

# COUNCIL OF GOVERNORS MEETING

17 JULY 2019



Stockport  
NHS Foundation Trust

Council of Governors bundle - 17 July 2019 - FOR WEBSITE

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## Meeting of the Council of Governors Wednesday, 17 July 2019

Held at 4.00pm in the Lecture Theatres, Pinewood House, Stepping Hill Hospital

*Please note the order of the day:*

- 2.30pm – 3.00pm: Session for Chair and Governors
- 3.00pm – 3.45pm: Strategy Workshop (led by Andy Bailey)
- 3.45pm – 4.00pm: Break for refreshments
- 4.00pm – 6.00pm: Council of Governors' Meeting

## AGENDA

Time		Enc	Presenting
1600	1. Apologies for Absence		
	2. Amendments to Declarations of Interests		
	3. Minutes of previous meeting: 8 April 2019	✓	A Belton
1605	4. Chair's Report	✓	A Belton
1610	5. Chief Executive's Report	✓	L Robson
1615	6. Integrated Performance Report	✓	Lead Execs
1630	7. External Auditor's Report – Presentation		Deloitte LLP
1640	8. Constitution Review	✓	C Parnell
1655	9. Non-Executive Director Appointment	✓	A Belton
1705	10. Governor Committee Review	✓	C Parnell
1715	11. Council of Governors – Development Plan	✓	C Parnell
1725	12. Council of Governors Work Plan	✓	C Parnell
1735	13. Update on Process for Appointment of External Auditors	Verbal	J Graham / D Hopewell
1745	14. Quarterly Report on Quality Improvement Plan	To follow	A Lynch
1800	15. Feedback from GovernWell Courses	Verbal	R King
1805	16. Lead Governor Communication	Verbal	E Brown
1810	17. Any Other Business		

**18. CONSENT AGENDA – FOR INFORMATION**

- |      |                                  |   |
|------|----------------------------------|---|
| 18.1 | Governor Elections 2019          | ✓ |
| 18.2 | Annual Report & Accounts 2018/19 | ✓ |
| 18.3 | Operational Plan 2019/20         | ✓ |

**19. DATE, TIME & VENUE OF NEXT MEETING**

- 19.1 Monday, 7 October 2019, 3.00pm in the Lecture Theatres, Pinewood House.

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**A TEN-MINUTE FORUM FOR PRE-RECEIVED QUESTIONS WILL  
FOLLOW AT THE CONCLUSION OF THE MEETING OF THE COUNCIL  
OF GOVERNORS.**

**STOCKPORT NHS FOUNDATION TRUST**  
**Minutes of a Council of Governors Meeting**  
**Held in Public on Monday 8 April 2019,**  
**5.30pm in the Lecture Theatres, Pinewood House, Stepping Hill Hospital**

**Present:**

Mr A Belton	Chair
Ms L Appleton	Public Governor
Mrs E Brown	Public Governor
Dr R Catlow	Public Governor
Mr C Dawson	Staff Governor
Cllr L Dowson	Public Governor
Prof C Galasko	Public Governor
Mrs K Glass	Staff Governor
Mr R Greenwood	Public Governor
Mr L Jenkins	Public Governor
Mr T Johnson	Public Governor
Ms J Keyes	Staff Governor
Mr R King	Public Governor
Dr T Kondratowicz	Public Governor
Mr C Lyons	Public Governor
Mr T Morley	Public Governor
Cllr T McGee	Appointed Governor
Miss C Mitchell	Staff Governor
Mrs L Woodward	Public Governor
Mr G Wright	Public Governor

**In attendance:**

Mrs C Anderson	Non-Executive Director
Mrs C Barber-Brown	Non-Executive Director
Mrs C Parnell	Interim Director of Corporate Affairs
Dr M Cheshire	Non-Executive Director
Mr H Mullen	Director of Strategy, Planning & Partnerships
Mr D Hopewell	Non-Executive Director
Mr M Sugden	Non-Executive Director
Mrs S Katema	Committee Secretary

**ACTION**

**09/19 Apologies for absence**

Apologies for absence were received from Miss C Barton, Dr R Cryer and Mrs J Wragg.

**10/19 Declarations of Interests**

Mrs Brown requested that the register be updated to reflect that she had been invited to attend Mastercall's quarterly meetings in future.

There were no other declarations of interests relating to the agenda items.

## **11/19 Minutes of the Previous Meeting**

The minutes of the previous meeting held on 5 December 2018 were agreed as a true and accurate record of proceedings. The action log was reviewed and annotated accordingly.

## **12/19 Chair's Report**

Mr Belton presented his report advising of planned activities and updates on events since the last meeting to the Council. His highlights were:

- It had been announced at the Board of Directors meeting in April that Ms Smith had stepped down as a non-executive director. Mr Belton advised that the Board thanked Ms Smith, on behalf of the governors, for her contribution to the Trust.
- Following the Nominations Committee meeting in March, it had been agreed that Finegreen Recruitment Consultants would lead the recruitment process for a non-executive director. It was also expected that an advert would be sent out in the following week.
- That Mr Hopewell as Audit Committee chair, Mr Graham and the Lead Governor would be commencing the process of recruiting external auditors with a view to bring back proposals to the July meeting.

Mr Greenwood queried if there were any plans for working with primary care to reduce Did Not Attend (DNA). Dr Burrows responded that collaborative work to reduce DNAs was ongoing. She cited the appointment letter as a prime example as it clearly outlined that it was the patients' responsibility to attend booked appointments where this had not been the case previously.

In response to a question on why communications were mostly through mobile phones and not emails, Dr Burrows stated that this was mostly down to patient choice as 70% of patients had highlighted mobile phones as their preferred option for communication. Mrs Appleton added that the volunteer service provided a telephone reminder service which complimented appointment letters and this was well received. Dr Burrows acknowledged that this work done by the volunteer service had had a positive effect on the reducing DNAs.

*Cllr McGee left the meeting.*

The Council of Governors:

- Received and noted the Chair's Report

## **13/19 Chief Executive's Report**

Mrs Robson delivered her report to the Council which advised of recent operational and strategic developments. She drew attention to the following key points:

- The sustained focus on making quality improvements had been recognised by NHS Improvement.
- Future reports to governors would provide detail relating to the Trust's performance against key national standards for quality of care, workforce and finance in her future reports.
- There had been an uptake of 79.3% against the 75% target for flu vaccination. She added that these rates were amongst the best in the country indicating the seriousness with which members of staff viewed the health of their patients.
- Recruitment drives were ongoing, noting that the Trust had been successful in attracting and appointing to key consultants and nursing posts.

The Council noted that work to build and strengthen relationships with external partners across Greater Manchester was ongoing. Mrs Robson referred to the GM Elective Care Reform Programme which she chairs with Dr Cath Briggs (Stockport CCG Chair). She highlighted that Stockport had agreed to be early adopters of the programme as this presented an opportunity to shape the cutting edge transformation of local services. These included use of virtual clinics and having the right people looking at the right patients at the right time.

Dr Galasko asked if the Trust was doing anything with regards to the decline in measles vaccination. Ms Lynch responded that part of routine pre-admission assessments involved asking questions relating to vaccinations.

The Council of Governors:

- Received and noted the Chief Executive's Report.

#### **14/19 Results of Lead Governor Elections**

Mr Belton informed the Council that a total of 19 ballots were received by the deadline. Of those, 11 nominations were received for Mrs Brown whilst eight had been received for Mr Greenwood. Mr Belton thanked both candidates for putting themselves forward for nomination and announced Mrs Brown as the newly elected Lead Governor.

Mrs Brown thanked the governors for their votes and pledged to continue to work with her fellow governors adding with support from her predecessor Mr Jenkins. Mr Belton thanked the outgoing Lead Governor for all his contribution in the role.

The Council of Governors:

- Appointed Mrs Brown as Lead Governor.

## **15/19 Nominations Committee Report**

Mr Wright presented the Nominations Committee Report which detailed business conducted during the meeting held on 14 March 2019. The Committee had discussed the recruitment of a non-executive director to replace Ms Smith and agreed to look for a disparate skill set and experience. A review of proposals by recruitment consultants had been carried out and Finegreen was subsequently appointed to lead the recruitment. Mr Wright invited the Council to endorse the Nominations Committee recommendations.

Mrs Parnell highlighted that a vacancy had now arisen on the Nominations Committee as the Lead Governor is a member. She invited governors who intended to join the Nominations Committee to express their interest to Mrs Curtis, Membership Services Manager.

The Council of Governors:

- Received and noted the Nominations Committee Report
- Approved the extension of Dr Cheshire's tenure, for a further 12 month period commencing 1 September 2019.
- Approved the appointment of Mrs Barber-Brown for a second three year term commencing 1 September 2019.

## **16/19 Committee Terms of Reference Report**

Mrs Parnell presented the Terms of Reference (ToR) reports for the Membership Engagement Committee and the Quality in Care Committee. She highlighted that the two committees had met in March to review their ToRs.

Mrs Parnell highlighted that the Quality in Care Committee had been well attended and outlined that the Integrated Performance Reports would be included in future Council of Governor meetings.

The Council of Governors:

- Approved the Membership Engagement Committee Terms of Reference.
- Approved the Quality in Care Committee Terms of Reference.

## **17/19 Reports from Governor Committees**

Mr Jenkins and Mr Wright presented reports from meetings of the following Governor Committees:

- Membership Engagement Committee
- Quality in Care Committee.

The Council of Governors:

- Received and noted the reports from Governor Committees.

