the HISB adheres to specific procedures for detecting, reporting and dealing with any issues of data loss. Other steps taken to safeguard against risks to information include:

- IT security controls for the encryption of all laptops and mobile devices including restriction on the use of removable media.
- On-going review of Information flows of person identifiable data internally and externally within the Trust and ensuring appropriate actions to maintain secure transfer of data.
- Review and continued focus on security policies and guidance issued around handling and sharing of personal data.
- Board-level Senior Information Risk Owner (SIRO) with lead responsibility for ensuring that information risk is properly identified, managed and that appropriate assurance mechanisms exist. This role is undertaken by the Chief Operating Officer.
- All staff are required to complete an Information Governance training session as part of the mandatory training programme.

The overall Information Governance Self-Assessment Toolkit score for version 12 (2014/15)

achieved 72% with all 45 of the requirements met at Level 2 or above. Action plans are in place to further improve performance during 2013/14.

No serious incidents relating to information governance, including data loss or confidentiality breaches, occurred during 2014/15.

Other risk areas

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

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

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

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

The Board draws on a range of assurance sources and material in its on-going review of economy, efficiency and effectiveness of the use of resources. The annual internal audit programme, together with the reports from individual audits, provides assurance to the Audit Committee on the operational arrangements to secure economy, efficiency and effectiveness in the use of resources.

Assurance on the effectiveness of use of resources is also provided through scrutiny of performance against objectives and targets which is achieved through a number of channels, including:

- Approval of annual budgets by the Board of Directors
- Monthly reporting to the Board on key performance indicators covering access, finance, quality and workforce targets
- Scrutiny of performance against the financial plan by the Finance, Strategy & Investment Committee
- Monitoring of delivery of transformational efficiency schemes by the Building a Sustainable Future Committee
- Board of Directors consideration of key issues reports from its Assurance Committees
- Executive team assurance meetings with Business Group Quality Boards

As part of the Trust's measures to ensure delivery of its cost improvement programme, a Turnaround Director was appointed and has worked to; advise on cost control measures, support the identification of organisational efficiencies and explore opportunities for income generation throughout 2014/15.

Monitor Review of Trust Position

On the 24 April 2013 the Trust signed Enforcement Undertakings with Monitor (a copy of which is on Monitor's website) in relation to the Trust's breaches of the A&E 4 hour target and highlighted potential weaknesses in Governance processes. Monitor's concerns were such that this was

superseded on 4 August 2014 by imposition of an additional licence condition under section 111 of the Health and Social Care Act 2012 (a copy of which is available on Monitor's website).

The licence condition stipulated additional governance requirements relating to functioning of the Board and its committees, the need to address concerns arising from the independent governance review completed by Deloitte LLP in May 2014 and actions necessary to ensure compliance with the A&E 4-hour waiting time standard. As noted earlier in the statement, much has been done during 2014/15 to address identified weaknesses in governance arrangements and the outcomes of the follow-up review reported by Deloitte LLP in March 2015 provide independent assurance that necessary actions have been taken. The Board of Directors will subject the revised arrangements to regular review to ensure they remain effective.

Sustainable delivery of the A&E 4-hour waiting time standard has continued to be a major challenge despite the considerable efforts made by the Trust to achieve this target. This, together with assurance on governance arrangements, will continue to be a feature of the Trust's monthly progress review meetings with Monitor. Our aim in 2015/16 is to take the necessary actions to provide Monitor with assurance that the Trust is returning to full and sustainable compliance with the terms of its licence.

Annual Quality Report

The Directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 (as amended) to prepare Quality Accounts for each financial year. 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 steps that the Board has taken to assure itself that the Quality Report presents a balanced view, and that there are appropriate controls in place to ensure the accuracy of data, include:

- Seeking feedback on presentation and content of the Quality Report from commissioners, governors and other key stakeholders
- The data used for reporting quality metrics is regularly reviewed and triangulated against other performance measures, using a variety of different methods, including internal audit review. The Trust also engages with national coding audits and uses external benchmarking provided through CHKS to compare its performance with similar organisations.
- The development of underpinning policies and procedures to embed and sustain quality improvement, thereby enhancing longer-term achievement of quality objectives.

However, the external testing of mandated indicators, completed by Deloitte LLP to support a limited assurance opinion on the Quality Report, identified weaknesses in data management process and practice relating to the 18 week incomplete Referral to Treatment indicator. The weaknesses resulted in a qualified opinion for this specific indicator. Actions to address identified weaknesses have been initiated and assurance on effectiveness of these actions will be monitored by the Audit Committee.

Review of effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive managers and clinical leads within the NHS Foundation Trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the content of the quality report attached to this Annual

Report and other performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the Audit Committee and the other committees that form part of the Trust's assurance structure and a plan to address weaknesses and ensure continuous improvement of the system is in place.

In describing the process that has been applied in maintaining and reviewing the effectiveness of the system of internal control I have detailed below some examples of the work undertaken during 2014/15.

My review has been informed by:

- The Board Assurance Framework which provides the Trust with evidence of the effectiveness of the system of internal controls that manage the risks to the organisation. The Assurance Framework is subject to quarterly review by the Board of Directors.
- Internal Audit review of the Board Assurance Framework and the effectiveness of the overall system of internal control as part of the Internal Audit plan which is agreed by the Audit Committee
- The Director of Audit Opinion which gave an overall significant assurance opinion on the system of internal control for 2014/15
- The Trust continues to be registered with the Care Quality Commission without conditions
- The outcomes of an independent Governance Review, and subsequent Follow-Up Review, undertaken by Deloitte LLP
- The process for the follow-up of audit recommendations which is monitored by the Audit Committee
- Committees within the Board's committee structure having a clear timetable of meetings and a clear reporting structure which enables matters to be reported and/or escalated in a timely manner

The Trust has a comprehensive risk-based internal audit programme in place and the programme was delivered in full during 2014/15. Outcomes of the internal audit programme are reported to the Audit Committee and appropriately led action plans are in place to address any audits which result in a limited assurance assessment.

Conclusion

During 2014/15, no significant control issues have been identified by the Trust's systems of internal control. My review confirms that Stockport NHS Foundation Trust has generally sound systems of internal control that support the achievement of its policies, aims and objectives.



Ann Barnes
Chief Executive

Date: 28 May 2015



Stockport NHS Foundation Trust Annual Quality Report 2014/15



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Part 1: Statement on quality from the Chief Executive

Stockport NHS Foundation Trust is proud of its record on quality and safety for our patients, carers, families and our staff. While there continues to be good improvements in many areas we do not always get things right all of the time. Where this happens we apologise, understand what went wrong, learn and make improvements. Our aims are based on three key values, each underpinned by two value statements. These are central to our focus and commitment to put patients, carers and families first.

I would like to share with you our values and hope that in doing so you will recognise and experience the care and behaviours we strive to deliver, but, should we fall short please let us know so we can do something about it.

Quality and Safety

“We deliver safe, high quality and compassionate care”.

“We ensure a clean environment for better care”.

Communication

“We treat our patients, their families and our staff with dignity and respect”.

“We communicate with everyone in a clear and open way”.

Service

“We provide effective, efficient and innovative care”.

“We work in partnership with others to deliver the right care, in the right place, at the right time”.

I am proud to present to you our annual Quality Report for 2014/15 which describes how well we have done against the quality and safety priorities agreed by the Board of Directors and the Council of Governors, as part of the Annual Plan. Given we provide both acute, hospital based care and community care, our priorities and agreed areas of improvement reflect this integrated approach. We do however have separate contracts with our commissioners: the Clinical Commissioning Groups and these have some separate quality improvement objectives. These are identified and where appropriate, separately reported within this report.

Stockport NHS Foundation Trust, which provides hospital care to the people of Stockport, the High Peak and parts of Cheshire, also provides care in community services to Stockport and the population in Tameside and Glossop. As a provider of healthcare we share our passion for quality and safety with our commissioning colleagues in health and in social care. This joined up focus on quality and safety will enable the Trust to undertake further programmes of improvement in service delivery with the support of our key partner commissioners. As a Foundation Trust we are grateful to also have the support of our Council of Governors and our public and staff membership. Again, we are fortunate to all share a single priority of focus on quality, safety and improvement.

Despite the continuing challenge of trying to meet the four-hour target for A&E waiting times, we remain proud of our excellent patient and family feedback, both within A&E and across the whole organisation, captured through the Friends and Family Test and our own mobile iPad surveys.

There is much change expected looking forward. We expect our hospital and community service to become fully integrated and not just with health but also social care, to deliver seamless care to our patients, carers and families. A major initiative in Stockport with our key partners will provide for this improvement going forward. This must be provided in the context of our other patients outside of Stockport and with our provider partners in the Southern Sector: East Cheshire, Tameside and Glossop, and South Manchester. Service transformation and shared service provision will improve

resilience, quality, safety and efficiency. This includes not only changes around Healthier Together but many others such as urology, orthopaedics, pathology and radiology. And beyond the Southern Sector is the new and exciting programme of innovative health and social care: Greater Manchester Devolution. Although much work remains to be done to provide detail of the changes, quality, safety and improved health outcomes is at the heart of the commitments.

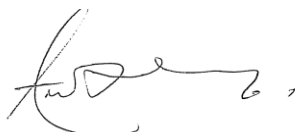
We have made many improvements and, I thank the staff for their tireless pursuit of a quality patient experience and care in 2014/15, and the Board of Directors, Council of Governors and our key partners for their support and encouragement. We have much yet to do but history suggests we have much to be optimistic about in our journey to continue to provide quality, safety and improvement.

Ann Barnes
Chief Executive

There are a number of inherent limitations in the preparation of Quality Accounts which may impact the reliability or accuracy of the data reported. These include:

- Data is derived from a large number of different systems and processes. Only some of these are subject to external assurance, or included in internal audits programme of work each year.***
- Data collection practices and data definitions are evolving, which may lead to differences over time, both within and between years. The volume of data means that, where changes are made, it is usually not practical to reanalyse historic data.***

The Trust and its Board of Directors have sought to take all reasonable steps and exercise appropriate due diligence to ensure the accuracy of the data reported, but recognises that it is nonetheless subject to the inherent limitations noted above. Following these steps, to my knowledge, the information in the document is accurate.



28 May 2015

.....Date.....Chief Executive

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

2.1 Quality improvement priorities for 2014/15

The quality and safety priorities identified by the Trust during 2013/14 for clinical improvement in 2014/15, agreed by the Board of Directors and by the Council of Governors as part of the Annual Plan, were:

2.1.1. Patient Experience

- a. Expand Friends and Family Test to staff, outpatients, daycase and community services
- b. Improve the experience of care for patients with dementia and their carers
- c. Patient Carer Empowerment
- d. Improve experience for patients with learning difficulties
- e. Improve patient experience in respect of communication

2.1.2. Safe, effective care

Stockport Commissioners

- a. Reduce pressure ulcer prevalence
- b. Lessons learned – falls
- c. Clinical Effectiveness – Deteriorating patient
- d. Ambulatory care – Reduce Admissions for patients with Chronic Obstructive Pulmonary Disease
- e. Improve Clinical Leadership
- f. Improve care of patients with diabetes
- g. Improve communication between primary, secondary and community care clinicians
- h. Provide appropriate care for patients admitted with Advancing Quality (AQ) measure groups

Tameside Commissioners

- i. Pressure ulcer and catheter care
- j. Clinical Leadership – Children
- k. Clinical Leadership – Adults
- l. Frail Elderly
- m. Antibiotic awareness
- n. Clinical Effectiveness – Early Warning Score (EWS)
- o. Lessons learned – Falls
- p. Ambulatory care – LVSD (Left Ventricular Systolic Dysfunction)
- q. Learning disability
- r. Medication safety thermometer


Public Health & Specialised Services

- s. Improve access to breast milk in pre-term infants
- t. Implement consistent coding for oral surgery
- u. Quality dashboard
- v. Improving diabetes care
- w. Identify health inequalities for patients to health visitors

Any concerns regarding the Trust's performance in 2014/15 against these quality improvement objectives has been reported on a monthly basis to the Board of Directors in the monthly Integrated Performance Report (IPR). The priorities chosen are the Trust objectives for Quality which includes the CQUIN (Commissioning for Quality and Innovation) programme, whose overall aim is to improve patient care and experience through delivering improvements. The CQUIN programme is developed and agreed by the Trust and the Commissioners based on many data streams; public feedback via Healthwatch, patient surveys including comments from the Friends and Family test, areas that have been a concern highlighted by NHS England as an alert, continuation of quality improvement work undertaken in the previous year and known areas where quality improvement has been identified as being required.

During 2014/15, the assurance committee structure within the Trust was redesigned. This includes a reporting structure that ensures that assurance is gained on quality issues from front-line staff to the Board. This comprises business group quality governance committees, which report into a Trust-wide Quality Governance Committee; this in turn reports to the Quality Assurance Committee, a sub-committee of the Board of Directors, chaired by a non-executive director, which reports to the Board.

The annual performance for 2014-2015 is detailed below.

	<p>Key: Indicates the direction of travel/performance for 2014/15</p> <ul style="list-style-type: none"> ■ = Performance achieved or exceeded target for 2014/15 ■ = Performance improved but not achieved target for 2014/15 ■ = Performance not achieved target for 2014/15
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Achievements against quality improvement priorities 2014/15

Progress against CQUINs is shared with the Quality Governance Committee, the Finance Strategy and Investment Committee and forms part of the Integrated Performance Report. All CQUINs are reported to local commissioners on a quarterly basis as part of CQUIN monitoring.

All data reported is considered correct however some data is collected from third party organisations / web sites.

2.1.1. Patient Experience

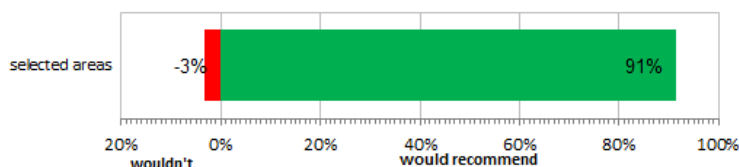
STOCKPORT COMMISSIONERS

Priority 1A.		Patient Experience	
Expand Friends and Family Test			
The Friends & Family Test was introduced in 2013/14 to gauge feedback from patients and their carers following a healthcare experience.			
The aim of the CQUIN in 2014/15 was to increase the rate of responses and implement it into Outpatients, Daycase and Community Services.			
Year	Target	Result Achieved	
2013/14	20% (Combined)	26.5% (Combined) 30.9% (Inpatients) 24% (A&E)	
2014/15	20% (A&E) 30% (Inpatient)	28% (A&E) 45% (Inpatients)	

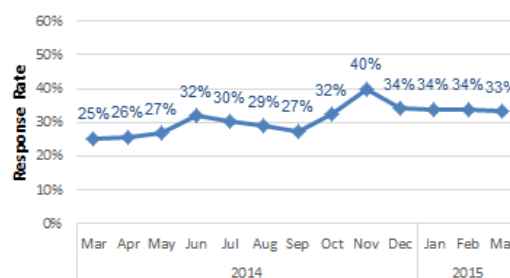
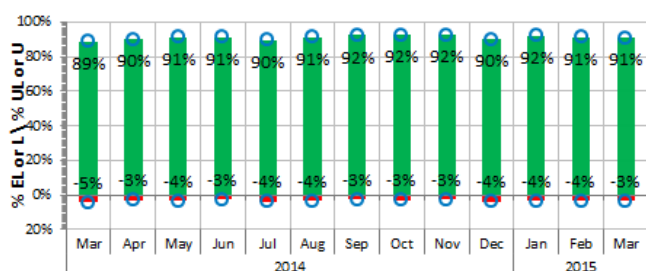
Progress, Monitoring and Reporting*

The Friends & Family Test is a national initiative to capture feedback from patients and staff about NHS services.

- The Friends & Family Test is now well established within A&E and for Inpatients and we are exceeding the response rate targets.
- Comments received from patients are mainly positive.
- An additional CQUIN to achieve 40% response rates for inpatients has also been achieved.



Responses	Number Surveyed*	Response Rate*
39,636	122,958	32.2%



The Trust used a third party, Capita, to capture and report the data for the friends and family test until the end of September 2014. The contract was taken over from 1st October by Healthcare Communications via software called Envoy Messenger. This new contract improved the ability to capture feedback from IVM (landline numbers) and SMS texting which has increased the opportunities for patients to provide their comments, and for the Trust to analyse this data so that improvements can be made. Postcards are used for small services, and are available for all services.

Early Implementation

From October 1st the Trust rolled out Friends & Family to outpatient departments, day case patients and to 20% of community services (District Nurses and Health Visiting for the Stockport CCG and to Musculoskeletal (MSK) Podiatry, Podiatry, Community Assessment Rapid Access (CARA), Integrated Service for Children with Additional Needs (ISCAN), Community Diabetes, Community Dietetics and the Transfer Team for Tameside & Glossop CCG). From January 2015 the rollout to all services had begun. The majority were completed within the month. A few small services are still finalising the most appropriate method to use.

Staff Survey

In previous years staff were asked in an annual survey; "If a friend or relative needed treatment I would be happy with the standard of care provided by this organisation (% agree or strongly agree)".

- 2012 Survey Result = 66.4%
- 2013 Survey Result = 72.5%
- 2014 Survey Result = 65.0% (*Average medium for Acute Trusts in 2014 = 65.0%*)

From April 2014 the Friends & Family questions became part of a quarterly survey. This was managed by a third party; 'Picker'. The survey was not undertaken in Quarter 3 as the annual staff survey was taking place. The Trust also undertakes a survey called Pulse, and from Quarter 4 the Staff Friends & Family Test will be measured as part of this survey as it includes the Staff Friends and Family questions.

Results from Picker survey

“How likely are you to recommend this organisation to friends and family if they needed care or treatment?”

Response	% Staff Response	
	Quarter 1	Quarter 2
Extremely Likely or Likely	76%	78%

“How likely are you to recommend this organisation as a place to work?”

Response	% Staff Response	
	Quarter 1	Quarter 2
Extremely Likely or Likely	62%	63%

Results from Pulse survey

Question	Quarter 1	Quarter 2	Quarter 4
Percentage of staff likely to recommend this organisation to friends and family if they needed care or treatment?”	68.78%	70.24%	72.36%
Percentage of staff likely to recommend this organisation as a place to work?”	53.37%	49.6%	55.91%

Phased Expansion

The Friends & Family Test has also been introduced into Community settings. The methodologies used are chosen to ensure inclusivity of all and we continue to work on this.



Priority 1B.

Patient Experience

Improve the experience of care for patients with dementia and their carers

Carers of patients with dementia are increasing and it is therefore imperative that early recognition and referral takes place. This CQUIN contains three elements;

1. Inpatients over the age of 75, with a stay greater than 72 hours should undertake an assessment known as FAIR (Find, Assess, Investigate and Refer).
2. Training of clinical and non-clinical staff to improve knowledge and skills in relation to dementia.
3. To support carers of people with dementia.

<u>2013/14</u> Target: 90% (for 3 consecutive months)	Quarter	Find	Assess	Refer	
	Q4	87.4%	75.6%	79.1%	
<u>2014/15</u> Target: 90% (for each quarter)	Quarter	Find	Assess	Refer	
	Q1	93.4%	71.6%	97.6%	
	Q2	98.0%	96.9%	100%	
	Q3	91.6%	100%	100%	
	Q4	91.8%	97.9%	94.6%	

Progress, Monitoring and Reporting*

This is a National CQUIN that was introduced to address the identification of dementia as we have an ageing population. The CQUIN is relevant to patients over the age of 75 who are admitted as an emergency.


- The purpose of this CQUIN is to identify patients who may have dementia and ensure appropriate referral takes place.
- The Trust struggled to achieve the FAIR assessment target during 2013/14. To address this, a Dementia Matron was recruited. This has had a positive impact and in 2014 we met the requirements of the CQUIN. Work continues to improve the current process of the data collection.
- Commissioners paid 70% of Quarter 1 money allocated to this CQUIN as we did not achieve the 'Assess' element.
- Training – 75% of clinical staff and 45% of non-clinical staff have undertaken dementia care training as appropriate for their role. Training continues.
- A monthly survey of carers of patients with dementia takes place, and the results are discussed at the Dementia Steering Group.
- The comments gathered from the Survey are used with other data intelligence to support learning for staff and to improve process to enable carers to be supported as well as patients. The feedback is mainly positive.
 - 76% (124/163) of carers felt that staff had communicated with them about all aspects of the patient's care whilst they had been in hospital. (whole year results)

Finding from the surveys are reviewed at Dementia Steering Group meetings.

The Trust intends to review and re-launch the dementia strategy in 2015. Taking into consideration results from the carer's survey. The Trust also intends to review the carer's survey following best practice as identified by the Kings Fund Dementia Conference by having a simplified questionnaire.


During 2014/15 staff in the Trust raised money to introduce a RemPod (Reminiscence Pod). The reminiscence room re-creates a lounge from the 1950s, complete with a television set and radio featuring shows and music from the era. It creates a therapeutic and calming environment which has been proven to help dementia patients.

To support dementia patients and carers, a local Taxi company has paid for 4,000 'This is Me' documents which is a type of passport that holds key information and the Trust trained a core group of Taxi Drivers in dementia awareness.

Priority 1C.	Patient Experience	<p style="text-align: center;">2014/15</p> 
Patient Carer Empowerment		
<p>It is recognised that the valuable work of a carer at a time that can be difficult for them not only in caring but in changes that may impact lifestyle and living arrangements. The purpose of this CQUIN is to improve the awareness of information and support available.</p>		
Progress, Monitoring and Reporting*		
<p>A carer is someone who provides unpaid support to family or friends who could not manage without this help. Many people who care for a relative, partner or friend do not consider themselves to be a carer. It is recognised that carers provide a critical role in the support of a patient which is the rationale for this CQUIN.</p> <ul style="list-style-type: none"> • A communication strategy was created and shared with Stockport Commissioners. • The Trust's Patient Administration System enables the capture of carer data. Work continues 		


to promote the use of this functionality.

- Community data is captured in Dominic and i-Soft Patient Manager (IPM) systems (electronic record systems used by Stockport and Tameside community staff respectively to record contacts, appointments, brief information regarding contacts, produce schedules of visits etc. Dominic is used by the Stockport District Nurses and i-Soft Patient Manager (IPM) is used by all clinicians in Tameside community). Work continues to encourage the capture of carer data. Low numbers are recorded as many people who care for family members do not consider themselves to be a carer.
- The identification of carers and providing an Information Point is to ensure Carers are aware of what support is available and to ensure they know where to go for further help or advice. This may vary for carers of patients with different conditions but should be a resource that will help to provide clear information at a time that may be a stressful and emotional. It has been demonstrated that support groups who understand the implications of the individual conditions are a valuable asset to others.
- The Carers Information Point opened in 2014. This is a dedicated room in a central location where patients, carers and staff can receive advice and literature that supports or directs them with their requirements. This facility is manned by several agencies who offer support including, Age UK and SignPost. Information for many agencies is available. Although this is a valid resource, it is not being used as anticipated, therefore the Trust continues to promote the facility, reviewing its purpose in order to decide on how best to support carers. To promote the services, the agency SignPost has held information stands in Outpatient Departments, this has been successful at reaching an increased number of people.

Priority 1D.	Patient Experience	<p style="text-align: center;">2014/15</p> 
Improve experience for patients with learning difficulties		
<p>Patients with learning difficulties attending a healthcare setting may require adjustments to be in place. This CQUIN aims to improve the identification of patients with learning difficulties and to reduce inequalities by having a reasonable adjustment care plan in place.</p>		
Progress, Monitoring and Reporting*		
<p>The purpose of this CQUIN is to improve the patient experience by;</p> <ul style="list-style-type: none"> • Implementation of the use of Reasonable Adjustment care planning <ul style="list-style-type: none"> ○ A reasonable care plan supports the patient by ensuring that correct equipment is in place or that staff are aware of the patients' needs i.e. to speak slowly or that more time may be required for meal times as patient is a slow eater. • Adoption of a standardised Greater Manchester (GM) approach to the use of Hospital Passports and Admission / Discharge Planning guidance <p>Prior to implementation the Trust undertook a Self-Assessment, in conjunction with the lead commissioner, safeguarding commissioner and representative from the Community Learning Disability Team in line with the Self-Assessment Framework used by other Trusts in the Greater Manchester area resulting in an action plan being created.</p> <ul style="list-style-type: none"> • Best Practice Guidance has been delivered to all areas within the Trust by means of inclusion in a comprehensive ward resource file and inclusion in admission packs. The information is also available on the Trust microsite. • A flagging system has been implemented (blue butterfly); this involves patients with known learning disabilities already being flagged on the Hospital system. When a patient with a learning disability is admitted into the Hospital, an e-mail to advise of the patient's arrival is sent to key members of staff, so that wards can be prompted to use the tools in the admission pack, which include a Reasonable Adjustment Risk Assessment and Care Plan. 		

- Training this year has focussed on compliance across all areas in Mental Capacity Act (MCA) and Deprivation of Liberty Safeguards (DOLS) as described in our Trust Safeguarding Training Strategy.
- Patient Stories are shared at Safeguarding Strategic Committee and Heads of Nursing meetings in order to learn from positive and negative stories.

We are meeting the CQUIN target for having Reasonable Adjustment Care Plans in place.

Priority 1E.	Patient Experience	2014/15
Improve patient experience in respect of communication		
<p>The aim of this CQUIN is to support improvements in communication, targeted at the medical wards with a focus on questions from the monthly inpatient survey relating to communication.</p>		
Progress, Monitoring and Reporting*		
<p>This CQUIN was agreed to address the commissioners concerns regarding communication as a theme from patient feedback.</p> <ul style="list-style-type: none"> • The intention of the CQUIN was to address the communication questions from the iPad survey on agreed medical wards and to make an improvement by Quarter 3. • Work was undertaken coordinated by the Matron for Patient Experience. This involved regular discussion and feedback with ward managers relating to the results and how these would be shared with the staff teams. • Results are displayed on ward boards and each ward has an individual action plan to address any areas on their ward. • Quarter 3 and Quarter 4 results showed an improvement on 2013/14 baseline for the Medicine Business Group. <ul style="list-style-type: none"> ○ The results per ward vary over the quarters as the measurement covers a variety of questions, many which are subjective. ○ Although statistically it is difficult to demonstrate an improvement on all wards, the Trust is confident that improvements have been made to culture, behaviours and awareness that have improved the patient experience. <p>Revalidation for nursing staff is due to be introduced and patient experience will form part of this validation.</p> <p>Further information regarding Patient Experience is included in Part 3 of this document.</p>		

2.1.2. Safe, effective care

Priority 2A.		Safe, effective care									
Reduce pressure ulcer prevalence											
Pressure ulcers have been a focus for the Trust for some time and improvements have been, and continue to be made. The aim of the CQUIN for 2014/15 is for prevalence (a one day per month snapshot) for Stockport patients to be below 3.7% for five consecutive months.											
Combined	13/14	14/15 (March)									
	3.90%	2.94%									
Stockport Acute	13/14	14/15 (March)									
	4.05%	1.84%									
Stockport Community	13/14	14/15 (March)									
	3.65%	4.19%									
<p>Target to reduce median below baseline of 3.7% to achieve 2.78%</p> <p>October & February at 3.7% not below 3.7%.</p>											
Progress, Monitoring and Reporting*											
<h3>Pressure Ulcer Prevalence</h3> <h4>Stockport Acute & Community (Combined)</h4>											
Stockport Acute & Community (Combined)											
Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
3.9	3.7	3.2	3.3	4.1	3.2	3.78	2.34	3.15	3.06	3.77	2.94
Stockport Acute											
Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
3.8	3.0	3.5	2.24	3.0	2.8	3.29	1.84	3.46	3.41	3.6	1.84
Stockport Community											
Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
3.9	4.7	3.0	4.3	5.3	3.7	4.43	2.99	3.57	2.68	3.97	4.19
<p>This continues to be a priority area for the Trust. Continuous improvements were made during 2013/14 and the work has continued during 2014/15 to look beyond the Trust and to the whole health economy. In addition to prevention of pressure ulcers, work is underway to improve healing rates.</p> <p>This measure is 'prevalence', which means it is a snapshot on a set day of each month. The target to achieve below 3.7% has been achieved in 7 out of 12 months. Unfortunately, 5 months are not consecutive. The commissioners have recognised the positive work and significant improvements that have been made and have proposed a 75% payment for Q4, this results in an 84% financial achievement for the year.</p>											

In conjunction with the CQUIN is a PURIS (Pressure Ulcer Reduction In Stockport) project. A project manager was recruited from December 2014. The purpose of the project is to:


- Work collaboratively, including consistency of education in pressure ulcer prevention and management supported by a pressure ulcer Toolkit available across Stockport health economy.
- Ensure consistency of equipment provision using standardised pathways.
- Implement a standardised and accurate measurement of prevalence, incidence and healing rates.
- Introduce Safety Cross and so promoting Harm Free Care across the District Nursing service and Care/Nursing Homes.

The compliance of utilisation of the Pressure Ulcer Prevention bundle has improved throughout the year. Compliance for the year is 97.6%.

Open and honest care continues to be reported monthly. These reports are available on the Stockport NHS FT website.

A successful “Pressure Ulcer Summit” was held on 20th November 2014 with 70 staff from across all professions and business groups including representatives from CCG. The aim was to seek staff’s views on actions required to improve current systems and processes around prevention and management of pressure ulcers.

This summit will enable the Trust to agree a vision for the future and develop a strategy owned by all partners across Stockport.

Priority 2B.	Safe, Effective Care	<p style="text-align: center;">2014/15</p> 
Lessons Learned - Falls		
<p>The aim of this CQUIN is to understand the number of frequent fallers and identify changes that would improve and sustain change. It also attempts to identify patients being discharged from nursing and residential homes who might be at risk of falling.</p>		
Progress, Monitoring and Reporting*		
<p>There are many factors of why a fall can take place. To understand these factors, audits were undertaken of patients arriving at the Emergency Department (ED) so that we had a baseline to work from.</p>		
<p>The plan is to create a falls pathway, however, progress to date identifies that further work is going to be needed before this will be possible. A decision will be required over whether the preferred option would be a falls pathway or a falls bundle for use in ED. If a bundle should be created this would include:</p>		
<ul style="list-style-type: none"> • Good falls assessment • Identify safe discharge • Further falls assessment by specialist • If discharged, refer to falls clinic/rapid assessment clinic 		
<p>A falls strategy was created and an action plan and project plan developed to support the delivery of the strategy. The Trust has worked collaboratively with the commissioners and Age UK to support changes across the whole health economy. The Acute and Community current falls groups are to merge and there will be a Task and Finish Group to look at information for patients in relation to falls in order for information to be consistent across the whole health economy.</p>		
<p>The Trust had set itself a target of a 10% reduction in major, severe and catastrophic falls. To support this reduction, communication with the Care In Reach Team (CAIR) is taking place to discuss support and equipment that is available.</p>		
<p>The key focus for falls is on prevention. In December, the Trust changed the monitors used with sensory mats. The previous monitor set off an alarm when a patient moved. The new ones also</p>		


enable data to be captured. The mats have been exchanged for the updated ones free of charge by the supplier as the Trust did initial trials with these mats.

Achievement

- The Trust was recognised at the Nursing Times Awards for our multi-factorial falls prevention programme.

Before a pathway can be developed, the essential step is the assessment of patients. Patients who attend ED following a fall are often sent to the Short Stay Older People’s Unit (SSOP) for Occupational Therapy and Physiotherapy. The CQUIN lead, engaged the new Consultant who joined the Trust in January 2015 based in Short Stay Older Peoples Unit in discussions regarding falls. The consultant is working closely with the ‘Clinical Assessment In Reach Team’ to assess and decide if Occupational Therapy and Physiotherapy could be done at home. Staff have been informed that they can refer to Age UK, who have a project which enables patients to be referred from ED to Age UK for help and support at home.

We have continued to monitor figures monthly in relation to patients presenting to ED with falls from Nursing and Care Homes.

Priority 2C.	Safe, Effective Care	<p style="text-align: center;">2014/15</p> 
Clinical Effectiveness – Deteriorating Patient		
<p>The aim of this CQUIN is to improve early warning of a patient whose condition may be deteriorating. New software, ‘Patientrack’ has been introduced across the Trust with this CQUIN aiming to drive the implementation of the project.</p>		
Progress, Monitoring and Reporting*		
<p>It is imperative that, if a patient begins to deteriorate timely intervention takes place to improve the situation. Software called Patientrack, supports this process by automatically calculating the Early Warning Score (EWS) and prompting for observations according to the EWS, in alignment with the Observation Policy. It has the functionality to generate a trigger so that key members of staff can be contacted quickly, so that appropriate intervention can be implemented. Patientrack has been rolled out across the hospital during the year.</p> <p>The criteria which makes up the EWS is visible to all Nursing staff who take observations on the IPad’s and the overall ward view of the patients’. EWS can be displayed on screens at a central location on each ward for continuous monitoring via Advantis Ward or My Views.</p> <p>Baseline data were taken at the start of the year and will be compared with the position at the end of the year when Patientrack is fully implemented. The project has involved the installation of the software, training of the staff and familiarisation with the system. In addition to communications of progress across the Trust, spot audits took place to ensure compliance.</p> <ul style="list-style-type: none"> • Patientrack has been rolled out to 32 wards (653 beds) as of 13th April 2015. • During November and December, two new issues were added to the issue log regarding the recording of oxygen delivery and frequency of observations for new admissions: <ul style="list-style-type: none"> ○ Issue 1 regarding the recording of oxygen delivery will be resolved if SHH decide to implement the National Early Warning Score (NEWS). ○ Issue 2 regarding the frequency of observations for new admissions will be resolved by implementing a ward default template for our admission wards which is currently being tested. • Draft reports are currently with strategic heads of nursing for comments. • Training for HCA’s has been reviewed and the actions agreed. • Review of the action plan is included on the Hospital Survival Group agenda. 		


Baseline Data: April 2013 – March 2014


- Total no of 2222* calls made: 219
- Total no of calls reported to be cardiac arrest: 121

April 2014 – March 2015

- Total no of 2222 calls made: 235
- Total no of calls reported to be cardiac arrest: 150

*The 2222 number relates to emergency calls for suspected cardiac arrests.

Priority 2D.	Safe, Effective Care	<p style="text-align: center;">2014/15</p> 
Ambulatory Care – Chronic Obstructive Pulmonary Disease (COPD)		
<p>The aim of this CQUIN is to increase the use of the Ambulatory Care Unit (pathway) for those patients attending Emergency Department due to an exacerbation of Chronic Obstructive Pulmonary Disease and reduce the number of admissions to the Acute Medical Unit.</p>		
Progress, Monitoring and Reporting*		
<p>The CQUIN involved undertaking an analysis to understand the current level of admissions to the Ambulatory Care Unit & Acute Medical Unit and to set an improvement goal in the form of a target. The reason a target is set is to allow for measurement and tracking of the progress made.</p> <p>Areas of improvement include:</p> <ul style="list-style-type: none"> • Revision of the COPD Pathway (To support Emergency Department staff in identifying patients suitable for Ambulatory Care) • A COPD Coordinator/Nurse Practitioner introduced (Hospital based) • Improved communication between the Hospital & In Reach COPD Team (Community) • Improved patient information materials (feedback from the Breath Easy Patient Support group referenced) • Improved identification of patients regularly attending hospital • Targeted COPD Multi-Disciplinary Team meetings • COPD Management Plan revised <p>The CQUIN has helped to improve many aspects of the COPD Service and we look to further build on this work throughout 2015/16.</p>		

Priority 2E.	Safe, Effective Care	<p style="text-align: center;">2014/15</p> 
Improve Clinical Leadership		
<p>This CQUIN aims to improve ward leadership and measure quality improvements by providing more supervisory time and training to ward and service managers. It also aims to standardise display boards of performance at ward level and to use this data to deliver improvements.</p>		
Progress, Monitoring and Reporting*		
<p>The Francis, Keogh & Berwick reports all recommend strengthening clinical leadership in order to improve the quality and safety of care for patients within all settings. To address this, this CQUIN set out to improve training, increase supervisory time and promote the use of dashboards and display boards.</p> <p>Specific training was established for clinical leaders from the acute and community setting. Clinical leaders following the training had a requirement to demonstrate their learning and their involvement in improvement projects which involved presenting to a panel of senior managers. Projects included;</p>		


- Blood Management at Pre-Op resulting in improved patient / CCG satisfaction and a financial saving.
- Anaemia clinic for elective patients to administer oral iron and iron injections
- Improvements to leadership styles through increased awareness and development of confidence and skills

Feedback from candidates of the leadership course was presented at the Celebrations of Care event. The feedback was very positive and therefore training cohorts continue to take place.


The Trust undertook a review of supervisory time and this was increased to 0.60 whole time equivalent per inpatient area, this equates to 3 days of the Ward Managers time. Within Community services supervisory times increased according to service size moving towards 0.30 whole time equivalent, this equates to 1.5 days.

The Trust has reviewed its Nursing Dashboard with the commissioners and this is included monthly in the Integrated Performance Report which is presented to the Quality Assurance Board.

Each ward has a display board which follows an agreed standardised format to share key information with ward staff, patients and carers.

Priority 2F.	Safe, Effective Care	<p style="text-align: center;">2014/15</p> 
Improve the identification and care of patients diagnosed with Diabetes		
<p>This CQUIN aims to improve the identification and care of patients with diabetes. It also aims to;</p> <ul style="list-style-type: none"> • Ensure all patients admitted with Diabetes have access to specialist diabetes team. • Ensure all patients on the podiatry caseload are identified. Embed system for recording new ulcers and recording healing times 		
Progress, Monitoring and Reporting*		
<p>It is important that patients with diabetes are identified when they are admitted to hospital for any reason other than their diabetes to ensure appropriate and timely medication is administered.</p> <p>Progress to date includes;</p> <ul style="list-style-type: none"> • There are 3 electronic systems that support patient care for patients with Diabetes; Advantis ED (Emergency Department), Advantis CDS (Clinical Document System) and Advantis Ward. • Patients known to have diabetes have an indicator flag on the Advantis ED (Emergency Department) system so for any patients attending, the clinical staff will see a glucose alert. • New patients are flagged in Advantis ED this then transfers to Advantis Ward. • High risk foot team use Advantis CDS • The Podiatry team are now able to code for Diabetes with software used in the Community. • A new pathway and the Foot Ulcer Assessment form have been implemented across 8 medical wards and are currently being rolled out across surgical wards. • There is a Diabetes Microsite for information that may be required by staff. • The Advantis system is used for referrals. <p>Referral system is in its infancy for Diabetes Specialist Nurses.</p> <ul style="list-style-type: none"> • The plasma screens display a “think glucose alert” for diabetic patients. • Not operational in all wards as yet and further development in progress. • The Diabetes Specialist Nurse historically will trawl wards for referrals and use alternative IT systems to locate patients. Advantis Ward is expected to accelerate over time and the team are working closely with the Web development team. • Referrals to Diabetes Specialist Nurse successful. 		

- All data captured using coding upon i-Soft Patient Manager (IPM) system.
- Complex wound service in full operation.
- Referral process/coding and discharge all captured.
- Letters regarding Diabetes Specialist Nurse activity and discharge are now sent to GPs
- New patients referred to Diabetes Specialist Nurse /Community now managed within the complex wound service.
- A letter is sent to primary care as a care plan for GP/Patient to follow.
- The community podiatry team are now coding all new diabetic foot ulcers and healed diabetic foot ulcers on i-Soft Patient Manager (IPM) to track healing times and refer appropriately for non-healing wounds.
- A letter is sent to the GP if a diabetes patient with an active foot ulcer fails to attend three consecutive appointments. This in turn will improve communication with patients GP's.

Priority 2G.	Safe, Effective Care	<p style="text-align: center;">2014/15</p> 
Improve communication between primary, secondary and community care clinicians		
<p>The aim of this CQUIN is to improve the communication and therefore engagement between primary, secondary and community clinicians. To achieve this, 4 workshops with clinical representation from each area were held, working to agreed terms of reference. Minutes, outcomes and learning are shared with commissioners</p>		
Progress, Monitoring and Reporting*		
<p>Following the success of this CQUIN in 2013/14, it was agreed to continue it in 2014/15.</p> <p>Workshops are held quarterly and the Chair alternates between the Medical Director and a named GP. Attendance includes Trust representatives from acute and community settings and local GP's.</p> <p>Outcomes from the workshops have included;</p> <ul style="list-style-type: none"> ● Improvements to referral letters and discharge documentation. ● Outcomes are published in a GP Newsletter. ● New template introduced for outpatient clinic letters. ● Sharing of updates regarding Health Care Record (HCR) and End of Life (EOL) communications. ● Introduction of the Short Health Care Record for elective patients with a stay of less than 48 hours; medical patients will require the minimum dataset applicable for the full HCR. ● Post Mortem reports no longer automatically sent to GP's, but are available on request if required. ● It is proposed to use specialty generic email addresses for GP's requiring information. ● Outpatient pathways have been developed and staff are now looking at the most appropriate medium for dissemination. ● It is proposed to send Did Not Attend (DNA) letters to the patient and copied to the GP. Only conditions of a serious nature (i.e. cancer) will be followed up. This proposal has been sent to Healthwatch for comment. <p>This will continue to be a CQUIN in 2015/16 addressing objectives from the four programme boards that form the 'Building a Sustainable Future Programme'.</p>		

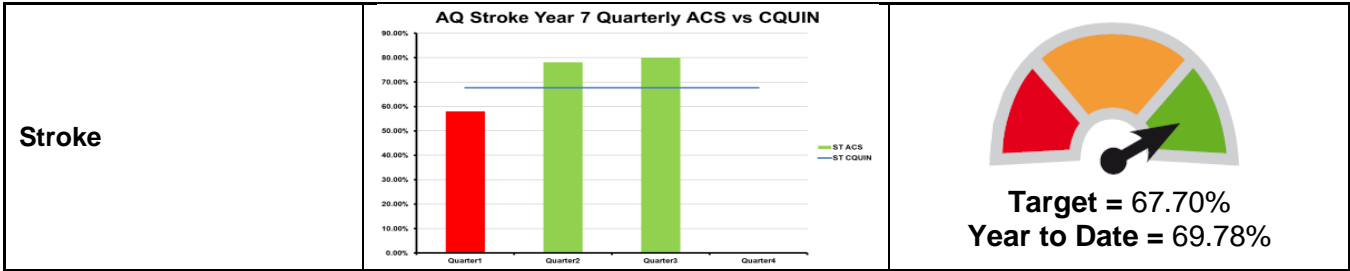
Priority 2H.

Safe, effective care

Provide appropriate care for patients admitted with myocardial infarction, heart failure, hip and knee replacement, pneumonia, stroke and COPD (Chronic Obstructive Pulmonary Disease)

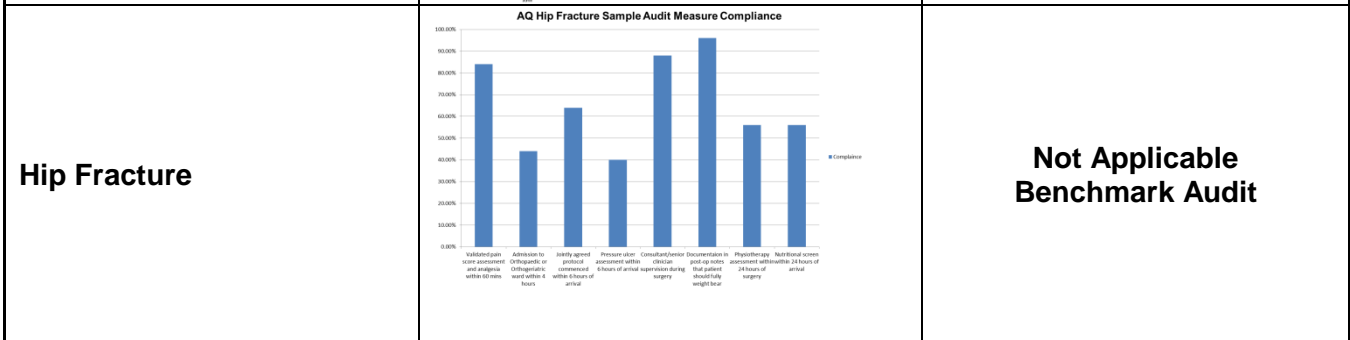
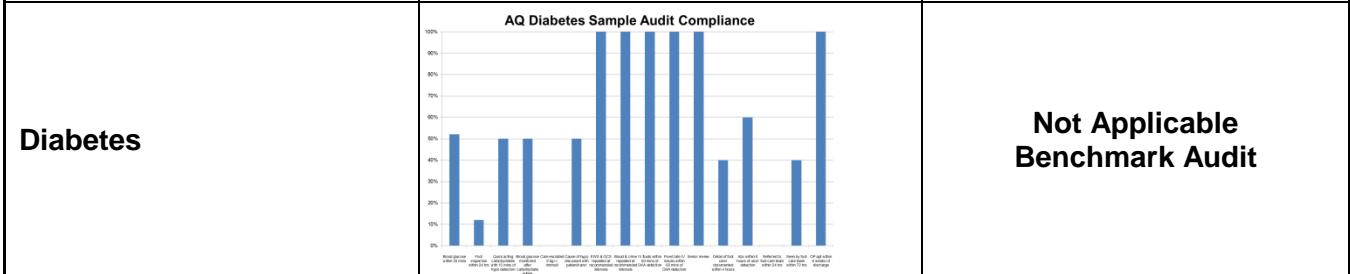
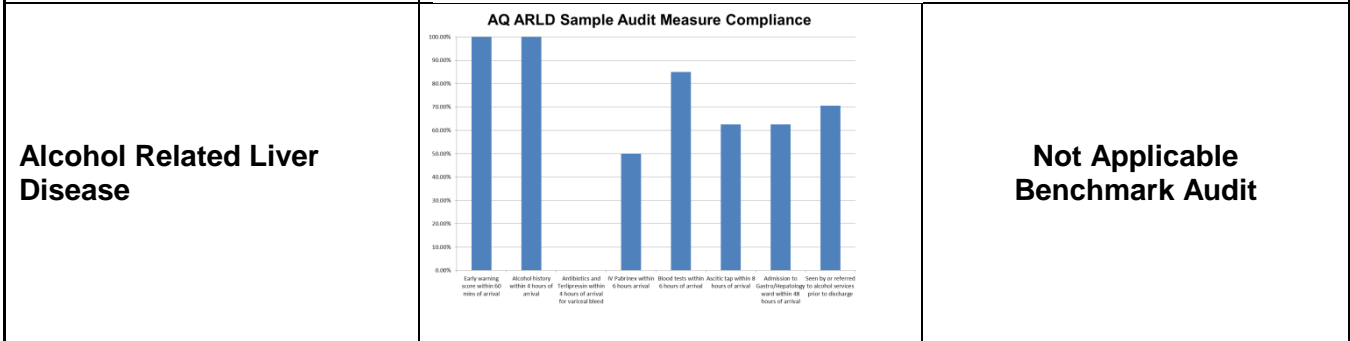
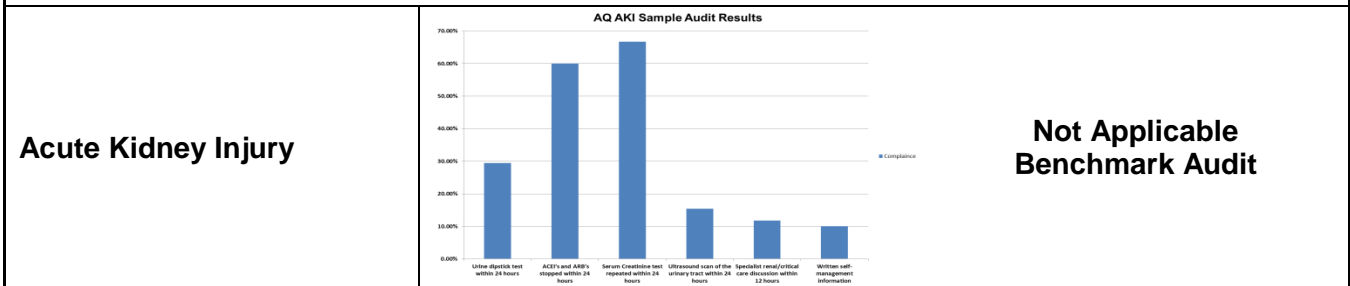
The Advancing Quality Alliance (AQuA) programme consists of care bundles for certain conditions. These bundles of measures are considered best practice across the North West. The Advancing Quality Alliance (AQuA) targets are set based on previous compliance to deliver continuous improvements.

<p>Acute Myocardial Infarction (AMI)</p>	<p>AQ AMI Sample Audit Measure Compliance</p>	<p>Result 13/14 = 59.49% Result Audit 2014 = 75%</p>
<p>Chronic Obstructive Pulmonary Disease (COPD)</p>	<p>AQ COPD Year 7 Quarterly ACS vs CQUIN</p>	<p>Target is to achieve 50% In Q3 52% achieved.</p>
<p>Heart Failure</p>	<p>AQ Heart Failure Year 7 Quarterly ACS vs CQUIN</p>	<p>Target = 70.00% Year to Date = 71.38%</p>
<p>Hip & Knee Replacement</p>	<p>AQ Hip & Knee Replacement Sample Audit Measure Compliance</p>	<p>Result 2013/14 = 91.74% Result Audit 2014 = 91.67%</p>
<p>Pneumonia</p>	<p>AQ Pneumonia Year 7 Quarterly ACS vs CQUIN</p>	<p>Target = 72.50% Year to Date = 80.88%</p>

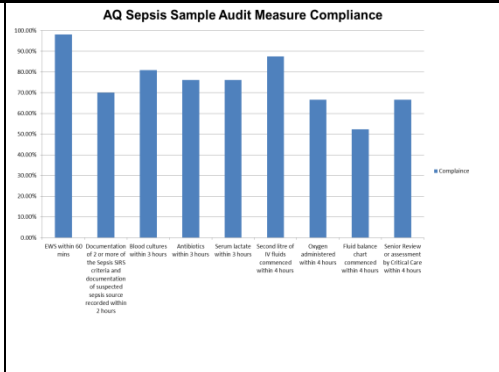


Data is captured 3 months following discharge so Quarter 3 is the latest data.

It was agreed to undertake an audit to benchmark current practice in preparation for measure groups that may be undertaken by the Trust as part of the 2015/16 CQUIN Advancing Quality programme.



Sepsis



Progress, Monitoring and Reporting*

The AQUA programme aims to improve standards of healthcare provided in NHS hospitals across the North West of England and to reduce variation through a process of standardisation. The programme includes specific clinical measure groups (listed above) and the standards agreed are considered to be best practice.

Existing Clinical Focus Areas

AMI – The Trust stopped collecting data in December 2013. This was agreed with the commissioners as continuous data collection was not the most efficient use of resource. All clinical measures were being achieved. One failing measure related to documenting that a patient leaflet had been handed to the patient. Work continued on improving this and it was agreed to audit the measure set in 2014-15 as part of the audit programme. The audit was completed using September 2014 discharges and shows significantly improved compliance against nearly all measures. Audit results are included above. The Trust will undertake a single month audit in 2015-16.

COPD (Chronic Obstructive Pulmonary Disease) – This measure group was introduced by AQUA as a pilot during 2014, the Trust did not participate in the pilot, however began data collection for patients discharged from September 2014. There was a 3 month shadow period before starting live data collection in December 2014. At the time of writing, compliance in December exceeded the 50% ACS CQUIN target. The Trust will undertake a single month audit in 2015-16.

Heart Failure - The Trust stopped collecting data in December 2013 as improvements needed to take place and it was not efficient to collect data monthly before the changes had been implemented. We restarted in April 2014. Compliance shows the Trust is achieving the CQUIN ACS target of 70%. The community heart failure team assumed responsibility for delivering the measures from September 2014. The Trust will undertake a single month audit in 2015-16 using the amended measures.

Hip & Knee Replacement - The Trust had achieved the AQ target for over three years and therefore stopped collecting data in December 2013 so that resource could be redirected. It was agreed to audit the measure set in 2014-15 as part of the audit programme. The audit was completed using September to November 2014 discharges and shows the extremely high level of compliance has been maintained. Audit results are included above. The Trust will undertake a single month audit in 2015-16.

Pneumonia - The Trust stopped collecting data in December 2013 as improvements needed to take place and it was not efficient to collect data monthly before the changes had been implemented. Data collection restarted in April 2014. Compliance has improved throughout 2014-15 and the Trust will easily achieve the CQUIN as target of 72.5%. The Trust will undertake a single month audit in 2015-16.

Stroke – The Trust is achieving the CQUIN ACS target of 67.7%. Stroke will be discontinued as an AQ focus area for 2015-16. The rationale for this is that it is duplication of the data submitted for the

Sentinel Stroke National Audit Programme.

Audits were undertaken on the new clinical focus areas as a benchmark of compliance;

Acute Kidney Injury – The audit identified areas for improvement. A working group has been set up to manage the required changes. The Trust has worked with AQuA to provide a population file as per agreed specification.


Alcohol Related Liver Disease - The audit identified some areas for improvement. The lead consultant and alcohol nurse are to meet to discuss actions.

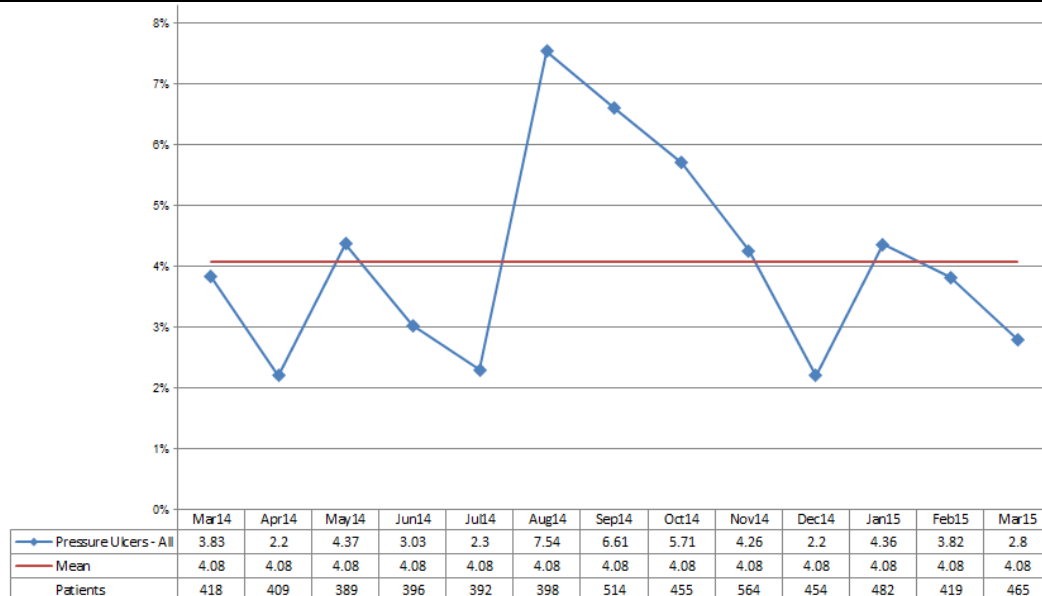
Diabetes – The audit showed poor compliance with the measures however some actions as a result of the Trusts Diabetes CQUIN indicators have been implemented and will have a positive impact on performance. Results have been fed back to the lead nurse and consultant for review and to identify required actions.

Hip Fracture - The audit showed poor compliance with the measures. A meeting is to be arranged with the lead consultant ortho-geriatrician to discuss the next actions. The Trust will not be submitting AQ data for 15-16. Data for this cohort of patients will be provided via the National Hip Fracture Audit.

Sepsis - The audit showed the Trust is achieving above the 50% ACS target, which will be introduced when live data collection starts. Results have been fed back to the lead consultant and nurse.

TAMESIDE & GLOSSOP COMMISSIONERS

Priority 2I.	Safe, Effective Care	<p style="text-align: center;">2014/15</p> 
Pressure ulcer and catheter care		
<p>This CQUIN aims to improve care of patients with pressure ulcers and to develop best practice in catheters. The CQUIN includes engagement with the safety thermometer software which enables results to be tracked, shared and considered for appropriate actions.</p>		
Progress, Monitoring and Reporting*		
<p>This CQUIN involves District Nurses and Intermediate Care teams (In-patient and Community based) capturing data (prevalence) on one day of each month within the Safety Thermometer software for pressure ulcers and catheters.</p>		
<p><u>Pressure Ulcers</u> The Tissue Viability Team has been working closely with the District Nursing Service to support the reduction of pressure ulcers. Training has been provided demonstrating the importance of timely reporting of pressure ulcers and a diary sized flow chart has been developed for all staff to use as a prompt/guide to ensure appropriate reporting and management of pressure ulcers which has been useful particularly for new or inexperienced staff members.</p>		



Catheters

An action plan was created in relation to the catheter reporting and an audit tool developed. District Nursing teams complete the audit monthly and findings are discussed at team meetings.

Patient Information leaflets have been developed and are available for distribution to patients as appropriate.

A training programme is in place to train all District Nurses to increase skills and knowledge and ensure that regular renewal of competencies occurs. Audits take place to ensure compliance with the continence SOP (Standard Operating Procedure).


There has been a slight delay to the initial delivery of training but it is currently underway to nominated team champions.

Priority 2J.	Safe, Effective Care	2014/15
Clinical Leadership - Children		
<p>It can be a difficult time when a patient moves from children’s services into adult services. This CQUIN aims to improve that transfer to become a seamless process for the young person and their family.</p>		
Progress, Monitoring and Reporting*		
<p>A Children’s Passport is a document which captures what is important to that child. It is designed to support the young person and their family in not having to ‘tell their story’ each time they attend a medical appointment or attend a new setting. The document can be updated regularly and is a mechanism for sharing information with schools and health providers quickly. The passport is the property of the young person, and as such would usually be completed by the young person/family/lead professional.</p> <p>The Passport has been developed and has been reviewed at various user groups, particularly parent coffee mornings at special schools in the area and support groups. Feedback from parents was universally positive with all parents reporting that they believed they would be useful.</p> <p>In Quarter 2, 15 children were identified for the passport programme. Suggestions were made as to other groups for which the passport would be beneficial. Discussions relating to this took place with social care.</p> <p>At review by users and potential users the feedback was that the right information was included with</p>		

requests for additions and a change to a booklet style.

During quarters 3 & 4 the Passport was refined following feedback from patients, families/carers and professionals and a final evaluation undertaken. The passport had been used successfully during appointments with hospital consultants, hospital admissions, GP's, dental appointments as well as a range of other situations e.g. support groups, respite, school, accompanied a child who was placed in foster care. One family had found the Passport had been really helpful to give to the GP receptionist to draw attention to the fact that child may display challenging behaviour if kept waiting too long. Feedback had also been received from a tertiary specialist children's hospital, where the passport had been used successfully.


The Passport will continue to be rolled out to children with additional needs and its use will be extended so that families, who wish to, can use it to share with teachers and local authority services. One such opportunity has recently been identified as social care have recently begun to use sports clubs more extensively as a means of providing short breaks for families of children with additional needs. The Passport has been identified as an excellent means of providing staff at the clubs with relevant information.


Priority 2K.	Safe, Effective Care	<p style="text-align: center;">2014/15</p> 
Clinical Leadership - Adults		
<p>This CQUIN aims to improve the lives of individuals who are both frequent and persistent users of healthcare. This relates to patients who have long-term Chronic Obstructive Pulmonary Disease (COPD) and Motor Neuron Disease (MND).</p>		
Progress, Monitoring and Reporting*		
<p>This CQUIN related to two cohorts of patients, those who have long term COPD and those with MND. The aim is to introduce 'passport' documents that will improve the outcomes and experience for these patients, by identifying who in each organisation is responsible for the care of the individual. The 'passport' or management plan allows for a quick way for patients to share information that is relevant with professionals and to save the patients having to tell their story multiple times.</p> <p>Initially staff providing care to patients with these conditions scoped what passports were already available to patients and worked with both service users and clinicians (from across a range of health organisations) to develop local documents. Over the year the documents have been shared with patients and refined following user feedback.</p> <p>At the end of Quarter 3:</p> <p>91% of patients (10/11) with MND have been issued with 'passports' and feedback was positive. All patients agreed that the patient held document was a good idea and included everything that was important. They did not suggest any additional information to be included. One patient, who is no longer able to write, would like the passport to be made available electronically. Sharing confidential information across the internet securely is hampering this extended use but changes to the NHS email security arrangements may make this possible in the future.</p> <p>78% of new patients referred to the Long Term Conditions team with COPD had been issued with a 'passport'. Feedback was positive with patients reporting it being a useful reference document, though a bit too long. The service continues to work with patients to adapt the document and is considering ways in which to make it more user-friendly.</p> <p>By the end of Quarter 4:</p> <p>MND: 100% of patients (11/11) had been issued with Passports and a full evaluation had been undertaken. Whilst patients and clinicians think the Passport is a good idea, in practice patients and their families find it difficult to think about taking a document to the hospital when their priority is getting emergency medical support. The evidence shows that the patient held passport method of communication depends largely on the organisational and cognitive abilities of patients and their carers. On a positive note, hospital staff have contacted key workers in the community on occasions</p>		

where patients have been admitted to hospital as a result of improved links between primary and secondary care during the development of the patient passport.

In August 2015 an electronic system is being introduced which will support the coordination of information for patients with palliative care needs. This system will replace the need for clinicians to share information via the Passport but clinicians will be encouraged to continue to complete the document with patients so they and their families/carers have information to hand should they need it

COPD: 95.4% of new patients referred to the Long Term Conditions team had been issued with a 'passport'. Of the 88 patients surveyed, 44% said that they were using the passport with 95% of these patients feeling the passport was easy to use. 97% of these patients felt the passport would assist them when meeting their Health Care Professional. 79% felt that the passport had helped them/would help them avoid hospital admission. 26% of patients felt there had been improvement to their quality of life since using the passport and the majority of those asked felt their time telling their story at appointments had been reduced.

Priority 2L.	Safe, Effective Care	2014/15
Frail Elderly		
The aim of this CQUIN is to work in partnership across the health economy to improve the management of frail and elderly patients.		
Progress, Monitoring and Reporting*		
<p>This CQUIN aimed to improve the management of frail and elderly patients across the community and hospital settings (including care homes) by partnership working across the whole health economy. It included early identification and reducing hospital attendances and admissions. Where admission was required, the aim was to reduce length of stay and provide supported discharge back into community services.</p> <p>In order to support early identification a screening tool was developed and a new pathway was agreed.</p> <p>In Quarter 2 the screening tool was revised and rolled out across all District Nursing teams. This resulted in 100% of appropriate patients being screened. The GPs were informed of any patients that met the trigger for the pathway within 48 hours of the screening being undertaken. This continued throughout Quarter 3.</p> <p>The frailty screening tool was reviewed and revised in Quarter 4, with a challenge arising in gaining agreement at the working group meeting from all parties.</p> <p>Actions within the scope of the District Nursing team were all completed. 100% of patients, over 75 years of age referred to the service were screened to see if they were a frailty risk and all appropriate patients referred to their GP for further investigations.</p>		

Priority 2M.	Safe, Effective Care	2014/15
Antibiotic Awareness		
The aim of this CQUIN is to review prescribing of antibiotics in line with guidance at Shire Hill.		
Progress, Monitoring and Reporting*		
<p>The purpose of this CQUIN was to enhance performance in Health Care Acquired Infections (HCAIs) by looking at antibiotic prescribing practice for patients at Shire Hill Hospital in Glossop.</p> <p>Audits were undertaken quarterly to monitor performance and provide the opportunity to share</p>		


findings and therefore improve practice by shared learning.


There were occasions where the antibiotic prescribing was not in line with the current formulary used across Tameside and Glossop. Communication took place on the findings and over the year there has been improvement in GPs documenting their decision making in the patient's pathway. This is good practice as it enables senior partners to review and provide feedback to ensure there is good direction to prescribing habits.


In Quarter 3: 94.7% of antibiotics prescribed were in line with the formulary and there was a rationale provided for why the remaining patients had prescriptions that were outside of this.

In Quarter 4 there were 9 occasions when antibiotic prescribing was not in line with the formulary. All case notes were reviewed to ascertain if there was a clinical reason for the deviation from 'best practice', this was only documented in one case.

The GPs who provide medical cover to the hospital have been reminded of the need to follow the formulary or to document why they have not. This will be rigorously monitored and will be a standing agenda item on the contract review meetings.

Priority 2N.	Safe, Effective Care	<p style="text-align: center;">2014/15</p> 
Clinical Effectiveness – Early Warning Score (EWS)		
<p>The aim of this CQUIN is to improve early warning of a patient in the community who may be deteriorating in order to avoid harm.</p>		
Progress, Monitoring and Reporting*		
<p>This CQUIN was set to improve care of the deteriorating patient in the community by developing a tool to identify the deteriorating patient in the community setting.</p> <p>Research shows that failure to rescue patients whose condition is rapidly deteriorating is an area of significant unintended harm in the healthcare environment. By reviewing a number of key areas of practice significant improvements in rates of harm can be achieved.</p> <p>We piloted 4 local Early Warning Score (EWS) tools within an identified District Nurse Locality Team. The aim was to identify patients who were at risk of deteriorating. The Early Warning Score (EWS) was used initially over a six week period to set a baseline for each individual patient.</p> <p>During Quarter1 and Quarter 2 four residential care homes were identified and 4 Early Warning Score (EWS) tools were piloted.</p> <p>The 4 tools identified to be used for the Pilot were:</p> <ul style="list-style-type: none"> • CHEW EWS • Shire Hill Early Warning Score (EWS) • Stockport Intermediate Care Early Warning Score (EWS) • IRIS EWS <p>During quarter 2 it was identified that 2 of the tools were preferable and aspects of these tools were combined to develop a tool to use going forward for the rollout to the remaining homes on the District Nurse caseload.</p> <p>During Quarter 3 the pilot was rolled out to a further 4 homes.</p> <p>Overall the team found that recording baseline observations for their patients useful and the revised tool was more relevant to the community setting. It has given them a more relevant approach and allowed them to set baselines for the patients on their caseloads.</p> <p>Quarter 4 rolled out to the remaining homes within the locality.</p> <p>The team continue to use the revised Early Warning Score (EWS) tool which is evaluating well. It is hoped at the end of the pilot that we can roll out the use of the Early Warning Score (EWS) to the patients known to the District Nursing caseloads who reside in Residential Care Homes within Tameside and Glossop.</p>		

Priority 2O.	Safe, Effective Care	2014/15 
Lessons Learned – Falls		
<p>The aim of this CQUIN is to understand the number of frequent fallers and identify changes that would improve and sustain change. Also, to identify patients being discharged from nursing and residential homes who might be at risk of falling</p>		
Progress, Monitoring and Reporting*		
<p>Consideration was given as to which was the most appropriate audit tool to support this CQUIN. The Canadian Operational Performance Measure (COPM) was chosen.</p> <p>The COPM is an evidence based outcome measure, enabling personalised health care. It was developed as a client centred tool to enable individuals to identify and prioritise everyday issues that restrict or impact their performance in everyday living.</p> <p>Unfortunately we have found that this tool is not always applicable to the patients we see as fallers. The senior Physiotherapists discussed this and it was decided that a mobility test 'Tinetti balance assessment tool' would provide a better measure. This tool is being audited to confirm it is the appropriate tool to use.</p> <p>Patients who fall are now coded within the IPM (i-Soft Patient Manager) system. This supports reporting and ensuring referrals are made.</p> <p>Results in quarter 3 showed that 71.47% of those referred as a faller received a coded falls assessment and 80.23% were found to have improved when assessed using the COPM.</p>		

Priority 2P.	Safe, Effective Care	2014/15 
Ambulatory Care – LVSD (Left Ventricular Systolic Dysfunction)		
<p>The aim of this CQUIN is to reduce emergency admissions for patients with heart failure.</p>		
Progress, Monitoring and Reporting*		
<p>The aim of the CQUIN was to reduce emergency admissions for patients with heart failure. This required acute and community services to work collaboratively i.e. right care, right time, right place to achieve this and ensure that the pathways involving different providers and different care locations were made seamless.</p> <p>The CQUIN focused on ensuring patients with LVSD have an appropriate management plan in place to support patient empowerment and collaborative working.</p> <p>To achieve this monthly heart failure Multidisciplinary Team Meetings (MDT) meetings have been formalised.</p> <p>GP practices were targeted and their heart failure registers are being reviewed to ensure that all patients have completed plans in place.</p> <p>Educational sessions on heart failure have been delivered to primary care staff. NWAS (North West Ambulance Service) and A&E (Accident and Emergency) staff have been made aware of the use of yellow key rings. The yellow key ring is a fob provided to patients that identifies the patient has LVSD and that a care plan is in place. This helps NWAS staff make an informed decision on whether to transfer the patient to A&E or call the Long Term Conditions (LTC) Team for community support.</p> <p>Referrals to the Long Term Conditions (LTC) team, for Cardiac Rehab and to Willow Wood hospice are being monitored to ensure appropriate care is given at the right time.</p> <p>At the end of Quarter 3 all patients referred to the Long Term Conditions (LTC) team had been</p>		


provided with a yellow key fob and a further GP practice register had been reviewed.

During Quarter 4 a further 46 patients on the Heart Failure register of one of the boroughs GP surgeries were reviewed having their treatment plans checked and their medications optimised.

Over the period of the CQUIN a total of 142 patients have been assessed and all patients who attended were given an evaluation questionnaire which asked about their experience and how they rated their confidence in self managing the condition. 68.5% responded, of these 97% rated the assessment as good or excellent and all rated an improvement in their understanding and management of their condition. Comments included:

*.....I came out of the appointment feeling that I know much more about my condition.
 Appreciated the opportunity to talk about my condition and medicationAn informative session
Useful booklet and medical history chart...I look forward to the next one.
 Excellent advice from nurse.....
 First class covered all aspects of my condition
It is very good to find out what you should be doing to improve your health.
all aspects clearly defined and explained
 ...I was able to understand everything she told me*

Further GP practices have been signed up to the scheme and the distribution of yellow key fobs will continue to support the NWS to appropriately manage any patients that have exacerbations in their condition and seek additional help.

Priority 2Q.	Safe, Effective Care	2014/15
Improve experience for patients with Learning Difficulties (LD)		
<p>Patients with learning difficulties attending a healthcare setting may require adjustments to be in place. This CQUIN aims to improve the identification of patients with learning difficulties and to reduce inequalities by having a reasonable adjustment care plan in place.</p>		
Progress, Monitoring and Reporting*		
<p>The purpose of this CQUIN is that patients with Learning Difficulties (LD) can be identified in order that reasonable adjustment care plans can be put in place to improve the patient experience. This is a Greater Manchester CQUIN and is therefore linked with the Stockport section at 1D in this report. Tameside & Glossop community staff is dealing with patients that may attend Stockport Foundation Trust or Tameside Hospital Foundation Trust. The CQUIN required that community and acute staff worked together to achieve the desired outcomes so the actions completed cover the whole health economy</p> <p>Actions to date include:</p> <ul style="list-style-type: none"> • The introduction of a Hospital passport for all patients with Learning Difficulties • The development of a range of easy read documents e.g. Patient Advice And Liaison Services (PALS) information, complaints leaflet, Deprivation of Liberty Safeguards (DOLS) information and person centred booklets developed by the community team as required, to support patients with Learning Difficulties who need hospital appointments or procedures • Reasonable adjustment care plans developed and put in place for all patients with Learning Difficulties admitted including flexible visiting and meal times • Pre-admission involvement of Learning Difficulties community team for elective and outpatients and complex cases and/or Mental Capacity Act (MCA) best interests meetings, including visits to the hospital and planning meetings with Learning Difficulties team and integrated discharge team for effective discharge arrangements including involvement in aftercare arrangements • Further developing links between Tameside & Glossop Hospital Head of safeguarding adults and MCA / DOLS Safeguards practitioner and Learning Difficulties hospital liaison nurse and 		


Learning Difficulties community teams

- Strengthened processes to empower Family/Carer involvement in multi-disciplinary team meetings and in care plan
- Introduction of;
 - a) The MCA assessment tool and supporting policy to formal assessments for capacity
 - b) A review and reflect process
 - c) Safeguarding alert systems for unsafe discharges and vulnerable patients where actions and lessons learned are key to the process
 - d) An 'umbrella' policy framework for the use of restrictive practices (breakaway and physical restraint)

In Quarter 4 this CQUIN had three targets to meet.

- 1) Development of joint Positive Restrictive Practice protocol for people with LD
 - a. a framework policy was developed for use of positive behaviour support – including least restrictive management of challenging behaviour. Monthly provider forums were held with partners to discuss / monitor the number of incidents of restrictive practices being used for people with LD
- 2) Development of an easy read discharge information leaflet.
 - a. This has been developed and is in use for clients who require inpatient stays.
- 3) Delivery of training to targeted groups of staff.
 - a. A total of 165 staff have been trained 86 of whom were registered nurses. 74 who were support staff and 5 people who did not identify their staff group.

In 2015-16 there is a focus on implementing and monitoring against the Health Equalities Framework.

Priority 2R.	Safe, Effective Care	<p style="text-align: center;">2014/15</p> 
Medication Safety Thermometer		
<p>The aim of this CQUIN is to utilise the safety thermometer software to support safe administration of medicines within care teams.</p>		
Progress, Monitoring and Reporting*		
<p>Reducing the incidence of medication errors causing serious harm was an identified domain in the NHS outcomes framework. As a measurement tool for improvement, The Medication Safety Thermometer focuses on Medication Reconciliation, Allergy Status, Medication Omission, and identifying harm from high risk medicines in line with Domain 5 of the NHS Outcomes Framework. It provides a snapshot view for one day each month.</p> <p>The Medication Safety Thermometer like the NHS Safety Thermometer measures 'Harm Free Care' at the point of care. The Medication Safety Thermometer was piloted throughout 2013/14. It was then amended from the findings and testing has continued throughout 2014/15.</p> <p>Each month the Tameside and Glossop District Nursing and Shire Hill teams collect data from all patients for whom they are responsible for administering medication on the allocated survey day.</p> <p>A report is produced which provides feedback for organisations participating in the Medication Safety Thermometer and individual organisation performance can be monitored via web tool dashboards. These provide aggregated datasets for interrogation at area, ward or team level if required.</p> <p>A summary report is published on the Safety Thermometer website each month.</p> <p>Staff have embraced the Medications Safety Thermometer and it has been incorporated as part of their working day on an allocated day every month. The Management Teams in District Nursing and Shire Hill intend to roll out individual team reporting, with dashboards displayed in the office giving each team evidence of how they are doing. This will allow teams not only to monitor the number of incidents with specific high risk medications but will also highlight in a more timely way, key incident themes thereby allow us to highlight risk reduction strategies. This should help reduce medication</p>		

errors. It is hoped that we can benchmark our medication safety performance within teams and against similar trusts and continue to reduce actual harm due to medications.