## **18/19 Lead Governor Communication**

Mr Jenkins briefed the Council of Governors of his Lead Governor activities since the last meeting and these included:

- Meeting with Dr Cheshire
- Meeting with Mrs Cubitt (Head of Communications) for a session on membership.
- Attending the Christmas concert at Aquinas College.
- Attending a MIAA conference on shared experience. Mr Jenkins urged governors who could, to attend such events in the future as they would help them in developing their role.

Mr Jenkins informed the Committee that whilst he had spent time in hospital, his decision to step down from his role as Lead Governor had been based largely on the need for change. He added that after spending five and a half years as lead governor, he felt this was the opportune time to stand aside from the role. Mr Jenkins advised that during his role as Lead Governor, he had made himself available for individual meetings with governors particularly the new governors.

Mr Jenkins stated that he was looking forward to seeing out his term of office and wished his successor well. He thanked all the governors for their support and encouragement. Mr Belton thanked Mr Jenkins for his contribution as Lead Governor and his continued contribution as a governor.

The Council of Governors:

- Noted the Lead Governors verbal report.

## **19/19 Date, time and venue of next meeting.**

There being no other business, the chair thanked everyone for attending and brought the meeting to a close at 1808.

The next meeting of the Council of Governors would be held on Wednesday, 17 July 2019, in the Lecture Theatres, Pinewood House, commencing at 4.00pm.

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

### COUNCIL OF GOVERNORS: ACTION TRACKING LOG

Ref.	Meeting	Minute Ref	Subject	Action	Responsible
06/18	5 Dec 18	55/18	Trust Strategy – Consultation Process Update	<p>In response to a question from Mr A Belton, Mr A Bailey advised that Governors would be updated on progress at the conclusion of the consultation period. Mr P Buckingham suggested that the update for Governors be delivered as a workshop style session.</p> <p><b>Update 17 July 19</b> – On agenda and presented before the meeting. <b>Action Complete.</b></p>	A Bailey (Associate Director of Strategy & Planning)
07/18	5 Dec 18	58/18	Council of Governors – Collective Performance	<p>Mr P Buckingham commented that the Governor Role &amp; Responsibilities document had been agreed and adopted by the Council some time ago and suggested that an initial review of the content by the Governance Committee would be useful.</p> <p><b>Update 17 July 19</b> - Governance Committee has not met due to quoracy issues.</p>	P Buckingham (Director of Corporate Affairs)



<b>Report to:</b>	Council of Governors	<b>Date:</b>	17 July 2019
<b>Subject:</b>	Chair's Report		
<b>Report of:</b>	Chair	<b>Prepared by:</b>	Mrs C Parnell

## REPORT FOR NOTING

<b>Corporate objective ref:</b> N/A	<b>Summary of Report</b>  This report advises the Council of Governors of the Chair's activities and thinking on issues pertinent to the operation of the Trust.
<b>Board Assurance Framework ref:</b> N/A	
<b>CQC Registration Standards ref:</b> N/A	
<b>Equality Impact Assessment:</b> <input type="checkbox"/> Completed <input checked="" type="checkbox"/> Not required	

<b>Attachments:</b>
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<b>This subject has previously been reported to:</b>	<input type="checkbox"/> Board of Directors <input type="checkbox"/> Council of Governors <input type="checkbox"/> Audit Committee <input type="checkbox"/> Executive Team <input type="checkbox"/> Exec Management Group <input type="checkbox"/> Quality Committee <input type="checkbox"/> F&P Committee	<input type="checkbox"/> PP Committee <input type="checkbox"/> Charitable Funds Committee <input type="checkbox"/> Nominations Committee <input type="checkbox"/> Remuneration Committee <input type="checkbox"/> Joint Negotiating Council <input type="checkbox"/> Other
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## **1. PURPOSE OF THE REPORT**

The purpose of this report is to advise the Council of Governors of the Chair's activities and thinking on issues pertinent to the operation of the Trust.

## **2. IMPROVEMENT JOURNEY**

Following our last Care Quality Commission (CQC) inspection I invited Peter Wyman, the CQC's chair, to visit the Trust, and I was very pleased to welcome him to Stockport earlier this month. He toured Stepping Hill Hospital, and also met with some of our senior leadership team for a presentation about the improvements we have made over the last two years, and our aspirations for the future.

Listening to colleagues describe that improvement journey made me feel immensely proud of what we and our teams have achieved, and their passion and commitment to the Trust shone through in all they talked about.

Part of that improvement journey is about improving our governance and the way we work across the whole of the organisation. The Council of Governors has its part to play in that too. I have spent quite a lot of time with different governors in recent months talking about how we can improve the way the Council works, and deliver its responsibilities. We have looked back at what worked well in the past, but also had some honest discussions about what is not working well now and how we could change. I would like to thank all those governors who I have talked to for their insight, ideas and enthusiasm for making the Council of Governors a high performing group.

One of the positive changes we have introduced recently is the monthly briefing, which we produce after the Board of Directors meeting as a way of keeping all Governors informed about the issues directors are discussing, as well as some of the latest news from around the organisation. This has been warmly welcomed by Governors and I would like to thank you for all the positive feedback we have had on the briefing. If there are any issues you would like to see covered in future editions please do let me know.

I am very aware that when people step into the role of Governors they are often stepping into the unknown, and I am keen that we have a robust development plan that equips all our Governors with the information about the Trust and their role to enable them to operate effectively. This is something that a number of Governors have spoken to me about, and with today's papers is a draft development plan that I would appreciate views on so we can begin to implement.

Today's meeting also signals some other positive changes – from now on each of our meetings will begin with a presentation or workshop on a key issue for the Trust, starting today with the important subject of the organisation's new strategy guiding its development for the next three years, and the work we are beginning around our values and behaviours.

We are also introducing regular items about our performance across a wide range of indicators, including quality, finance and our people. With today's papers is a proposed work plan for the Council of Governors, and I am keen that it reflects some of the key issues facing the Trust, as well as themes aligned to the organisation's development. Governors obviously have a keen interest in quality and that is a strong theme running through the draft plan. Our staff are crucial to the way we deliver quality services and how the Trust develops in the future, so I believe it is important that we find time in our work plan to hear from the engagement activities our staff governors are regularly undertaking. If there are any subjects you would like to see covered in future meetings then please let me know.

You will see from that plan that our colleagues will be working hard to provide you with a host of information about the Trust – our opportunities and challenges – to help you to discharge your responsibility of holding the Board of Directors to account for the delivery of the terms of our authorisation as an NHS Foundation Trust.

The aim of these changes is to ensure that every member of the Council of Governors is equipped with the information and knowledge they need for their role, and also that everyone is able to contribute to the development of the Council and the Trust.

I am keen that we make the best use of the time we have together, and also the resources that we have to support the Council of Governors. At our last meeting you asked for a review of the committee structure following frustrations with attendance at some meetings. The paper on the agenda today puts forward a recommendation to increase the time we spend together as a full Council, which I believe will help us get a collective view of important issues, and make the best use of the resources and time people have available. If this proposal is supported then we will amend the draft work plan accordingly.

Building on the theme of improving our governance, the Council will also be asked today to consider a number of proposed changes to the Constitution, some of which are just good housekeeping and others will enable the Trust to operate in a more flexible and agile way. A lot of time recently has been spent on considering the suggestion of re-introducing a maximum tenure for Governors. This has prompted strong feelings, which clearly demonstrates how passionate Governors are about their roles, and I would like to thank everyone for the time they have taken to carefully consider this issue and its implications. A ballot has come out in favour of re-introducing a maximum nine year tenure, and we will now move to implementing that decision.

Another important Council of Governor duty, that has taken up a lot of time for some of our Governors, has been the process to appoint to our vacant Non-Executive Director post. I would like to thank members of the Nominations Committee and other Governors for the time they have given to considering the recruitment process, as well as being involved in the focus group and interview panel. We attracted a strong field of candidates and we are in the fortunate position of being able to recommend two appointees to the Council of Governors, should you also agree to flexing the make-up of the Board. They will bring a range of

individual skills and experiences that I am sure will benefit the organisation immensely as we move forward on our improvement journey.

To some Governors it may feel that we are suggesting a lot of changes, but we are building on the work we have done together over the last two years and responding to what many Governors have told me they want to see improve. I believe these are all things that we need to address to make sure we are in the best position to go forward and deliver on the responsibilities of the Council of Governors.

### **3. GOVERNOR CHANGES**

As I have mentioned in my recent monthly briefings we have seen a number of changes to the Council of Governors since we last met.

Coun. Tom McGee, the appointed governor for Stockport Metropolitan Borough Council, has recently been made Deputy Leader of the Council and has handed over the Governor role to Coun. Jude Wells, who now has the council's combined health and adult care portfolio.

Caroline Mitchell has left the Trust and moved to another role in health, and as a result she has stepped down from her role as a Staff Governor, and Linda Appleton has resigned from her role as a Public Governor. I would like to thank Tom, Caroline and Linda for the tremendous contribution they have made to the Trust, and warmly welcome Jude to the Council.

We have also begun the annual election process, with the outcome to be announced in October. The following seats are up for election:

- **Bramhall & Cheadle:** 4 seats
- **Marple & Stepping Hill:** 4 seats
- **By-election: Tame Valley & Werneth:** 1 seat  
(to fill the vacancy following Linda Appleton's resignation – term of office until 2021)
- **By-election: Staff:** 1 seat  
(to fill the vacancy following Caroline Mitchell's resignation – term of office until 2021)

### **4. BOARD DEVELOPMENT**

As well as working on improvements to the way Council of Governors operates we are also spending time developing our Board of Directors. I would like to thank Governors for the input they gave to the recent 360 degree feedback exercise we undertook as part of the on-going development of our Board. Your comments, along with those from partners and many

of our colleagues in the Trust, are helping to shape how the Board will develop in the coming months and years.