Engagement in data collection and web seminars has continued throughout quarter 4.


Over the year 1639 patients have been surveyed as part of this CQUIN. 67.3% of these were patients over 75 years of age. The most frequently administered 'high' risk drug was insulin followed by anticoagulants, opioids and then sedatives. Less than 1% of administrations resulted in an incident that required a multi-disciplinary team 'huddle' where the incident was discussed and actions taken to ensure that the patient does not suffer harm and does not occur again.


Despite no longer being a CQUIN the District Nursing and Shire Hill inpatient services will continue to collect the data on identified collection days and will use the results to promote a culture of open reporting and learning from all medication incidents.


PUBLIC HEALTH & SPECIALISED SERVICES

Priority 2S.						Safe, effective care	
Improved access to breast milk in preterm infants							
The benefits of a baby receiving their mother's breast milk are known. This CQUIN aims to improve this level for preterm babies at final discharge home.							
Bench Mark 13/14	Target (End of Year)	Q1 Result	Q2 Result	Q3 Result	Q4 Result	Year Result	<div style="text-align: center;"> 2014/15 </div>
39%	50%	100%	60%	29%	57%	63%	
Progress, Monitoring and Reporting*							
This CQUIN aimed to have an improvement by Quarter 4 2014/15 above the benchmark data for 2013/14.							
Benchmark data for 2013/14: 41 babies of which 16 went home on breast milk = 39%							
The target for Stockport Foundation Trust was set at 50%.							
<ul style="list-style-type: none"> For 2014/15: 63% of babies who were eligible went home on breastmilk. 							
To achieve this;							
<ul style="list-style-type: none"> An action plan to improve access for preterm babies was created. A recording spreadsheet was set up for the neonatal data clerk to enter details at discharge. 							
The results have been;							
<ul style="list-style-type: none"> Q1: 8 babies of which 8 went home on breast milk = 100% Q2: 10 babies of which 6 went home on breast milk = 60% Q3: 7 babies of which 2 went home on breast milk = 29% Q4: 7 babies of which 4 went home on breast milk = 57% 							
Notes of babies who did not go home on breastmilk have been reviewed to establish if they met the criteria or were part of the exclusions. This has resulted in a change to previously reported figures.							
In both years there was a reduction over the festive season and mothers gave the rationale of consuming alcohol. One of the mothers stopped expressing because her baby was transferred to							

Leeds Liver Unit and she went with him. During this time her milk supply diminished and we had to start using a specialist hydrolysed formula so it was very difficult to increase that mother's supply especially when she started to see that her baby was more settled on the formula.

Priority 2T.	Safe, Effective Care	2014/15
Implement consistent coding for oral surgery		
<p>This CQUIN aims to implement consistent coding in all dental specialties to support the implementation of a single operating model for coding oral surgery.</p>		
Progress, Monitoring and Reporting*		
<p>NHS England intends to develop consistent care pathways in all dental specialties. The first stage of implementation is the introduction of a single operating model for the coding of oral surgery cases.</p> <p>Within the Trust meetings have taken place between the Coding Manager, the Dental Business Manager, the Information Department and Clinicians to change and implement the coding in line with the guidelines.</p> <p>The Trust has updated the appropriate documentation for capturing Outpatient data for both Oral Surgery and Orthodontics.</p> <p>From November 2014 the list of codes relating to Comorbidities which impact on Oral Surgery Procedures has been incorporated into the Integrated Care Pathway (ICP) for collection at Pre-Operative stage.</p> <p>The Trust provides a submission to Service Level Agreement Monitoring (SLAM) for North West Local area teams Secondary Dental every month which formed part of this CQUIN.</p>		

Priority 2U.	Safe, Effective Care	2014/15
Quality Dashboard		
<p>The aim of this CQUIN is to add a new quality dashboard to the existing reporting for adult critical care.</p>		
Progress, Monitoring and Reporting*		
<p>1. The NHS England Area team introduced an Adult Critical Care quality dashboard. This collected data that is already submitted into the Casemix programme which is part of the Intensive Care National Audit & Research Centre (ICNARC). Two elements of data are requested which are not part of that programme. The Trust has provided data for one element and is awaiting the template from the NHS England area team for the second, as it is currently on hold. In the meantime the Trust is working on a process to be able to supply the data when requested.</p>		

Priority 2V.	Safe, Effective Care	2014/15
Improving Diabetes Care		
<p>The aim of this CQUIN is to improve the quality of lives of patients living with diabetes by supporting;</p> <ul style="list-style-type: none"> • Self- management of medication • patients with emotional and / or psychological conditions 		
Progress, Monitoring and Reporting*		

The Diabetes service, which has a standalone contract, has three CQUINs attached to it:

Ambulatory Care – the focus of this CQUIN was to reduce emergency admissions to hospital through integration. The community based service identified four groups of patients most likely to attend hospital services if unable to access immediate direct support when experiencing an urgent diabetes problem:

- Patients who call the service via the on-call urgent advice line
- Patients who attend clinic on a 'drop-in' basis
- Patients attending appointments via any route who attend with signs and symptoms of Diabetic Keto-acidosis or Hyperosmolar non-ketosis
- Newly diagnosed adults with Type 1 diabetes

An urgent advice line to provide support to patients and healthcare professionals, and a 'drop in' service to enable rapid access to services, for those with urgent need, were set up. The aim to reduce admission to secondary care and support people to safely remain in primary care when appropriate to do so.

During the year the service has been monitoring the number and type of calls to the advice line and attending the 'drop in' clinic. A steady increase in the use of both services has been noted and evaluation has shown;

- 99 (100%) patients using the urgent advice phone resulted in them not needing to attend their GP or A&E and 14 (14%) had an admission to hospital prevented.
- 83 (89%) attending the 'drop-in' clinic resulted in them not needing to attend their GP or A&E and 5 (6%) had an admission to hospital prevented.

Self-management of medication - The service developed criteria for inclusion of a cohort of patients suitable for self-management of insulin therapy. This was established to include patients attending DAFNE (Dose adjustment for normal eating) education programmes, who were deemed to be using insulin on referral to the service but who were unable to self-adjust correctly. Following consultation and training, patients were asked to complete a patient satisfaction questionnaire. The literature provided to patients, which is predominantly produced by the pharmaceutical company supplying the specific insulin or supplied by Diabetes UK, was reviewed by the specialist nursing team, to ensure it is utilised appropriately. Patients were assessed and accepted on to the education programme, where they are provided with training and support. In Quarter 4 all 5 (100%) patients accepted on to the education programme were self-managing and reported that they felt confident to do so.

Supporting patients with Psychological conditions - All new patients are routinely requested to complete a self-assessment form using a standard assessment tool, which provides a score around depression and anxiety. A pathway has been developed with input from the Tameside & Glossop Psychological Therapy Service (PTS) and the clinical psychologist for the service for clinicians to follow. Following results of the assessment and discussion with those identified in need of support, patients are then either:-

- referred directly to PTS
- if they decline direct referral
 - offered details in how to self-refer for support from PTS
 - provided with brief advice and self-help literature
- referred to the Clinical Psychologist for the service, for one to one input


The patient's GP is informed by letter of any concerns with a patient's mental health.

Consultations with the clinical psychologist for the service are offered to those patients requiring the highest need for support who would benefit most from one to one counselling. These are most often patients with:-

- Behaviour related to diabetes that puts patient at risk i.e. non acceptance, non-concordance, needle phobia, over control of Blood Glucose

- Chronic low mood and anxiety due to diabetes related Issues
- Pre/post amputation patients

The number of patients completing the self-assessment is monitored with take up in Quarter 4 averaging 92%; however, take up of referrals to PTS, for patients who score highly on the assessment is poor (66%). The service is currently investigating alternative models such as group sessions to improve access to appropriate interventions for this cohort of patients.

Priority 2W.	Safe, Effective Care	2014/15 
Identify health inequalities for patients to health visitors		
In order to reduce Health Inequalities it is first necessary to understand what data is available and then to plan on how to improve the position.		
Progress, Monitoring and Reporting*		
<p>This is a two year CQUIN, the aim is to understand what data is currently captured and available to report on. Baseline data has been provided and an action plan created. The Trust provided the information timely and the feedback has been that our template was a good example and has now been shared with other Trust's for them to use as a good model.</p> <p>Quarter 4 evidence has included an update on the action plan created, with all the milestones due being met.</p> <p>Detail was provided of a 23.32% improvement in the reporting of ethnicity amongst babies added to the Health Visitors caseload, taking coverage to 83.82%. Additionally data to indicate a 10.2% increase in the likelihood that a family from one of the most deprived areas in Tameside and Glossop are more likely to fail to keep their appointment with the service. Future work includes plans to support families to access the service more readily.</p>		

2.1.3 Priorities for quality improvement in 2015/16

As an organisation we aim to become one of the safest organisations in the NHS and to provide safe, high quality care, underpinned by evidence-based practice, whilst also providing an excellent patient experience.

To achieve this our Quality Improvement Strategy 2014-19 focuses on two strategic outcomes – that **'patients' health and well-being is supported by high quality, safe and timely care**, and that **'patients and their families feel cared for and empowered'**, which encompass the five domains of the NHS Operating Framework.

The quality goals and their associated objectives within each of these strategic outcomes have been identified in one of four main ways: as a result of an identified shortfall in compliance with national guidance, as part of local commissioning priorities (often through CQUIN), as a result of robust investigation of incidents causing harm, or from patient and family feedback.

Strategic outcome 1 - Patients' health and well-being is supported by high quality, safe and timely care

Quality goal	Objectives	Overview of specific aims
1. Reduce hospital related mortality	Improve the management of sepsis	100% compliance with national guidance on sepsis, with a particular focus on the 'golden hour'

	Reduce overall weekend mortality	Work towards implementing 7 day working across all appropriate clinical areas and reduce the Trust's weekend HSMR to at least the weekday level
2. Provide harm free care	Reduce pressure ulcers year on year towards an aspirational target of zero avoidable grades 3 and 4 pressure ulcers by 2019	Reduce the prevalence and incidence of pressures ulcers (grades 3 and 4) avoidable and unavoidable, acquired in hospital and community settings
	Reduce incidence of falls associated with injury and death by 10% year on year by 2019	Reduce all avoidable falls associated with injury and death to 0 by 2019.
	Reduce by 50% hospital acquired venous thromboembolism (VTE) by 2019	Increase to 95% compliance for root cause analysis (RCA) completion for incidents of patients diagnosed with VTE within 30 days of discharge Achieve 95% compliance for RCA completion for incidents of patients diagnosed with VTE whilst in hospital
	Reduce medication incidents which cause harm by at least 50% by 2019 from the 2014/15 baseline	Aim for zero incidents related to the prescribing or administration of 'critical' medications (antibiotics, insulin, anticoagulants, anti-convulsants and Parkinson's disease medications)
	Reduce healthcare associated infections by 2019	We will aim to reduce healthcare acquired infections as follows: <ul style="list-style-type: none"> • MRSA bacteraemias – zero cases attributed to the Trust year on year • Clostridium difficile – zero cases due to lapses in care by 2019 • Ventilator associated pneumonia (VAP) – achieve 100% compliance with the nationally recognised evidence-based care bundle for VAP • Central line infections – zero cases by 2019 • Catheter associated urinary tract infections – 50% reduction by 2019
	Improve the management of diabetes for patients	We will achieve 100% compliance with national evidence-based guidance in order to ensure the best possible outcomes for patients.
3. Provide reliable care	Compliance with Advancing Quality programme	We will achieve 100% compliance with the Advancing Quality evidence-based care bundles for the following conditions in order to ensure the best possible outcomes for patients: <ul style="list-style-type: none"> • Acute myocardial infarction • Heart failure • Community acquired pneumonia • Stroke
4. Reduce readmissions	Reduce 30 day hospital readmission rates for non-elective patients	We will aim for top quartile performance when compared to all other acute care provider organisations, in order to improve patient safety and experience

Strategic outcome 2 - Patients and their families feel cared for and empowered

Quality goal	Objectives	Overview of specific actions to reduce quality risks
1. Capturing and learning from patient feedback	We will make it easy for patients, their families and carers to tell us about their experience of our services and we will act on their feedback to improve our services.	<p>We will extend and embed the Friends and Family Test in accordance with national guidance and use the results to learn and improve the experiences of patients and their families.</p> <p>In addition to using the data captured from national and local surveys, patient stories and the Friends and Family Test, we will include and involve patients in all appropriate Trust strategic or operational meetings where their input can make a difference to our services.</p>
2. Providing care with dignity and compassion	We will ensure that all patients feel they have been cared for with dignity and compassion	<p>We will ensure that the Trust's Dignity and Respect standards are monitored for effectiveness enabling learning and improvement.</p> <p>Annual Patient-Led Assessments of the Care Environment (PLACE) will assess the dignity aspects of patient care.</p> <p>For nursing and midwifery staff in particular, we will monitor specific objectives on dignity and respect within the Trust's Nursing and Midwifery strategy which is built around the national strategic driver of 'Compassion in Practice – the 6Cs'.</p>
3. Dementia	We will continue to make improvements to the ways in which we care for patients with dementia to provide a positive experience of care	We will fully implement the Trust's dementia strategy and improve the outcomes for patients with dementia.
4. Complaints management / Duty of candour	We will continue to improve the complaints process based on patient and family feedback and also any changing national guidance	<p>We will improve the Trust's complaints response rate, achieving our annual target of 85% responses within the required timeframe, agreed by complainants.</p> <p>There will be a revision of existing complaints training for staff to encourage and empower staff to resolve complaints as near to the 'source' of the complaint wherever possible as this improves resolution for patients and families and learning.</p> <p>We will continue to strengthen our duty of candour towards all patients involved in a notifiable safety incident.</p>

In addition the Trust has joined the national Sign up to Safety campaign and the Board of Directors will be participating during 2015/16 in the Making Safety Visible programme, run by Haelo and the Health Foundation, which aims to improve the measurement and monitoring of safety across the whole health economy.

As in previous years the Trust will also be fully engaged in the CQUIN process and to date the following are the indicators that the Trust is committed to achieve:

National	Greater Manchester	Local Stockport Acute	Local Stockport Community	Local Derbyshire	Local Tameside	Specialised Services	Public Health
Dementia	IM&T	Learning Disability	GM Community Nursing Standards	Improve Discharge Process	Antibiotics Prescribed	Management of SACT	Health Inequalities
Sepsis	Mental Health	Improving Communications	Patient Experience		Children with Long Term Conditions	Neonatal Critical Care	
Acute Kidney Injury		Management of COPD	Children. Transition to Adults		Domestic Abuse	Dental Coding	
Urgent & Emergency Care		Planned Care - Daycase			Pressure Ulcer	Dental Pathway redesign	
		Health Chats			Learning Disability		
		Advancing Quality Programme			Long Term Conditions		

Goal Name	Objectives/Outcomes
Dementia	To improve identification, & referral of patients. To train staff and to support carers.
Sepsis	To screen appropriate patients and rapidly initiate suitable medication
Acute Kidney Injury	To improve the follow up and recovery for patients who have sustained AKI
Urgent and Emergency Care (UEC)	To reduce avoidable admissions for specified cohorts
Information Management and Technology (IM&T)	Improve technology & Information to support 2020 Vision
Mental Health	Develop partnership working
Learning Disability	Improve Patient Experience for people with Learning Disabilities
Improving Communications	Improve communications across Primary, Secondary and Community services
Management of Chronic Obstructive Pulmonary Disease (COPD)	Work across the Health Economy to improve management of Patients with Chronic Obstructive Pulmonary Disease (COPD)
Planned Care - Daycase	Improve day case pathway for specified speciality
Health Chats	Improve skills of staff to deliver health promotion advice
Advancing Quality (AQ) Programme	To deliver care bundles in line with evidenced best practice
Greater Manchester Nursing Standards	To implement GM Nursing Standards
Patient Experience	To focus on services where scores from PE data is low
Children. Transition to Adults	To improve the transition by introduction of passport
Improve Discharge Process	To improve discharge for patients from Derbyshire
Catheter acquired Urinary tract infections (UTI's)	Reduce avoidable catheter acquired urinary tract infections
Children with Long Term Conditions	Improve pathways for children with Long Term Conditions / complex needs
Domestic Abuse	Staff training to allow earlier identification and support
Pressure Ulcer	Whole system approach across the health economy

Long Term Conditions	Care bundle for patients with specified long term conditions
Management of SACT	Reduction in prescribing of Oral Systemic anticancer therapy (SACT)
Neonatal Critical Care	Reducing clinical variation
Dental: Consistent Coding	Single operating model
Dental: Clinical Supervision and Managed Clinical Networks	Pathway Redesign
Health Inequalities	Improving access for vulnerable groups to Health visiting

This CQUIN programme was agreed with the Commissioners to address areas identified for improvement and some which are built on the work already undertaken in 2013/14 and 2014/15. These cover education and training, improved pathways and improved care bundles. The programme was agreed by the Trust Board.

The topics chosen from a proposed list cover all four elements of the 'building a sustainable future programme' which include; planned, proactive, preventative and urgent care. To agree the topics, including expected outcome and milestones, meetings and workshops were held for each indicator with the commissioners, senior management and speciality leads to create a stretching but achievable indicator.

Benchmark data from 2014/15 was considered for some Indicators to set realistic improvement goals.

Other Indicators involve collecting data as part of the early milestones for 2015/16.

CQUIN's are risk rated at the start of the year by the CQUIN lead. These are monitored by the business group Quality boards.

Regular Internal CQUIN meetings take place with the CQUIN Programme lead, CQUIN Executive lead, Finance and Information to monitor progress.

A quarterly report and supporting evidence is submitted to the CCG. Discussion on any queries takes place between the Commissioning Support Unit and the Trust CQUIN Programme lead. All CQUIN's are monitored monthly and reported to various sub committees of the Board. Any areas of concern are also highlighted within the Integrated Performance Reports which is shared with the Trust Board.

2.2 Statements of assurance from the board

During 2014/15, Stockport NHS Foundation Trust provided and/ or sub contracted 60 relevant health services as shown in the table below:

Child & Family	Surgical & Critical Care	Medicine	
Obstetrics	Anaesthetics	Accident & Emergency	Diabetes
Gynaecology	General Surgery	General Medicine	Chronic Obstructive Pulmonary Disease (COPD)
Paediatrics	Trauma & Orthopaedics	Medicine for Older People	Heart Failure
Children Therapy Teams	Urology	Community Medicine	Palliative Care
Integrated Children's Services (Joint with Local Authority) <ul style="list-style-type: none"> Health Visiting 	Ear, Nose and Throat	Neurology	District Nursing
School Nursing	Ophthalmology	Myalgic Encephalopathy (ME) / Chronic Fatigue Syndrome (CFS)	
	Maxillofacial		
	Breast Surgery		
	Orthotics		

Diagnostics & Clinical Support	Community Healthcare		
Clinical Support Pharmacy Adult Therapies <ul style="list-style-type: none"> Primary Care Physiotherapy Cancer services <ul style="list-style-type: none"> Chemotherapy Quality control North West <ul style="list-style-type: none"> Production unit Outpatients <ul style="list-style-type: none"> Bookings and Health records Diagnostics <ul style="list-style-type: none"> Radiology Laboratory Medicine Haematology Endoscopy	<u>Tameside & Glossop</u> Acute and Community Adult and Paediatric Nutrition Adult & Children's Speech & Language Therapy Community Assessment and Rapid Access Team (CARA) Community and Musculoskeletal (MSK) Physio Community Neuro Rehab Team Diabetes Early Attachment Health Visiting Integrated Transfer Team	Orthoptics / Optometry Shire Hill Intermediate Care Integrated Response Intervention Service (IRIS) Learning Disabilities Long Term Conditions <u>Stockport</u> Community Assertive In Reach (CAIR) Lifestyles Podiatry	<u>Both Areas</u> Continence District Nursing Macmillan and Palliative Care Occupational Therapies Orthotics Wheelchairs Sexual Health Language Interpretation Service

Stockport NHS Foundation Trust has reviewed all the data available to them on the quality of care in all of these relevant health services through a variety of methods including Clinical Audit, Business Group Assurance meetings, and Business Group Quality Boards.

The income generated by the relevant health services reviewed in 2014/15 represents 87.4 per cent* of the total income generated from the provision of relevant health services by Stockport NHS Foundation Trust for 2014/15.

*Please note that these figures are subject to approval of the Trust accounts by our external auditors. Total clinical income in 2014/15 was £268.9m. Total income was £307.8m. Therefore the % of clinical income is 87.4%

2.2.1 Participation in clinical audits and national confidential enquiries

During 2014/15 32 national clinical audits and 4 national confidential enquiries covered relevant health services that Stockport NHS Foundation Trust provides.

During that period Stockport NHS Foundation Trust participated in 97% of national clinical audits and 100% national confidential enquiries of the national clinical audits and national confidential enquiries which it was eligible to participate in.

The national clinical audits and national confidential enquiries that Stockport NHS Foundation Trust was eligible to participate in during 2014/15 are as follows (see table below).

The national clinical audits and national confidential enquiries that Stockport NHS Foundation Trust participated in during 2014/15 are as follows (see table below).

The national clinical audits and national confidential enquires that Stockport NHS Foundation Trust participated in, and for which data collection was completed during 2014/15, are listed below alongside the number of cases submitted to each audit or enquiry as a percentage of the number of registered cases required by the terms of that audit or enquiry (see table below).

The reports of 24 national clinical audits were reviewed by the provider in 2014/15 and Stockport NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided - to share the report with the Medical Director and clinical lead for the specialty for perusal, consideration and sharing with appropriate groups the findings and where appropriate develop local action plans.

The reports of 137 local clinical audits were reviewed by the provider in 2014/15 and Stockport NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided:

- Action plans and a report is produced for each audit and submitted to the clinical audit team for recording, these are owned by the specialty for implementation of actions.
- An outcome report of assurance and areas of concern is sent to the Trust board quarterly.
- From 2015 the report is on the agenda of the Business Group Quality Board as part of the new governance structure within the Trust. The report is then updated before submission to the Board of Directors to show the concerns that require escalation or where it is considered that the Board need to be aware.

Clinical Audit End of Year Dashboard (2014-2015)

Business Group



Future Year	4
Planned Additional	0
Planned	46
Abandoned	62
Open	167
Rolling	56
Completed	81
Closed	204
Total	620

Business Group	Future Year	Planned Additional	Planned	Abandoned	Open	Rolling	Completed	Closed
Child & Family	0	0	17	8	22	5	20	30
Community Healthcare	3	0	7	1	7	1	6	13
Corporate	0	0	5	4	11	4	4	18
Diagnostics & Clinical Support	1	0	3	15	22	18	10	43
Medicine	0	0	8	9	52	12	18	41
Surgical & Critical Care	0	0	6	25	53	16	23	59
Total	4	0	46	62	167	56	81	204

Audit Type



Future Year	4
Planned Additional	0
Planned	46
Abandoned	62
Open	167
Rolling	56
Completed	81
Closed	204
Total	620

Audit Type	Future Year	Planned Additional	Planned	Abandoned	Open	Rolling	Completed	Closed
CQUIN	0	0	7	0	9	0	0	0
Local	3	0	31	52	124	24	74	182
National	1	0	4	8	29	27	5	14
Regional	0	0	1	2	5	4	2	6
SAE/SUI/Never Event	0	0	3	0	0	0	0	0
SupraDistrict	0	0	0	0	0	1	0	2
Total	4	0	46	62	167	56	81	204

National clinical audits and national confidential enquiries

Name of audit / Clinical Outcome Review Programme	Applicable to participate	Trust Participation	Sample size		Comment	Action
			Sent	Approx		
Acute Coronary Syndrome or Acute Myocardial Infarction (MINAP)	Yes	Yes	TBA			
Adult Community Acquired Pneumonia	Yes	Yes	TBA	100%	Estimated as data collection does not finish until May 2015	
British Society for Clinical Neurophysiology (BSCN) and Association of Neurophysiological Scientists (ANS) Standards for Ulnar Neuropathy at Elbow (UNE) testing	No	N/A				
Bowel cancer (NBOCAP)	Yes	Yes	188			
Cardiac Rhythm Management (CRM)	Yes	Yes	237			
Case Mix Programme (CMP)	Yes	Yes		100%		
Chronic Kidney Disease in primary care	No	N/A				
Congenital Heart Disease (CHD) (Paediatric Cardiac Surgery)	No	N/A				
Coronary Angioplasty/National Audit of PCI	No	N/A				
Diabetes (Adult)	Yes	Yes		100%	Estimated as data collection only started January 2015	
Diabetes (Paediatric) (NPDA)	Yes	Yes		100%		
Elective surgery (National PROMs Programme)	Yes	Yes	TBA	100%		
Epilepsy 12 audit (Childhood Epilepsy)	Yes	Yes	14			
Falls and Fragility Fractures Audit Programme (FFFAP)	Yes	Yes	412			
Fitting child (care in emergency departments)	Yes	Yes	53			
Head and neck oncology (DAHNO)	Yes	Yes	49			
Inflammatory Bowel Disease (IBD) programme	Yes	Yes	Nil	Nil		

Name of audit / Clinical Outcome Review Programme	Applicable to participate	Trust Participation	Sample size		Comment	Action
			Sent	Approx		
Lung cancer (NLCA)	Yes	Yes	217			
Major Trauma: The Trauma Audit & Research Network (TARN)	Yes	Yes	TBA	350		
Maternal, Newborn and Infant Clinical Outcome Review Programme (MBRRACE-UK)	Yes	Yes		100%		
Medical and Surgical Clinical Outcome Review Programme, National Confidential Enquiry into Patient Outcome and Death (NCEPOD)	Yes	Yes	19		Participated in 4 studies	
Mental health (care in emergency departments)	Yes	Yes	31			
National Adult Cardiac Surgery Audit	No	N/A				
National Audit of Dementia	Yes	Yes			No data collection this year	
National Audit of Intermediate Care	No	N/A				
National Cardiac Arrest Audit (NCAA)	Yes	Yes	116			
National Chronic Obstructive Pulmonary Disease (COPD) Audit Programme	Yes	Yes		100%	2 Audits this year	
National Comparative Audit of Blood Transfusion programme	Yes	Yes		100%	2 audits this year	
National Confidential Inquiry into Suicide and Homicide for people with Mental Illness (NCISH)	No	N/A				
National Emergency Laparotomy Audit (NELA)	Yes	Yes	165			
National Heart Failure Audit	Yes	Yes	TBA	450		
National Joint Registry (NJR)	Yes	Yes	TBA	100%		
National Prostate Cancer Audit	Yes	Yes	313			
National Vascular Registry	No	N/A				
Neonatal Intensive and Special Care (NNAP)	Yes	Yes		100%		
Non-Invasive Ventilation - Adults	Yes	N/A	N/A	N/A	Audit not going ahead this year	

Name of audit / Clinical Outcome Review Programme	Applicable to participate	Trust Participation	Sample size		Comment	Action
			Sent	Approx		
Oesophago-gastric cancer (NAOGC)	Yes	Yes	67			
Older people (care in emergency departments)	Yes	Yes	49			
Paediatric Intensive Care Audit Network (PICANet)	No	N/A				
Pleural Procedure	Yes	Yes	8			
Prescribing Observatory for Mental Health (POMH)	No	N/A				
Renal replacement therapy (Renal Registry)	No	N/A				
Pulmonary Hypertension (Pulmonary Hypertension Audit)	No	N/A				
Rheumatoid and Early Inflammatory Arthritis	Yes	Yes		100%	3 year data collection programme	
Sentinel Stroke National Audit Programme (SSNAP)	Yes	Yes	462	100%	11 months to end February	

Below are examples of audits undertaken and outcomes as a result:

SURGICAL AND CRITICAL CARE														
Emergency Total Parenteral Nutrition (TPN) – are we using it correctly?														
<p>Background and Aims Patients who are kept Nil by Mouth or are unable to eat for medical reasons may be started on Total Parenteral Nutrition (TPN) as an emergency regime. However, other options such as nasogastric feeding should be explored 1st before TPN is started. We feel emergency TPN is overused and may not be indicated. We believe that by reducing the incidence of these cases patients will benefit and there will be a reduced cost to the Trust. The aim of the audit was to ensure emergency TPN is prescribed appropriately in accordance with guidelines by looking at the following: Have other sources of feeding been explored? Was the TPN prescribed correctly? Was the TPN reviewed regularly? Did the patient stay on long term TPN? What was the rate of TPN related complications to determine the number of appropriately prescribed.</p>														
<p>Methodology Sample was ward patients who have had TPN during a 3 month period (January – March 2014). Casenotes were reviewed to check indications for TPN and whether other options were explored and EPMA was used to check prescriptions.</p>														
<p>Results</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 70%; text-align: center;">Criteria</th> <th style="width: 15%; text-align: center;">Standard (%)</th> <th style="width: 15%; text-align: center;">Result (%)</th> </tr> </thead> <tbody> <tr> <td>Nutritional support should be considered for patients who are: 1. Malnourished; as defined by any of the following: a. BMI <18.5 kg/m² b. unintentional weight loss > 10% in last 3-6 months c. BMI < 20 kg/m² and unintentional weight loss > 5% in last 3-6 months 2. at risk of eating little or nothing for the next 5 or more days (or who have eaten little or nothing for the last 5 days) 3. at risk from high nutrient losses, poor absorptive capacity or increased nutritional requirements</td> <td style="text-align: center; vertical-align: middle;">100%</td> <td style="text-align: center; vertical-align: middle;">100%</td> </tr> <tr> <td>Parenteral Nutrition should ONLY be used if there is a non-functional, inaccessible (by NG tube) or perforated GI tract.</td> <td style="text-align: center; vertical-align: middle;">100%</td> <td style="text-align: center; vertical-align: middle;">100%</td> </tr> <tr> <td>Contraindications to TPN a. patients in whom alternative nutritional support is appropriate b. patients on the 'Care of the Dying' Pathway</td> <td style="text-align: center; vertical-align: middle;">100%</td> <td style="text-align: center; vertical-align: middle;">100%</td> </tr> </tbody> </table>			Criteria	Standard (%)	Result (%)	Nutritional support should be considered for patients who are: 1. Malnourished; as defined by any of the following: a. BMI <18.5 kg/m ² b. unintentional weight loss > 10% in last 3-6 months c. BMI < 20 kg/m ² and unintentional weight loss > 5% in last 3-6 months 2. at risk of eating little or nothing for the next 5 or more days (or who have eaten little or nothing for the last 5 days) 3. at risk from high nutrient losses, poor absorptive capacity or increased nutritional requirements	100%	100%	Parenteral Nutrition should ONLY be used if there is a non-functional, inaccessible (by NG tube) or perforated GI tract.	100%	100%	Contraindications to TPN a. patients in whom alternative nutritional support is appropriate b. patients on the 'Care of the Dying' Pathway	100%	100%
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Nutritional support should be considered for patients who are: 1. Malnourished; as defined by any of the following: a. BMI <18.5 kg/m ² b. unintentional weight loss > 10% in last 3-6 months c. BMI < 20 kg/m ² and unintentional weight loss > 5% in last 3-6 months 2. at risk of eating little or nothing for the next 5 or more days (or who have eaten little or nothing for the last 5 days) 3. at risk from high nutrient losses, poor absorptive capacity or increased nutritional requirements	100%	100%												
Parenteral Nutrition should ONLY be used if there is a non-functional, inaccessible (by NG tube) or perforated GI tract.	100%	100%												
Contraindications to TPN a. patients in whom alternative nutritional support is appropriate b. patients on the 'Care of the Dying' Pathway	100%	100%												
<p>22 patients were identified, 2 did not used TPN – enteral nutrition, 2 were HDU/ICU patients, 8 excluded as notes not obtainable, therefore 10 patients analysed most of these were under General Surgery.</p>														
<p>Positive results from the audit were that the majority of patients have the indication documented, all patients had indications for TPN, all patients were reviewed by dieticians, and the majority of TPN used was dietician led. The audit showed the continued need for TPN reviewed regularly. However the audit also highlighted a few areas for improvement including poor documentation of BMI/weight at start and end of TP, poor use of alternative routes of delivery, and a high complication rate. All emergency regimes had complications – 2 had an electrolyte disturbance and one had fluid overload</p>														
<p>Actions</p> <ul style="list-style-type: none"> • To have a Nutritional Multi-disciplinary meeting – currently being proposed. • Improved documentation – this is an ongoing action and is part of the general message given out to all staff on a regular basis 														

MEDICINE

Do all Diabetic patients admitted to Stepping Hill Hospital (SHH) have an appropriate foot examination within 24 hours?

Reasons for the audit

The National Diabetes Inpatient Audit 2013 took place in September. In SHH it was noted that a very small proportion of patients had had any foot examination during their hospital admission.

The aim is to quantify the proportion of diabetic patients undergoing an appropriate diabetic foot exam on admission. This includes assessing sensation and the vascular status of patients' feet.

The set standard was for 75% of patients to have an appropriate foot examination within the first 24 hours of admission.

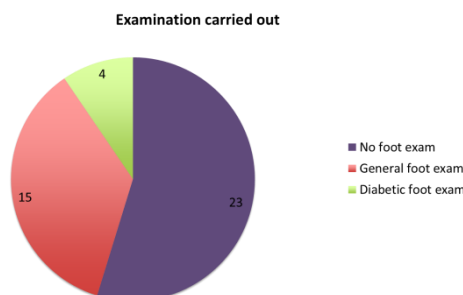
Methods and Results

The audit was carried out on wards A1 and A3 on any diabetic patient in the ward, aged over 18. Overall 42 patients were audited.

Information is taken directly from documentation in the clerking and nursing notes from A&E and the Medical Assessment Unit (MAU). No patients were interviewed in this audit. The grade of doctor clerking the patient was noted. Data was taken on consecutive days, over a period of a week.

Results:

1. 79% (33 of 42) of patients had their type of diabetes documented.
2. The length of time the patient had been diabetic was documented in 7% (3 of 42).
3. 36% (15 of 42) did not have appropriate medications and dosages documented.
4. 12% (5 of 42) did not have a blood glucose within the first hour of admission.
5. Only 4 patients of the 42 received an appropriate diabetic foot examination (9.5%). 15 patients (36%) received a general foot examination, e.g. looking for the presence of peripheral oedema, but sensation and vascular status was not examined.



The National Inpatient Audit showed 35.1% of inpatients to have had a foot examination within the first 24 hours. Therefore not only are we not meeting the set standard, but SHH is below the national average.

Overall the clerking and examination of diabetic patients is insufficient to ensure they receive the appropriate MDT treatment required.

Changes implemented:

To ensure that all diabetic patients are receiving an appropriate diabetic foot examination a "Foot of the Bed" proforma has been developed. This document should be filled in for all diabetic patients on admission, categorising their type of diabetes, length of diagnosis, last eye check and any known kidney impairment.

There is a diagrammatic representation and stepwise procedure to show how to carry out the "Touch the Toes" test, which is part of the Diabetes UK campaign "Putting Feet First". The combined sensory, vascular and general examination can be scored. A total "risk score" is produced to enable the podiatry team to prioritise patients in order of importance.

The aim of the proforma is to ensure that all patients are appropriately referred to the diabetic foot multi-disciplinary team for treatment and appropriate further referral. This will ensure earlier treatment and hopefully reduce the number of lower limb amputations required.

The foot of the bed proforma has been introduced to A1 and A3, the medical admission wards, and

forms part of the Diabetes Commissioning for Quality And Innovation (CQUIN) payment framework. It will then be introduced into the surgical specialties.

The CQUIN for this topic includes quarterly audits for progress following implementation of the form in Medicine and Surgery business groups, to determine if there has been an improvement in the number of diabetic foot examinations carried out.

CHILD & FAMILY

Care of Women in Labour

Reasons for the audit

The care of women in labour was first audited in 2013 using a sample of patients from January – December 2012, the results of the audit showed poor compliance. Therefore following completion of the actions agreed following the first audit it was agreed to complete a re-audit to see if those actions had made any improvements. The aim of the re-audit was to see whether or not improvements had been made following the implementation of actions agreed after the first audit.

Methods and Results

Data was extracted from women's maternity notes using data collection form created from criteria. The results of the first audit show that only three of the nine criteria met the standard of 75% or above. The table below shows that these results improved. Following changes to the Intrapartum records and the continual work to increase staff awareness the re-audit showed a fantastic overall improvement with all 9 criteria achieving the standard of $\geq 75\%$, 8 of the 9 achieved 100% and the other achieved 98%.

Criteria and Results	2012 (n38)	Re-audit (n40)
Partogram must be commenced once labour is established and observations recorded	82% 😊	↑ 100% 😊
FHR must be checked every 15 minutes after a contraction	61% 😞	↑ 100% 😊
Frequency of contractions must be documented every 30 minutes	63% 😞	↑ 100% 😊
Maternal pulse must be checked every hour	42% 😞	↑ 100% 😊
BP and temperature must be checked every 4 hours as a minimum.	66% 😞	↑ 100% 😊
Abdominal palpation prior to any vaginal examination.	68% 😞	↑ 100% 😊
Vaginal examination offered 4 hourly, more frequently if indicated.	95% 😊	↑ 100% 😊
Ensure bladder emptied as a minimum 4 hourly.	42% 😞	↑ 98% 😊
Consider the woman's emotional and psychological needs	89% 😊	↑ 100% 😊

Actions Following First Audit (2012)

Intrapartum records updated to ensure minimum standards are recorded
 Disseminate findings to the maternity team - on Intranet, results emailed to Ward Managers and medical staff, SOMs, at meetings including Labour Ward Forum & Quality Board
 Prospective audits to monitor progress and raise awareness amongst staff – three completed - overall average results increased and were above 75%
 Re-audit once changes embedded

Actions Following Re-Audit

As the results of the audit proved that the changes made had resulted in overall improvement, the Obstetrics staff agreed that apart from ensuring the results were disseminated to and celebrated with all staff and discussed at Quality Board, there were no other actions other than to re-audit as per the guideline (unless other circumstances necessitate an earlier audit).

DIAGNOSTICS & CLINICAL SUPPORT

Tracheostomy Care: Are we meeting the National Standard?

Background

The recently published NCEPOD report on Tracheostomy care in the UK: On the Right Trach? (2014) highlighted significant morbidity and mortality due to poor tracheostomy care. This was due to a number of factors such as:
 Lack of coordinated care, Poor knowledge, Poor application of the knowledge, Limited exposure of

the emergency situations.

The aim of this audit was to assess the level of exposure, level of teaching, knowledge of the emergency tracheostomy algorithm & competence of the staff that nurse patients with tracheostomies at Stepping Hill Hospital.

Methods and Results

Questionnaire completed by trained nursing staff, 300 questionnaires distributed across 30 wards in Stepping Hill Hospital (July/August 2014) – 171 questionnaires returned.

This Trust is not meeting a number of significant recommendations set by national guidelines and current research to ensure the safety of tracheostomy patients.

- The results indicate that we are not meeting the training needs of staff. 27.6 % have received no tracheostomy training in the Trust.
- A significant percentage of staff (63.8%) do not feel competent to manage tracheostomy patients. This could pose a serious problem should an emergency situation arise.
- A significant percentage of staff (60.9%) have no knowledge of the Trust emergency tracheostomy algorithm.
- 79.6% would not be familiar with the processes to follow on the emergency algorithm in an acute airway problem. This could cause significant harm to a patient in an airway emergency.

Audit Criteria	Accepted Trust Standard (%)	Trust Audit Result (%)
Patients with tracheostomies must be cared for by staff who are competent in tracheostomy care. (National Tracheostomy Safety Project)	100	36.2
Patients with tracheostomies must be cared for by staff who have been appropriately trained. (National Tracheostomy Safety Project)	100	66.1
Staff must be able to access appropriate training in order to deliver appropriate tracheostomy care. (NCEPOD 2014)	100	27.6
Emergency algorithms should be taught, displayed & used to manage tracheostomy emergencies. (NCEPOD 2014)	100	20.4
Staff need exposure to tracheostomy patients to maintain adequate skill (Anaesthesia 2012)	100	10.5

Actions as a result of the audit

- All Trust staff are taught basic tracheostomy care as part of mandatory training
- There should be 3 specified wards only in the Trust that accept and treat tracheostomy patients
- Staff on the 3 specified wards have attended the Trust full day tracheostomy management course.
- Staff on specified wards have received training on the emergency tracheostomy algorithm and how to access it in an emergency.
- Wards receiving tracheostomy patients now have 2 tracheostomy boxes that contain emergency equipment.
- SALT (Speech and Language Therapy) to nominate a tracheostomy lead who will provide consistent cover for tracheostomy patients.
- SALT to address training issues with dysphagia trained nursing staff to target concerns with tracheostomy patients and their swallow.
- A Trust microsite has been created where staff are able to access all the paperwork and resources needed to safely manage a tracheostomy patient.
- A tracheostomy steering group has been created to implement these recommendations and to improve the Trust tracheostomy service.

COMMUNITY

Management of Pelvic Inflammatory Disease

Background

Pelvic inflammatory disease is an underdiagnosed condition and incorrect/ inadequate management may lead to complications such as subfertility or ectopic pregnancy.

The aim was to determine whether our management of PID conforms to BASHH guidance on best practice.

The objectives of the audit were to ensure:

- Documentation is complete re. Pregnancy risk, symptoms/ signs etc.
- Relevant tests are performed in each case & results actioned appropriately
- Treatment & follow up adhere to guidelines
- Contact tracing is attempted in every case

Methodology – review casenotes of last 30 female patients to be diagnosed with PID (using code C5A) up to 31/03/2013.

Results:

CRITERIA	TARGET (%)	RESULT FROM AUDIT/COMPLIANCE
Proportion of women receiving treatment with a recommended regimen.	95%	77%*
Proportion of named male contacts screened for infection and/or treated.	60%	60%

*23% of patients studied did not receive a recommended regimen for treatment; however, in most cases there was a clear rationale for this decision according to the case notes at the time of diagnosis.

We achieved the minimum standard of named male contacts screened for infection; however, two-thirds of patients had no named male contact documented.

Recommendations:

Medical staff to document clinical findings/severity more thoroughly.

A review of cases from Sept 2013 to March 2014 (ie the 6 months after the audit was presented) showed 16 out of 18 cases (88%) had full documentation of clinical findings/severity. This parameter was not audited initially so no comparison is available, but the review is encouraging.

Last Menstrual Period box to be changed to text rather than calendar. Edit Blithe Lillie IT system, action still to be done

Pregnancy test and urinalysis to be performed in all suspected PID cases.

A review of cases from Sept 2013 to March 2014 (i.e. the 6 months after the audit was presented) showed 10 out of 18 cases (55%) had both pregnancy test and urinalysis documented. This compares to 20% in the initial audit, so there has been an improvement.

Contact name to be documented in all cases.

A review of cases from Sept 2013 to March 2014 (i.e. the 6 months after the audit was presented) showed 15 out of 18 cases (83%) had contact name documented (in one of the three missing cases, contact name was not known because of sexual assault). This compares to 33% in the initial audit, so there has been an improvement.

2.2.2 Participation in Clinical Research – Commitment to research as a driver for improving the quality of care and patient experience

The number of patients receiving NHS services provided or sub-contracted by Stockport NHS Foundation Trust in the period 2014/15 that were recruited during that period to participate in research approved by a research ethics committee was 628. A further 2,2437 participants attending 6th Form Schools and Colleges were recruited to the national Meningococcal Carriage study, bringing total recruitment for the year to 3,065 (2013/14 680).

Participation in clinical research demonstrates Stockport NHS Foundation Trust's commitment to improving the quality of care we offer and to making our contribution to wider health improvement. Our clinical staff stays abreast of the latest treatment possibilities and active participation in research leads to successful patient outcomes.

Stockport NHS Foundation Trust was involved in conducting and/or recruiting to 99 research studies in the following Trust strategic priority areas during the reporting period:

- **Cancer** – 25
- **Musculoskeletal** – 14
- **Paediatrics and neonatal** – 11
- **Vascular (Stroke & Cardiology)** – 15
- **Reproductive Health** – 5
- **Gastroenterology & Hepatology** – 5
- **Other** - 24

Of these, 81 were National Institute for Health Research portfolio adopted studies.

There were over 40 members of the clinical staff participating in research approved by a research ethics committee at Stockport NHS Foundation Trust during the year. These staff participated in research covering 33 medical specialties

Our engagement with clinical research demonstrates Stockport NHS Foundation Trust's commitment to testing and offering the latest medical treatments and techniques.

2.2.3 Commissioning for Quality and Innovation (CQUIN)

A proportion of Stockport NHS Foundation Trust's income in 2014/15 was conditional on achieving quality improvement and innovation goals agreed between Stockport NHS Foundation Trust and any person or body they entered into a contract, agreement or arrangement with for the provision of relevant health services, through the Commissioning for Quality and Innovation payment framework.

Further details of the agreed goals for 2014/15 and for the following 12 month period are available electronically at www.stockport.nhs.uk/110/summary-of-cquin-programme

CQUIN Finance for 2013/14 (achieved):

Stockport	2013 / 2014		
	Value	Achieved	% Achieved
Acute	£4.764m	£4.558m	96%
Community	£0.690m	£0.632m	92%
Total	£5.454m	£5.190m	95%

Tameside & Glossop	Value	Achieved	% Achieved
Community	£0.667m	£0.632m	95%

Trust	Value	Achieved	% Achieved
Total	£6.121m	£5.822m	95%

CQUIN Finance for 2014/15 (forecast):

Stockport	2014 / 2015		
	Value	Forecast	% Forecast
Acute	£4.723m	£4.493m	95%
Community	£0.602m	£0.584m	97%
Total	£5.325m	£5.077m	95%

Tameside & Glossop	Value	Forecast	% Forecast
Community	£0.666m	£0.639m	96%

Trust	Value	Forecast	% Forecast
Total	£5.991m	£5.716m	95%

Stockport NHS Foundation Trust achieved 100% CQUIN (£406,588) for;

- Specialist £101,403,
- Public Health £120,185
- Local Authority £185,000

The CQUIN value is based on a percentage of the overall contract, therefore, the values from one year to another will change as commissioners move services between providers.

The CQUIN value that was not achieved in 2014/15 was due to the following;

Q1: Dementia CQUIN: withheld £14,835 for not fully achieving the assessment element of the FAIR target.

Q3: Patient Experience CQUIN: withheld £32,866 for not having statistically demonstrated improvement across all wards for communication questions from the IPad survey.

Q4: We are awaiting CCG feedback however forecast some monies may be withheld for part of the following;

- Pressure Ulcer did not achieve the target for 5 consecutive months
- Falls: did not make the reduction expected.
- Patient Experience, as per Q3 above
- Diabetes: misunderstanding re expectation
- Antibiotic prescribing: target not achieved due to primary care

2.2.4 Registration with the Care Quality Commission (CQC)

Stockport NHS Foundation Trust is required to register with the Care Quality Commission (CQC) and its current registration status is 'registered'. Stockport NHS Foundation Trust has no conditions on its registration.

The Care Quality Commission has not taken enforcement action against Stockport NHS Foundation Trust during 2014/15. The Trust has not participated in any special reviews or investigation by the Care Quality Commission during the reporting period.

In addition the Trust has retained the CQC top rating in its Intelligent Monitoring report as one of the lowest risk hospitals in the country. It uses 150 measurements, including patient experience, infection rates and mortality, to rank hospitals. The monitoring tool has six bands (with band one the worst and six the best) - and Stockport NHS FT is in Band six and has retained this rating for the third time since its interception.

2.2.5 Information on the quality of data

Stockport NHS Foundation Trust submitted records during 2014/15 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:

- 99.94% for admitted patient care;
- 99.96% for out-patient care; and
- 99.68% for accident and emergency care

Which included the patient's valid General Medical Practice Code was:

- 99.96% for admitted patient care;
- 99.99% for out-patient care; and
- 99.85% for accident and emergency care

Period: 01 April 2014 to 28 February 2015

1. Upon checking GP Practice codes, all were valid. Those showing as invalid have the default code of "Practice Code is Not Known"
2. NHS Numbers include where patient identity has been withheld - invalid codes relate to "Trace attempted and no Match" or "Trace needs to be resolved"

Stockport NHS Foundation Trust Information Governance Assessment Report overall score for 2014/15 was 72% and was graded green (satisfactory).

Stockport NHS Foundation Trust was not subject to the Payment by Results clinical coding audit during 2014/15 by the Audit Commission.

Stockport NHS Foundation Trust has been and will continue to take the following actions to improve data quality:

- Continue to monitor data quality under a variety of Key Performance Indicators and report on these;
- Continue to undertake spot checks of patient recording activities in clinic, departments and wards;
- Review and update procedures for capture and handling of patient activity data;
- Update training materials and amend in view of any data quality issues;
- Deliver training and refresher training to staff responsible for data capture including ward clerks and clinical coders;
- Undertake work to improve timeliness of data recording on Patient Centre on wards.
- Continue to further develop procedures and data quality checks for Acute and Community services in Stockport;
- Regular contact with consultants to highlight issues that clinical coders encounter, to improve the quality of the information regarding diagnoses and procedures in patient records and therefore continue to improve the quality of clinical coding.
- Promote good filing – ward clerks and health records staff;
- Continue to maintain compliance with all the Information Governance Toolkit requirements including health records and data quality standards.
- Introduced a Data Quality 'kite marking' system for each indicator within the Trust's Integrated Performance Report which is presented to the Board of Directors each month. This aims to allow the reader to understand the source of each indicator, the time frame represented, the way it has been calculated and if the data has been subject to validation.

2.3 Reporting against core indicators*

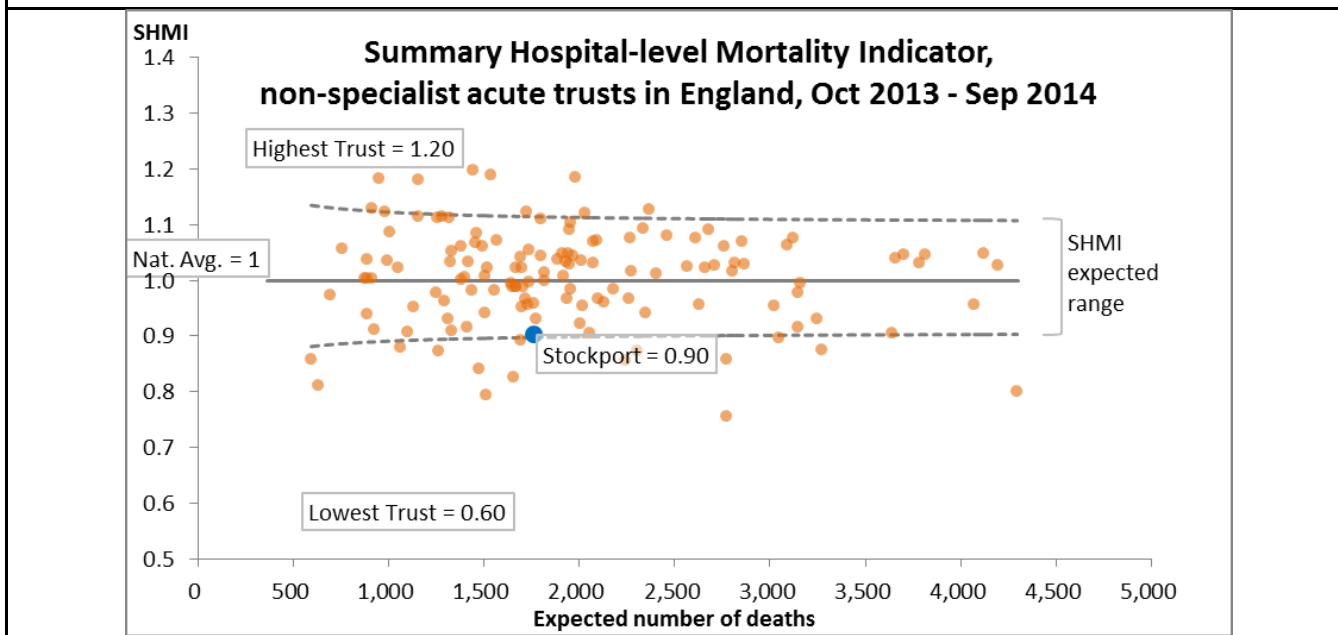
*Please note that the numbering in this section is formatted this way as set out by Monitor's requirements.

12. (a) The value and banding of the summary hospital-level mortality indicator ("SHMI") for the Trust for the reporting period

	October 2011 – September 2012	October 2012 – September 2013	October 2013 – September 2014
Stockport NHS Foundation Trust	0.95	0.93	0.90
National Average	1	1	1
Lowest NHS Trust	0.68	0.63	0.60
Highest NHS Trust	1.21	1.19	1.20

Stockport NHS Foundation Trust considers that this data is as described for the following reasons this is the latest data available and Stockport are pleased to report they continue to improve and are below the national average.

Stockport NHS Foundation Trust has taken the following actions to improve this indicator, and so the quality of its services, by achieving compliance with care bundles based care for conditions such as acute MI, stroke, pneumonia and fracture neck of femur and by reviewing and reducing our R coding rate.



12. (b) The percentage of patient deaths with palliative care coded at either diagnosis or specialty level for the Trust for the reporting period

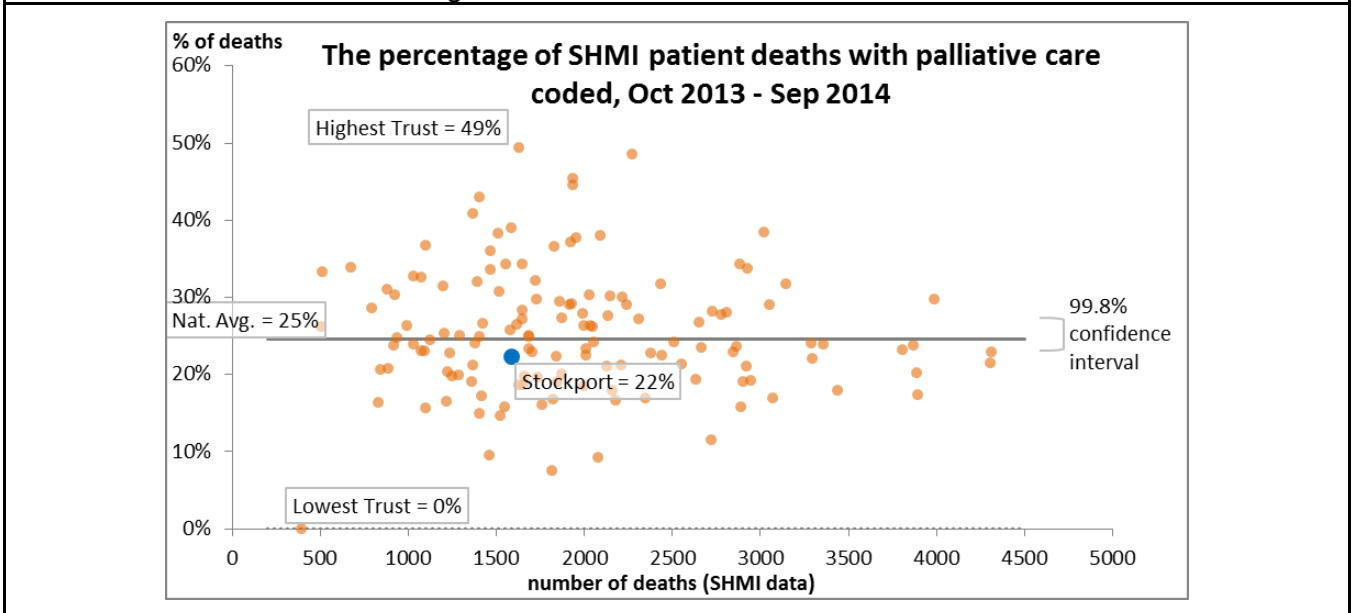
	October 2011 – September 2012	October 2012 – September 2013	October 2013 – September 2014
Stockport NHS Foundation Trust	12%	17%	22%
National Average	19%	21%	25%
Lowest NHS Trust	0%	0%	0%
Highest NHS Trust	43%	45%	49%

Stockport NHS Foundation Trust considers that this data is as described for the following reasons:

the percentage is moving closer to the national average as we continuously improve documentation and therefore coding.

Stockport NHS Foundation Trust has taken the following actions to improve the reporting, and so the quality of its services.

- Reflecting palliative care by appropriate coding for patients dying from progressive conditions who are receiving end of life care.
- A monthly review of all deaths and a change in coding practice has enabled the Trust to move nearer the National average.



18. The Trust’s patient reported outcome measures scores for:

	2011/12			2012/13			2013/14*		
	Groin hernia surgery	Hip replacement surgery	Knee replacement surgery	Groin hernia surgery	Hip replacement surgery	Knee replacement surgery	Groin hernia surgery	Hip replacement surgery	Knee replacement surgery
Stockport NHS Foundation Trust	46.8%	90.3%	84.8%	48.4%	90.3%	84.0%	58.8%	85.7%	86.7%
National Average	49.9%	87.3%	78.4%	49.4%	87.9%	79.7%	50.2%	90.6%	82.2%
Lowest NHS Trust	12.5%	63.6%	63%	10%	67%	33%	10.0%	50%	50%
Highest NHS Trust	88.9%	100%	100%	83%	100%	100%	83.0%	100%	100%

Stockport NHS Foundation Trust considers that this data is as described for the following reasons: this is the latest data available from The Health and Social Care Information Centre as at Feb 2015, the figures are based on the patients’ responses to questionnaires completed before and after surgery and is the percentage of respondents who had improved health. The EQ-5D Index captures in a single value a range of generic health issues in a broad but clearly defined way.

Stockport NHS Foundation Trust has taken the following actions to improve these scores, and so the quality of its services, by:

Hips and Knees – the Trust continues to review them on a regular basis, along with publishing the figures within and outside the Trust. No other specific action required.

Groin Hernia Surgery – The Trust has made continuous improvements each year by increasing the number of surgeries done laparoscopically and is now performing above the National average.

*Most recent data released February 2015

19. The percentage of patients readmitted to a hospital which forms part of the Trust within 28 days of being discharged from a hospital which forms part of the Trust during the reporting period aged:

	2010/11		2011/12		2012/13*	
	0 to 15	16 or over	0 to 15	16 or over	0 to 15	16 or over
Stockport NHS Foundation Trust	10.5%	12.5%	10.9%	11.8%	Not available until 2016	
National Average	10.0%	11.4%	10.0%	11.5%		
Lowest NHS Trust	0%	0%	0%	0%		
Highest NHS Trust	16.1%	22.8%	14.9%	41.7%		

Stockport NHS Foundation Trust considers that this data above is as described for the following reasons; this is the latest available from The Compendium of Population Health Indicators.

	2011/12		2012/13		2013/14	
	0 to 15	16 or over	0 to 15	16 or over	0 to 15	16 or over
Stockport NHS Foundation Trust	7.8%	7.2%	7.9%	7.8%	6.0%	8.5%
National Average	9.2%	6.2%	9.3%	6.4%	9.2%	6.5%
Lowest NHS Trust	Not Available					
Highest NHS Trust	Not Available					

Stockport NHS Foundation Trust considers that this data above as described for the following reasons; this is the latest available from Comparative Health Knowledge System (CHKS).

CPH and CHKS data of readmissions give different results, mostly because the CPHS data values between organisations are adjusted to account for differences in the type of patients they see (using age band, sex, admission type, diagnosis or procedure). The two data sources will also apply different exclusions to the data.

Stockport NHS Foundation Trust along with the commissioners has taken the following actions to improve this percentage, and so the quality of its services, by undertaking audits to look at readmitted cases and identify the root causes and key themes to use as learning points.

20. The Trust's responsiveness to the personal needs of its patients during the reporting period.

	2011/12	2012/13	2013/14
Stockport NHS Foundation Trust	61.4	63.3	63.1
National Average	67	68	68.7
Lowest NHS Trust	57	57.4	54.4
Highest NHS Trust	85	84.4	85

Stockport NHS Foundation Trust considers that this data is as described for the following reasons; the result shown is calculated as the average of five questions taken from the inpatient survey. Stockport NHS Foundation Trust is:

Stockport NHS Foundation Trust has taken the following actions to improve this weighted score, the Matron for Patient Experience (new post from October 2013) has worked closely with ward managers and staff on communication and quality projects.

21. The percentage of staff employed by, or under contract to, the Trust during the reporting period who would recommend the Trust as a provider of care to their family or friends.

	2012	2013	2014
Stockport NHS Foundation Trust	66%	73%	65%
National Average (median)	63%	66%	65%
Lowest NHS Trust	35%	40%	38.2%
Highest NHS Trust	94%	94%	92.8%

Stockport NHS Foundation Trust considers that this data is as described for the following reasons it is taken from the results of the national staff survey.

Stockport NHS Foundation Trust has taken the following actions to improve this percentage, and so the quality of its services by each business group producing an action plan that address the themes from comments received from their staff members.

23. The percentage of patients who were admitted to hospital and who were risk assessed for venous thromboembolism during the reporting period.

	2012/13	2013/14	2014/15
Stockport NHS Foundation Trust	94.28%	95.81%	95.9%
National Average	94%	95.7%	96.1%*
Lowest NHS Trust	80.2%	65.3%	86.4%*
Highest NHS Trust	10%	100%	100%*

Stockport NHS Foundation Trust considers that this data is as described for the following reason;

- It is captured via the Trust's IT system.

Stockport NHS Foundation Trust has taken the following actions to improve this percentage (although compliance has been consistently high), and so the quality of its services, by:

- Undertaking root cause analysis within Business Groups in months where the percentage fell.

*Up to Quarter 3 only.

24. The rate per 100,000 bed days of cases of C.difficile infection reported within the Trust amongst patients aged 2 or over during the reporting period

	2012/13	2013/14	2014/15*
Stockport NHS Foundation Trust	21.9	14.8	11.1
National Average	17.4	14.7	15.2
Lowest NHS Trust	0.0	0	0
Highest NHS Trust	31.2	37.1	61.4

Stockport NHS Foundation Trust considers that this data is as described for the following reasons it is captured by the Infection Prevention team.

Stockport NHS Foundation Trust continues to progress on actions undertaken last year to improve this rate, and the quality of its services.

* April 2013 – December 2014

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

	2012/13 (Apr 12 - Mar 13)			2013/14 (Apr 13 - Sep 13)		
	as a Rate per 100 admissions	number and percentage that resulted in severe harm or death		as a Rate per 100 admissions	number and percentage that resulted in severe harm or death	
Stockport NHS Foundation Trust	10.0	81	0.94%	10.7	145	1.57%
National Average (Acute Trusts)	7.1	41	0.65%	7.7	38	0.55%
Lowest NHS Trust	2.5	0	0.00%	2.8	0	0.00%
Highest NHS Trust	27.8	212	3.34%	30.4	183	3.9%

Measure changed from Rate per 100 admissions to Rate per 1,000 bed days from October 2013.

	2013/14 (Oct 13 - Mar 14)			2014/15 (Apr 14 - Sep 14)		
	as a Rate per 1,000 bed days	number and percentage that resulted in severe harm or death		as a Rate per 1,000 bed days	number and percentage that resulted in severe harm or death	
Stockport NHS Foundation Trust	44.8	72	1.47%	48.4	97	1.85%
National Average (Acute Trusts)	33.2	19	0.54%	35.4	18	0.49%
Lowest NHS Trust	0.2	0	0.00%	5.8	0	0.00%
Highest NHS Trust	94.8	97	82.86%	82.9	103	3.77%

Stockport NHS Foundation Trust considers that this data is as described for the following reasons as captured in the Trust's Datix system for reporting incidents. From April–September, the rate of patient safety incidents was captured rate per 100 admissions. In October, this changed to rate per 1000 bed days.

Stockport NHS Foundation Trust has taken the following actions to improve this percentage/number, and so the quality of its services, we produce a quarterly report looking at patterns and trends and from this agree required actions, these are monitored and presented to the Quality Governance Committee monthly. All incidents which result in serious harm are reviewed and if required are managed via the Serious Adverse Event process, this is currently under review following the publication of the new Serious Incident Framework by NHS England.

As part of an assurance process the Trust reports all, in hospital cardiac arrests on the Datix incident system to ensure they are fully reviewed. These incidents by their nature are recorded with death as the result, however this does not indicate that there was a failing in care, this may therefore skew the figures as above. In the year 2014-2015 there were 65 incidents with a catastrophic outcome, 52 of these were reported as cardiac arrest with no omissions or commissions (simply they were reported as in hospital cardiac arrest) meaning there were 13 incidents with a catastrophic outcome which required investigation.

Note:

Where 2013/14 data is reported differently than in the 2013/14 quality report, this is because a full years data was not available at time of publication, and therefore has since been updated.

Part 3 Other Information

3.1 Overview of the Quality of Care

Since Stockport NHS Foundation Trust began its explicit quality improvement strategy in 2008/09, a number of the quality issues covered by our quality goals have remained fairly constant, and were included in the Trust's 2013/14 annual quality report. These include:

Patient Safety:

- Infection Prevention – MRSA (meticillin-resistant staphylococcus aureus) bacteraemia and C. Difficile infections
- NHS Safety Thermometer focusing on pressure ulcers
- Nursing Care Indicators

Clinical Effectiveness:

- Advancing Quality (reliable care)
- Venous Thromboembolism (VTE) Risk Assessment
- Mortality

Patient & Family Experience:

- Friends & Family
- Complaints / Serious Events
- Learning From Patient and Family Experience

This section will demonstrate progress over time and wherever possible, the Trust's performance compared to other providers.

The topics above were chosen as key areas that required continuous improvement.

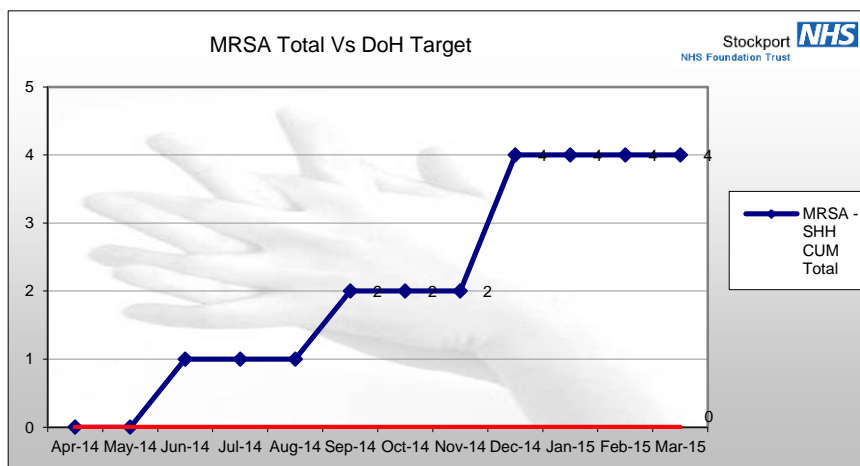
Performance against relevant indicators and performance thresholds

3.1.1 Patient Safety

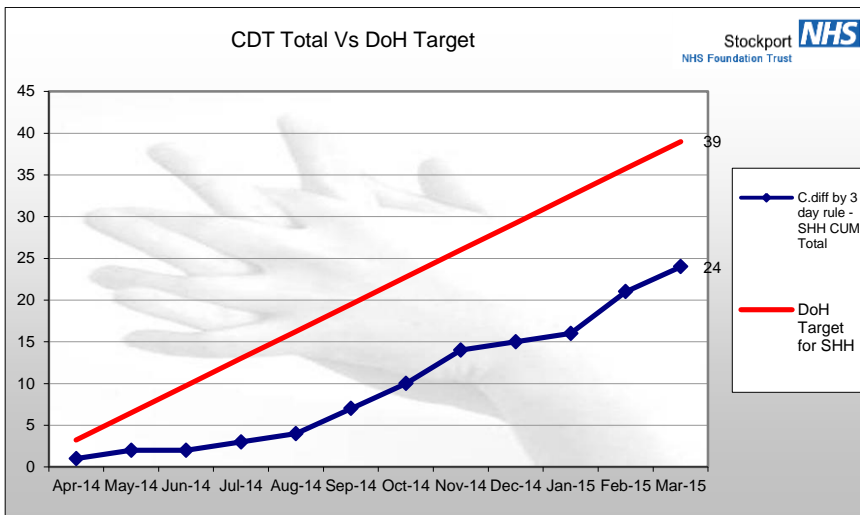
Infection Prevention- MRSA bacteraemia and Clostridium difficile Infections

a) Hospital acquired MRSA Bacteraemia: National target of Zero

2014-15 was another extremely challenging year; unfortunately we did not meet our trajectory by having 4 MRSA bacteraemia cases. 3 cases were assigned to Stockport NHS Foundation Trust and 1 case was assigned to a 3rd party



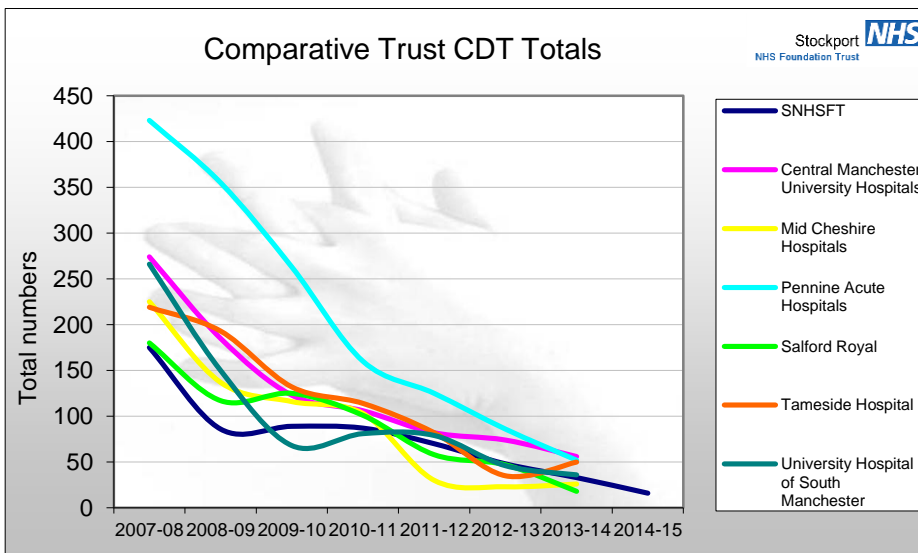
b) Hospital acquired Clostridium Difficile Infections: Have fewer or no more than the national target (39)

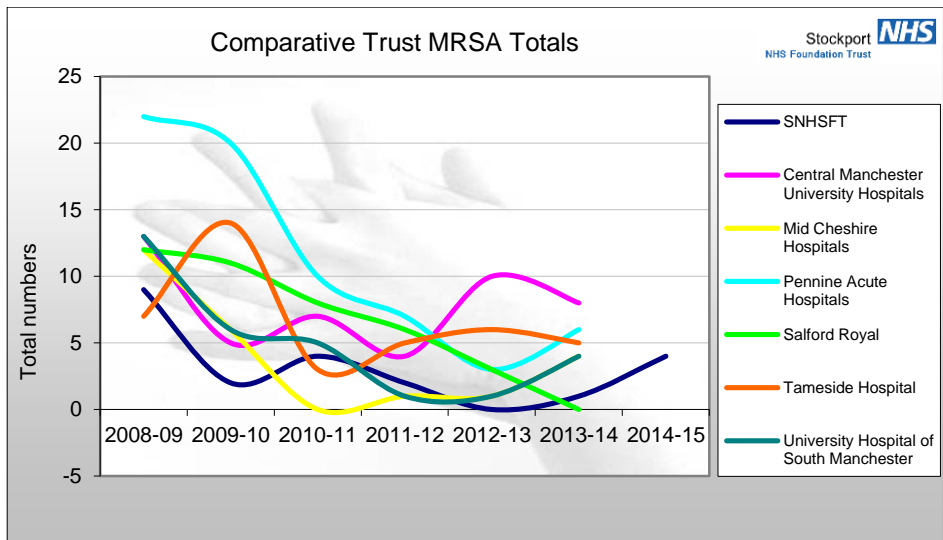


The Trust continues to meet the challenging trajectories set with 2015-16 year being no exception with another challenging trajectory of 17 cases.