## **5. RECOMMENDATION**

The Council of Governors is recommended to note this report.

<b>Report to:</b>	Council of Governors	<b>Date:</b>	17 July 2019
<b>Subject:</b>	Chief Executive's Report		
<b>Report of:</b>	Chief Executive	<b>Prepared by:</b>	Mrs C Parnell

## REPORT FOR NOTING

<b>Corporate objective ref:</b>	N/A	<b>Summary of Report</b>  The purpose of this report is to advise the Council of Governors of recent operational and / or strategic developments. Subject areas included in the report are: <ul style="list-style-type: none"> <li>• Operational and Strategic Activity</li> <li>• Electronic Patient Record</li> <li>• Estates &amp; Facilities</li> <li>• News &amp; Events</li> </ul>
<b>Board Assurance Framework ref:</b>	N/A	
<b>CQC Registration Standards ref:</b>	N/A	
<b>Equality Impact Assessment:</b> <input type="checkbox"/> Completed <input checked="" type="checkbox"/> Not required		

**Attachments:**

**This subject has previously been reported to:**

- |  |   |
|--|---|
| <input type="checkbox"/> Board of Directors    | <input type="checkbox"/> PP Committee               |
| <input type="checkbox"/> Council of Governors  | <input type="checkbox"/> Charitable Funds Committee |
| <input type="checkbox"/> Audit Committee       | <input type="checkbox"/> Nominations Committee      |
| <input type="checkbox"/> Executive Team        | <input type="checkbox"/> Remuneration Committee     |
| <input type="checkbox"/> Exec Management Group | <input type="checkbox"/> Joint Negotiating Council  |
| <input type="checkbox"/> Quality Committee     | <input type="checkbox"/> Other                      |
| <input type="checkbox"/> F&P Committee         |   |

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## **1. PURPOSE OF THE REPORT**

The purpose of this report is to advise the Board of Directors of recent strategic and operational developments.

## **2. OPERATIONAL AND STRATEGIC ACTIVITY**

Our Executive Directors team spends its time balancing the demands of operational and strategic issues, and we have certainly had a busy time with both since my last report to the Council of Governors.

One of the operational challenges that regularly keeps us busy is our emergency performance, with record numbers of patients coming through our doors in recent weeks. So it was great to attend our recent One Year On event that very much focused on the work we have been doing over the last 12 months to improve the flow of patients through the hospital and our emergency performance. It was good to see some of our governors there learning more about what is going on.

I strongly believe that making small incremental improvements across the whole system will ultimately make a big difference to the way we work, and so I was particularly pleased to see so many of our partners play a very active role in the event. Using patient stories the event took a really dynamic approach to exploring what improvements have been made, what works well, and where there is still work for us all to do across Stockport.

The improvements we have made and continue to make to the quality of our services was the theme of a recent visit to the Trust by Peter Wyman, Chair of the Care Quality Commission (CQC). Again it was great to involve some of our partners in that visit to talk about how we are working together as a system to make improvements.

We know that the CQC is likely to visit us again in the coming months and last week we carried out a clinical services review exercise with staff peer reviewing departments, wards and services to cross check quality systems and processes. The learning from that day will help to highlight where we still have gaps that need to be filled, as well as areas of good practice to share more widely.

All of the Board is very much committed to our journey from “requires improvement” to “good” and eventually “outstanding”, because we believe that is the best for our patients and staff. A key part of any high performing organisation is having an effective strategy to guide the future development of the Trust, underpinned by values and behaviours that are understood by everyone who works in an organisation and which help to contribute to a positive culture that drives delivery of the strategy.

The Board has spent a significant amount of time recently considering our future strategy. We’ve also talked to lots of staff and our partner organisations, and as part of the strategy development process I very much welcome the Council of

Governors contribution today.

We are also beginning some work talking to staff across the organisation about the values of the Trust and the behaviours we should all aspire to. It seems an appropriate time to start to think about what makes Stockport FT special as this week is NHS Values Week, which aims to highlight the agreed values of the NHS and encourage organisations to think about their individual values.

Having the right values, behaviours and culture is crucial to making somewhere a great place to work, and so attract staff with scarce skills to come to work in the Trust and stay with us. We've been very fortunate in our recruitment activities lately, and I was very pleased to be able to attend the Trust's most recent nurse recruitment event with Greg Moores, our new Director of Workforce and Organisational Development. Our nursing recruitment team are putting in a tremendous effort to not only attract nurses to fill the vacancies we have, but also to encourage people to join us who have the right values and attitude. It was great to hear about the experience and enthusiasm of all those attending on the day and I am delighted that we will be able to offer most of them jobs with the Trust.

The NHS workforce is changing and we are looking for opportunities to embrace those changes to help fill the staffing gaps that are so common across the NHS. In recent weeks we've seen our first cohort of nursing associates graduate, and they are out and about making a great contribution to many different services across the Trust. We have another 30 lined up for the next cohort and there was stiff competition for each place, which certainly makes me hopeful about the future of these new roles and the impact they will have on our ability to provide great care.

As part of our focus on the Trust's strategic development we are continuing to strengthen our local partnership working not just with commissioners and the local authority, but also with neighbouring trusts thinking about how our services may be stronger by working together. This is an area that I expect to grow and develop in the coming months and I will share progress on our partnership working to future Council of Governors meetings.

### **3. ELECTRONIC PATIENT RECORD**

As the Council of Governors knows, after careful consideration, the Trust and Intersystems recently took the difficult decision to jointly terminate the delivery of the hospital's electronic patient record.

We are now focusing on a delivering a digital programme that will stabilise our current patient administration and clinical systems, while we consider future options.

Those options will be guided by the development of digital strategy for the Trust, and I am delighted that one of the Non-Executive Directors candidates who are being proposed to you today has a very strong background in this area and will be a tremendous help in shaping that strategy.

#### 4. ESTATES AND FACILITIES

Our ageing estate on parts of the Stepping Hill Hospital site pose the Trust some problems, particularly as funding for new buildings and estates improvements in the NHS is becoming increasingly difficult to access.

We have taken steps in recent months to demolish some of our older buildings, and we are working hard to ensure that our existing estate remains a safe place in which to care for patients and for our staff to work in.

Our internal governance processes recently flagged up some issues with the way our estate has been maintained, and as a result we commissioned an independent review of the way our facilities operate and standards are met.

That review has made a number of recommendations, which align with our own views on improvements that should be made. Some recommendations relate to having our own skilled staff to maintain our buildings and ensure key standards are met, and we are currently in the process of appointing some key tradespeople to join the Trust. Other recommendations related to systems and process that require improvement, and we are rapidly working through an action plan to make the required changes.

Patients and staff are unlikely to see major visible changes to our estate as a result of the work that is going on, but it is part of our drive to make improvements to our governance systems and processes, as well as delivering on our commitment to take prompt action when we identify issues that should be addressed.

#### 5. NEWS AND EVENTS

- **Fractured neck of femur** – we were delighted to welcome clinicians from across Greater Manchester to an event hosted by the Trust focusing on sharing best practice in the care of fracture neck of femur.
- **Public Health** – last week we also played host to a public health conference focusing on the importance of healthy lifestyles and prevent, the impact on health services, and health professionals' responsibility to make every contact count to promote healthier lifestyle choices.
- **Great Place to Work** – congratulations to our finance and procurement team on winning the HFMA North West Great Place to Work Award. This is a great achievement as it requires a huge amount of work to be even considered for this award.
- **Research** – research is crucial to the development of health care, so we are delighted that the Trust has seen one of the biggest increases in the number

of research volunteers in the country. Our research team recruited 382% more research volunteers compared to last year, the fifth biggest increase across the country.

- **Health and wellbeing day** – Pinewood education centre will be the venue of for a day of physical and mental health activities on 29 July 2019 to give staff information about the wide range of opportunities the Trust offers to help improve their health and well-being

## **6. RECOMMENDATION**

The Council of Governors is recommended to receive this report.

<b>Report To:</b> Trust Board	<b>Date:</b> 27 Jun 2019
<b>Subject:</b> Integrated Performance Report	
<b>Report of:</b> Director of Strategy & Planning	<b>Prepared by:</b> B.I & Performance Team

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**REPORT FOR ASSURANCE**

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<b>Corporate Objective Ref:</b>	SO2, 2a, 2b, 3a, 3b, 5a, 5c, 6a	<b>Summary of Report</b>  The Board is asked to note the performance against the reported metrics, particularly noting the key areas of change from the previous month.  Meetings have been arranged with the new Directors of Finance and Workforce & OD to review their suite of metrics. Any changes required will be incorporated from Q2.
<b>Board Assurance Framework Ref:</b>	SO2, SO3, SO5, SO6	
<b>CQC Registration Standards Ref:</b>	10, 12, 17 & 18	
<b>Equality Impact Assessment:</b> <input type="checkbox"/> Completed <input checked="" type="checkbox"/> Not Required		

<b>Attachments:</b>
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<b>This subject has previously been reported to:</b>	<table style="width: 100%; border: none;"> <tr> <td><input type="checkbox"/> Board of Directors</td> <td><input type="checkbox"/> SD Committee</td> </tr> <tr> <td><input type="checkbox"/> Council of Governor</td> <td><input type="checkbox"/> Charitable Funds Committee</td> </tr> <tr> <td><input type="checkbox"/> Audit Committee</td> <td><input type="checkbox"/> Nominations Committee</td> </tr> <tr> <td><input type="checkbox"/> Executive Team</td> <td><input type="checkbox"/> Remuneration Committee</td> </tr> <tr> <td><input type="checkbox"/> Quality Committee</td> <td><input type="checkbox"/> Joint Negotiating Council</td> </tr> <tr> <td><input type="checkbox"/> F&amp;P Committee</td> <td><input type="checkbox"/> Other</td> </tr> <tr> <td><input type="checkbox"/> PP Committee</td> <td></td> </tr> </table>	<input type="checkbox"/> Board of Directors	<input type="checkbox"/> SD Committee	<input type="checkbox"/> Council of Governor	<input type="checkbox"/> Charitable Funds Committee	<input type="checkbox"/> Audit Committee	<input type="checkbox"/> Nominations Committee	<input type="checkbox"/> Executive Team	<input type="checkbox"/> Remuneration Committee	<input type="checkbox"/> Quality Committee	<input type="checkbox"/> Joint Negotiating Council	<input type="checkbox"/> F&P Committee	<input type="checkbox"/> Other	<input type="checkbox"/> PP Committee	
<input type="checkbox"/> Board of Directors	<input type="checkbox"/> SD Committee														
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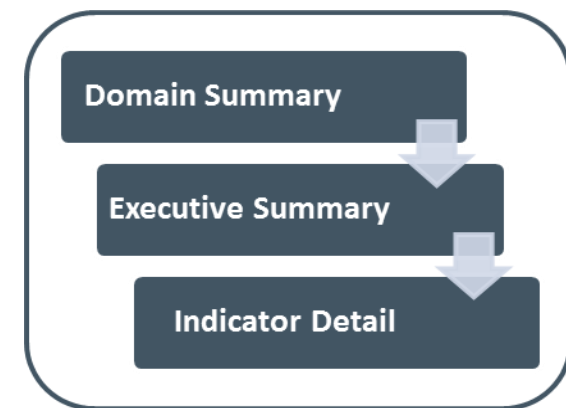
## Introduction

The Board report layout consists of three sections:

**Domain Summary:** Provides a high level summary of performance against the Trusts' Key Performance Indicators. The indicators are grouped by the Care Quality themes of Safe, Caring, Responsive, Effective and Efficient. The summary page reflects the Trusts' performance against the Single Oversight Framework indicators as monitored by NHS Improvement.

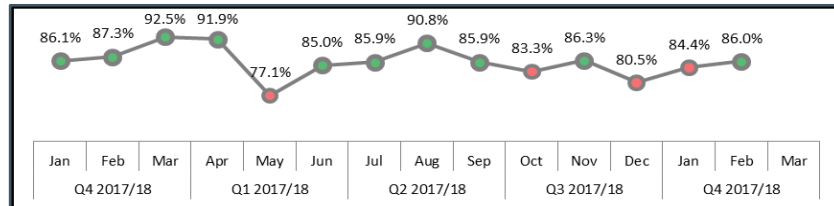
**Executive Summary:** Provides a summary of indicator level performance, arranged by Care Quality theme. For each indicator, performance against target is shown at both Trust and Business Group level, where applicable. Page numbers on this level of the report will advise on which page of the report the detailed information for each indicator can be located.

**Indicator Detail:** Provides detailed information for each indicator. This includes clear descriptions of the indicator, a chart representing the performance trend, and narrative describing the actions that are being undertaken to either maintain or improve performance.

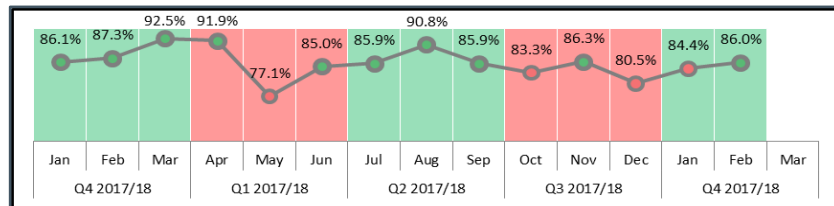


## Chart Summary

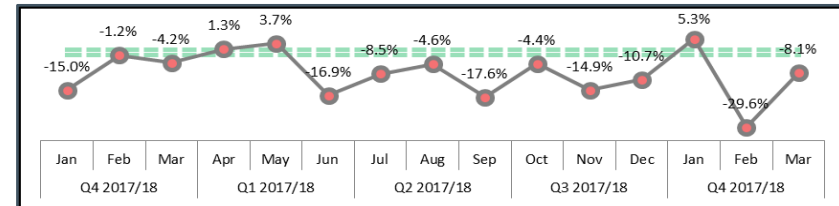
The following chart types are in use throughout the report:



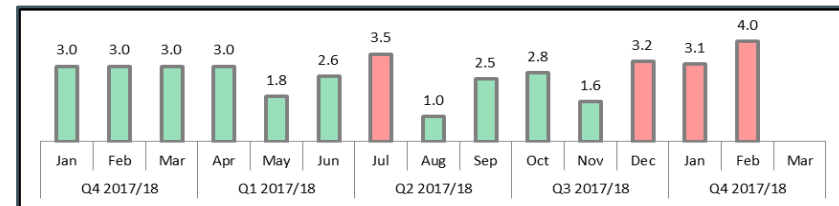
Trends are represented as a line where possible, with each monthly marker coloured to indicate achievement or non-achievement against target.



Where applicable, quarterly performance is indicated as coloured columns behind the main trend line.



For indicators measured against a target variance, the green dotted lines indicate the target "safe-zone".

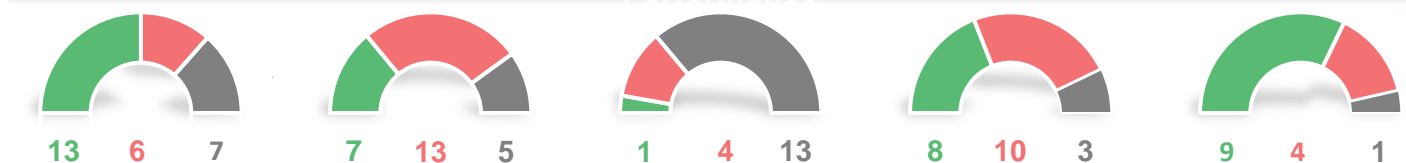


Where a trend line is not as appropriate, column charts are used to display information on indicator counts and totals.

# Domain Summary



## Performance



## Indicators

C.Diff Infection Count (lapses)	Bank & Agency Costs	Complaints Rate	A&E: 4hr Standard	Agency Spend:Cap
C.Diff Infection Rate	Emergency C-Section Rate	DSSA (mixed sex)	Cancer: 62 Day Standard	I&E Position
E.Coli Infection Rate	HSMR Mortality Ratio	Friends & Family: A&E	Dementia: Finding Question	Sickness Absence Rate (UoR)
MRSA Infection Rate	SHMI Mortality Ratio	Friends & Family: Inpatient	Diagnostics: 6 Week Standard	Workforce Turnover (UoR)
MSSA Infection Rate	Never Events	Friends & Family: Maternity	RTT: Incomplete Pathways	
VTE Risk Assessment	Patient Safety Incident Rate	Patient Safety Alerts		

*Key Changes to the indicators in this period are:*

### Metrics changing from green to red in month:

- Patient Safety Alerts Completion
- Outpatient activity v plan
- Theatre sessions v plan

### Metrics changing from red to green in month:

- Dementia: Finding Question
- Hospital Acquired Device Related Bacteraemias
- Mandatory training
- Stranded/super-stranded patients
- Length of Stay (elective)
- Daycase activity v plan
- RTT Incomplete pathways

### Areas of notable improvement:

- Clinical correspondence

### Areas of notable exception:

- Agency shifts above cap



# Executive Summary

Indicator	Domain	Report Month	Target	Actual	PAT Rating	Direction	BG PAT I M S W	YTD	Forecast Risk	Page
Chief Operating Officer										
Diagnostics: 6 Week Standard	Responsive	May-19	<= 1%	1.2%		↓		1.5%		12
Cancer: 62 Day Standard	Responsive	May-19	>= 72.7%	73.1%		↓		79.6%		12
Cancer: 104 Day Breaches	Responsive	Apr-19	<= 0	1.0		↓		1.0		13
Referral to Treatment: Incomplete Pathways	Responsive	May-19	>= 84.7%	84.7%		↑		84.0%		13
Referral to Treatment: Incomplete Waiting List Size	Responsive	May-19	<= 24578	24049		↓				14
Clinical Correspondence	Safe	May-19	>= 95%	65.0%		↑		55.3%		14
Outpatient Hospital Cancellation Rate (UoR)	Responsive	May-19	<= 9%	11.0%		↓		11.2%		15
Outpatient DNA rate (UoR)	Effective	May-19	<= 7.4%	6.5%		↓		6.6%		15
Outpatient Clinic Utilisation (UoR)	Effective	May-19	>= 90%	82.3%		↓		82.8%		16
Outpatient New to Follow-up Ratio (UoR)	Effective	May-19	<= 1.77	2.19		↑		2.17		16
Theatres: Delivered Sessions vs. Plan	Effective	May-19	>= 100%	93.0%		↓		96.4%		17
Theatres: Overall Touch-time Utilisation (UoR)	Effective	May-19	>= 85%	82.1%		↑		80.5%		17
Theatres: In-Session Touch-time Utilisation (UoR)	Effective	May-19	>= 85%	73.2%		↑				18