24 patients acquired Clostridium Difficile (C.Diff) during 2014-15. The Trust had fewer infections than the target of 39 set by the Department of Health. Comparison with other Trusts across the North West for both Clostridium difficile and MRSA bacteraemia remains difficult due to:

- The starting points for all trusts were variable
- All trusts data collection is slightly different even though they meet the guideline





2014-15 data has not been published at the time of writing this report:

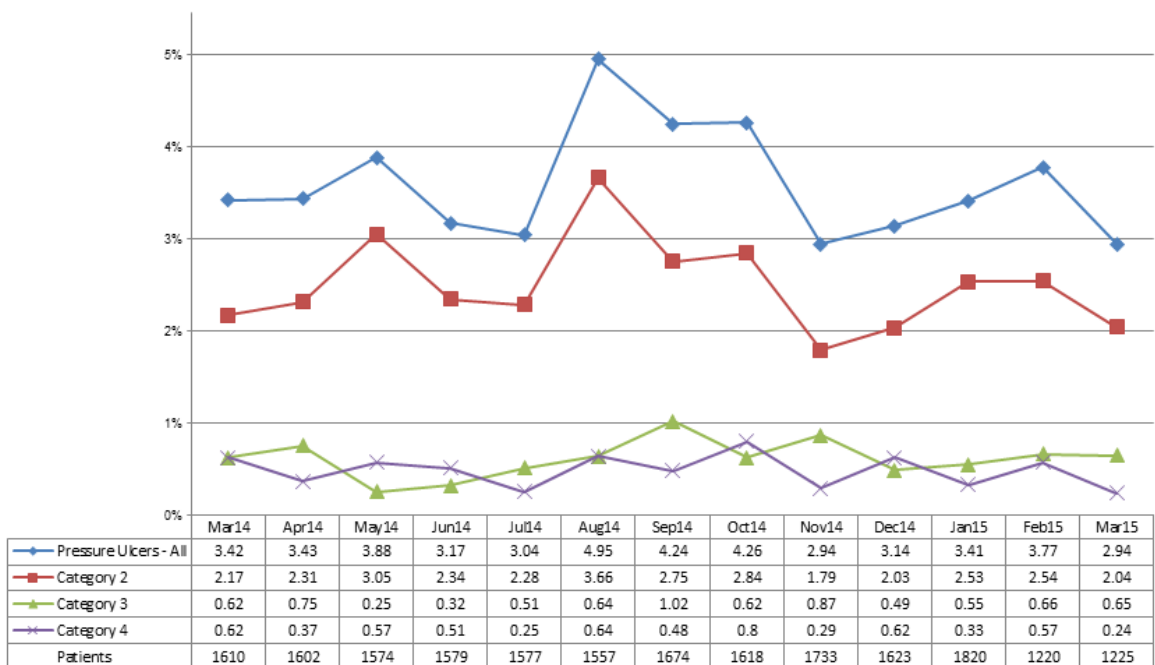
However, what we can say is:-

- During 2007-2014 all the above Trusts have reduced Clostridium difficile across the North West by between 77-90%. SNHSFT by 81.1%
- During 2008-2014 all the above Trusts have reduced MRSA bacteraemia cases across the North West by between 28-100%. SNHSFT by 88.90%

NHS Safety Thermometer focusing on pressure ulcers

Prevalence

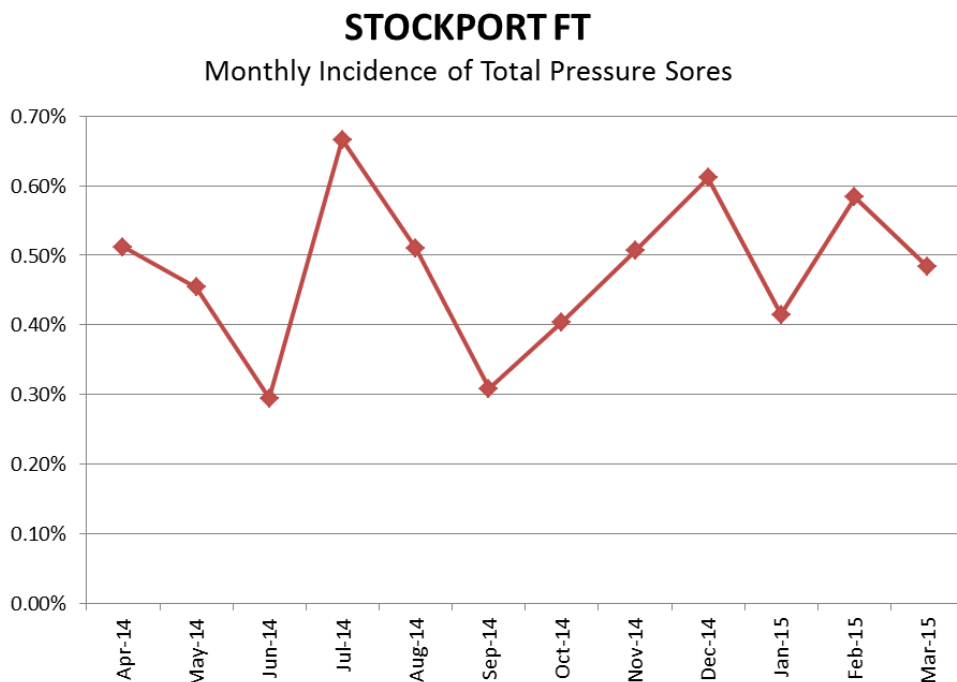
Pressure Ulcers All: patients with an old or new pressure ulcer



Stockport Acute; Stockport Community & Tameside Community.

Pressure Ulcers - Incidence

Incidence is new pressure ulcers only. The graph below shows that the incidence of pressure ulcers for hospital inpatients has reduced. In February there were 5 new pressure ulcers that occurred.



Significant work has been undertaken this year which has supported the reduction in pressure ulcer incidence and prevalence, see Part 2 – 2b for further details.

Nursing Care Indicators

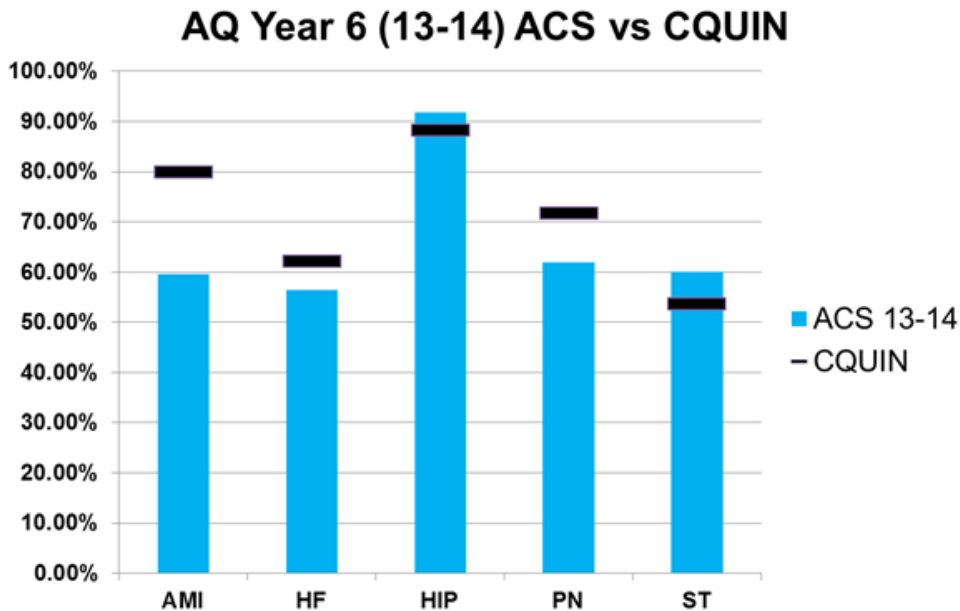
The Trust must account for the quality of care we deliver and that care should be evidence based and appropriate to the needs of the patient.

The Nursing Care Indicators (NCI's) are designed to support nurses and midwives in practice to understand how they deliver care, and where improvements are needed. The figures include the Intermediate Care wards at Shire Hill in Tameside and Glossop. A mini audit is carried out on a monthly basis where between 7-10 clinical nursing indicators are measured by undertaking an audit of 50% of patients' records. The Trust target is that 95% has to be achieved, to date we have achieved that target.

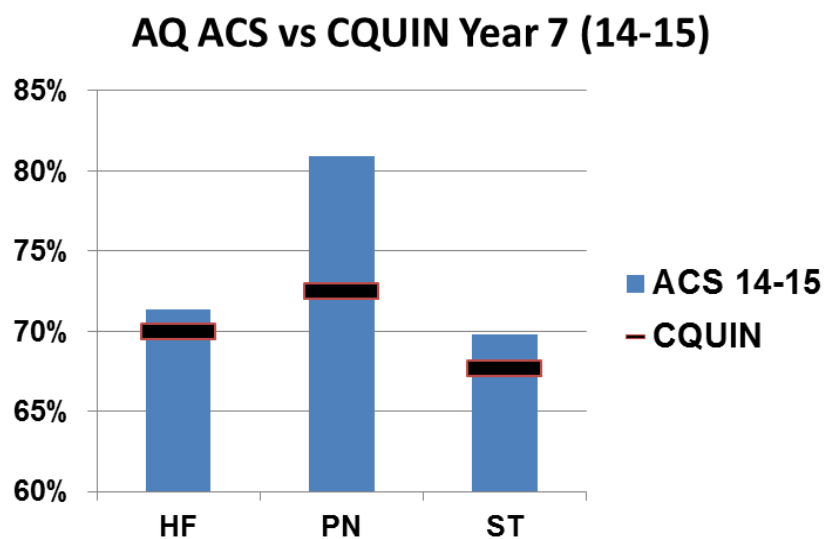
3.1.2 Clinical Effectiveness:

Advancing Quality (reliable care)

Scoring System changed from Composite Quality Score(CPS) to Appropriate Care Score(APS) so previous data not comparable.



In 2013-14 The Trust achieved the CQUIN threshold for the Hip & Knee Replacement and Stroke Clinical Focus Area's. It did not achieve for AMI, Heart Failure or Pneumonia, however, significant improvement was made for both AMI and Heart Failure. Data collection for these three measure groups ceased in December. This was to facilitate the Trust to capture data for 2014-15 in a timelier manner.



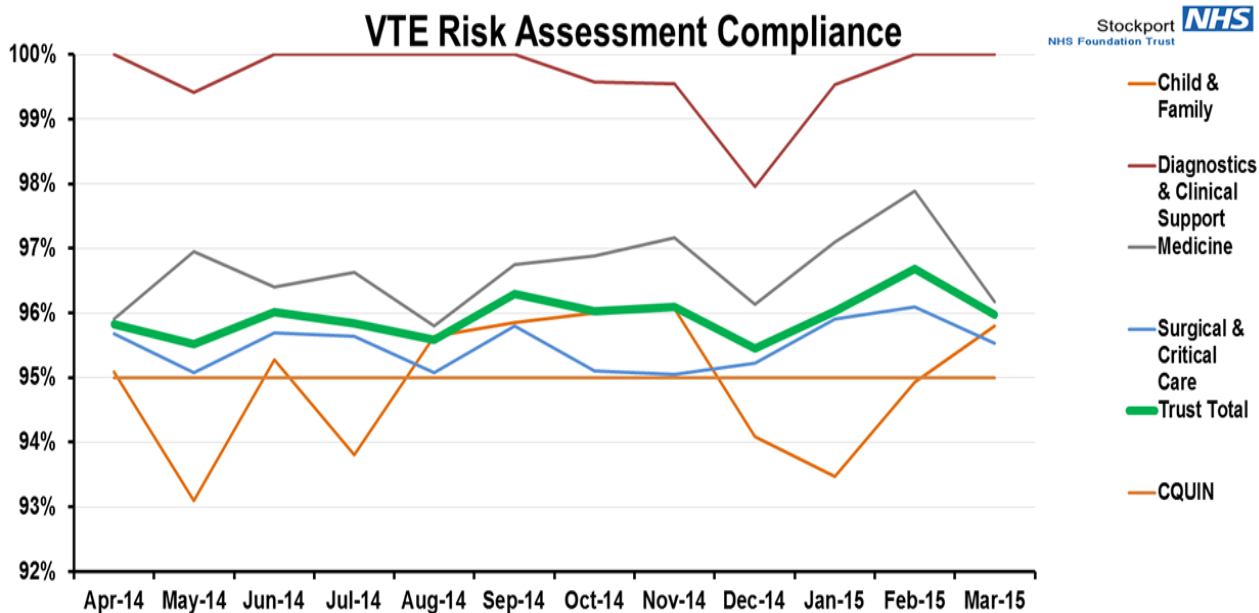
For patients discharged in 2014-15 the Trust is collecting full data for Heart Failure, Pneumonia and Stroke. COPD commenced in December 2014. Data up to and including December 2014 shows

compliance has improved across all Clinical Focus Areas (CFA), and the Trust is achieving the CQUIN threshold for all CFA's.

Audits in the CFA's where data is not being collected, showed improvement or sustainment of compliance.

VTE Risk Assessment

The graph below shows the Trust performance of VTE risk assessment against the national target of 95%. It can be seen there has been sustained performance above 96% throughout the year.



Mortality

The Summary Hospital-Level Mortality Indicator (SHMI) as published by the Information Centre June 2014.

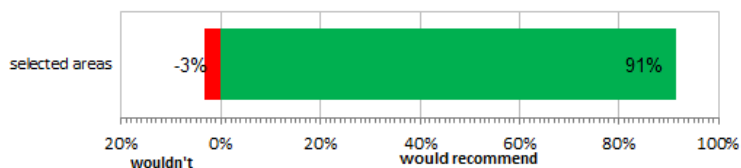
SHMI value for the Trust – 0.90 (See section 2.3 12a for dates and data).

Palliative Care: 22% (See section 2.3 12b for dates and data)

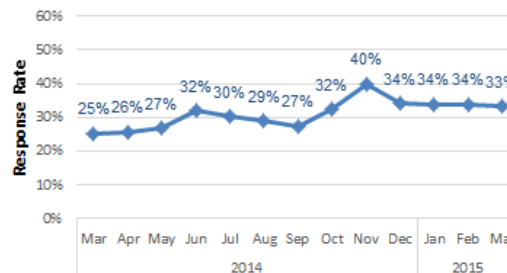
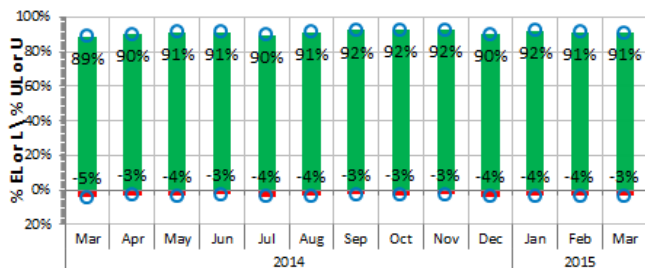
3.1.3 Patient & Family Experience:

Friends & Family

Friends and Family began in April 2013 and continuous improvements have been demonstrated to date.



Responses	Number Surveyed*	Response Rate*
39,636	122,958	32.2%



The Trust rolled out Friends & Family to Outpatients and Daycase patients from October 2014. Methodologies used to ask the F&F question include SMS texting, IVM (Voice Message to Landline) and cards. Feedback is collated and reviewed to monitor trends. Results are discussed at business group quality boards and at Trust board sub committees.

Complaints / Serious Events

In 2014/15, we received 773 formal complaints. We had received 706 formal complaints in 2013/2014 and 617 formal complaints in 2012-2013. It is difficult to determine the reason for the increase however media coverage surrounding national reviews such as the Clwyd Hart Review, the Berwick report, the Francis report and the reports post the Morecambe Bay investigation have raised the awareness of the general public and this may explain the moderate increase in complaints.

The main subjects of complaints were treatment, communication, appointment/admission, complaints about staff and nursing care.

This rise in complaints is being monitored through a monthly dashboard and quarterly report. The new quarterly report also includes an assurance log which ensures that any actions arising from identified themes and trends are monitored at committee level.

With regard to performance in complaint handling new procedures have been introduced to streamline the process ensuring complainants get a robust and timely response, with the introduction of three levels of response time; 25 days, 35 days or in the case where a serious incident investigation is required or it is a complex case 45 days. This was introduced in September 2014

In Quarter 1 an average of 69.3% of complaints were responded to within the timescale advised, with 77.2% in Quarter 2 and 81.4% in Quarter 3, unfortunately there has been a reduction to 73.4% compliance in quarter 4

This gives an overall 76.5% of complainants responded to in the time we said we would an improvement on 2013 -2014 which was 70.3%. Medicine business group have continued to struggle in performance against this target and have achieved compliance in 57.5% of complaints this is an improvement on 2013-2014 which was 45.6%.

Over the year there were 5 complaints upheld by the Parliamentary Health Service Ombudsman.

1. Complaint received in April 2012 upheld in relation to complaint handling

2. Complaint received in November 2013 upheld in relation to care
3. Complaint received in January 2013 partially upheld re care
4. Complaint received in November 2012 partially upheld re care
5. Complaint received in June 2014 partially upheld re care

Incidents are monitored via quarterly incident reporting and 6 monthly reports for serious incidents. Patterns and trends are identified and shared at the risk management committee and the quality governance committee. Themes of serious incidents are shared with wards and departments via business group quality boards. NHS England has recently launched a new policy for the management of serious incidents and the Trust is re-writing its policy to be in line with this.

Learning From Patient and Family Experience

The trust has developed and undertakes iPad surveys monthly. The results of the surveys are shared with the wards and the graphs are a good visual aid to support understanding of ward performance. Patient Experience is a key topic for the Trust and data is gathered from several sources including iPad inpatient surveys, the Friends and Family test; National Inpatient / Cancer surveys, and complaints. The collection of patient feedback is continuous and work has been completed to develop this feedback so bespoke surveys can be undertaken for patients in response to concerns and themes that may emerge.

The CQUIN for 2014/15 has a specific indicator for Patient Experience in which there will be a focus on the medical wards regarding the results on communication questions from the iPad survey. Patient and Carer Experience is also covered in several other CQUINs

Service improvements following staff or patient surveys/comments and Care Quality Commission reports:

Our capacity to capture patient feedback has increased with the expansion of the Friends and Family Test to our day case, out patients and community services in addition to our inpatient wards, Emergency Department and maternity services. Children's services will join the roll out in April 2015. There has been major investment to replace all patient meal trollies and the new kitchen facility opened in December 2014. Support for our patients at mealtimes continues to be a priority, with the volunteers continuing to be trained to give assistance to patients at mealtimes.

Environmental improvements continue to be a priority. A sample of these include bathroom modernisation on Wards D2 to support privacy and dignity, a new sensory garden in our Treehouse children's unit planned to open in the spring and additional disabled car parking spaces on site.

The Short Stay Unit for Older People (SSOP) now has patient bedside TV's installed. A need identified following feedback and a mock Care Quality Commission (CQC) inspection.

Following recent guidance published staffing numbers are now displayed in all ward areas for patients, visitors and staff. This information includes the numbers of registered and non-registered nurses on duty alongside the number of patients on the ward and covers the 24 hour period. In addition ward managers now wear red uniforms to ensure they are visible to patients and carers and was a direct result of patient feedback.

Improvements in patient/ carer information

Work on the Carers Information Point, based at the Poplar Grove entrance, is now complete and offers information, advice and support for carers. The office is manned and supported by a selection of organisations including AgeUK; Alzheimer's Society; Stroke Association; For Local Advice and Guidance (FLAG) and Signpost for Carer's. Work is ongoing to promote awareness of the facility.

Following information from a Deaf Awareness day held at the trust and an Action on Hearing Loss toolkit for change portable hearing loops have now been placed on a selection of wards, Intensive Care Unit (ICU) and High Dependency Unit (HDU) in order to facilitate and support those patients with hearing difficulties. The 'coming into hospital' leaflet has also been reviewed to ensure it contains information for patients regards ensuring hearing aids are brought into hospital with them.

The trust has two new telephone information points which have been installed and are located in Oak House reception and the emergency department. They have been provided at no cost to the Trust and allow patients and relatives the option to access a number of services at the push of a button. Feedback was obtained from both For Local Advice and Guidance (FLAG) and Healthwatch and the services include:

- **Metro Taxis** (our contracted Taxi provider – the caller will be responsible for payment)
- **Traveline** (public transport information/ journey planner)
- **TfGM** (Transport for Greater Manchester)
- **Smokefree** (National helpline for free advice and support to help you stop smoking)
- **Healthy Stockport** (Support for people to make positive changes to health and lifestyle - alcohol advice, mental wellbeing, healthy eating, fitness, diet and exercise.
- **NHS Dental Services** (For urgent dental appointments or to join an NHS dentist in Stockport).

3.2 Performance against indicators and performance thresholds 2014/15

Indicator	Threshold	Weighting	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Result 2014/15	Below Threshold
Maximum time of 18 weeks from point of referral to treatment in aggregate – admitted	90%	1	91.30%	91.05%	89.25%	87.5%	89.75%	Non-compliant performance was due to unprecedented levels of emergency demand over the winter period. The forecast from April is for a return to compliance with the target.
Maximum time of 18 weeks from point of referral to treatment in aggregate – non-admitted	95%	1	95.47%	95.28%	90.77%	92.8%	93.53%	Work was undertaken in Q3 and Q4 that would result in failing the standard but would help us to reduce the backlog. Pressures remain within ENT, General Surgery and Gastroenterology. Recovery and trajectory plans will be developed to allow the longer waiting patients to commence treatment as soon as possible.
Maximum time of 18 weeks from point of referral to treatment in aggregate – patients on an incomplete pathway	92%	1	94.67%	92.67%	92.79%	93.0%	93.28%	
A&E: maximum waiting time of four hours from arrival to admission/ transfer/ discharge	95%	1	91.21%	95.35%	88.80%	84.84%	90.17%	ED performance has improved for the third month running but is still under the 95% standard. In Greater Manchester ED units only two units achieved the standard. Attendances over the last three months have returned to the same level as last year after 9 months of being significantly higher. The Trust has developed a short term action plan with the CCG and the Local Authority to focus on the early

									availability of beds in order to improve flow which is the key factor in underperformance.
All cancers: 62-day wait for first treatment from: Data source: Open Exeter		1							
pre breach re-allocation									
• Urgent GP referral -	85%		87.27%	88.36%	83.06%	86.28%	86.32%		
• NHS Cancer Screening Service referral	90%		N/A	N/A	N/A	N/A	N/A	N/A	N/A as <5 cases each quarter
post breach re-allocation									
• Urgent GP referral	85%		87.80%	85.06%	79.11%	84.23%	84.11%		We returned to compliance in March. This was the first month we have achieved this standard following six consecutive months of failure. We have started Q1 of 2015/16 in a very strong position as there were no patients remaining to be treated in line with the 62 day standard at the end of March.
• NHS Cancer Screening Service referral	90%		100.00%	75.00%	100.00%	60.00%	81.25%		Total of 8 patients (below Monitor de minimis)
All cancers: 31-day wait for second or subsequent treatment, comprising:		1							
• Surgery	94%		100.00%	100.00%	97.67%	100%	99.21%		
• Anti-cancer drug treatments	98%		100.00%	100.00%	100.00%	100%	100.00%		
• radiotherapy	94%		N/A	N/A	N/A	N/A	NA		

All cancers: 31-day wait from diagnosis to first treatment Data source: Open Exeter	96%	1	97.67%	98.25%	97.90%	98.9%	98.17%	
Cancer: two week wait from referral to date first seen, comprising: Data source: Open Exeter								
• all urgent referrals (cancer suspected)	93%	1	94.69%	94.07%	95.22%	95.50%	94.86%	
• for symptomatic breast patients (cancer not initially suspected)	93%		91.32%	93.40%	97.92%	98.7%	95.26%	
C.Diff due to lapses in care	DM*	1	0	0	0	0	0	
Data completeness: community services, comprising:								
• referral to treatment information	50%	1	84.29%	82.42%	84.83%	82.96%	83.62%	
• referral information	50%		96.16%	96.06%	97.74%	95.96%	96.48	
• treatment activity Information	50%		94.43%	95.74%	96.52%	97.12%	95.93%	
Total C.Diff Year to Date: (including cases deemed not to be due to lapse in care and cases under review)	<39		2	7	15	24	24	

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

Stockport CCG Commissioner Response to Stockport NHS Foundation Trust's Quality Report 11th May 2015

Subsequent to receipt and review of the Annual Quality Report 2014/15, Stockport Clinical Commissioning Group (SCCG) would like to acknowledge Stockport NHS Foundation Trust (SFT) achievements against a significant proportion of the priorities for improvement for 2014/2015. We would like to congratulate the Trust on remaining committed to achieving these objectives in a particularly challenging and pressured time.

SFT have shown commitment to the quality improvement programme of CQUIN, achieving many improvement objectives. Similarly, there has been a clear enthusiasm for improving patient feedback. The CCG would also like to recognise the significant achievement the Trust has made developing and embedding the Friends and Family Test across all acute and community services with an improvement in response rates year on year.

In the current climate there have been challenges for the Trust with an increasingly more complex patient cohort. MRSA rates were disappointing with 3 cases this year. When compared to other Trusts, SFT benchmark higher than the national average in relation to incidents resulting in severe harm or death. The CCG recognises that there has been a rise in incident reporting which is encouraging; however it would be reassuring to see clear reporting on lessons learned from incidents which have positively impacted care and changed practice. Stockport CCG also recognises the pressures that the emergency department has been under although the failure to consistently achieve the 4 hour A&E performance indicator is disappointing. However the commitment from the Trust to ensure that processes are in place to ensure that quality is maintained within the department is recognised. The CCG was able to gain some further assurances from a walk round of the emergency department in March 2015. There have been some substantial improvements this year that SCCG wish to commend. There are some good examples of collaborative working across the health economy with a dedication to patient safety. An example is the work to reduce the incidence of pressure ulcers which has shown good engagement and outcomes. SFT has one of the lowest rates for hospital mortality in Greater Manchester and nationally and has significantly improved its palliative care coding. It should be noted that the Trust remains committed to the harm free care programme and has significantly reduced the C-Difficile rates, ending the year 15 cases under trajectory. SFT have also made remarkable improvements to best evidenced care bundles in heart failure, pneumonia and stroke and continue to sustain advancement in AMI and hip and knee. This progress ensures the care evidenced to provide the best outcomes is available to all patients consistently. SCCG recognise the achievements made in the last year and look forward to working with SFT to further improve patient experience, patient safety and clinical effectiveness for patients. There is further work to ensure that the Trust is demonstrating clear compliance with NICE guidance. There is also further opportunity to address the deterioration in some scores in the recent publication of the 2014 national staff survey and further scope regarding NICE safe staffing recommendations and the organisation's adoption of the 6Cs philosophy. SCCG is committed to working with SFT on sustaining and nurturing improvements, developing areas for growth and establishing innovation in quality improvement projects in the year to come.

Statement from Governors: 1st May 2015

The Council of Governors welcomes the opportunity to contribute to and comment on the Trust's Annual Quality Report for 2014-2015. Governors, with support from hospital management, embrace their role to represent the concerns and aspirations of patients, their families and the local population and to be active participants in the Trust's aim to ensure the provision of harm free, high quality, timely care to all users in the hospital and community care settings.

The Governors recognise and fully support the Board of Directors' commitment to improving the already high standard of care for our patients. During 2014/15 we have maintained regular contact with patients and their advocates; attended Board of Directors meetings and informal meetings with both Executive and Non-executive Directors; participated in local and national training events, workshops, and clinical talks for Trust members and the public at large. Governors are particularly pleased to report that the recent initiative of Governor/NED roundtable events, as well as Governor representation on the NED chaired Quality Assurance Committee, is contributing to a closer working relationship with Directors and helping to improve the understanding of their respective roles.

Through the Governors' Patient Safety and Quality Standards Committee we have been kept abreast of Quality performance objectives and outcomes. Whilst targets have been broadly met there are areas which appear stubbornly perverse; the Trust will accept that where targets are not being met the Governors have a duty to voice concerns, seek assurance and look to measureable improvements. Equally, whilst we feel that it is essential to continue to work on those priorities from previous years that have not been achieved, we acknowledge that some priorities may take longer than a year to deliver.

There are areas of care in which the Trust, as others, continues to face problems: diabetes, pressure ulcers, dealing with complaints, but we are aware of the great efforts that the Trust has put into these measures which are not always reflected in figures.

Regarding diabetes, the last National Diabetes Inpatient Audit (2013) shows that only a small proportion of patients in this Trust received a foot examination during their hospital admission against the set standard of 75%. In view of national publicity of diabetes care this worries the Governors.

It is encouraging that there has been an increase in responses to the Friends and Family Test. However, the results from the staff survey, which shows the percentage of staff likely to recommend the Trust as a place of work, has dismayed the Governors.

The Governors have a particular interest in the handling of complaints as it is they who represent the public. We are concerned that 1 in 5 complaints remained unanswered within the Trust's own timeframe. We look to the improvement of this figure as procedures have been implemented to improve complaints handling from January of this year.

The Governors are fully supportive of the Trust's aims and objectives and believe that this Quality report is an accurate and fair reflection of practice whilst being mindful of our duty to the public in being vigilant and objective in our scrutiny of performance.

We appreciate the substantial amount of work that goes into the production of the Quality Report which, by its prescribed nature, is not easily accessible to the lay person. There is room for improvement in the way the document is laid out and the accessibility of the language used.

We would like to take this opportunity to thank all the staff and volunteers for their considerable dedication and hard work which has made Stockport Foundation Trust a respected and valued institution.

Statement from Healthwatch Stockport: 28th April 2015

Healthwatch Stockport response to Stockport NHS Foundation Trust Quality Account 2014/15



About Healthwatch Stockport

Healthwatch is the new independent consumer champion created to gather and represent the views of the public, patients, relatives and carers. Healthwatch plays a role at both national and local level and makes sure that the views of the public and people who use services are taken into account.

Healthwatch Stockport is a membership organisation run by volunteers with an interest in health & social care. They are supported by a team of staff to offer help to members carrying out activity on behalf of the organisation.

Healthwatch Stockport has, amongst others, the following responsibilities;

- Promote and support local people to be involved in monitoring, commissioning and provision of local health & care services
- Obtain local people's views about their needs for and experience of local health & care services
- Tell agencies involved in the commissioning, provision and scrutiny of health & care services about these views
- Produce reports and make recommendations about how local health & care services could or should be improved

Introduction

Healthwatch Stockport welcomes the opportunity to comment on this Annual Quality Account (as seen in draft and with incomplete data). We recognise that Quality Account reports are a useful tool in ensuring that NHS healthcare providers are accountable to patients and the public for the quality of services they provide. We fully support these reports as a means for providers to review their services in an open and honest manner, acknowledging where services are working well and where there is room for improvement.

We share the aspiration of making the NHS more patient-focussed and placing the patient's experience at the heart of health and social care. An essential part of this is making sure the collective voice of the people of Stockport is heard and given due regard, particularly when decisions are being made about quality of care and changes to service delivery and provision.

Our wish is therefore that Healthwatch Stockport works with its partners in the health and social care sector to engage patients and service users effectively and to ensure that their views are listened to and acted upon. We look forward to continuing to work alongside the Trust to ensure that the voice and experience of patients and the public is heard throughout the provision of services.

Healthwatch Stockport commends the Trust on the many areas where, through hard work and dedication quality improvements have been demonstrated.

Quality Improvement priorities for 2014/15

CQUIN

In 2014/15 The Trust's quality initiatives focused on the Commissioning for Quality and Innovation (CQUIN) standards as agreed with commissioners and the achievement of national **Your Health. Our Priority.**

standards. The key aim of the CQUIN framework for 2014/15 was to support improvements in the quality of services and the creation of new, improved patterns of care. The framework stipulates that commissioners must set out clearly in contracts the proportion of payment associated with each CQUIN indicator and the basis upon which payment will be made. As a result a proportion of Stockport NHS Foundation Trust's income in 2014/15 was conditional on achieving CQUIN goals contractually agreed through the Commissioning for Quality and Innovation payment framework.

As a measure of assurance of the actual quality improvement achieved Healthwatch Stockport finds it difficult to reconcile 'a red, green, amber dial', (with green being "performance achieved or exceeded target") and the proportion of payment received in association with each CQUIN indicator.

However Healthwatch Stockport understands that the Trust will now provide further details of the agreed goals for 2014/15 and for the following 12 month period, linked within the Quality Account¹.

Healthwatch Stockport are pleased that Stockport NHS Foundation Trust have agreed to include a section within this report detailing where the CQUIN value that was not achieved in 2014/15 and the reason². We feel this will be extremely helpful to the public understanding of this fairly complicated framework.

Healthwatch Stockport understands that the Trust is forecasting the following (draft report data);

- 94% of CQUIN payment for its acute (hospital) services;
- 97% of CQUIN payment for its Stockport Community services;
- 97% of CQUIN payment for its Tameside Community services;
- 100% of CQUIN payment for its Public Health and Specialised Services;

Healthwatch Stockport members particularly noted the following achievements:

1. The work being done on the identification of carers, patient passports etc (Priority 1b, 1c & 1d), especially in relation to patients with a learning disability. In view of Sir Stephen Bubb's Winterbourne View – Time for Change report on accelerating the return of Out of Area placed residents it is hoped that this initiative becomes embedded within Stockport.
2. The significant improvement in achieving the 'FAIR' assessment (Priority 1b).
3. The positive step forward in the implementation of Patientrack (an early warning system) to reduce the number of emergency calls made for suspected cardiac arrests (Priority 2c). Healthwatch Stockport hopes to see a reduction in the number of calls made in 2014/15.

Equally there were the following concerns;

1. Healthwatch Stockport was informed by the Trust that the prevalence of pressure ulcers has fallen within Stepping Hill Hospital (Priority 2a), however as they are not achieving the CQUIN target, Healthwatch Stockport look forward to further improvement. Healthwatch Stockport welcomes the fact that following our request, this data has been separated between community and hospital services so that problem areas are able to be pinpointed.
2. The slowness in developing a Falls Pathway (Priority 2o) and this again appears to be an issue of integrated care in the community.
3. The primary aim of Priority 2g is to improve the communication and therefore engagement between Primary, Secondary and Community clinicians. Healthwatch Stockport believes that publishing a Discharge Summary within 48 hours is a vital part of this communication and is disappointed that the Trust is still performing well below the expected trajectory, as reported in its *Integrated Performance Report: March 2015*. The Healthwatch Stockport Discharge subgroup is continuing the look at ways that discharge from the Trust can be improved.

Reporting against core indicators

The draft report was incomplete in respect of the Trust's performance and the intended actions for improving performance against some core indicators. However Healthwatch Stockport, like last year, is concerned that the Trust was below the national average in 2014/15 for Core Indicator 25 (Percentage of safety incidents that resulted in severe harm or death).

Performance against indicators and performance thresholds 2014/15

At the time of writing this statement the data for Q4 was unavailable and Healthwatch Stockport has a concern that when published some of the thresholds, which are either a right or pledge in the NHS Constitution will not have been achieved.

¹ No information was available at the time of writing this statement

² No information was available at the time of writing this statement

Priorities for quality improvement in 2015/16

Healthwatch Stockport welcomes the broadening of the priorities beyond the CQUIN framework but also notes that they include outcomes from the Trusts Quality Improvement Strategy 2014-19 without any milestones for 2015/16.

Healthwatch Stockport also acknowledges the Trusts commitment to high quality, safe and timely care by joining the national 'Sign up to Safety' campaign and that the Board of Directors will be participating during 2015/16 in the Making Safety Visible programme, run by Haelo and the Health Foundation, which aims to improve the measurement and monitoring of safety across the whole health economy.

Conclusion

Looking forward there are many changes expected and it is absolutely vital that the Trust seamlessly maintains and improves its quality of services during these significant and far reaching re-organisations.

Healthwatch Stockport would like to take this opportunity to thank the Trust for their support in a number of pieces of work throughout 2014/15.

Healthwatch Stockport worked with NHS Complaints Advocacy Stockport and the Trust itself to bring improvements to the Trust's Complaints procedures. In response to discussions, Stockport NHS Foundation Trust added an additional member of staff to the Patient Customer Service Team and promised better co-ordination of responses between the business teams within the medical department and the Patient Customer Service team. In addition, the Head of Quality and Director of Nursing & Midwifery will have more hands-on input to the responses during investigations and internal procedures will be changed on a number of matters.

- Healthwatch Stockport Enter & View Visits were carried out at Stepping Hill Hospital Transfer Unit C5, Outpatients Clinic A and Outpatients Clinic between 15th-17th April 2014 to view the service provided by Arriva Patient Transport Service.
- The Lead Nurse in Adult Safeguarding and Lead Nurse for Admissions and Discharge from Stepping Hill Hospital attended Healthwatch Stockport's Discharge Subgroup to discuss discharge from the hospital.
- Healthwatch Stockport members continue to be involved in the A&E Redesign at Stepping Hill Hospital including the D Block Redevelopment, Emergency Department User Group and the Unscheduled Care Strategy.
- Healthwatch Stockport members continue to be involved in the current integration work involving the Trust, including Healthier Together and Targeted Prevention, raising

concerns about the lack of information available for residents to make informed decisions on the Healthier Together proposals.

- Healthwatch Stockport members participated in several Patient-led assessments of the care environment (PLACE) Assessments alongside the Trust.
- Healthwatch Stockport continue to meet bi-monthly with senior executives of Stockport NHS Foundation Trust.
- Healthwatch Stockport members sit on a number of the Trust's groups including the Foundation Trust Patient Representative Group: Division of Medicine, the Medicines Management Committee, Stockport CCG Unscheduled and Scheduled Care Working Groups.

Healthwatch Stockport thanks the Trust for the opportunity to comment on this document and request consistency in reporting next year to enable a direct comparison of the information.

If members of the public have any queries or questions or concerns resulting from this report or annex, Healthwatch Stockport can be contacted by e-mail at info@healthwatchstockport.co.uk, telephone on 0161 477 8479 or you can visit our website at www.healthwatchstockport.co.uk.

Healthwatch Stockport

Statement from Overview and Scrutiny Committee: 2nd April 2015

The Scrutiny Committee, having had the opportunity to consider the draft Quality Report and to question the Director of Nursing & Midwifery, is satisfied with the Quality Report for 2014/15. The Trust was able to demonstrate that progress and improvement was being made on areas identified in previous quality reports and that they recognised areas where further improvement was needed. In particular the Scrutiny Committee welcome the progress made with improving communications; improving patient experience particularly for those most vulnerable patients, and in reducing the C. difficile infection rate. The Committee also welcome the openness of the Trust in responding to questions from the Committee.

The Scrutiny Committee continue to receive regular updates from the Trust about their on-going efforts to improve performance in relation to waiting times for admissions at the Emergency Department, and has been satisfied that the Trust have taken steps to address these issues, but recognise that problems with performance over the winter period was due in part to factors outside the control of the Trust and reflects national trends and challenges. The Scrutiny Committee had previously acknowledged the appropriateness of the Trust's response to the 2014/15 winter pressures and welcomed the focus on safety and care over target compliance."

Annex 2: Statement of directors' responsibilities for the Quality Report

The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations to prepare quality accounts for each financial year.

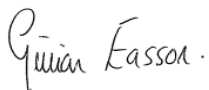
Monitor has issued guidance to NHS foundation trust boards on the form and content of annual quality reports (which incorporate the above legal requirements) and on the arrangements that NHS foundation trust boards should put in place to support data quality for the preparation of the quality report.