# Executive Summary

Indicator	Domain	Report Month	Target	Actual	PAT Rating	Direction	BG PAT I M S W	YTD	Forecast Risk	Page
Chief Operating Officer										
Elective Day Case Activity vs. Plan	Responsive	May-19	$\geq 0\%$	0.9%				0.9%		18
Elective Day Case Income vs. Plan	Responsive	May-19	$\geq 0\%$	4.1%				4.1%		19
Elective Inpatient Activity vs. Plan	Responsive	May-19	$\geq 0\%$	-4.2%				-4.2%		19
Elective Inpatient Income vs. Plan	Responsive	May-19	$\geq 0\%$	-4.8%				-4.8%		20
Outpatient Activity vs. Plan	Responsive	May-19	$\geq 0\%$	-0.3%				-0.3%		20
Outpatient Income vs. Plan	Responsive	May-19	$\geq 0\%$	-3.1%				-3.1%		21
Length of Stay: Non-Elective (UoR)	Effective	May-19	$\leq 9$	11.39				11.01		21
Length of Stay: Elective (UoR)	Effective	May-19	$\leq 2.6$	2.43				2.63		22
Stranded Patient Count (UoR)	Effective	May-19	$\leq 304$	290						22
Super-Stranded Patient Count (UoR)	Effective	May-19	$\leq 144$	134						23
Delayed Transfers of Care (DTOC) (UoR)	Effective	May-19	$\leq 3.3\%$	4.1%				4.2%		23
Medical Optimised Awaiting Transfer (MOAT)	Effective	May-19	$\leq 40$	80				180		24
Discharges by Midday	Effective	May-19	$\geq 33\%$	16.0%				16.6%		24

# Executive Summary

Indicator	Domain	Report Month	Target	Actual	PAT Rating	Direction	BG PAT I M S W	YTD	Forecast Risk	Page
Medical Director										
A&E: 12hr Trolley Wait	Responsive	May-19	<= 0	12		↓		52		26
Emergency Readmission Rate (UoR)	Effective	Mar-19	<= 7.9%	8.7%		↓		8.8%		26
Diabetes Reviews	Caring	Mar-19	>= 90%	77.8%		↓		79.5%		27
VTE Risk Assessment	Safe	May-19	>= 95%	97.0%		↓		97.1%		27
Sepsis: Timely Identification	Safe	May-19		75.1%		↓		85.0%		28
Sepsis: Timely Treatment	Safe	May-19	>= 90%	45.8%		↑		44.9%		28
Medication Errors: Rate	Safe	May-19		4.00		↑				29
Discharge Summaries	Safe	May-19	>= 95%	90.1%		↓		91.0%		29
Mortality: Deaths in ED or as Inpatient	Effective	May-19		134		↑		239		30
Mortality: Case Note Review Rate	Effective	May-19		35.8%		↑		34.7%		30
Mortality: Specialist Palliative Care Length of Stay	Caring	May-19		17.55		↓		21.71		31
Mortality: HSMR	Effective	Mar-19	<= 1	1.05		↓				31
Mortality: SHMI	Effective	Dec-18	<= 1	0.96		→				32

# Executive Summary

Indicator	Domain	Report Month	Target	Actual	PAT Rating	Direction	BG	PAT I	PAT M	PAT S	PAT W	YTD	Forecast Risk	Page
Medical Director														
Never Event: Incidence	Effective	May-19	<= 0	0		→						0		32
Duty of Candour Breaches	Effective	May-19		0		↓						1		33
Serious Incidents: STEIS Reportable	Responsive	May-19		13		↓						31		33

# Executive Summary

Indicator	Domain	Report Month	Target	Actual	PAT Rating	Direction	BG PAT I M S W	YTD	Forecast Risk	Page
Chief Nurse & Director of Quality Governance										
C.Diff Infection Rate	Safe	Apr-19		16.66		↑		16.66		34
C.Diff Infection Count	Safe	Apr-19	<= 4 *	5		↑		5		34
MRSA Infection Rate	Safe	Apr-19		0.00		→		0.00		35
MSSA Infection Rate	Safe	Apr-19		4.63		↓		4.63		35
E.Coli Infection Rate	Safe	Apr-19		17.59		↑		17.59		36
E.Coli Infection Count	Safe	Apr-19		2		↓		2		36
Falls: Total Incidence of Inpatient Falls	Safe	May-19	<= 183 *	85		↑		167		37
Falls: Causing Moderate Harm and Above	Safe	May-19	<= 4 *	1		↓		3		37
Pressure Ulcers: Hospital, Category 2	Safe	Apr-19	<= 7 *	7		↓		7		38
Pressure Ulcers: Hospital, Category 3	Safe	Apr-19	<= 1 *	1		↑		1		38
Pressure Ulcers: Hospital, Category 4	Safe	Apr-19	<= 0 *	0		→		0		39
Pressure Ulcers: Community, Category 2	Safe	Apr-19	<= 16 *	14		↑		14		39
Pressure Ulcers: Community, Category 3	Safe	Apr-19	<= 3 *	2		↓		2		40

# Executive Summary

Indicator	Domain	Report Month	Target	Actual	PAT Rating	Direction	BG PAT I M S W	YTD	Forecast Risk	Page
Chief Nurse & Director of Quality Governance										
Pressure Ulcers: Community, Category 4	Safe	Apr-19	<= 0 *	1		→		1		40
Pressure Ulcers: Device Related, Category 2	Safe	Apr-19	<= 2 *	4		↑		4		41
Pressure Ulcers: Device Related, Category 3	Safe	Apr-19	<= 0 *	0		→		0		41
Pressure Ulcers: Device Related, Category 4	Safe	Apr-19	<= 0 *	0		→		0		42
Safety Thermometer: Hospital	Safe	May-19	>= 95%	96.7%		↓		97.0%		42
Safety Thermometer: Community	Safe	May-19	>= 95%	98.0%		↓		98.3%		43
Patient Safety Incident Rate	Effective	May-19		53.67		↓				43
Patient Safety Alerts: Completion	Caring	May-19	>= 100%	83.3%		↓		91.7%		44
Emergency C-Section Rate	Effective	May-19	<= 15.4%	17.2%		↑		17.1%		44
Term Babies Admitted to the Neonatal Unit	Effective	May-19	<= 5	3		→				45
Dementia: Finding Question	Responsive	Apr-19	>= 90%	95.6%		↑		95.6%		45
Dementia: Assessment	Responsive	Apr-19	>= 90%	100.0%		→		100.0%		46
Dementia: Referral	Responsive	Apr-19	>= 90%	100.0%		→		100.0%		46

# Executive Summary

Indicator	Domain	Report Month	Target	Actual	PAT Rating	Direction	BG PAT I M S W	YTD	Forecast Risk	Page
Chief Nurse & Director of Quality Governance										
Friends & Family Test: Response Rate	Caring	Apr-19		19.9%		↓		19.9%		47
Friends & Family Test: Inpatient	Caring	Apr-19		94.8%		↓		94.8%		47
Friends & Family Test: A&E	Caring	Apr-19		87.2%		↓		87.2%		48
Friends & Family Test: Maternity	Caring	Apr-19		94.4%		↓		94.4%		48
DSSA (mixed sex)	Caring	May-19	<= 0	0		→		0		49
Learning Disability: Adjusted Care Plans	Caring	Mar-19	>= 100%	78.9%		↓				49
Compliments	Caring	May-19		146		↑		291		50
Complaints Rate	Caring	May-19		0.7%		↓		0.9%		50
Complaints: Response Rate 45	Caring	May-19	>= 95%	92.2%		↑		81.7%		51
Complaints: Parliamentary & Health Service Ombudsman Cases	Caring	May-19		1		↑		1		51
Complaints Closed: Overall	Caring	May-19		51		↑		93		52
Complaints Closed: Upheld	Caring	May-19		8		→		16		52
Complaints Closed: Partially Upheld	Caring	May-19		23		↑		37		53

## Executive Summary

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# Executive Summary

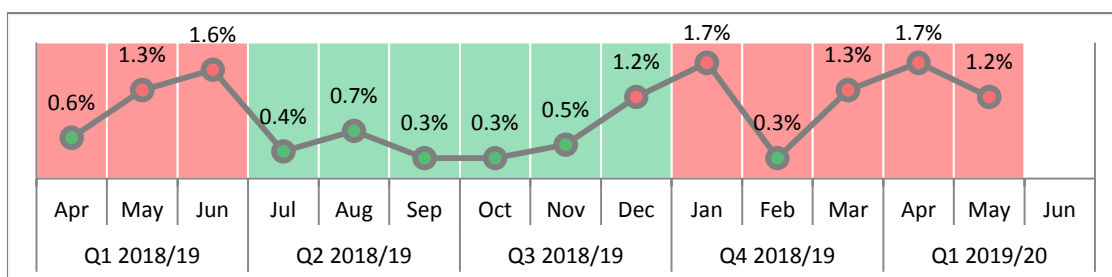
Indicator	Domain	Report Month	Target	Actual	PAT Rating	Direction	BG	PAT I	M	S	W	YTD	Forecast Risk	Page
Director of Finance														
Financial Controls: I&E Position	Well-Led / Efficient	May-19	>= 0%	0.2%		↓								55
Cash	Well-Led / Efficient	May-19	<= 0%	-0.4%		↓								56
Financial Use of Resources	Well-Led / Efficient	May-19	<= 3	3		→								56
CIP Cumulative Achievement	Well-Led / Efficient	May-19	>= 0%	35.1%		↓								57
Capital Expenditure	Well-Led / Efficient	May-19	+/- 10%	-58.9%		↑								57