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 2014/15 and supporting guidance;
- the content of the quality report is not inconsistent with internal and external sources of information including:
 - board minutes and papers for the period April 2014 to March 2015
 - papers relating to Quality reported to the Board over the period April 2014 to March 2015
 - feedback from commissioners dated 11th May 2015
 - feedback from governors dated 1st May 2015
 - feedback from the local Healthwatch organisation dated 28th April 2015
 - feedback from Overview and Scrutiny committee dated 2nd April 2015
 - the Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated July 2014
 - national patient survey 2013 (2014 embargoes until 21st May 2015)
 - national staff survey 2014
 - the head of internal audit's annual opinion over the Trust's control environment dated 19th May 2015
 - Care Quality Commission (CQC) Intelligent monitoring report dated December 2014
- the quality report presents a balanced picture of the NHS foundation Trust's performance over the period covered;
- the performance information 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 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 Monitor's annual reporting guidance (which incorporates the Quality Accounts Regulations) (published at www.monitor.gov.uk/annualreportingmanual) as well as the standards to support data quality for the preparation of the quality report (available at www.monitor.gov.uk/annualreportingmanual).

The directors confirm to the best of their knowledge and belief they have complied with the above requirements in preparing the quality report.

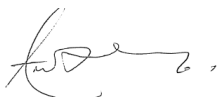
By order of the Board



28 May 2015

.....Date.....Chairman

28 May 2015



.....Date.....Chief Executive

Remuneration Report 2014/15

Remuneration and Terms of Service Committee

The Board of Directors has established a Remuneration and Terms of Service Committee. Its responsibilities include the review and consideration of remuneration and conditions of service of the Chief Executive, Executive Directors and a small number of other senior managers. The Remuneration and Terms of Service Committee met once during the reporting period on 11 December 2014 to complete an annual review of Executive Director remuneration.

Membership of the Committee and attendance at meetings is detailed in the table below:

Name	Title	Attendance
Mrs G Easson	Chairman	0/1
Mrs C Prowse	Deputy Chairman	1/1
Mr J Sandford	Non-Executive Director	1/1
Mr M Sugden	Non-Executive Director	1/1
Mr L Wilcock	Non-Executive Director	1/1
Dr M Cheshire	Non-Executive Director	1/1
Mr J Schultz	Non-Executive Director	0/1

The Chief Executive and Director of Workforce & Organisational Development attend meetings other than when matters being discussed would result in a conflict of interest. Minutes of meetings are recorded by the Company Secretary. The Committee did not receive any external advice or services during the period covered by this report.

In determining and reviewing remuneration for Executive Directors, the Committee takes into account relevant benchmarking with other NHS and public sector organisations, guidance from Monitor, national inflationary uplifts recommended for other NHS staff, and any variation or change to the responsibilities of Executive Directors. It was agreed that the Executive Directors and other senior managers covered by the Committee would not receive an inflationary pay award for the period April 2014 to March 2015. All Executive Directors are subject to an annual appraisal which is completed with the Chief Executive. The appraisal for the Chief Executive is completed with the Chairman. As with all other staff in the organisation, performance against agreed objectives is discussed at appraisal meetings together with objectives for the forthcoming year.

The contracts of employment of all Executive Directors, including the Chief Executive, are permanent and are subject to a six month notice period. No performance-related pay scheme (e.g. pay progression or bonuses) is currently in operation within the Trust and there are no special provisions regarding early termination of employment. The Foundation Trust has not released an Executive Director to serve as a Non-Executive Director elsewhere. Pension entitlements are included in the Remuneration Table and there are no special provisions regarding early termination of employment. No early termination payments were made during the year, to any Executive Director or previous Executive Director.

A small number of other senior staff, Associate Directors for example, are employed on a local pay scale agreed by the Remuneration Committee. All other terms and conditions reflect those set out in Agenda for Change. All other staff are employed on national terms and conditions or terms that mirror Agenda for Change.

A handwritten signature in black ink, appearing to read 'Ann Barnes', with a stylized flourish at the end.

Ann Barnes
Chief Executive

28 May 2015

Salary and Pension Entitlements of Senior Managers

Name	Start Date of Office	Salary and allowances (in bands of £5,000) 2014/2015	Salary and allowances (in bands of £5,000) 2013/2014	Pension Related Benefits (in bands of £2,500)	Real increase / decrease during the reporting year in the pension (in bands of £2,500)	Real increase / decrease during the reporting year in related lump sum at age 60 (in bands of £2,500)	Value at the end of the reporting year of the accrued pension (in bands of £5,000)	Value at the end of the reporting year of related lump sum at age 60 (in bands of £5,000)	Value of cash equivalent transfer value at the beginning of the reporting year (to the nearest £1,000)	Real Increase / Decrease in Cash Equivalent Transfer Value during the reporting year (to the nearest £1,000)	Value of the cash equivalent transfer value at the end of the reporting year (to the nearest £1,000) ¹	Employer's contribution to stakeholder pension
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Executive Directors												
Mrs A Barnes	01.03.2013	165 - 170	165 - 170	(27.5 - 30.0)	(0.0 - 2.5)	(0.0 - 2.5)	75 - 80	230 - 235	1,683	49	1,777	
Mr W Gregory	01.06.2007	120 - 125	140 - 145	10.0 - 12.5	0.0 - 2.5	3.0 - 3.5	45 - 50	135 - 140	768	37	833	
Dr J Catania	02.04.2002	170 - 175	120 - 125	(22.5 - 25.0)	0.0 - 2.5	0.0 - 2.5	70 - 75	220 - 225	1,625	53	1,721	
Mrs J Morris	01.07.2008	110 - 115	105 - 110	7.5 - 10.0	0.0 - 2.5	3.0 - 3.5	40 - 45	125 - 130	845	51	919	
Mrs C Spencer*			90 - 95									
Mrs J Shaw	01.01.2013	95 - 100	95 - 100	10.0 - 12.5	0.0 - 2.5	3.0 - 3.5	35 - 40	110 - 115	604	37	656	
Mr J Sumner	26.11.2012	105 - 110	100 - 105	32.5 - 35.0	2.0 - 2.5	5.0 - 7.5	15 - 20	55- 60	218	34	257	
Mr K Howells (interim Director of Finance)		50 - 55										0.0 - 2.5
Non Executive Directors												
Mrs G Easson		50-55	50 - 55									
Mrs C Prowse		15-20	15 - 20									
Mr LWilcock		15-20	15 - 20									
Mr J Sandford		15-20	15 - 20									
Mr M Sugden		10-15	10 - 15									
Mr J Schultz (7 months in 2013/2014)		10-15	5 - 10									
Dr Cheshire (7 months in 2013/2014)		10-15	5 - 10									
		2014/2015	2013/2014									
		£000	£000									
Band of Highest Paid Director's Total												
		170-175	170-175									
		£	£									
Median Total												
		23,596	23,357									
Remuneration Ratio												
		7.3	7.4									

*Mrs C Spencer's amount is reflective of a 10 month period in 2013/2014 and Mr W Gregory's salary until 31 January 2015

In 2014/15 Dr J Catania worked 0.7wte as Medical Director until 30 November 2015 after which time his post was paid as a full time director.

Median Pay - Reporting bodies are required to disclose the relationship between the remuneration of the highest paid director in their organisation and the median remuneration of the organisation's workforce. The banded remuneration of the highest paid director in Stockport NHS Foundation Trust in the financial year 2014/15 was £170k - £175k (2013/14, £170k - £175k). This was 7.3 times (2013/14 7.2) the median remuneration which was £23,596 (2013/14, £23,885).

In 2014/15, 5 (2013/14, 1) employees received remuneration in excess of the highest paid director. Remuneration ranged from £180,000 - £207,310

Notes to the Table

In the budget of 22 June 2010 it was announced that the uprating of public sector pensions would change from the Retail Prices Index (RPI) to the Consumer Prices Index (CPI) with the change expected from April 2011. As a result the Government Actuaries Department undertook a review of all transfer factors. The new CETV factors have been used in this year's calculations and are lower than the previous factors used. The value of the CETVs have, therefore, fallen since 31 March 2010.

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 from 2004/05 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 – This reflects the increase in CETV 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.

Non-Executive Directors do not receive pensionable remuneration.

As part of the remuneration report, we are also required to present the following tables showing the numbers of staff employed through other means than the payroll, classed as off-payroll staff. It is Trust policy that all employees are paid via the Trust's payroll and therefore these arrangements apply to staff contracted through an agency which then pays the individual via their own personal service company. The arrangements apply to a number of interim managers but not to medical agency staff. Relevant information is detailed in the following tables:

Table 1

	2014/15
No of existing arrangements as of 31 March 2015	Nil
Of which:	
Less than one year at time of reporting	5
Between one and two years at time of reporting	1
Between two and three years at time of reporting	Nil
Between three and four years at time of reporting	Nil
Four or more years at time of reporting	Nil

Table 2

	2014/15
No of new engagements, or those that reached 6 months duration, between 1 April 2014 and 31 March 2015	6
No of the above which include contractual clauses giving the Trust the right to request assurance in relation to income tax and National Insurance Obligations	6
Number for whom assurance has been requested	1
Of which:	
Number for whom assurance has been received	1
Number for whom assurance has not been received	Nil
Number that have been terminated as a result of assurance not being received	Nil

Table 3

	2014/15
Number of off-payroll engagements of Board members, and/or, senior officials with significant financial responsibility, during the financial year	Nil
Number of individuals that have been deemed "Board members and/or senior officials with significant financial responsibility" during the financial year. This figure must include both off-payroll and on-payroll engagements	14

STATEMENT OF THE CHIEF EXECUTIVE'S RESPONSIBILITIES AS THE ACCOUNTING OFFICER OF STOCKPORT NHS FOUNDATION TRUST

The National Health Service Act 2006 states that the Chief Executive is the Accounting Officer of Stockport NHS Foundation Trust. The relevant responsibilities of 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 Monitor.

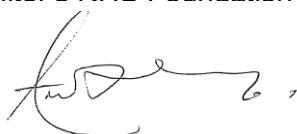
Under the NHS Act 2006, Monitor has directed Stockport NHS Foundation Trust to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of Stockport NHS Foundation Trust and of its income and expenditure, total recognised gains and losses and cash flows for the financial year.

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

- observe the Accounts Direction issued by Monitor, 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 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 Stockport NHS Foundation Trust and to enable her 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 Stockport 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 Monitor's NHS Foundation Trust Accounting Officer Memorandum.



Ann Barnes
Chief Executive

28 May 2015

Independent Auditor's Report to the Council of Governors of Stockport NHS Foundation Trust on the Quality Report

We have been engaged by the Council of Governors of Stockport NHS Foundation Trust to perform an independent assurance engagement in respect of Stockport NHS Foundation Trust's Quality Report for the year ended 31 March 2015 (the 'Quality Report') and certain performance indicators contained therein.

This report, including the conclusion, has been prepared solely for the Council of Governors of Stockport NHS Foundation Trust as a body, to assist the Council of Governors in reporting Stockport 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 2015, 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 Stockport NHS Foundation Trust for our work or this report, except where terms are expressly agreed and with our prior consent in writing.

Scope and subject matter

The indicators for the year ended 31 March 2015 subject to limited assurance consist of the national priority indicators as mandated by Monitor:

- percentage of incomplete pathways within 18 weeks for patients on incomplete pathways at the end of the reporting period; and
- Maximum waiting time of 62 days from urgent GP referral to first treatment for all cancers

We refer to these national priority indicators collectively as the "indicators".

Respective responsibilities of the Directors and auditors

The Directors are responsible for the content and the preparation of the Quality Report in accordance with the criteria set out in the *NHS Foundation Trust Annual Reporting Manual* issued by Monitor.

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*;
- the Quality Report is not consistent in all material respects with the sources specified in the guidance; and
- the indicators in the Quality Report identified as having been the subject of limited assurance in the Quality Report are not reasonably stated in all material respects in accordance with the *NHS Foundation Trust Annual Reporting Manual* and the six dimensions of data quality set out in the *Detailed Guidance for External Assurance on Quality Reports*.

We read the Quality Report and consider whether it addresses the content requirements of the *NHS Foundation Trust Annual Reporting Manual*, 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 the documents listed below:

- Board minutes for the period April 2014 to March 2015;

- Papers relating to Quality reported to the Board over the period April 2014 to March 2015;
- Feedback from the Commissioners dated May 2015;
- Feedback from local Healthwatch organisations dated April 2015;
- Feedback from Overview and Scrutiny Committee, dated April 2015;
- The trust's 2013/14 annual complaints report and the Quarter 4 Patient and Customer service quarterly report;
- The 2013 and 2014 national patient survey;
- The 2014 national staff survey;
- Care Quality Commission Intelligent Monitoring Report dated December 2014; and
- The Head of Internal Audit's annual opinion over the trust's control environment dated March 2015.

We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with those documents (collectively, the "documents"). Our responsibilities do not extend to any other information. We are in compliance with the applicable independence and competency requirements of the Institute of Chartered Accountants in England and Wales (ICAEW) Code of Ethics. Our team comprised assurance practitioners and relevant subject matter experts.

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.
- Testing key management controls.
- Limited testing, on a selective basis, of the data used to calculate the indicator back to supporting documentation.
- Comparing the content requirements of the *NHS Foundation Trust Annual Reporting Manual* to the categories reported in the Quality Report; and
- Reading the documents.

A limited assurance engagement is smaller in scope than a reasonable assurance engagement. The nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement.

Limitations

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information.

The absence of a significant body of established practice on which to draw allows for the selection of different but acceptable measurement techniques which can result in materially different measurements and can impact 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 thereof, 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*.

The scope of our assurance work has not included testing of indicators other than the two selected mandated indicators, or consideration of quality governance.

Basis for qualified conclusion

The annualized 18 week referral to treatment indicator is calculated as an average based on the percentage of incomplete pathways which are incomplete at each month end, where the patient has been waiting less than the 18 week target. We have tested a sample of pathways which were listed as incomplete at a month end, selected on both a random and risk focused basis.

Our sample testing identified:

- Errors in the recorded start and/or stop date;
- Pathways that had been started incorrectly; and
- That evidence was not available to support whether patient records had been appropriately included/excluded from the calculations supporting the monthly RTT incomplete pathway metric.

As a result of the issues identified, we have concluded that there are errors in the calculation of the “maximum time of 18 weeks from point of referral to treatment in aggregate – patients on an incomplete pathway” indicator for the year ended 31 March 2015. We are unable to quantify the effect of these errors on the reported indicator.

Qualified conclusion

Based on the results of our procedure, except for the matters set out 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 2015:

- 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*;
- the Quality Report is not consistent in all material respects with the sources specified in the respective responsibilities of the directors and auditors section of this limited assurance report; and
- the indicators in the Quality Report subject to limited assurance have not been reasonably stated in all material respects in accordance with the *NHS Foundation Trust Annual Reporting Manual*.

Deloitte LLP
Chartered Accountants
Leeds 28 May 2015

INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF GOVERNORS AND BOARD OF DIRECTORS OF STOCKPORT NHS FOUNDATION TRUST

Opinion on the financial statements of Stockport NHS Foundation Trust

In our opinion the financial statements:

- give a true and fair view of the state of the Group and Trust's affairs as at 31 March 2015 and of the Group's and Trust's income and expenditure for the year then ended;
- have been properly prepared in accordance with the accounting policies directed by Monitor – Independent Regulator of NHS Foundation Trusts; and
- have been prepared in accordance with the requirements of the National Health Service Act 2006.

The financial statements comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Taxpayers' Equity, the Statement of Cash Flows and the related notes 1 to 37. The financial reporting framework that has been applied in their preparation is applicable law and the accounting policies directed by Monitor – Independent Regulator of NHS Foundation Trusts.

Going concern

We have reviewed the Accounting Officer's statement contained on page 95 that the Group is a going concern. We confirm that:

- we have concluded that the Accounting Officer's use of the going concern basis of accounting in the preparation of the financial statements is appropriate; and
- we have not identified any material uncertainties that may cast significant doubt on the Group's ability to continue as a going concern.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Group's ability to continue as a going concern.

Our assessment of risks of material misstatement

The assessed risks of material misstatement described below are those that had the greatest effect on our audit strategy, the allocation of resources in the audit and directing the efforts of the engagement team.

Risk	How the scope of our audit responded to the risk
<p>Recognition of NHS Revenue</p> <p>There are significant judgments in the recognition of revenue from care of NHS patients and in provisioning for disputes with commissioners due to:</p> <ul style="list-style-type: none"> • the judgmental nature of provisions for disputes, including in respect of outstanding over performance income for quarters 3 and 4. 	<p>We tested the design and implementation of controls around revenue recognition, including the calculation of the under/over performance adjustment, reconciliation to the ledger, review correspondence with commissioners to confirm the agreement of activity and review the Agreement of Balances.</p> <p>We performed detailed substantive testing of the recoverability of overperformance income</p>

<ul style="list-style-type: none"> • The challenges experienced across the sector in 2013/14 in recovering income and increases in debtor aging • The risk of revenue not being recognized at fair value due to adjustments agreed in settling current year disputes and agreement of future year contracts • The value of this revenue in 2014/15 is £268.9m, see note 3 for further details. 	<p>and adequacy or provision for underperformance through the year, and evaluated the results of the agreement of balances exercise.</p> <p>We tested the historical accuracy of provisions made for disputes with commissioners, and considered this in evaluating bad debt provisions and other provisions in respect of NHS income at 31 March 2015.</p> <p>We challenged key judgments around specific areas of dispute and actual or potential challenge from commissioners and the rationale for the accounting treatments adopted and reviewed correspondence with commissioners.</p>
<p>Property valuations</p> <p>The Trust holds property assets within Property, Plant and Equipment at a modern equivalent asset valuation. The valuations are by nature significant estimates which are based on specialist and management assumptions and which can be subject to material changes in value.</p> <p>The value of property and land in 2014/15 is £128.8m, see note 13.1 for further details.</p>	<p>We evaluated the design and implementation of controls over property valuations, and tested the accuracy and completeness of data provided by the Trust to the valuer.</p> <p>We used internal valuation specialists to review and challenge the methodology of the valuation performed including identification and challenge of significant movements experienced in the period against industry benchmarking and established market practice.</p>
<p>Accounting for capital expenditure</p> <p>The Trust has an extensive capital programme, including development of block D, the E-record project and the new kitchen with spend for the year of £11.9m. Determining whether expenditure should be capitalised can involve significant judgement as to whether costs should be capitalised under International Financing Reporting Standards, and when to commence depreciation. In addition, previously capitalised works that are being replaced or refurbished need to be appropriately written down.</p> <p>Where existing properties are being modernised, the “modern equivalent use” valuation rules can lead to a “day one”</p>	<ul style="list-style-type: none"> • We tested the design and implementation of controls around the capitalisation of costs, and tested spending on a sample basis to confirm that it complied with the relevant accounting requirements. • We reviewed the projects ledger and the status of individual projects to evaluate whether they had been depreciated from the appropriate point. • We challenged management’s assessment whether any impairment arises in respect of newly capitalised expenditure.

impairment where the accumulated cost of the asset exceeds the cost of a newly built facility.	
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The value of assets under construction capitalised in 2014/15 is £4.3m, see note 13.1 for further details.	
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The description of risks above should be read in conjunction with the significant issues considered by the Audit Committee discussed on page 55.

Our audit procedures relating to these matters were designed in the context of our audit of the financial statements as a whole, and not to express an opinion on individual accounts or disclosures. Our opinion on the financial statements is not modified with respect to any of the risks described above, and we do not express an opinion on these individual matters.

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 both in planning the scope of our audit work and in evaluating the results of our work. We determined materiality for the Group to be £2.9m. This is below 1% of Operating income from continuing operations and below 2% of Taxpayers' Equity. Our determination of materiality was based upon Operating Income from Continuing Activities as, in our judgment, this represented the most accurate measure of the scale of the Group.

We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of £147k, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

An overview of the scope of our audit

Our group audit was scoped by obtaining an understanding of the Group and its environment, including group-wide controls, and assessing the risks of material misstatement at the Group level.

The focus of our audit work was on the Trust, with work performed at the Trust's offices in Stockport directly by the audit engagement team, led by the audit partner.

The group comprises three components, the Foundation Trust (which represents 99.8% of the group when measured by Operating Income and 98.5% when measured by Total Assets Employed) the Charity (Stockport NHS Foundation Trust Charitable Fund) and the Pharmacy Shop (Stepping Hill Healthcare Enterprises Limited) (which represent the remainder).

For Group purposes, we performed specified audit procedures on the Charity and Pharmacy Shop, where the extent of our testing was based on our assessment of the risks of material misstatement and the materiality of the Charity and the Pharmacy Shop to the Group.

Our audit work was executed at levels of materiality applicable to each individual entity which were lower than group materiality. At the Group level we also tested the consolidation process and carried out analytical procedures to confirm our conclusion that there were no significant risks of material misstatement of the aggregated financial information of the remaining components not subject to audit or audit of specified account balances.

The audit team included integrated Deloitte specialists bringing specific skills and experience in property valuations and Information technology systems.

Opinion on other matters prescribed by the National Health Service Act 2006

In our opinion:

- The part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the National Health Service Act 2006, and
- The information given in the Strategic Report and the Directors' 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 Audit Code for NHS Foundation Trusts, we are required to report to you if, in our opinion:

- The Annual Governance Statement does not meet the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual, is misleading, or is inconsistent with the information of which we are aware from our audit.
- The NHS foundation trust has not made proper arrangements for securing economy, efficiency and effectiveness in its use of resources; or
- Proper practices have not been observed in the compilation of the financial statements.

We have nothing to report in respect of these matters.

We are not required to consider, nor have we considered, whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls.

Our duty to read other information in the Annual Report

Under International Standards on Auditing (UK and Ireland), we are required to report to you if, in our opinion, information in the annual report is:

- Materially inconsistent with the information in the audited financial statements;
- Apparently materially incorrect based on, or materially inconsistent with, our knowledge of the Group acquired in the course of performing our audit; or
- Otherwise misleading.

In particular, we have considered whether we have identified any inconsistencies between our knowledge acquired during the audit and the directors' statement that they consider the annual report is fair, balanced and understandable and whether the annual report appropriately discloses those matters that we communicated to the Audit Committee which we consider should have been disclosed. We confirm that we have not identified any such inconsistencies or misleading statements.

Respective responsibilities of the accounting officer and auditor

As explained more fully in the Accounting Officer's Responsibilities Statement, the Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law, the Audit Code for NHS Foundation Trusts and International Standards on Auditing (UK and Ireland). Those standards require us to comply with

the Auditing Practices Board's Ethical Standards for Auditors. We also comply with International Standard on Quality Control 1 (UK and Ireland). Our audit methodology and tools aim to ensure that our quality control procedures are effective, understood and applied. Our quality controls and systems include our dedicated professional standards review team.

This report is made solely to the Council of Governors and Board of Directors ("the Boards") of Stockport NHS Foundation Trust, as a body, in accordance with paragraph 4 of Schedule 10 of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Boards 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 Boards as a body, for our audit work, for this report, or for the opinions we have formed.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Group's and the Trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Accounting Officer; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Qualified certificate

We certify that we have completed the audit of the accounts in accordance with the requirements of Chapter 5 of Part 2 of the National Health Service Act 2006 and the Audit Code for NHS Foundation Trusts except that we have qualified our conclusion on the Quality Report in respect of the percentage of incomplete pathways within the 18 weeks referral to treatment indicator

Paul Thomson, ACA (Senior Statutory Auditor)

For and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Leeds
United Kingdom

28 May 2015




CONSOLIDATED ANNUAL ACCOUNTS 2014-15

Foreword to the Accounts

Stockport NHS Foundation Trust

These accounts for the year ended 31 March 2015 have been prepared by Stockport NHS Foundation Trust in accordance with paragraphs 24 and 25 of Schedule 7 within the National Health Service Act 2006.



Signed

Mrs A Barnes - Chief Executive

Date: 28 May 2015

Consolidated Statement of Comprehensive Income for the Year Ended 31 March 2015

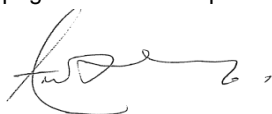
Statement of Comprehensive Income	Note	Group		Trust	
		2014/15 £000	2013/14 £000	2014/15 £000	2013/14 £000
Operating income from patient care activities	3	268,895	264,236	268,895	264,236
Other operating income	4	38,896	29,508	38,287	29,585
Total operating income from continuing operations		307,791	293,744	307,182	293,821
Operating expenses	5, 7	(299,024)	(288,848)	(299,246)	(288,848)
Operating surplus from continuing operations		8,767	4,896	7,936	4,973
Finance income	9	179	188	125	134
Finance expenses	10	(847)	(900)	(847)	(900)
PDC dividends payable	18	(3,520)	(3,251)	(3,520)	(3,251)
Net finance costs		(4,188)	(3,963)	(4,242)	(4,017)
Movement in the fair value of investment property and other investments	19	116	10	-	-
Surplus for the year from continuing operations		4,695	943	3,694	956
Surplus for the year		4,695	943	3,694	956
Other comprehensive income					
Will not be reclassified to income and expenditure:					
Gains/(loss) arising from transfer by absorption from demising bodies		-	346	-	346
Impairments	6	(4,012)	-	(4,012)	-
Revaluations	16	14,031	(27)	14,031	(27)
Other reserve movements		-	-	-	-
Total Comprehensive Income for the Period		14,714	1,262	10,019	1,275
Surplus for the period attributable to:					
the Group/Foundation Trust		4,695	943	3,694	956
Total comprehensive income / (expense) for the period attributable to:					
the Group/Foundation Trust		14,714	1,262	13,713	1,275

The Group Accounts include the consolidated financial results of Stockport NHS Foundation Trust, its associated Charity, Stockport NHS Foundation Trust Charitable Fund (Charity Commission Number 1048661) and Stepping Hill Healthcare Enterprises Limited (trading as the Pharmacy Shop). In 2014/15 Stockport NHS Foundation Trust revalued its land, buildings and dwellings in accordance with accounting policies. Included in the financial results of the Trust are increases in the valuation of the Trust site which are presented within 'Other operating income'. The operating deficit of the Trust prior to revaluation was £132k. Further details on the valuation exercise and its impact on the financial results of the Trust and Group statements are included at Notes 3 to 37 in the Accounts.

Group and Trust Statement of Financial Position as at the 31st March 2015

Statements of Financial Position	Note	Group		Trust	
		31 March 2015 £000	31 March 2014 £000	31 March 2015 £000	31 March 2014 £000
Non-current assets					
Intangible assets	12	1,743	1,356	1,743	1,356
Property, plant and equipment	13, 14	148,000	132,738	148,000	132,738
Other investments	19	1,340	1,225	-	-
Trade and other receivables	21	696	714	696	714
Total non-current assets		151,779	136,033	150,439	134,808
Current assets					
Inventories	20	2,301	2,258	2,079	2,258
Trade and other receivables	21	11,920	9,318	13,045	9,867
Cash and cash equivalents	24	45,669	47,391	44,607	46,559
Total current assets		59,890	58,967	59,731	58,684
Current liabilities					
Trade and other payables	25	(29,457)	(25,541)	(30,466)	(25,541)
Other liabilities	26	(1,083)	(1,595)	(1,083)	(1,595)
Borrowings	30	(1,097)	(1,096)	(1,097)	(1,096)
Provisions	27	(2,171)	(2,682)	(2,171)	(2,682)
Total current liabilities		(33,808)	(30,914)	(34,817)	(30,914)
Total assets less current liabilities		177,862	164,086	175,353	162,578
Non-current liabilities					
Borrowings	30	(16,086)	(17,184)	(16,086)	(17,184)
Provisions	27	(2,269)	(2,072)	(2,269)	(2,072)
Other liabilities	26	(569)	(648)	(569)	(648)
Total non-current liabilities		(18,924)	(19,904)	(18,924)	(19,904)
Total assets employed		158,938	144,182	156,429	142,674
Financed by					
Public dividend capital		82,943	82,901	82,943	82,901
Revaluation reserve		54,168	45,711	54,168	45,711
Income and expenditure reserve		19,138	14,062	19,318	14,062
Charitable fund reserves	36	2,689	1,508	-	-
Total taxpayers' and others' equity		158,938	144,182	156,429	142,674

The notes on pages 8 to 54 form part of these accounts.



Name : Mrs A D Barnes
 Position: Chief Executive
 Date: 28 May 2015

Consolidated Statement of Changes in Taxpayers' Equity for the year ended 31 March 2015

Group	Public Dividend Capital £000	Revaluation reserve £000	Income and Expenditure reserve £000	NHS Charitable Funds reserves £000	Total £000
Taxpayers' and others' equity at 1 April 2014 - brought forward	82,901	45,711	14,062	1,508	144,183
Surplus/(deficit) for the year	-	-	3,248	1,447	4,695
Impairments	-	(4,012)	-	-	(4,012)
Revaluations	-	14,031	-	-	14,031
Public dividend capital received	42	-	-	-	42
Other reserve movements	-	(1,562)	1,828	(266)	-
Taxpayers' and others' equity at 31 March 2015	82,943	54,168	19,138	2,689	158,939

Consolidated Statement of Changes in Taxpayers' Equity for the year ended 31 March 2014

Group	Public Dividend Capital £000	Revaluation reserve £000	Income and Expenditure reserve £000	NHS Charitable Funds reserves £000	Total £000
Taxpayers' and others' equity at 1 April 2013	81,701	47,439	11,059	1,521	141,720
Surplus/(deficit) for the year	-	-	647	296	943
Transfers by absorption:gains/(losses) on 1 April transfers	-	-	346	-	346
Transfers by absorption: transfers between reserves	-	1	(1)	-	-
Revaluations	-	(27)	-	-	(27)
Public dividend capital received	1,200	-	-	-	1,200
Other reserve movements	-	(1,702)	2,011	(309)	-
Taxpayers' and others' equity at 31 March 2014	82,901	45,711	14,062	1,508	144,182

In 2013/2014 the Trust received assets of £346k by transfer by absorption from the former Stockport and Tameside and Glossop Primary Care Trusts

Trust Statement of Changes in Taxpayers' Equity for the year ended 31 March 2015

Trust	Public Dividend Capital £000	Revaluation reserve £000	Income and Expenditure reserve £000	Total £000
Taxpayers' and others' equity at 1 April 2014 - brought forward	82,901	45,711	14,062	142,674
Surplus/(deficit) for the year	-	-	3,694	3,694
Impairments	-	(4,012)	-	(4,012)
Revaluations	-	14,031	-	14,031
Public dividend capital received	42	-	-	42
Other reserve movements	-	(1,562)	1,562	-
Taxpayers' and others' equity at 31 March 2015	82,943	54,168	19,318	156,429

Trust Statement of Changes in Taxpayers' Equity for the year ended 31 March 2014

Trust	Public Dividend Capital £000	Revaluation reserve £000	Income and Expenditure reserve £000	Total £000
Taxpayers' and others' equity at 1 April 2013 - brought forward	81,701	47,439	11,059	140,199
Surplus/(deficit) for the year	-	-	956	956
Transfers by absorption: gains/(losses) on 1 April transfers	-	-	346	346
Transfers by absorption: transfers between reserves	-	1	(1)	-
Revaluations	-	(27)	-	(27)
Public dividend capital received	1,200	-	-	1,200
Other reserve movements	-	(1,702)	1,702	-
Taxpayers' and others' equity at 31 March 2014	82,901	45,711	14,062	142,674

Information on reserves

HS Charitable Funds Reserves

This balance represents the ring-fenced funds held by the NHS charitable funds consolidated within these Accounts. These reserves are classified as restricted or unrestricted.

Public Dividend Capital

Public Dividend Capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS trust. Additional PDC may also be issued to NHS foundation trusts by the Department of Health. A charge, reflecting the cost of capital utilised by the NHS foundation 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 – Trust

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

Income and Expenditure Reserve – Group

The balance of this reserve is the accumulated surpluses and deficits of Stockport NHS Foundation Trust and its subsidiary, Stepping Hill Healthcare Enterprise Ltd, which are consolidated into these Accounts with the Trust.

Group and Foundation Trust Statement of Cash Flows at 31st March 2015

Cashflow	Note	Group		Trust	
		2014/15 £000	2013/14 £000	2014/15 £000	2013/14 £000
Cash flows from operating activities					
Operating surplus		8,767	4,896	7,936	4,973
Non-cash income and expense:					
Depreciation and amortisation	5.1	7,759	7,389	7,759	7,389
Impairments and reversals of impairments	6	(3,826)	11	(3,826)	11
(Gain) on disposal of non-current assets	4	(11)	(30)	(11)	(30)
(Increase)/decrease in receivables and other assets		(1,546)	(2,390)	(3,131)	(2,446)
(Increase)/decrease in inventories		(43)	44	179	44
Increase/(decrease) in payables and other liabilities		3,091	(1,915)	4,099	(1,915)
Increase/(decrease) in provisions		(398)	20	(398)	20
NHS charitable funds - net movements in working capital, non-cash transactions and non-operating cash flows		(1,011)	(2)	-	-
Other movements in operating cash flows		-	-	-	(2)
Net cash generated from operating activities		12,782	8,023	12,606	8,044
Cash flows from investing activities					
Interest received		125	170	125	170
Purchase of intangible assets		(472)	(537)	(472)	(537)
Purchase of property, plant, equipment and investment property		(9,001)	(7,736)	(9,001)	(7,736)
Sales of property, plant, equipment and investment property		11	30	11	30
Investing cash flows of NHS charitable funds		54	54	-	-
Net cash generated (used in) investing activities		(9,283)	(8,019)	(9,337)	(8,073)
Cash flows from financing activities					
Public dividend capital received		42	1,200	42	1,200
Movement on loans from the Independent Trust Financing Facility		(1,071)	(1,071)	(1,071)	(1,071)
Capital element of finance lease rental payments		(25)	(59)	(25)	(59)
Interest paid on PFI and other service concession obligations		(15)	(17)	(15)	(17)
Other interest paid		(800)	(847)	(800)	(847)
PDC dividend paid		(3,352)	(3,141)	(3,352)	(3,141)
Net cash generated (used in) financing activities		(5,221)	(3,935)	(5,221)	(3,935)
Increase/(decrease) in cash and cash equivalents		(1,722)	(3,931)	(1,952)	(3,964)
Cash and cash equivalents at 1 April 2014		47,392	51,322	46,559	50,523
Cash and cash equivalents at 31 March 2015	24	45,669	47,392	44,607	46,559

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES AND OTHER INFORMATION

Monitor has directed that the financial statements of NHS Foundation Trusts shall meet the accounting requirements of the NHS Foundation Trust Annual Reporting Manual (FT ARM) which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the 2014/2015 NHS Foundation Trust Annual Reporting Manual issued by Monitor. The accounting policies contained in that manual follow International Financial Reporting Standards and HM Treasury's Financial Reporting Manual to the extent that they are meaningful and appropriate to NHS Foundation Trusts. The accounting policies have been applied consistently in dealing with items considered material in relation to the accounts.

Accounting Convention

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

Relevant International Finance Reporting Standards

Listed below are the extant International Accounting Standards adopted in the preparation of these accounts in so far as they are applicable to the Foundation Trust:

International Financial Reporting Standards (IFRS)

- IFRS 3 Revised Business Combinations
- IFRS 5 Non-Current Assets held for sale and discontinued operations
- IFRS 7 Financial Instruments Disclosures
- IFRS 8 Operating Segments
- IFRS 10 Consolidated Financial Statements
- IFRS 11 Joint Arrangements
- IFRS 12 Disclosure of Interests in Other Entities

International Accounting Standards (IAS)

- IAS 1 Presentation of Financial Statements
- IAS 2 Inventories
- IAS 9 Statement of Cash Flows
- IAS 8 Accounting policies, changes in accounting estimates and errors
- IAS 10 Events after the reporting period
- IAS 12 Income taxes
- IAS 16 Property, plant and equipment
- IAS 17 Leases
- IAS 18 Revenue
- IAS 19 Employee benefits
- IAS 20 Accounting for Government grants and disclosures of Government assistance
- IAS 21 The effects of changes in foreign exchange rates
- IAS 23 Borrowing costs
- IAS 24 Related party disclosures
- IAS 27 Separate financial statements
- IAS 28 Investments in Associates
- IAS 31 Interests in Joint Ventures
- IAS 32 Financial instruments: Presentation
- IAS 36 Impairment of assets
- IAS 37 Provisions, contingent liabilities and contingent assets

IAS 38 Intangible Assets

IAS 39 Financial Instruments: Recognition and measurements

IAS 40 Investment Property

IAS 39 Financial Instruments: Recognition and measurements

IAS 40 Investment Property

IFRIC Interpretations

IFRIC 1 Changes in Existing Decommissioning, Restoration and Similar Liabilities

IFRIC 4 Determining whether an arrangement contains a lease

IFRIC 9 Reassessment of Embedded Derivatives

IFRIC12 Service concession arrangements

IFRIC14 IAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction

SIC Interpretations

SIC 12 Consolidation – Special Purpose Entities

SIC 13 Jointly Controlled Entities – Non-Monetary Contributions by Venturers

SIC 15 Operating Leases – Incentives

SIC 27 Evaluating the Substance of Transactions Involving the Form of a Lease

SIC 29 Disclosure – Service Concession Arrangements

SIC 31 Revenue – Barter Transactions Involving Advertising Services

SIC 32 Intangible Assets – Web Site Costs

Acquisitions and discontinued operations

Activities are considered to be ‘acquired’ only if they are taken on from outside the public sector where they are accounted for in accordance with IFRS 3. Activities are considered to be ‘discontinued’ only if they cease entirely. They are not considered to be ‘discontinued’ if they transfer from one public sector body to another.