# Domain Summary

Indicator	Domain	Report Month	Target	Actual	PAT Rating	Direction	BG PAT I M S W	YTD	Forecast Risk	Page
Director of Workforce & Organisational Development										
Staff in Post	Well-Led / Efficient	May-19	>= 90%	91.4%		↓		91.4%		58
Sickness Absence Rate (UoR)	Well-Led / Efficient	May-19	<= 3.5%	4.5%		↓		4.6%		58
Workforce Turnover (UoR)	Well-Led / Efficient	May-19	<= 13.94%	13.9%		↑				59
Staff Friends & Family Test: Recommend for Work	Well-Led / Efficient	Mar-19		53.9%		→		55.1%		59
Appraisal Rate: Medical	Well-Led / Efficient	May-19	>= 95%	96.9%		↓		97.0%		60
Appraisal Rate: Non-medical	Well-Led / Efficient	May-19	>= 95%	92.8%		↑		92.5%		60
Statutory & Mandatory Training	Well-Led / Efficient	May-19	>= 90%	90.4%		↑		89.9%		61
Bank & Agency Costs	Effective	May-19	<= 5%	11.5%		↑		11.1%		61
Agency Shifts Above Capped Rates	Well-Led / Efficient	May-19	<= 0	790		↑		1254		62
Agency Spend: Distance From Ceiling (UoR)	Well-Led / Efficient	May-19	<= 3%	-11.7%		↑		-11.7%		62
Flu Vaccination Uptake	Safe	Feb-19	>= 75%	75.3%		↑				63
Staff Friends & Family Test: Recommend for Care	Caring	Mar-19		71.9%		↑		71.6%		63

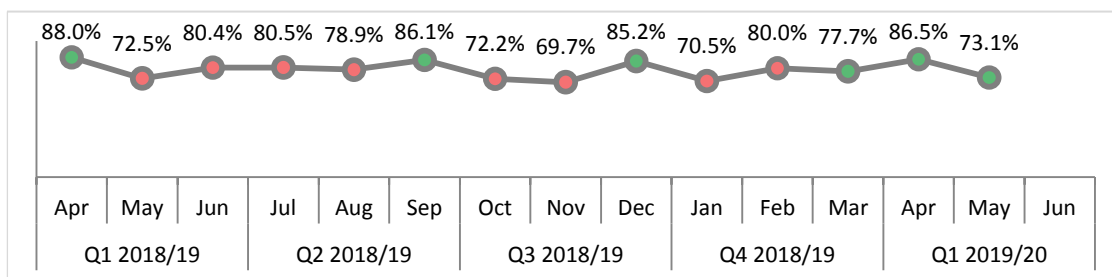
## Indicator Detail

May-19	Diagnostics: 6 Week Standard
<div> <div></div> 1.2% </div>	The percentage of patients referred for diagnostic tests who have been waiting for less than 6 weeks.
<b>Target</b>	The Trust did not achieve the 1% diagnostic standard in May. This was due to a combination of echocardiography capacity and simultaneous failure of both CT scanners in month.
<b>&lt;= 1%</b>	



Actions
A review of the current service provision is underway in Echocardiography with a view to an extended hours /7 day working model.
Compliance with the diagnostic standard is predicted for June.
Future risks to compliance relate to the shortage of contrast for MR, and any the fragility of the CT scanners.

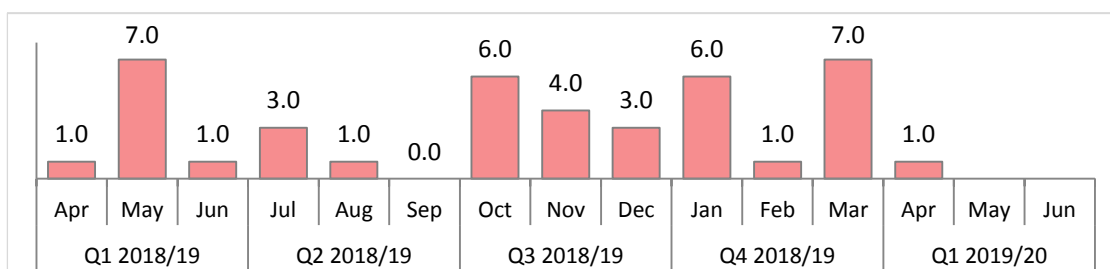
May-19	Cancer: 62 Day Standard
<div> <div></div> 73.1% </div>	The percentage of patients on a cancer pathway that have received their first treatment within 62 days of their GP referral. Please note: This indicator is measured against an agreed improvement trajectory, not the national standard.
<b>Target</b>	The Trust achieved the improvement trajectory milestone set for May.
<b>&gt;= 72.7%</b>	



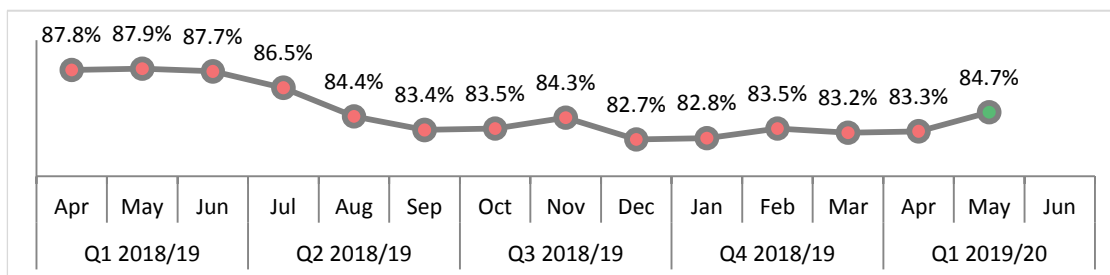
Actions
Bids for transformational monies have been submitted to GM Cancer to support the lung and colorectal straight to test pathways. The Trust awaits the outcome of the decision making process.
The Business cases for additional CT capacity and the 4th Endoscopy room have been approved by the Trust Board. Estimated implementation times are Q1 2020/21.
The impact of Histopathology workforce gaps have been highlighted as a contributory risk to cancer performance.
Trust-wide deep dive analysis of each patient that breaches 62 days.

## Indicator Detail

Apr-19	Cancer: 104 Day Breaches
1.0	The number of patients that have pathway length of 104 days or more at the point of treatment.
<b>Target</b>	One patient commenced treatment beyond day 104 of their pathway in May.
<b>&lt;= 0</b>	The patient was a late transfer in from another hospital for further diagnosis and treatment at Stockport.



May-19	Referral to Treatment: Incomplete Pathways
84.7%	The percentage of patients on an open pathway, whose clock period is less than 18 weeks. Please note: This indicator is measured against an agreed improvement trajectory, not the national standard.
<b>Target</b>	The Trust has achieved its improvement trajectory milestone for May. This is despite significant increases in demand in some services.
<b>&gt;= 84.7%</b>	

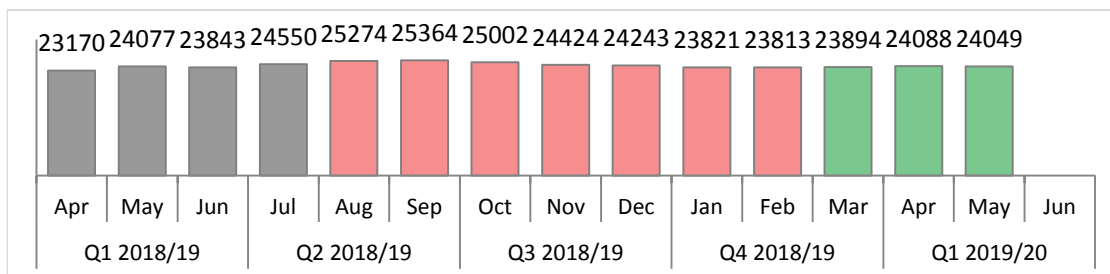


Actions
All cancer patients are tracked and pathway delays are escalated to ensure patients are treated as soon as possible.
Root Cause Analysis is undertaken for any patient breaching 62 days of their pathway which includes a clinical harm review. These are shared as part of the Trusts' Cancer Quality & Service Improvement group.
Any 104 day breach analysis is also subject to a serious untoward incident review.

Actions
Options appraisals are being prepared for both Oral Surgery and Orthodontics following increased demand as a result of surrounding providers closing services.
Weekly discussions with NHSE are taking place regarding these services.

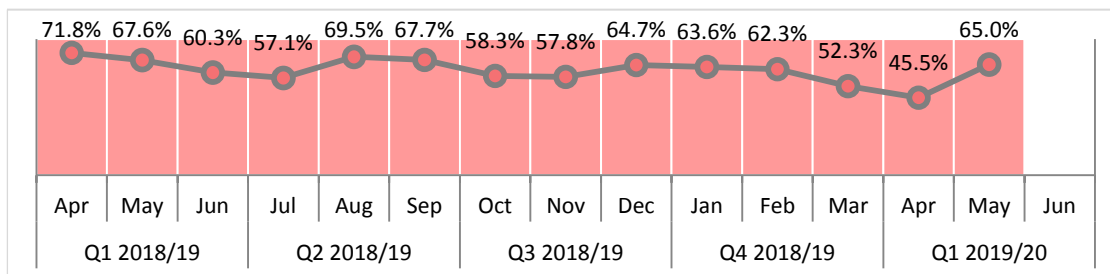
## Indicator Detail

May-19	Referral to Treatment: Incomplete Waiting List Size
<span style="color: green;">●</span> 24049	The total number of patients on an open pathway. Please note: This indicator is measured against an agreed improvement trajectory.
Target	The Trust remains well ahead of its improvement trajectory for RTT waiting list size.
<= 24578	



Actions
Refresher training for medical secretaries, pathway trackers and management teams is due to commence to ensure each service has efficient and effective processes for tracking patients through their journey.
Focus on real-time clinic outcome recording.