Going concern

These accounts have been prepared on a going concern basis.

Note 1.1 Consolidation

Stockport NHS Foundation Trust Charitable Funds

The Trust is the Corporate Trustee to Stockport NHS Charitable Fund (Charity Commission Registered Number 1048661). The Trust has assessed its relationship to the charitable fund and determined it to be a subsidiary because the foundation trust is exposed to, or has rights to, variable returns and other benefits for itself, patients and staff from its involvement with the charitable fund and has the ability to affect those returns and other benefits through its power over the fund.

The charitable fund’s statutory accounts are prepared to 31 March in accordance with the UK Charities Statement of Recommended Practice (SORP) which is based on UK Generally Accepted Accounting Principles (UK GAAP). On consolidation, necessary adjustments are made to the charity’s assets, liabilities and transactions to:

- Recognize and measure them in accordance with the foundation trust’s accounting policies; and
- Eliminate intra-group transactions, balances, gains and losses.

Other subsidiaries

Subsidiary entities are those over which the trust is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The income, expenses, assets, liabilities, equity and reserves of subsidiaries are consolidated in full into

the appropriate financial statement lines.

Stepping Hill Healthcare Enterprises Limited (trading as The Pharmacy Shop)

A Limited Company "Stepping Hill Enterprises Limited" was incorporated on the 16th September 2014. Its principal activities are to dispense drugs to the outpatients of Stockport NHS Foundation Trust through the Pharmacy Shop. The Company is wholly owned by Stockport NHS Foundation Trust and became fully operational on the 1st November 2014.

The subsidiary is not required to prepare a set of accounts until 2015/2016 (but the figures to be consolidated have been subjected to examination as part of the audit of the group statements). The results have been fully consolidated in the financial statements in 2014/2015 as the first five months trading are considered to meet the criteria for both rights to affect the returns of the Company as the sole dividend holder and on the grounds of materiality.

Note 1.2 Income

Income in respect of services provided is recognised when, and to the extent that, performance occurs and is measured at the fair value of the consideration receivable. The main source of income for the Trust is contracts with commissioners in respect of healthcare services.

The Trust is entitled to recognise income for partially completed spells of activity at the 31st March 2015. As the individual National Tariff price and procedure code is not known for partially completed spells the Trust has based its calculation of such income based on the average length of stay and the cumulative activity. In 2014/15 partially completed spell activity is not material for inclusion in the financial results of the Trust. The principle to not include partially completed spells activity is agreed with the Trust's lead Commissioner, Stockport CCG as part of the income and expenditure agreement of balances exercise. These principles are reviewed on an annual basis.

Non-Contract Activity

The timing of year end processes precludes determining the final figure for non-contracted activity in February and March of the financial year. The year end figures are based on estimates which may be different to the final year end outturn for the year. Stockport NHS Foundation Trust includes a general non-provider specific 'provision' for non-contracted activity.

Where income is received for a specific activity which is to be delivered in future financial years, that income is deferred.

The Trust receives income under the NHS Injury Cost Recovery Scheme, designed to reclaim the cost of treating individuals to whom personal injury compensation has subsequently been paid e.g by an insurer. The Trust recognises the income when it receives notification from the Department of Work and Pension's Compensation Recovery Unit that the individual has lodged a compensation claim. The income is measured at the agreed tariff for the treatments provided to the injured individual, less a provision for unsuccessful compensations claims and bad debts.

Income from the sales of goods and services is recognised after deduction of any price reductions, quantity discounts or cash discounts. Sales are recognised in the income statement in the year in which the risks and rewards of ownership related to the goods have passed to the customer or in which the service is rendered, and the amounts can be reliably measured and are expected to be recovered.

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.

Note 1.3 Expenditure on employee benefits

Short-term Employee Benefits

Salaries, wages and employment related payments are recognised in the period in which the service is received from employees. The Trust is entitled to recognise in the financial statements the cost of annual leave entitlement earned but not taken by employees at the end of the period to the extent that employees are permitted to carry-forward leave into the following period. The Trust will assess the movement in carry forward annual leave at the end of each financial year for materiality for inclusion in the financial statements. This principle will be reviewed on an annual basis.

Pension Costs

NHS Pension Scheme

Past and present employees are covered by the provisions of the NHS Pension Scheme. Details of the benefits payable under these provisions can be found on the NHS pensions website at www.nhsba.nhs.uk/pensions. The scheme is an unfunded, defined benefit scheme that covers NHS employers, general practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme liabilities; therefore, the scheme is accounted for as a defined contribution scheme. The cost to the NHS body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

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 the scheme liability is carried out annually by the scheme actuary as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and are accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2015, is based on valuation data as 31 March 2014, updated to 31 March 2015 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used

The latest assessment of the liabilities of the scheme is contained in the scheme actuary report, which forms part of the annual NHS Pension Scheme (England and Wales) Pension Accounts, published annually. These accounts can be viewed on the NHS Pensions website. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the scheme (taking into account its recent demographic experience), and to recommend the contribution rates. The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2012. The Scheme Regulations allow contribution rates to be set by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and appropriate employee and employer representatives as deemed appropriate.

c) Scheme provisions

The NHS Pension Scheme provided defined benefits, which are summarised below. This list is an illustrative guide only, and is not intended to detail all the benefits provided by the Scheme or the specific conditions that must be met before these benefits can be obtained:

The Scheme is a “final salary” scheme. Annual pensions are normally based on 1/80th for the 1995 section and of the best of the last three years pensionable pay for each year of service, and 1/60th for the 2008 section of reckonable pay per year of membership. Members who are practitioners as defined by the Scheme Regulations have their annual pensions based upon total pensionable earnings over the relevant pensionable service.

With effect from 1 April 2008 members can choose to give up some of their annual pension for an additional tax free lump sum, up to a maximum amount permitted under HMRC rules. This new provision is known as “pension commutation”.

Annual increases are applied to pension payments at rates defined by the Pensions (Increase) Act 1971, and are based on changes in retail prices in the twelve months ending 30 September in the previous calendar year. From 2011-12 the Consumer Price Index (CPI) has been used and replaced the Retail Prices Index (RPI).

Early payment of a pension, with enhancement, is available to members of the scheme who are permanently incapable of fulfilling their duties effectively through illness or infirmity. A death gratuity of twice final year’s pensionable pay for death in service, and five times their annual pension for death after retirement is payable. For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to the employer.

Members can purchase additional service in the NHS Scheme and contribute to money purchase AVC’s run by the Scheme’s approved providers or by other Free Standing Additional Voluntary Contributions (FSAVC) providers. Employers pension cost contributions are charged to operating expenses as and when they become due.

Note 1.4 Expenditure on other goods and services

Expenditure on goods and services is recognised when, and to the extent that they have been received, and is measured at the fair value of those goods and services. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment.

Note 1.5 Property, Plant and Equipment

Recognition

Property, plant and equipment is capitalised where:

- it is held for use in delivering services or for administrative purposes;
- it is probable that future economic benefits will flow to, or service potential be provided to, the Trust;
- it is expected to be used for more than one financial year; and
- the cost of the item can be measured reliably.

Capitalisation

Property, plant and equipment is capitalised if it:

- individually has a cost of at least £5,000; or
- forms a group of assets which individually have a cost of more than £250, collectively have a cost

of at least £5,000, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or

- forms part of the initial equipping and setting-up cost of a new building or refurbishment of unit irrespective of their individual or collective cost.

Where a large asset, for example a building, includes a number of components with significantly different asset lives e.g. plant and equipment, then these components are treated as separate assets and depreciated over their own useful economic lives.

Measurement

Valuation

All property, plant and equipment are measured initially at cost, representing the costs directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management.

All assets are measured subsequently at fair value. The carrying value of property, plant and equipment are reviewed for impairment annually if events or changes in circumstances indicate the carrying value may not be recoverable. Land and buildings used for the Trust's services or for administrative purposes are stated in the Statement of Financial Position at their revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses.

Revaluations are performed fully every five years with an interim valuation at three years to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period. All land and buildings are restated to current value using professional valuations in accordance with IAS 16 every five years. A three yearly interim valuation is also carried out. Fair values are determined as follows:

- Land and Buildings - market value for existing use
- Specialised buildings - depreciated replacement cost

The depreciated replacement cost of specialised buildings has been valued on a modern equivalent asset basis. Valuations are carried out by the District Valuer, who is external to the Trust, and in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual. The last full land and building asset valuation, using the modern equivalent asset methodology, was undertaken as at the 31st March 2015 as part of the Trust's year end and to comply with HM Treasury requirements.

Assets in the course of construction for service or administration purposes are valued 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 valued by professional valuers on the next occasion when all assets of that class are revalued unless there is an indication that initial cost is less than fair value.

Fixtures and equipment are valued at depreciated historical cost as this is not considered to be materially different from fair value. Equipment surplus to requirements is valued at net recoverable amount.

Subsequent expenditure

Subsequent expenditure relating to an item of property, plant and equipment is recognised as an increase in the carrying amount of the asset when it is probable that 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 classified as 'Held for Sale' ceases to be depreciated upon the reclassification. Assets in the course of construction and residual interests in off-Statement of Financial Position PFI contract assets are not depreciated until the asset is brought into use or reverts to the Trust, respectively.

Depreciation is charged using the straight life method.

Buildings and fittings are depreciated on their current value over the estimated life of the asset as assessed by the NHS Foundation Trust's Professional Valuers.

Plant and Equipment are depreciated evenly over the estimated life of the asset, as follows:

Medical equipment, engineering plant and equipment	5 to 15 years
Transport equipment	7 years
Office and Information technology equipment	5 years
Furniture & fittings	10 years
Soft Furnishings	7 years
Set up costs in new buildings	10 years

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 FT ARM, impairments that arise from a clear consumption of economic benefits or 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 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 income to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to 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. Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of 'other comprehensive income.'

De-recognition

Assets intended for disposal are reclassified as 'Held for Sale' once all of the following criteria are met:

- the asset is available for immediate sale in its present condition subject only to terms which are usual and customary for such sales;
- the sale must be highly probable i.e. :
 - management are committed to a plan to sell the asset;
 - an active programme has begun to find a buyer and complete the sale;
 - the asset is being actively marketed at a reasonable price;
 - the sale is expected to be completed within 12 months of the date of classification as 'Held for Sale'; and
- the actions needed to complete the plan indicate it is unlikely that the plan will be dropped or significant changes made to it.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less 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.

Donated, government grant and other 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.

Service Concessions / Private Finance Initiative (PFI) transactions

Property transactions which meet the IFRIC 12 definition of a service concession, as interpreted in HM Treasury's FReM, are accounted for as 'On-Statement of Financial Position' by the Trust. In accordance with IAS 17, the underlying assets are recognized as property, plant and equipment at their fair value, together with an equivalent finance lease liability. Subsequently, the assets are accounted for as property, plant and equipment and/or intangible assets as appropriate. The annual contract payments are apportioned between the repayment of the liability, a finance cost and the charges for the services. The service charge is recognised in operating expenses and the finance cost is charged to Finance Costs in the Statement of Comprehensive Income.

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
Land	-	-
Buildings, excluding dwellings	3	55
Dwellings	20	40
Assets under construction	-	-
Plant & machinery	5	15
Transport equipment	7	7
Information technology	5	8
Furniture & fittings	7	10

Finance-leased assets (including land) are depreciated over the shorter of the useful economic life or the lease term, unless the FT 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 1.6 Intangible assets

Recognition

Intangible assets are non-monetary assets without physical substance which are capable of being sold separately from the rest of the trust's business or which arise from contractual or other legal rights. They are recognised only where it is probable that future economic benefits will flow to, or service 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, customers 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 e.g. 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 e.g. an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware e.g. application software is capitalised as an intangible asset.

Measurement

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management. Subsequently, intangible assets are measured at fair value. Revaluation gains and losses and impairments are treated in the same manner as for Property, Plant and Equipment. 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.

Useful economic life of intangible assets

Useful economic lives reflect the total life of an asset and not the remaining life of an asset. The range of useful economic lives are shown in the table below:

	Min life Years	Max life Years
Intangible assets - purchased		
Software	5	5
Licences & trademarks	5	5

Note 1.7 Revenue government and other grants

Government grants are grants from Government bodies other than income from commissioners or NHS Trusts for the provision of services. Where a grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure.

Note 1.8 Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured using the First In First Out (FIFO) method.

Note 1.9 Financial instruments and financial liabilities

Recognition

Financial assets and financial liabilities which arise from contracts for the sale or purchase 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 i.e. when receipt or delivery of the goods or services is made. Regular way purchases or sales are recognised and de-recognised, as applicable, using the trade date. All other financial assets or liabilities are recognised when the Trust becomes a party to the contractual provisions of the instrument.

De-recognition

All financial assets are de-recognised when the rights to receive cash flows from the assets have expired or the Trust has transferred substantially all of the risks and rewards of ownership. Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

Classification and measurement

Financial assets are categorized as loans and receivables.

Financial liabilities are classified as other financial liabilities.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. They are included in current assets. The Trust's loans and receivables comprise: current investments, cash and cash equivalents, trade receivables, accrued income and other receivables.

Loans and receivables are recognised initially at fair value, net of transaction costs, and are measured subsequently at amortised cost, using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash receipts through the expected life of the financial asset or, when appropriate, a shorter period, to the 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.

Cash and cash equivalents

Cash, bank and overdraft balances are recorded at the current values of these balances in the Trust's cash book. Account balances are only set off where a formal agreement has been made with the bank to do so. Interest earned on bank accounts is recorded as interest receivable in the periods to which it relates. Bank charges are recorded as operating expenditure in the periods to which they relate.

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 three 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.

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 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.

The Trust's financial liabilities include trade creditors, accruals and other creditors. They are included in current liabilities except for amounts payable more than 12 months after the Statement of Financial Position date, which are classified as long-term liabilities. Interest on financial liabilities carried at amortised cost is calculated using the effective interest method and charged to Finance Costs. Interest on financial liabilities taken out to finance property, plant and equipment or intangible assets is not capitalised as part of the cost of those assets.

Determination of fair value

For financial assets and financial liabilities carried at fair value, the carrying amounts are determined from quoted market prices and discounted cash flow analysis as appropriate to the financial asset or liability. Where cashflows are discounted this is at the Treasury discount rate of 2.2% except for finance leases and on-Statement of Financial Position PFI or service concession transactions, which use the interest rate implicit in the agreement.

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, in the case of trade receivables, the carrying amount of the asset is reduced directly or through the use of a provision for irrecoverable debts.

The carrying value of financial assets is recognised directly where it is acknowledged that all available avenues to recover the asset's full value have been exhausted. A provision for impairment of receivables is utilised where the likelihood of full recovery is probable but not yet fully approved to write down directly.

Note 1.10 Leases

Finance Leases

Where substantially all risks and rewards of ownership of a leased asset are borne by the NHS Foundation Trust, the asset is recorded as property, plant and equipment and a corresponding liability is recorded. The value at which both are recognised is the lower of the fair value of the asset or the present value of the minimum lease payments, discounted using the interest rate implicit in the lease. The asset and liability are recognised at the commencement of the lease. Thereafter the asset is accounted for as an item of property, plant and equipment.

The annual rental is split between the repayment of the liability and a finance cost so as to achieve a constant rate of finance over the life of the lease. The annual finance cost is charged to Finance costs in

the Statement of Comprehensive Income. The lease liability, is de-recognised when the liability is discharged, cancelled or expires.

Operating Leases

Other leases are regarded as operating leases and the rentals are charged to operating expenses on a straight-line basis over the term of the lease. Operating lease incentives received are added to the lease rentals and charged to operating expenses over the life of the lease.

Lease 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 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

The NHS Litigation Authority (NHSLA) operates a risk pooling scheme under which the NHS Foundation Trust pays an annual contribution to the NHSLA which, in return, settles all clinical negligence claims. Although the NHSLA is administratively responsible for all clinical negligence cases, the legal liability remains with the NHS Foundation Trust. The total value of clinical negligence provisions carried by the NHSLA on behalf of the NHS Foundation Trust is disclosed at note 27.1 but is not recognised in the Trust's Accounts.

Non-clinical risk pooling

The NHS Foundation Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the Trust pays an annual contribution to the NHS Litigation Authority 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 1.12 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 28 where an inflow of economic benefits is probable.

Contingent liabilities are not recognised but are disclosed in note 28 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 amounts of the obligation cannot be measured with sufficient reliability.

Note 1.13 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 the establishment of the original NHS Trust. HM Treasury has determined that

PDC is not a financial instrument within the meaning of IAS 32.

A charge, reflecting the forecast cost of capital utilised by the NHS Foundation Trust, is payable as Public Dividend Capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the NHS Foundation 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 (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 1.14 Value Added Tax

Most of the activities of the NHS Foundation 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 1.15 Corporation Tax

Health Service bodies, including Foundation Trusts, are exempt from taxation on their principal healthcare income under section 519A ICTA 1988. The Government introduced legislation in section 148 of the Finance Act 2004 to ensure that significant commercial non-core healthcare activities of NHS Foundation Trusts are taxable. Accordingly, the Trust is potentially within the scope of Corporation Tax in respect of its activities which are not related to, or are ancillary to, the provision of healthcare, and where the profits there from exceed £50,000 per annum.

HMRC have been in consultation on the implementation of a corporation tax regime for Foundation Trusts and it has been announced that Ministers have decided to defer the planned implementation of legislation. As a result there is no tax liability arising for Stockport NHS Foundation Trust in respect of the current financial year 2014-2015 relating to its provision of healthcare services. The Trust may incur corporation tax through its wholly owned subsidiary 'Stepping Hill Healthcare Enterprises Limited but has assessed that there will be no liability in 2014/2015.

Note 1.16 Foreign Exchange

The functional and presentational currencies of the Trust are sterling.

A transaction which is denominated in a foreign currency is translated into the functional currency at the spot exchange rate on the date of the transaction.

Where the Trust has assets or liabilities denominated in a foreign currency at the Statement of Financial Position date:

- monetary items (other than financial instruments measured at 'fair value through income and expenditure') are translated at the spot exchange rate on 31 March;
- non-monetary assets and liabilities measured at historical cost are translated using the spot exchange rate at the date of the transaction; and
- non-monetary assets and liabilities measured at fair value are translated using the spot exchange rate at the date the fair value was determined.

Exchange gains or losses on monetary items (arising on settlement of the transaction or on re-translation

of the Statement of Financial Position date) are recognised in income or expense in the period in which they arise.

Exchange gains or losses on non-monetary assets and liabilities are recognised in the same manner as other gains and losses on these items.

Note 1.17 Third Party Assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since Stockport NHS Foundation Trust has no beneficial interest in them. However, they are disclosed in a separate note to the accounts in accordance with the requirements HM Treasury's Financial Reporting Manual.

Note 1.18 Losses and special payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had NHS Foundation Trusts not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure). However the losses and special payments note is compiled directly from the losses and 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 early adopted in 2014/15.

Note 1.21 Standards, amendments and interpretations in issue but not yet effective or adopted

As required by IAS 8 the Trust can disclose that the following accounting standards, amendments and interpretations have been issued but are not yet effective or adopted by the public sector.

Change published

IFRS 9 Financial Instruments

IFRS 13 Fair Value Measurement

IAS 36 (amendment) – recoverable amount disclosures

IAS 19 (amendment) – employer contributions to defined benefits schemes

IFRS 21 Levies

Annual Improvements 2012

Annual Improvements 2013

Note 1.22 Critical accounting estimates and judgements

In the application of the Trust's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates. Underlying assumptions and estimates are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The most significant areas where judgements and estimates are made are as follows capital expenditure, provisions, accruals, revaluations and revenue. Specifically estimates and judgements are made in the following areas:

- The Provision for Restructurings includes estimated costs associated with the workforce elements of the Trust's future plans; in light of the ongoing challenging financial environment. This includes the provision for the Mutually Agreed Voluntary Resignation Scheme (MARS). The actual costs will depend upon uptake to the Scheme, value for money and ability to flex the staffing profile.
- The timing of year end processes precludes determining the final figure for non-contracted activity in February and March of the financial year. The year end figures are based on estimates which may be different to the final year end outturn for the year. Stockport NHS Foundation Trust includes a general non-provider specific 'provision' for non-contracted activity.

The Trust uses the District Valuer service to provide revalued amounts for its Trust, building and dwellings. These valuations are in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual.

Note 2 Operating Segments

In line with IFRS 8 on Operating Segments, the Board of Directors, as Chief Operating Decision Maker, have assessed that the Trust continues to report its Annual Accounts on the basis that it operates as a single entity in the healthcare segment only. The accompanying financial statements have consequently been prepared under one single operating segment. This decision was ratified by the Board in April 2015.

All of the Foundation Trust's activities are in the provision of healthcare, which is an aggregate of all the individual specialty components included therein, and the very large majority of the healthcare services provided occur at the one geographical main site. Similarly, the large majority of the Foundation Trust's revenue originates with the UK Government. The majority of expenses incurred are payroll expenditure on staff involved in the production or support of healthcare activities generally across the Trust together with the related supplies and overheads needed to establish this production. The business activities which earn revenue and incur expenses are therefore of one broad combined nature and therefore on this basis one segment of 'Healthcare' is deemed appropriate.

The operating results of the Foundation Trust are reviewed monthly by the Trust's Chief Operating Decision Maker which is the overall Foundation Trust Board and which includes senior professional non-executive directors. The Board of Directors review the financial position of the Foundation Trust as a whole in their decision making process, rather than individual components included in the totals, in terms of allocating resources. This process again implies a single operating segment under IFRS 8.

The finance report considered monthly by the Board of Directors contains summary figures for the whole Trust together with graphical line and bar charts relating to different total income activity levels, and expenditure budgets with the overall cost improvement position. Likewise only total Statement of Financial positions, cashflow forecasts, Monitor Risk ratings and performance against the capital programme are considered for the whole Foundation Trust. The Board as Chief Operating Decision Maker therefore only considers one segment of healthcare in its decision-making process.

The position on segmental reporting has been reviewed by the Board of Directors in April 2015 and the Trust's view remains unchanged. The Board as Chief Operating Decision Maker does not receive separate information routinely as described within IFRS 8 Operating Segments for any of its internal business groups and continues with its integrated business group structures with services aligned across all the business groups.

In consolidating the charitable funds the Trust has considered the level of its charitable funds and has considered them immaterial to report as a separate operating segment as the charitable funds revenue are not 10% or more of the combined assets of all operating segments.

In consolidating the financial results of the Stepping Hill Healthcare Enterprises Limited Company, the Trust considers that the provision of an outpatient dispensing service to patients still falls under the healthcare operating segment. In addition, its revenue streams are also not 10% or more than all the combined assets of all operating segments.

Note 3 Operating Income from Patient Care Activities

Note 3.1 Income from patient care activities (by nature)

	Foundation Trust and Group	
	2014/15 £000	2013/14 £000
Acute services		
Elective income	42,638	41,767
Non elective income	63,930	63,053
Outpatient income	31,422	32,243
A & E income	9,954	9,279
Other NHS clinical income	58,659	56,084
Community services		
Community services income from CCGs and NHS England	53,566	53,135
Community services income from other commissioners	7,644	7,189
All services		
Private patient income	145	99
Other clinical income	937	1,387
Total income from activities	268,895	264,236

Note 3.2 Income from patient care activities (by source)

Income from patient care activities received from:	Foundation Trust and Group	
	2014/15 £000	2013/14 £000
CCGs and NHS England	258,849	254,053
Local authorities	8,237	8,247
Other NHS foundation trusts	562	302
NHS trusts	81	36
NHS other	84	112
Non-NHS: private patients	145	99
Non-NHS: overseas patients (chargeable to patient)	58	60
NHS injury scheme (was RTA)	820	1,249
Non NHS: other	59	78
Total income from activities	268,895	264,236
Of which:		
Related to continuing operations	268,895	264,236

The notes on Income by nature and source are Trust figures and are unaffected by Group numbers.

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 Services and Non Commissioner Requested Services. Commissioner requested services are defined in the provider licence and are services that commissioners believe would need to be protected in the event of provider event. This information is provided in the table below:

	2014/15 £000	2013/14 £000
Income from services designated (or grandfathered) as commissioner requested services	267,813	262,750
Income from services not designated as commissioner requested services	1,082	1,486
Total	268,895	264,236

Note 3.3 Overseas visitors (relating to patients charged directly by the NHS foundation trust)

Foundation Trust and Group	2014/15	2013/14	2014/15	2013/14
	£000	£000	£000	£000
Income recognised this year	58	60	58	60
Cash payments received in-year	40	17	40	17
Amounts added to provision for impairment of receivables	3	29	3	29
Amounts written off in-year	-	2	-	2

Note 4 Other operating income

	Group		Trust	
	2014/15 £000	2013/14 £000	2014/15 £000	2013/14 £000
Research and development	562	697	562	697
Education and training	8,465	8,375	8,465	8,375
Charitable and other contributions to expenditure	-	-	266	309
Profit on disposal of non-current assets	11	30	11	30
Reversal of impairments of property, plant and equipment	4,956	-	4,956	-
Stockport Pharmaceuticals and Quality Control	5,633	5,294	5,633	5,294
NHS Bodies	11,654	6,818	11,654	6,818
Non NHS Bodies	3,311	223	3,311	4,431
Rents and car parking income	1,453	1,208	1,453	1,208
Catering sales	390	393	390	393
Other operating income	147	6,238	1,586	2,030
Incoming resources received by NHS charitable fund	1,277	232	-	-
Stockport Healthcare Enterprises Ltd Income	1,037	-	-	-
Total other operating income	38,896	29,508	38,287	29,585
Of which:				
Related to continuing operations	38,896	29,508	38,287	29,585
Related to discontinued operations	-	-	-	-

For Group Accounts elimination adjustments have been made to remove Trust income received from its charitable fund for reimbursement of purchases and management fees. The consolidated numbers subsequently include income received by the Charity from donations, legacies and fundraising.

For Group Accounts elimination adjustments have been made to remove Trust income received from its Pharmacy Shop subsidiary for purchases of drugs and services charged by the Trust for use of its facilities. The consolidated numbers include income earned by the Pharmacy Shop on its outpatient dispensing service, prescription charges and retail income from the Pharmacy Shop itself.

Note 4.1 Profits and losses on disposal of property, plant and equipment

During 2014-2015 the Trust has recorded profit of £11,000 on the disposal of plant, equipment and vehicles (£30k in 2013/2014).

Note 5.0 Operating Expenses

Note 5.1 Operating expenses comprise

	Group		Trust	
	2014/15 £000	2013/14 £000	2014/15 £000	2013/14 £000
Services from NHS foundation trusts	3,341	2,882	3,341	2,882
Services from NHS trusts	380	808	380	808
Services from CCGs and NHS England	996	822	996	822
Services from other NHS bodies	125	-	125	-
Purchase of healthcare from non NHS bodies	4,322	2,945	4,322	2,945
Employee expenses - executive directors	878	812	878	812
Employee expenses - non-executive directors	148	134	148	134
Employee expenses - staff	210,371	204,363	210,371	204,363
Supplies and services - clinical	22,737	22,621	22,737	22,621
Supplies and services - general	3,261	3,599	3,261	3,599
Establishment	1,511	1,789	1,511	1,789
Research and development	483	684	483	684
Transport	1,509	1,530	1,509	1,530
Premises	9,201	10,479	9,201	10,479
Increase/(decrease) in provision for impairment of receivables	259	52	259	52
Increase/(decrease) in other provisions	580	344	580	344
Change in provisions discount rate(s)	110	108	110	108
Drug costs	1,084	1,351	1,084	1,351
Drugs Inventories consumed	15,408	12,728	15,630	12,728
Rentals under operating leases	3,616	4,063	3,616	4,063
Depreciation on property, plant and equipment	7,260	6,697	7,260	6,697
Amortisation on intangible assets	499	692	499	692
Impairments	1,130	11	1,130	11
Audit fees payable to the external auditor				
audit services- statutory audit	49	63	49	63
other auditor remuneration (external auditor only)	26	145	26	145
Clinical negligence	5,027	4,892	5,027	4,892
Legal fees	149	186	149	186
Consultancy costs	764	627	764	627
Training, courses and conferences	750	780	750	780
Patient travel	96	99	96	99
Car parking & security	174	169	174	169
Redundancy	-	131	-	131
Insurance	333	356	333	356
Other services, eg external payroll	109	104	109	104
Losses, ex gratia & special payments	49	42	49	42
Other	2,289	1,740	2,289	1,740
Total	299,024	288,848	299,246	288,848
Of which:				
Related to continuing operations	299,024	288,848	299,246	288,848
Related to discontinued operations	-	-	-	-

The consolidation of charitable fund numbers does not affect the operating expenses notes as resources expended by the Charity with Stockport NHS Foundation Trust are already reflected in the above numbers. The consolidation adjustment is, therefore, within the Charity Accounts expense note. The consolidation of Stepping Hill Healthcare Enterprises Limited affects the operating expenses note on the purchases of drugs consumed. Costs borne by the Pharmacy Shop and provided by the Trust are recorded under the same operating expense headings; thereby the consolidation adjustment having no impact against these categories.

Other operating expenses include the Radiology IT system costs, ultrasound scanning, quality control services, Care Quality Commission, AQUA and other subscription cost, FT membership costs, courier services and childcare voucher costs.

Note 5.2 Other auditor remuneration

	Foundation Trust and Group	
	2014/15	2013/14
	£000	£000
Audit of accounts of any associate of the Trust	11	10
Audit-related assurance services	-	21
All assurance services	15	10
Other non-audit services	-	104
Total	26	145

In 2014/2015 the Trust has changed its external auditor to Deloitte LLP. The above note reflects the prior year costs of the Trust's previous auditor, KPMG.

Note 5.3 Limitation on auditor's liability

There is no limitation on auditor's liability for audit work (in 2013/2014 liability was £5 million).

Note 6 Impairment of assets

	Foundation Trust and Group	
	2014/15	2013/14
	£000	£000
Net impairments charged to operating surplus resulting from:		
Changes in market price	(3,826)	11
Other	-	-
Total net impairments charged to operating surplus	(3,826)	11
Impairments charged to the revaluation reserve	4,012	-
Total net impairments	186	11

In 2014/2015 the Trust has undertaken a revaluation exercise of its land, buildings and dwellings in accordance with its accounting policy of revaluation. This exercise is a full five year revaluation and has been carried out by the District Valuer's Office. The above table reflects the net increase to the Trust and Group income and expenditure position of £3.8 million and the charge to the revaluation reserve of £4 million.

In the Statement of Comprehensive Income the increase in valuation in 2014/2015 has resulted in reversal to impairments for buildings of £4.9 million to operating income that were impaired in previous financial years. A charge to operating expenses of £1,130k reflects downward valuations of buildings for which there is no revaluation reserve balances; net impact being £3.826 million.

Note 7 Employee benefits

Staff Costs	Foundation Trust and Group			
	Permanent	Other	2014/15	2013/14
	£000	£000	Total £000	Total £000
Salaries and wages	161,286	9,168	170,454	166,559
Social security costs	10,819	-	10,819	10,947
Employer's contributions to NHS pensions	18,643	39	18,682	18,790
Termination benefits	-	-	-	1,113
Agency/contract staff	-	11,747	11,747	8,555
Total Staff costs	190,748	20,954	211,702	205,964
Employee Expenses - Staff	189,417	20,954	210,371	204,363
Employee Expenses - Executive Directors	878	-	878	812
Research & Development	453	-	453	658
Redundancy (charged to expenses in year)	-	-	-	131
Total	190,748	20,954	211,702	205,964

Compulsory redundancies paid in 2014/2015 have been charged to the Redundancy provision (see note 27).

Note 7.1 Average number of employees (WTE basis)

Staff Numbers	Foundation Trust and Group			
	Permanent	Other	2014/15	2013/14
	Number	Number	Total Number	Total Number
Medical and dental	403	-	403	406
Administration and estates	892	-	892	886
Healthcare assistants and other support staff	1,061	109	1,170	1,162
Nursing, midwifery and health visiting staff	1,850	49	1,899	1,887
Scientific, therapeutic and technical staff	749	-	749	753
Social care staff	-	-	-	-
Agency and contract staff	-	125	125	119
Total average numbers	4,955	283	5,238	5,213

Note 7.2 Retirements due to ill-health

During 2014/2015 there were 4 early retirements from the Trust agreed on the grounds of ill-health (9 in the year ended 31 March 2014). The estimated additional pension liabilities of these ill-health retirements is £242k (£547k in 2013/2014).

The cost of these ill-health retirements will be borne by the NHS Business Services Authority - Pensions Division.

Note 7.3 Reporting of compensation schemes - exit packages 2014/15

Foundation Trust and Group			
Exit package cost band (including any special payment element)	Number of compulsory redundancies Number	Number of other departures agreed Number	Total number of exit packages Number
<£10,000	2	4	6
£10,001 - £25,000	-	7	7
£25,001 - 50,000	-	6	6
£50,001 - £100,000	1	1	2
Total number of exit packages by type	3	18	21
Total resource cost	£74,000	£380,000	£454,000

Other departures' were under phases of the approved Mutually Agreed Resignation scheme.

Note 7.4 Reporting of compensation schemes - exit packages 2013/14

Foundation Trust and Group			
Exit package cost band (including any special payment element)	Number of compulsory redundancies Number	Number of other departures agreed Number	Total number of exit packages Number
<£10,000	-	8	8
£10,001 - £25,000	2	11	13
£25,001 - 50,000	3	6	9
£50,001 - £100,000	-	4	4
Total number of exit packages by type	5	29	34
Total resource cost	£141,507	£742,963	£884,470

Note 7.5 Exit packages: other (non-compulsory) departure payments

	Foundation Trust and Group			
	2014/15		2013/14	
	Payments agreed Number	Total value of agreements £000	Payments agreed Number	Total value of agreements £000
Mutually agreed resignations (MARS) contractual costs	18	380	28	723
Contractual payments in lieu of notice	-	-	1	20
Total	18	380	29	743

Note 7.6 Directors' remuneration

Amounts Payable to Directors	Group	
	2014/15	2013/14
	£000	£000
Salary	836	834
Employer's pension contributions	117	117
Total	953	951

Further details of directors' remuneration can be found in the remuneration report.

Note 8 Operating leases

Note 8.1 Stockport NHS Foundation Trust as a lessor

Stockport NHS Foundation Trust has no leasing arrangements as the lessor

Note 8.2 Stockport NHS Foundation Trust as a lessee	Foundation Trust and Group	
	2014/15	2013/14
	£000	£000
Operating lease expense		
Minimum lease payments	3,616	4,063
Total	3,616	4,063

Note 8.2.1 Arrangements containing an operating lease	Foundation Trust and Group			
	31 March 2015	31 March 2015	31 March 2015	31 March 2014
	Buildings	Other	Total	Total
	£000	£000	£000	£000
Future minimum lease payments due:				
- not later than one year;	3,437	136	3,573	4,063
- later than one year and not later than five years;	1,151	12	1,163	1,172
- later than five years.	127	-	127	127
Total	4,715	148	4,863	5,362

The Trust has leasing arrangements for its community buildings with NHS Property Services Ltd and Tameside CCG for community services provided in the Stockport and Tameside areas. These leases are held in line with current commissioning contracts. It also has a lease arrangement for the Swanbourne Gardens Childrens Respite building. This is due to expire in January 2023.

Note 9 Finance income

	Foundation Trust and Group	
	2014/15 £000	2013/14 £000
Interest on bank accounts	125	134
Investment income on NHS charitable funds financial assets	54	54
Total	179	188

Note 10 Finance expenditure

	Foundation Trust and Group	
	2014/15 £000	2013/14 £000
Interest expense:		
Loans from the Independent Trust Financing Facility	787	838
Main finance costs on PFI and LIFT schemes obligations	15	17
Total interest expense	802	855

Note 11 Corporation tax

The Trust has assessed the provisional financial results of its subsidiary, Stepping Hill Healthcare Enterprises Limited, and concluded that it has no Corporation tax liability for 2014/2015.