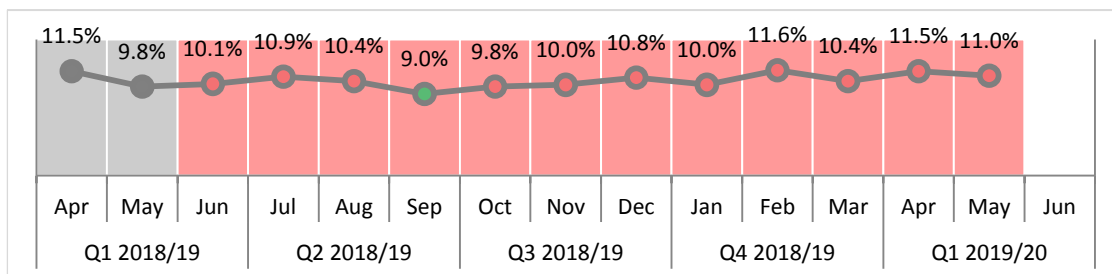
May-19	Clinical Correspondence
<span style="color: red;">●</span> 65.0%	The percentage of clinical correspondence typed within 7 days.
Target	Performance has started to reflect the positive impact of the Outsourcing project.
>= 95%	Wait for typing continues to improve. At the time of writing, the longest wait is 10 days.



Actions
Options paper approved by ET.
Assurance given that time between dictation and being typed will be less than 7 days by the end of June.
Moving forward, the aim is a to achieve clinic attendance to distribution within 7 days.

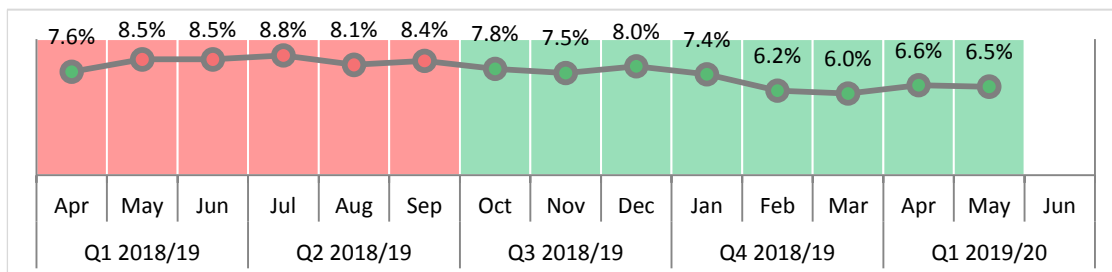
## Indicator Detail

May-19	Outpatient Hospital Cancellation Rate (UoR)
<div>11.0%</div>	The percentage of outpatient appointments where the hospital has cancelled the appointment. This indicator combines new and follow-up appointment types.
Target	The cancellation rate improved slightly in month to 11%.
<= 9%	



Actions
The Outpatient improvement work will support efficient ways of working to minimise cancellations.

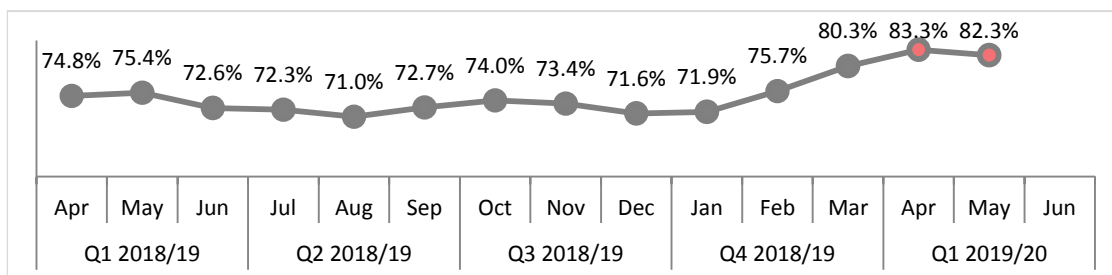
May-19	Outpatient DNA rate (UoR)
<div>6.5%</div>	The percentage of outpatient appointments where the patient did not attend (DNA). This indicator combines new and follow-up appointment types.
Target	DNA rate remains below peer group average.
<= 7.4%	



Actions
Continue to develop the reminder system as required.

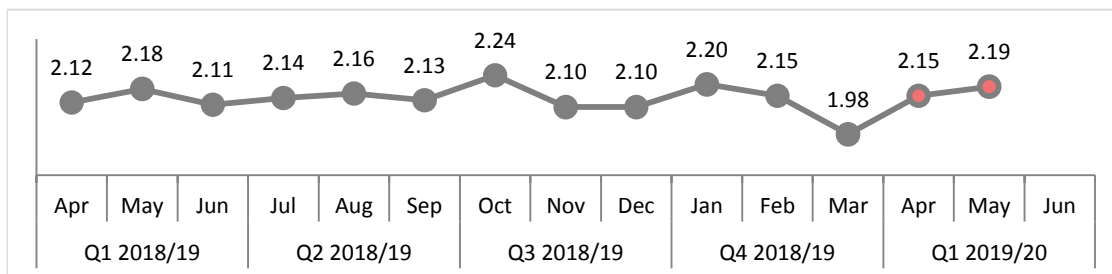
## Indicator Detail

May-19	Outpatient Clinic Utilisation (UoR)
<div> <div></div> <div>82.3%</div> </div>	The percentage of planned clinic appointment slots that were booked. Planned slots include all appointment slots on clinic templates that went ahead - cancelled clinic templates are excluded.
Target	Clinic utilisation has remained static this month.
<b>&gt;= 90%</b>	



Actions
The Outpatient improvement work will include further clinic utilisation.

May-19	Outpatient New to Follow-up Ratio (UoR)
<div> <div></div> <div>2.19</div> </div>	The number of outpatient follow-up attendances that took place for every one outpatient new attendance.
Target	The new:follow-up ratio remains static.
<b>&lt;= 1.77</b>	This will in part be due to the reduction of new attendances within the Breast service.



Actions
Patient Initiated Follow-up (PIFU) continues to be embedded across the specialities.

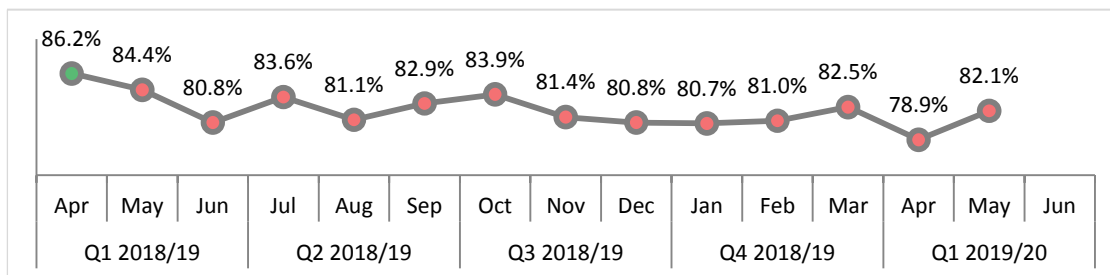
## Indicator Detail

May-19	Theatres: Delivered Sessions vs. Plan
<div> <div></div> <div>93.0%</div> </div>	The number of delivered sessions, as a percentage of the required sessions to deliver the activity plan. Excludes emergency/trauma sessions, obstetric and endoscopy activity. Planned session time based on delivered sessions only.
Target	The Trust was behind plan in delivering the required number of theatre sessions in month.
>= 100%	



Actions
The work undertaken to allocate theatre lists to specialties based on their plan requirements should start to take effect in July.
Vacancies within the Anaesthetic team has been highlighted as a risk to activity delivery in the coming months. An impact and options paper is being prepared. Meanwhile, the Trust has approved to over-recruit Consultant Anaesthetists at risk.

May-19	Theatres: Overall Touch-time Utilisation (UoR)
<div> <div></div> <div>82.1%</div> </div>	The overall time spent operating, calculated as a percentage of the overall planned session time. Touch-time will include any case overlap time and session over-run time. Excludes emergency/trauma sessions, obstetric and endoscopy activity. Planned session time based on delivered sessions only.
Target	Utilisation improved slightly in month.
>= 85%	

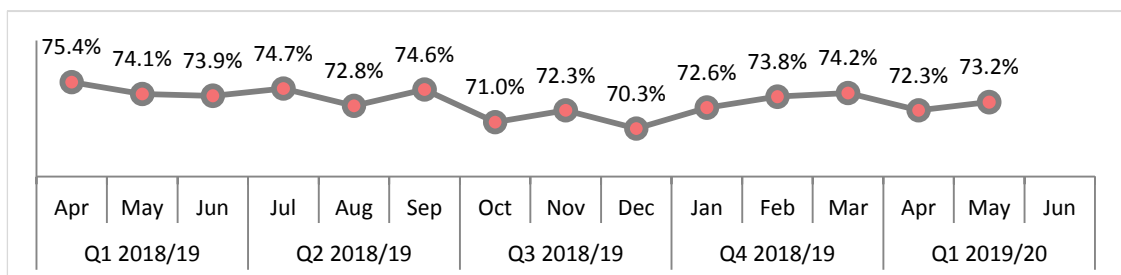


Actions
A new suite of metrics is being developed to support monitoring of elective activity and theatre efficiency.
These will form the basis of the monthly theatre specific meetings.



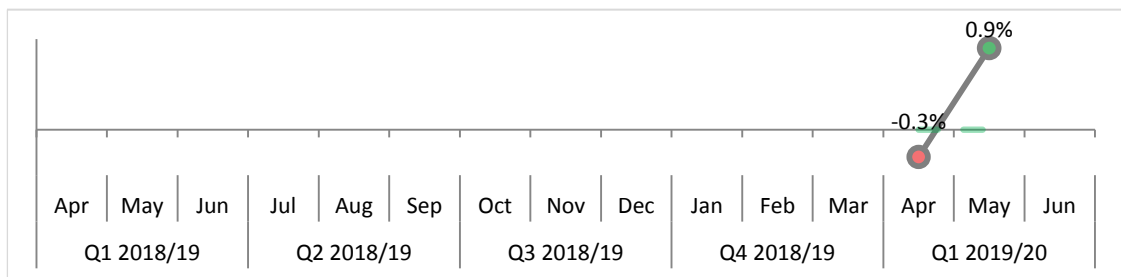
## Indicator Detail

May-19	Theatres: In-Session Touch-time Utilisation (UoR)
<span style="color: red;">●</span> 73.2%	The overall time spent operating within the planned hours of the session, calculated as a percentage of the overall planned session time. Excludes emergency/trauma sessions, obstetric and endoscopy activity. Planned session time based on delivered sessions only.
<b>Target</b>	Utilisation improved slightly in month.
<b>&gt;= 85%</b>	




Actions
A new suite of metrics is being developed to support monitoring of elective activity and theatre efficiency.
These will form the basis of the monthly theatre specific meetings.