Note 12 Intangible assets - 2014/15

Foundation Trust and Group	Software licences £000	Other £000	Total £000
Valuation/gross cost at 1 April 2014 - brought forward	5,679	9	5,688
Additions	472	-	472
Reclassifications from PPE	499	-	499
Gross cost at 31 March 2015	6,650	9	6,659
Amortisation at 1 April 2014 - brought forward	4,332	-	4,332
Provided during the year	499	-	499
Impairments	(9)	9	-
Reclassifications	85	-	85
Amortisation at 31 March 2015	4,907	9	4,916
Net book value at 31 March 2015	1,743	-	1,743
Net book value at 1 April 2014	1,347	9	1,356

Note 12.1 Intangible assets - 2013/14

Foundation Trust and Group	Software licences £000	Other £000	Total £000
Valuation/gross cost at 1 April 2013 - as previously stated	4,676	20	4,696
Gross cost at 1 April 2013 - restated	4,676	20	4,696
Additions	537	-	537
Impairments	11	(11)	-
Reclassifications from PPE	455	-	455
Valuation/gross cost at 31 March 2014	5,679	9	5,688
Amortisation at 1 April 2013 - as previously stated	3,629	-	3,629
Prior period adjustments	-	-	-
Amortisation at 1 April 2013 - restated	3,629	-	3,629
Provided during the year	692	-	692
Impairments	11	-	11
Amortisation at 31 March 2014	4,332	-	4,332
Net book value at 31 March 2014	1,347	9	1,356
Net book value at 1 April 2013	1,047	20	1,067

Note 12.2 Intangible assets financing 2014/15

Foundation Trust and Group	Software licences £000	Other £000	Total £000
Net book value at 31 March 2015			
Purchased	1,743	-	1,743
NBV total at 31 March 2015	1,743	-	1,743

Group	Software licences £000	Other £000	Total £000
Net book value 31 March 2014			
Purchased	1,347	9	1,356
NBV total at 31 March 2014	1,347	9	1,356

Note 13.1 Property, plant and equipment - 2014/15

Group	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
Valuation/gross cost at 1 April 2014 - brought forward	18,891	98,725	1,634	2,082	36,326	531	13,308	1,812	173,309
Additions	-	2,314	-	4,284	1,929	10	545	9	9,091
Impairments	(1,505)	(2,507)	-	-	-	-	-	-	(4,012)
Reclassifications between intangibles and other PPE classes	-	464	-	(1,160)	649	-	(452)	-	(499)
Revaluations	-	10,470	355	-	-	-	-	-	10,825
Disposals / derecognition	-	-	-	-	(174)	(334)	-	-	(508)
Valuation/gross cost at 31 March 2015	17,386	109,466	1,989	5,206	38,730	207	13,401	1,821	188,206
Accumulated depreciation at 1 April 2014 - brought forward	-	3,413	48	-	25,934	447	9,011	1,718	40,571
Provided during the year	-	3,522	49	-	2,544	18	1,098	29	7,260
Impairments	-	1,130	-	-	-	-	-	-	1,130
Reversals of impairments	-	(4,894)	(62)	-	-	-	-	-	(4,956)
Reclassifications	-	-	-	-	(47)	-	(38)	-	(85)
Revaluations	-	(3,171)	(35)	-	-	-	-	-	(3,206)
Disposals/ derecognition	-	-	-	-	(174)	(334)	-	-	(508)
Accumulated depreciation at 31 March 2015	-	-	-	-	28,257	131	10,071	1,747	40,206
Net book value at 31 March 2015	17,386	109,466	1,989	5,206	10,473	76	3,330	74	148,000
Net book value at 1 April 2014	18,891	95,312	1,586	2,082	10,392	84	4,297	94	132,738

Note 13.2 Property, plant and equipment - 2013/14

Group	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
Valuation/gross cost at 1 April 2013 - as previously stated	18,891	95,812	1,697	1,453	33,666	474	10,858	1,653	164,504
Transfers by absorption	-	-	-	-	288	-	304	145	737
Additions - purchased/ leased/ grants/ donations	-	2,327	-	1,666	2,339	57	2,147	14	8,550
Reclassifications	-	550	-	(1,037)	33	-	(1)	-	(455)
Revaluations	-	36	(63)	-	-	-	-	-	(27)
Valuation/gross cost at 31 March 2014	18,891	98,725	1,634	2,082	36,326	531	13,308	1,812	173,309
Accumulated depreciation at 1 April 2013 - as previously stated	-	-	-	-	23,413	427	8,035	1,608	33,483
Prior period adjustments	-	-	-	-	-	-	-	-	-
Accumulated depreciation at 1 April 2013 - restated	-	-	-	-	23,413	427	8,035	1,608	33,483
Transfers by absorption	-	-	-	-	184	-	124	83	391
Provided during the year	-	3,413	48	-	2,337	20	852	27	6,697
Accumulated depreciation at 31 March 2014	-	3,413	48	-	25,934	447	9,011	1,718	40,571
Net book value at 31 March 2014	18,891	95,312	1,586	2,082	10,392	84	4,297	94	132,738
Net book value at 1 April 2013	18,891	95,812	1,697	1,453	10,253	47	2,823	45	131,021

Note 13.3 Property, plant and equipment financing - 2014/15

Group	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	NHS charitable fund assets £000	Total £000
Net book value at 31 March 2015										
Owned	17,386	107,788	1,989	5,206	10,379	76	3,330	74	-	146,228
On-SoFP PFI contracts and other service concession arrangements	-	930	-	-	-	-	-	-	-	930
Donated	-	748	-	-	94	-	-	-	-	842
NBV total at 31 March 2015	17,386	109,466	1,989	5,206	10,473	76	3,330	74	-	148,000

Note 13.4 Property, plant and equipment financing - 2013/14

Group	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	NHS charitable fund assets £000	Total £000
Net book value at 31 March 2014										
Owned	18,891	93,765	1,586	2,082	10,293	84	4,297	94	-	131,092
On-SoFP PFI contracts and other service concession arrangements	-	767	-	-	-	-	-	-	-	767
Donated	-	780	-	-	99	-	-	-	-	879
NBV total at 31 March 2014	18,891	95,312	1,586	2,082	10,392	84	4,297	94	-	132,738

Note 14.1 Property, plant and equipment - 2014/15

Trust	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under constructio n £000	Plant & machiner y £000	Transport equipmen t £000	Informatio n technology £000	Furnitur e & fittings £000	Total £000
Valuation/gross cost at 1 April 2014 - brought forward	18,891	98,725	1,634	2,082	36,326	531	13,308	1,812	173,309
Additions - purchased	-	2,314	-	4,284	1,909	10	545	9	9,071
Additions - donated	-	-	-	-	20	-	-	-	20
Impairments	(1,505)	(2,507)	-	-	-	-	-	-	(4,012)
Reclassifications between intangibles and other PPE classes	-	464	-	(1,160)	649	-	(452)	-	(499)
Revaluations	-	10,470	355	-	-	-	-	-	10,825
Disposals / derecognition	-	-	-	-	(174)	(334)	-	-	(508)
Valuation/gross cost at 31 March 2015	17,386	109,466	1,989	5,206	38,730	207	13,401	1,821	188,206
Accumulated depreciation at 1 April 2014 - brought forward	-	3,413	48	-	25,934	447	9,011	1,718	40,571
Provided during the year	-	3,522	49	-	2,544	18	1,098	29	7,260
Impairments	-	1,130	-	-	-	-	-	-	1,130
Reversals of impairments	-	(4,894)	(62)	-	-	-	-	-	(4,956)
Reclassifications	-	-	-	-	(47)	-	(38)	-	(85)
Revaluations	-	(3,171)	(35)	-	-	-	-	-	(3,206)
Disposals/ derecognition	-	-	-	-	(174)	(334)	-	-	(508)
Accumulated depreciation at 31 March 2015	-	-	-	-	28,257	131	10,071	1,747	40,206
Net book value at 31 March 2015	17,386	109,466	1,989	5,206	10,473	76	3,330	74	148,000
Net book value at 1 April 2014	18,891	95,312	1,586	2,082	10,392	84	4,297	94	132,738

Note 14.2 Property, plant and equipment - 2013/14

Trust	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
Valuation/gross cost at 1 April 2013 - as previously stated	18,891	95,812	1,697	1,453	33,666	474	10,858	1,653	164,504
Transfers by absorption	-	-	-	-	288	-	304	145	737
Additions - purchased/ leased/ grants/ donations	-	2,327	-	1,666	2,339	57	2,147	14	8,550
Reclassifications	-	550	-	(1,037)	33	-	(1)	-	(455)
Revaluations	-	36	(63)	-	-	-	-	-	(27)
Valuation/gross cost at 31 March 2014	18,891	98,725	1,634	2,082	36,326	531	13,308	1,812	173,309
Accumulated depreciation at 1 April 2013 - as previously stated	-	-	-	-	23,413	427	8,035	1,608	33,483
Prior period adjustments	-	-	-	-	-	-	-	-	-
Accumulated depreciation at 1 April 2013 - restated	-	-	-	-	23,413	427	8,035	1,608	33,483
Transfers by absorption	-	-	-	-	184	-	124	83	391
Provided during the year	-	3,413	48	-	2,337	20	852	27	6,697
Accumulated depreciation at 31 March 2014	-	3,413	48	-	25,934	447	9,011	1,718	40,571
Net book value at 31 March 2014	18,891	95,312	1,586	2,082	10,392	84	4,297	94	132,738
Net book value at 1 April 2013	18,891	95,812	1,697	1,453	10,253	47	2,823	45	131,021

Note 14.3 Property, plant and equipment financing - 2014/15

Trust	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
Net book value at 31 March 2015									-
Owned	17,386	107,788	1,989	5,206	10,379	76	3,330	74	146,228
On-SoFP PFI contracts and other service concession arrangements	-	930	-	-	-	-	-	-	930
Donated	-	748	-	-	94	-	-	-	842
NBV total at 31 March 2015	17,386	109,466	1,989	5,206	10,473	76	3,330	74	148,000

Note 14.4 Property, plant and equipment financing - 2013/14

Trust	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
Net book value at 31 March 2014									
Owned	18,891	93,765	1,586	2,082	10,293	84	4,297	94	131,092
On-SoFP PFI contracts and other service concession arrangements	-	767	-	-	-	-	-	-	767
Donated	-	780	-	-	99	-	-	-	879
NBV total at 31 March 2014	18,891	95,312	1,586	2,082	10,392	84	4,297	94	132,738

Note 15 Assets held at open market value

There were no assets held at open market value at the 31 March 2015.

Note 16 Revaluations of property, plant and equipment	Foundation Group	Trust and Group
	31 March 2015	Total
	£000	£000
At 1 April 2014	45,711	45,711
Revaluations	14,031	14,031
Impairment	(4,012)	(4,012)
Other reserve movements	(1,562)	(1,562)
At 31 March 2015	54,168	54,168
At 1 April 2013	47,439	47,439
Transfer by absorption - modified	1	1
Revaluations	(27)	(27)
Other reserve movements	(1,702)	(1,702)
At 31 March 2014	45,711	45,711

In 2014/2015 the Trust has released revaluation reserve balances to the Income and Expenditure reserve of £1,562k following the revaluation of the Trust land and buildings.

The above table presents the changes to the Trust's revaluation reserve for the changes to the valuations of the Trust's land and buildings where decreases have been met by existing revaluation reserve balances and increases have been credited to the reserve. The net impact on the revaluation reserve from the valuation exercise is £10 million.

Note 17 Movement in Public Dividend Capital

Public Dividend Capital	Foundation Group	Trust and Group
	31 March 2015	31 March 2014
	£000	£000
Public Dividend Capital as at 1 April 2014	82,901	81,701
New Public Dividend Capital	42	1,200
Public Dividend Capital as at 31 March 2015	82,943	82,901

In March 2015 the Trust received £42k in new Public Dividend Capital from the Integrated Digital Care Fund (in 2013-2014 it received £1.2 million for Energy Efficiency and Better Maternity Care).

Note 18 Public Dividend Capital Dividend

The Trust is required to pay a dividend to the Department of Health at a rate of 3.5% of forecast average relevant net assets. Average relevant assets are calculated as £100.5 million (£92.9 million in 2013/2014) giving a public dividend capital dividend of £3.5 million (£3.2 million in 2013-14).

Note 19 Investments - 2014/15

Group	Other investments	
	31 March 2015	31 March 2014
	£000	
Carrying value at 1 April 2014	1,225	1,215
Acquisitions in year	-	10,000
Movement in fair value	116	10
Disposals	-	(10,000)
Carrying value at 31 March 2015	1,340	1,225

In 2014/2015 the Trust had no activity in short term investments of cash surpluses following the changes to the calculation of PDC Dividend. Surplus cash is held within the Trust Government Bank Services Citibank account for interest receivable purposes.

For the Consolidated Group the Charity holds investments in fixed interest and equity common investment funds and a charitable funds deposits account. In 2014/2015 the Group reported £54,000 in interest receivable on these investments and a gain on valuation of £115,000 at the 31st March 2015.

Note 20 Inventories

	Group		Trust	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
	£000	£000	£000	£000
Drugs	657	544	435	544
Consumables	1,522	1,558	1,522	1,558
Energy	122	156	122	156
Total inventories	2,301	2,258	2,079	2,258

Inventories for the Group include £222k drugs for Stepping Hill Enterprises Healthcare Limited (the Pharmacy Shop).

Note 21 Trade receivables and other receivables

	Group		Trust	
	31 March 2015 £000	31 March 2014 £000	31 March 2015 £000	31 March 2014 £000
Current				
Trade receivables due from NHS bodies	4,496	4,172	4,496	4,172
Receivables due from NHS charities	-	-	590	552
Other receivables due from related parties	1,839	911	1,839	910
Provision for impaired receivables	(898)	(638)	(898)	(638)
Deposits and advances	-	-	-	-
Prepayments (non-PFI)	844	1,038	844	1,038
Interest receivable	10	10	10	10
PDC dividend receivable	-	13	-	13
VAT receivable	803	402	724	402
Other receivables	3,775	3,410	5,440	3,410
Trade and other receivables held by NHS charitable funds	1,051	-	-	-
Total current trade and other receivables	11,920	9,318	13,045	9,867
Non-current				
Provision for impaired receivables	(116)	(117)	(116)	(117)
Prepayments (non-PFI)	77	91	77	91
Other receivables	735	740	735	740
Total non-current trade and other receivables	696	714	696	714
Total	12,616	10,032	13,741	10,581

Consolidation adjustments within the Group have removed the £590k Trust Receivable from its charitable fund subsidiary to settle its grants expensed in 2014/2015.

Consolidation adjustment within the Group have removed intra group receivables between the Trust and its subsidiary Stepping Hill Healthcare Enterprise Limited. The Group Accounts include a £79k receivable due from HMRC to this subsidiary.

Within the Group Accounts the Charity is reporting a receivable of £1.051 million in relation to a legacy that is expected to be distributed shortly.

Note 21.1 Provision for impairment of receivables

	Group		Trust	
	2014/15 £000	2013/14 £000	2014/15 £000	2013/14 £000
At 1 April as previously stated	755	703	755	703
Increase in provision	315	139	315	139
Unused amounts reversed	(56)	(87)	(56)	(87)
At 31 March	1,014	755	1,014	755

Note 21.2 Analysis of impaired receivables

Foundation Trust and Group	31 March 2015		31 March 2014	
	Trade receivables £000	Other receivables £000	Trade receivables £000	Other receivables £000
Ageing of impaired receivables				
0 - 30 days	120	-	-	-
90- 180 days	-	-	4	-
Over 180 days	296	598	196	556
Total	416	598	200	556

Ageing of non-impaired receivables past their due date

0 - 30 days	6,298	-	5,684	-
30-60 Days	1,931	-	409	-
60-90 days	183	-	128	-
90- 180 days	539	-	146	-
Over 180 days	591	3,166	153	3,519
Total	9,542	3,166	6,520	3,519

Trust	31 March 2015		31 March 2014	
	Trade receivables	Other receivables	Trade receivables	Other receivables
Ageing of non-impaired receivables past their due date				
0 - 30 days	6,068	-	5,684	-
30-60 Days	2,404	-	409	-
60-90 days	339	-	128	-
90- 180 days	1,266	-	146	-
Over 180 days	591	3,166	153	3,519
Total	10,668	3,166	6,520	3,519

The Trust non-impaired receivables under 30 days includes charitable funds receivables of £590k and receivables from Stepping Hill Enterprises Healthcare Limited of £1,665k.

Receivables aged over 180 days include the total value of NHS Injury Scheme receivables for which the Trust is awaiting the settlement of compensation claims.

Note 22 Assets Held for Sale

The Trust had no assets held for sale at the 31st March 2015.

Note 23 Liabilities in disposal groups

The Trust and Group had no liabilities in disposal groups at the 31st March 2015.

Note 24 Cash and cash equivalents movements

Cash and cash equivalents comprise cash at bank, in hand and cash equivalents. Cash equivalents are readily convertible investments of known value which are subject to an insignificant risk of change in value.

	Group		Trust	
	2014/15 £000	2013/14 £000	2014/15 £000	2013/14 £000
At 1 April	47,391	51,322	46,559	50,523
Prior period adjustments	-	-	-	-
At 1 April (restated)	47,391	51,322	46,559	50,523
At start of period for new FTs	-	-	-	-
Net change in year	(1,722)	(3,931)	(1,952)	(3,964)
At 31 March	45,669	47,391	44,607	46,559
Broken down into:				
Cash at commercial banks and in hand	1,183	136	297	131
Cash with the Government Banking Service	44,310	46,428	44,310	46,428
Other current investments	176	827	-	-
Total cash and cash equivalents as in SoFP	45,669	47,391	44,607	46,559
Bank overdrafts (GBS and commercial banks)	-	-	-	-
Drawdown in committed facility	-	-	-	-
Total cash and cash equivalents as in SoCF	45,669	47,391	44,607	46,559

Analysis of Group Cash and Cash Equivalents

	2014/15	2013/14
	£000	£000
Stockport NHS Foundation Trust	44,607	46,559
Stockport NHS Foundation Trust Charitable Funds	886	832
Stepping Hill Healthcare Enterprises Limited	176	-
	45,669	47,391

Note 24.1 Third party assets held by Stockport NHS foundation trust

Stockport NHS Foundation Trust held no cash or cash equivalents which relate to monies held by patients or other parties. It does, if requested, retain patient monies and belongings in sealed pouches for the duration of the individual's stay.

Note 25 Trade and other payables

	Group		Trust	
	31 March 2015 £000	31 March 2014 £000	31 March 2015 £000	31 March 2014 £000
Current				
NHS trade payables	4,022	3,004	4,022	3,004
Amounts due to other related parties	3,898	3,300	3,898	3,300
Other trade payables	4,159	4,154	4,159	4,154
Capital payables	1,566	1,476	1,566	1,476
Social security costs	1,696	1,724	1,696	1,724
VAT payable	-	-	-	-
Other taxes payable	1,709	1,783	1,709	1,783
Other payables	201	258	201	258
Accruals	12,051	9,842	13,060	9,842
PDC dividend payable	155	-	155	-
Trade and other payables held by NHS charitable funds	-	-	-	-
Total current trade and other payables	29,457	25,541	30,466	25,541

Consolidation adjustments by the Group have removed payables between the Trust, Charitable Fund and the Stepping Hill Healthcare Enterprises Limited subsidiaries.

Note 25.1 Pensions Liabilities and Early retirements in NHS payables above

Included in the figure for 'Amounts due to related parties' is £2.5 million outstanding pension contributions at 31 March 2015 (31 March 2104 £2.5 million), which have been settled in April 2015 in accordance with the NHS Pensions payment dates.

The Trust and Group have no amounts in Trade payables to buy out the liability for early retirements.

Note 26 Other liabilities

	Group		Trust	
	31 March 2015 £000	31 March 2014 £000	31 March 2015 £000	31 March 2014 £000
Current				
Other deferred income	1,083	1,595	1,083	1,595
Total other current liabilities	1,083	1,595	1,083	1,595
Non-current				
Other deferred income	569	648	569	648
Total other non-current liabilities	569	648	569	648

Note 27 Provisions for liabilities and charges analysis

Foundation Trust and Group	Current 2014/15	Current 2013/14	Non - Current 2014/15	Non - Current 2013/14
Pensions relating to other staff	161	150	2,269	2,072
Other legal claims	86	135	-	-
Restructurings	783	1,172	-	-
Redundancy	486	595	-	-
Other	655	630	-	-
Total	2,171	2,682	2,269	2,072

Foundation Trust and Group	Pensions - other staff £000	Other legal claims £000	Restructurings £000	Redundancy £000	Other £000	Total £000
At 1 April 2014	2,222	135	1,172	595	630	4,754
Change in the discount rate	110	-	-	-	-	110
Arising during the year	216	70	783	8	114	1,191
Utilised during the year	(163)	(70)	(652)	(89)	(75)	(1,049)
Reversed unused	-	(49)	(520)	(28)	(14)	(611)
Unwinding of discount	45	-	-	-	-	45
At 31 March 2015	2,430	86	783	486	655	4,440

Expected timing of cash flows:

- not later than one year;	161	86	783	486	655	2,171
- later than one year and not later than five years;	622	-	-	-	-	622
- later than five years.	1,647	-	-	-	-	1,647
Total	2,430	86	783	486	655	4,440

The provision for 'Pensions relating to other staff' is for the reimbursement of injury benefit allowances to the NHS Pensions Agency.

The provision for 'Legal Claims' provides for the Liability to Third Parties Schemes (LTPS) and Public & Employers Liability Scheme (PES). This provision covers the excess amount payable by the Trust and not the full liability of claims which are covered by the NHSLA under the non-clinical risk pooling scheme.

The provisions for 'Restructurings' and 'Redundancy' include costs associated with the workforce elements of the Trust's future plans. Examples of this include the provision for the current phases of the Mutually Agreed Voluntary Resignation Scheme (MARS) and other staff exit costs.

Within other provisions the Trust has provided for costs for ongoing tribunals and legal costs of the trial relating to the saline tampering incident.

Note 27.1 Clinical negligence liabilities

At 31 March 2015, £41,633k was included in provisions of the NHSLA in respect of clinical negligence liabilities of Stockport NHS Foundation Trust (31 March 2014: £45,012k).

Note 28 Contingent assets and liabilities

Foundation Trust and Group	31 March 2015 £000	31 March 2014 £000
Value of contingent liabilities		
NHS Litigation Authority legal claims	(62)	(64)
Gross value of contingent liabilities	(62)	(64)
Amounts recoverable against liabilities	-	-
Net value of contingent liabilities	(62)	(64)

The above contingent liability is the liability related to the Liability to Third Parties Schemes and Public and Employer Liability (PES) and is supplied by the NHS Litigation Authority along with its associated provision at Note 35.1.

Note 29 Contractual capital commitments

Foundation Trust and Group	31 March 2015 £000	31 March 2014 £000
Property, plant and equipment	16,152	2,953
Intangible assets	-	411
Total	16,152	3,364

In 2014/2015 the Trust began work on a new Surgical and Medical Centre to provide the following:

- 59 bed Acute Medical Unit
- 38 bed Surgery and Urology ward
- 2 new Laminar Flow Operating Theatres
- 21 bed Surgical Assessment Unit
- extension to Day Case Unit

The total scheme value is £17.25 million in total of which £16.152 million is the contractual commitment with the main contractor.

Note 30 Borrowings

	Group		Trust	
	31 March 2015 £000	31 March 2014 £000	31 March 2015 £000	31 March 2014 £000
Current				
Loans from the Independent Trust Financing Facility	1,071	1,071	1,071	1,071
Obligations under PFI, LIFT or other service concession contracts (excl. lifecycle)	26	25	25	25
Total current borrowings	1,097	1,096	1,097	1,096
Non-current				
Loans from the Independent Trust Financing Facility	15,677	16,748	15,677	16,748
Obligations under PFI, LIFT or other service concession contracts	409	436	409	436
Total non-current borrowings	16,086	17,184	16,086	17,184

Note 31 Finance Leases

The Trust had no finance leases at the 31st March 2015.

Note 31.1 On-SoFP PFI, LIFT or other service concession arrangements

Under IFRIC 12 the Trust recognises a service concession arrangement with Alliance Medical for the provision of a building to perform MRI scanning services.

Note 31.2 Imputed finance lease obligations

	Group		Trust	
	31 March 2015 £000	31 March 2014 £000	31 March 2015 £000	31 March 2014 £000
Gross PFI, LIFT or other service concession liabilities	542	583	542	583
Of which liabilities are due				
- not later than one year;	40	40	40	40
- later than one year and not later than five years;	160	161	160	161
- later than five years.	342	382	342	382
Finance charges allocated to future periods	(107)	(122)	(107)	(122)
Net PFI, LIFT or other service concession arrangement obligation	435	461	435	461
- not later than one year;	26	25	26	25
- later than one year and not later than five years;	114	111	114	111
- later than five years.	295	325	295	325

Note 31.3 Payments committed in respect of the service element

	Group		Trust	
	31	31	31	31
	March	March	March	March
	2015	2014	2015	2014
	£000	£000	£000	£000
Charge in respect of the service element of the PFI, LIFT or other service concession arrangement for the period	871	916	871	916
Commitments in respect of the service element of the PFI, LIFT or other service concession arrangement:				
- not later than one year;	871	871	871	871
- later than one year and not later than five years;	3,484	3,484	3,484	3,484
- later than five years.	6,968	7,839	6,968	7,839
Total	11,323	12,194	11,323	12,194

Note 32 Financial Instruments

Note 32.1 Financial risk management

IFRS 7 Financial Instruments Disclosure requires declaration of the role that financial instruments have had during the period in creating or changing the risks an entity faces in undertaking its activities. Financial instruments play a much more limited role in creating or changing risk than would be typical of the listed companies to which IFRS 7 mainly applies. Stockport NHS Foundation Trust has powers to borrow or invest surplus funds, and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the NHS Foundation Trust in undertaking its activities.

Liquidity risk

Stockport NHS Foundation Trust receives its income from annually agreed contracts with local Clinical Commissioning Groups, NHS England and Local Authorities and in accordance with the Payments by Results regime which is intended to match the income received in year to actual activity delivered by reference to the 2014/15 National Tariff procedure costs. The Trust receives cash each month based on annually agreed level of contract activity and there are quarterly payments or repayments made to adjust for performance against planned activity

The Trust finances its capital expenditure from internally generated funds or funds made available from the Department of Health as Public Dividend Capital. The Trust has also borrowed commercially from the Department of Health NHS Financing Facility within approved borrowing limits to finance strategic capital schemes.

Stockport NHS Foundation Trust has in place a Treasury Management Policy that covers the short-term investment of surplus operating cash. It provides a clearly defined risk management framework and was developed with reference to best practice guidance issued by Monitor, the Independent Regulator. This policy ensures the efficient management of liquidity and financial risk. Due to the changes in 2013/2014 in the calculation of the annual PDC dividend the Trust no longer engages currently in short term money market investments and retains its surplus cash for interest receivable within the Government Banking Service.

At the 31 March 2015 the Trust's cash balances were held solely in its Government Banking Services bank accounts and Barclay's current accounts as per note 24. Stockport NHS Foundation Trust is, therefore, not exposed to significant liquidity risk.

Market and Interest Rate Risk

At the 31 March 2015 the Trust's financial liabilities carried either nil or fixed rates of interest. The Trust's financial assets relate to loans and receivables and its cash balances held within its Government Banking

Service bank accounts and commercial current account. Interest on cash balances are set by HM Treasury through Citibank. Stockport NHS Foundation Trust is not, therefore, exposed to significant interest rate risk.

Credit Risk

As the Trust receives most of its income from its commissioners based on annual contracts adjusted quarterly. It operates a robust debt management policy and, where necessary, provides for the risk of particular debts not being discharged by the applicable party. Stockport NHS Foundation Trust is, therefore, not exposed to significant credit risk

Foreign Currency Risk

The Trust has negligible foreign currency income or expenditure.

Charitable Funds

The Group accounts include the financial statements of the Stockport NHS Charitable Fund. The charitable fund places its short term cash in bank accounts with the Trust's commercial bank, Barclays PLC.

The Charity invests monies of £2 million for longer term investment with CCLA Investment Management Ltd. It holds two common investment funds in fixed interest and equity funds of £1.34 million and one cash deposit account holding £0.9 million. The Charity receives quarterly updates on the performance of its investments and allocates gains and losses when realised to its charitable funds. This policy is reviewed on an annual basis to mitigate for any possible market losses on the valuation of its equity common investment fund.

Note 32.2 Financial assets

Group	Loans and receivables £000	Total £000
Assets as per SoFP as at 31 March 2015		
Trade and other receivables excluding non financial assets	9,841	9,841
Cash and cash equivalents at bank and in hand	44,783	44,783
Financial assets held in NHS charitable funds	3,277	3,277
Total at 31 March 2015	57,901	57,901

Group	Loans and receivables £000	Total £000
Assets as per SoFP as at 31 March 2014		
Trade and other receivables excluding non financial assets	8,279	8,279
Cash and cash equivalents at bank and in hand	46,559	46,559
Financial assets held in NHS charitable funds	2,057	2,057
Total at 31 March 2014	56,895	56,895

Trust	Loans and receivables £000	Total £000
Assets as per SoFP as at 31 March 2015		
Trade and other receivables excluding non financial assets	12,017	12,017
Cash and cash equivalents at bank and in hand	44,607	44,607
Total at 31 March 2015	56,624	56,624

Trust	Loans and receivables £000	Total £000
Assets as per SoFP as at 31 March 2014		
Trade and other receivables excluding non financial assets	8,279	8,279
Cash and cash equivalents at bank and in hand	46,559	46,559
Total at 31 March 2014	54,838	54,838

Note 32.3 Financial liabilities

Group	Other financial liabilities £000	Total £000
Liabilities as per SoFP as at 31 March 2015		
Borrowings excluding finance lease and PFI liabilities	16,748	16,748
Obligations under PFI, LIFT and other service concession contracts	435	435
Trade and other payables excluding non financial liabilities	26,052	26,052
Provisions under contract	2,653	2,653
Total at 31 March 2015	45,888	45,888

Group	Other financial liabilities £000	Total £000
Liabilities as per SoFP as at 31 March 2014		
Borrowings excluding finance lease and PFI liabilities	17,820	17,820
Obligations under PFI, LIFT and other service concession contracts	461	461
Trade and other payables excluding non financial liabilities	25,541	25,541
Provisions under contract	2,471	2,471
Total at 31 March 2014	46,293	46,293

Trust	Other financial liabilities £000	Total £000
Liabilities as per SoFP as at 31 March 2015		
Borrowings excluding finance lease and PFI liabilities	16,748	16,748
Obligations under PFI, LIFT and other service concession contracts	435	435
Trade and other payables excluding non financial liabilities	27,060	27,060
Provisions under contract	2,653	2,653
Total at 31 March 2015	46,896	46,896

	Other financial liabilities £000	Total £000
Liabilities as per SoFP as at 31 March 2014		
Borrowings excluding finance lease and PFI liabilities	17,820	17,820
Obligations under PFI, LIFT and other service concession contracts	461	461
Trade and other payables excluding non financial liabilities	25,541	25,541
Provisions under contract	2,471	2,471
Total at 31 March 2014	46,293	46,293

Note 32.4 Maturity of financial liabilities

	Group		Trust	
	31 March 2015 £000	31 March 2014 £000	31 March 2015 £000	31 March 2014 £000
In one year or less	30,209	29,543	31,217	29,543
In more than one year but not more than two years	1,071	1,071	1,071	1,071
In more than two years but not more than five years	3,213	3,213	3,213	3,213
In more than five years	11,395	12,466	11,395	12,466
Total	45,888	46,293	46,896	46,293

	Group		Trust	
	Book value £000	Fair value £000	Book value £000	Fair value £000
Non-current trade and other receivables excluding non financial assets	619	619	696	696
Non-current financial assets held in NHS charitable funds	1,175	1,340	-	-
Total	1,794	1,959	696	696

Note 32.5 Fair values of financial liabilities at 31 March 2015

	Group		Trust	
	Book value £000	Fair value £000	Book value £000	Fair value £000
Provisions under contract	2,653	2,653	2,653	2,653
Loans	16,086	16,086	16,086	16,086
Total	18,739	18,739	18,739	18,739

Note 33 Losses and Special Payments at 31 March 2015

There were 69 cases of losses and special payments totalling £49,000 during 2014/2015 (63 cases totalling £43,000 in 2013/2014). There were no payments made by the Trust for clinical negligence, fraud, personal injury or compensation cases under legal obligation in 2014/2015. The majority of losses and special payments made in 2014/2015 related to payments for bad debts (£35), overpayments of salary (£9k) and claims abandoned or ex-gratia payments for loss of personal effects (£5k).

Note 34 Events after the Reporting Period at 31 March 2015

There are no significant events to report after the 31st March 2015.

Note 35 Foundation Trust and Group Related Parties Transactions

Stockport NHS Foundation Trust is a body corporate authorised by Monitor, the Independent Regulator of NHS Foundation Trusts, in exercise of the powers conferred by the National Health Service Act 2006.

During the year none of the Board of Directors or members of the key management staff or parties related to them has undertaken any material transactions with Stockport NHS Foundation Trust.

The Trust has 22 members of the Council of Governors; 19 representing public and staff and a further 3 appointed by partner organisations including Stockport Metropolitan Borough Council and Stockport College. None of the Council of Governors or parties related to them has undertaken any material transactions with Stockport NHS Foundation Trust.

Note 35.1 Related Parties: Key Management Personnel

	31 March 2015	31 March 2014
Key management personnel compensation in total for short-term employee benefits *	1,047	1,116
Key management personnel compensation in total for other long-term benefits *	117	117

* Key management personnel comprises the Executive Directors of the Trust

Note 35.2 Related Parties: Key Bodies

The Trust and Group's related parties include all Whole of Government bodies as defined by the Treasury of whom it's key transactions are with the following bodies:

	Receivables		Payables	
	31 March 2015 £000	31 March 2014 £000	31 March 2015 £000	31 March 2014 £000
Stockport CCG	-	1,438	(458)	(5)
North Derbyshire CCG	74	-	-	-
Eastern Cheshire CCG	-	-	(79)	-
Tameside & Glossop CCG	-	82	(146)	(149)
Stockport MBC	1,734	793	(314)	(30)
Total	1,808	2,313	(997)	(184)

	Income		Expenditure	
	2014/15 £000	2013/14 £000	2014/15 £000	2013/14 £000
Stockport CCG	165,357	159,684	(333)	(44)
North Derbyshire CCG	21,176	20,545	-	-
Eastern Cheshire CCG	10,270	9,794	-	-
Tameside & Glossop CCG	34,514	34,761	(2,095)	(1,952)
Stockport MBC	8,507	8,738	(1,415)	(1,440)
Total	239,824	233,522	(3,843)	(3,436)

Note 36 Stockport NHS Charitable Funds

In preparing consolidated accounts the Group includes financial statements incorporating Stockport NHS Foundation Trust and its associated charitable fund, Stockport NHS Charitable Fund. This is a registered Charity with the Charity Commission under the registration number 1048861. The Charity is an umbrella Charity split between one unrestricted fund, one endowment fund and 15 restricted funds. The objects of the Charity, as set out in its governing document are:

- To provide funds for any charitable purpose, or purposes relating to the National Health Service;
- For the relief of sickness by promoting the efficient performance of their duties by staff;
- For the relief of patients treated by Stockport NHS Foundation Trust;
- For any charitable purpose which will further the aim of advancing scientific or medical research;
- To support staff training, development and improvement of staff welfare.

The financial statements for Stockport NHS Charitable Funds are prepared under UK GAAP before consolidation adjustments and are due for submission to the Charity Commission by the 31st January 2016. The following Statement of Financial Activities and Balance Sheet for 2014/2015 are estimated at the 31st March 2015 to be consolidated into Group numbers.

Note 36.1 Stockport NHS Charitable Fund Statement of Financial Activities for the year ended 31st March 2015

	2014/15 £000	2013/14
Incoming Resources	1,277	232
Sub-total voluntary income	1,277	232
Investment Income	54	54
Total incoming resources	1,331	286
Resources Expended	(266)	(309)
Total resources expended	(266)	(309)
Net (outgoing) resources before other recognised gains and losses	1,065	(23)
Unrealised Gains on investments assets	116	10
Net Movement in Funds	1,181	(13)

The Charity has accrued a £1.05 million legacy in 2014/2015 which it is due to receive in 2015/2016.

Note 36.2 Stockport NHS Charitable Funds Balance Sheet at the 31st March 2015

Balance Sheet for the year ended 31 March 2015

	31st March 2015 £000	31st March 2014 £000
Fixed Assets		
Investments	1,340	1,225
Total Fixed Assets	<u>1,340</u>	<u>1,225</u>
Current Assets		
Debtors	1,054	2
Short term investments and deposits	882	827
Cast at bank and in hand	4	5
Total Current Assets	<u>1,940</u>	<u>834</u>
Creditors falling due within one year	(591)	(551)
Total Net Assets	<u>2,689</u>	<u>1,508</u>
Funds of the Charity		
Endowment Fund	10	10
Unrestricted Fund	250	245
Restricted Fund	2,429	1,253
Total Funds	<u>2,689</u>	<u>1,508</u>

Note 37 Stepping Hill Healthcare Enterprises Limited

On the 16th September 2014 the Trust formally registered its subsidiary company, Stepping Hill Healthcare Enterprises Limited. The subsidiary started trading in November 2014 in newly refurbished premises and trades under the name 'The Pharmacy Shop.' It provides an improved service to the Trust's patients by dispensing outpatient prescriptions faster than previously with improved advice. In addition it provides retail Pharmacy drugs and goods to the staff, patients and visitors to Stockport NHS Foundation Trust.

The subsidiary company's first accounting period end is formally the 15th September 2015 although it is intended to apply to bring the accounting period of the subsidiary in line with the accounting periods of the Trust and its other subsidiary, Stockport NHS Foundation Trust General Fund. The Group Accounts have been prepared with estimated financial results for Stepping Hill Healthcare Enterprises Limited.

Profit and Loss Account for the year ended 31st March 2015	31st March 2015 £000
Operating Income	1037
Operating expenses	<u>(1,217)</u>
Operating Deficit	<u>(180)</u>

Statement of Financial Position for the year ended 31 March 2015	31st March 2015 £000
Current Assets	
Inventories	222
Receivables	1,087
Cast at bank and in hand	176
Total Current Assets	<u>1,485</u>
Creditors falling due within one year	<u>(1,665)</u>
Total Net Liabilities	<u>(180)</u>
Reserves	
Income and Expenditure Reserve	<u>(180)</u>