May-19	Elective Day Case Activity vs. Plan
<span style="color: green;">●</span> 0.9%	The percentage variance between planned elective day case activity and actual elective day case activity.
<b>Target</b>	Day-case activity is ahead of plan to month 2 by 48 cases.
<b>&gt;= 0%</b>	




Actions
Continue weekly monitoring at the Executive start of the week meeting.

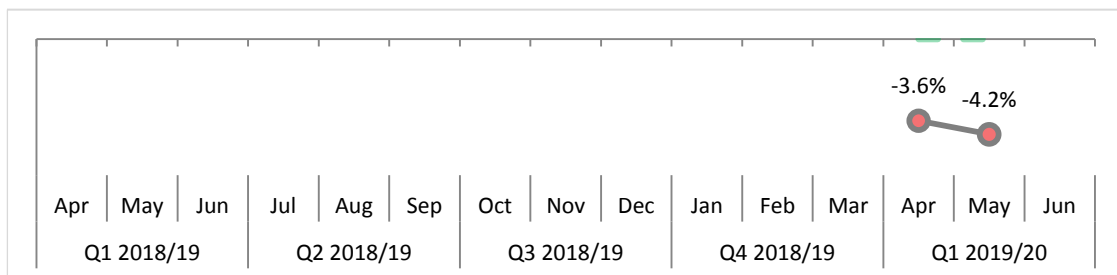
## Indicator Detail

May-19	Elective Day Case Income vs. Plan	
 4.1%	The percentage variance between planned elective day case income and actual elective day case income.	
Target	Day-case income is ahead of plan in-line with the activity variance.	
>= 0%		



Actions
Continue weekly monitoring at the Executive start of the week meeting.

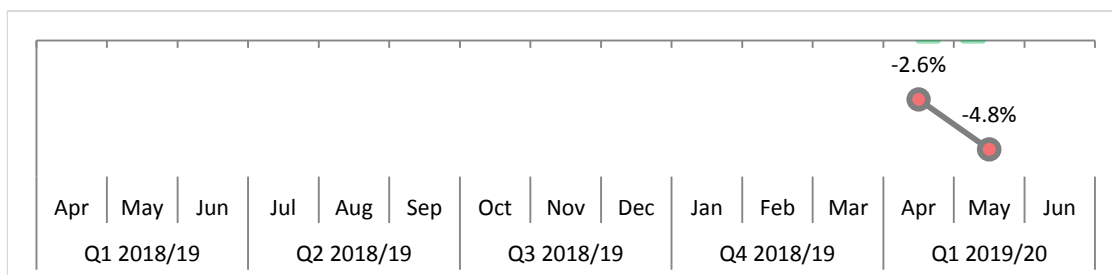
May-19	Elective Inpatient Activity vs. Plan	
 -4.2%	The percentage variance between planned elective inpatient activity and actual elective inpatient activity.	
Target	In-patient activity is behind plan by 40 cases to month 2.	
>= 0%		



Actions
Continue weekly monitoring at the Executive start of the week meeting.

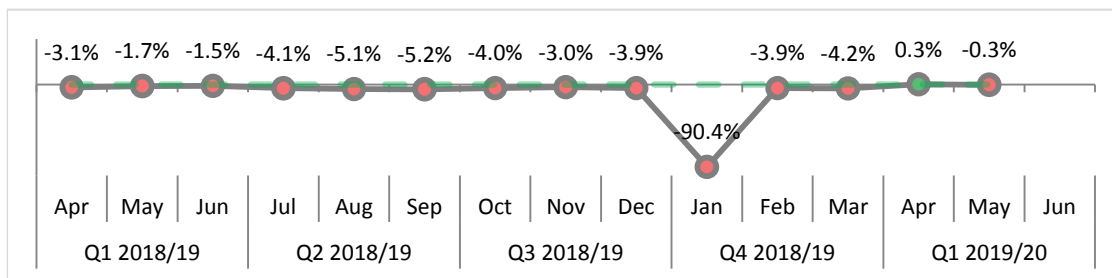
## Indicator Detail

May-19	Elective Inpatient Income vs. Plan
<span style="color: red;">●</span> -4.8%	The percentage variance between planned elective inpatient income and actual elective inpatient income.
<b>Target</b>	In-patient income is behind plan at month 2.
<b>&gt;= 0%</b>	



Actions
Continue weekly monitoring of activity at the Executive start of the week meeting.

May-19	Outpatient Activity vs. Plan
<span style="color: red;">●</span> -0.3%	The percentage variance between planned outpatient activity and actual outpatient activity.
<b>Target</b>	Outpatient activity is 134 spells behind plan at month 2.
<b>&gt;= 0%</b>	Whilst OP procedures and follow-up attendances are over-plan, first attendances are significantly adverse to plan.

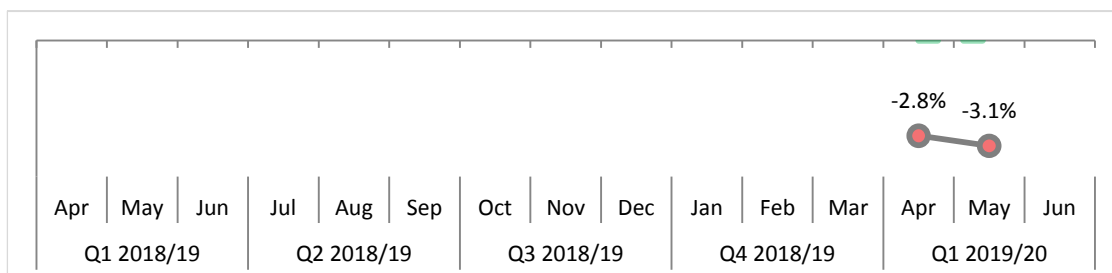


Actions
It should be noted that suspension of referrals into the breast service has impacted on new attendances.
Medical staffing shortages in Diabetes are contributing to variance to plan. A locum Consultant has now been secured.
A recovery trajectory for ENT is being developed which will inform how much of the gap can be closed.

## Indicator Detail

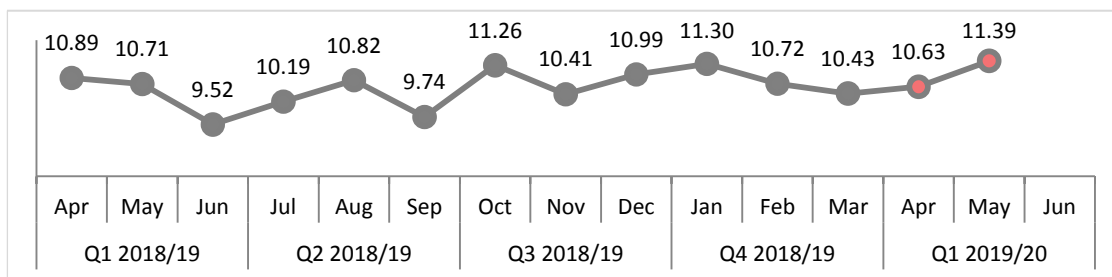
May-19	Outpatient Income vs. Plan
<span style="color: red;">●</span> -3.1%	The percentage variance between planned outpatient income and actual outpatient income.
<b>Target</b>	Outpatient income is adverse to plan at month 2.
<b>&gt;= 0%</b>	Whilst total attendances in the two months are only 134 behind plan, the split of appointment type varies and has adversely affected the income received.

Actions
Focus on real-time clinic attendance recording.



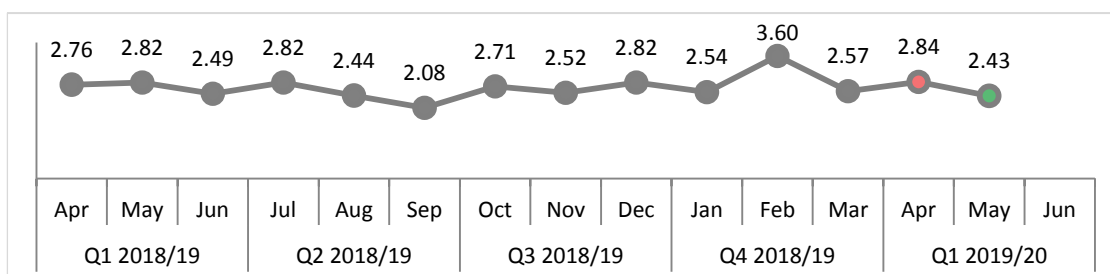
May-19	Length of Stay: Non-Elective (UoR)
<span style="color: red;">●</span> 11.39	The average length of a patient spell, from admission to discharge. Calculated using non-elective admissions only. Excludes Obstetrics/Maternity. Excludes admissions of 0 and 1 days length of stay. Reported by month of discharge.
<b>Target</b>	Length of stay for non-elective discharges in May increased.
<b>&lt;= 9</b>	This is related to the reduction in stranded patients in the hospital in month.

Actions
Improvement actions are related to the programme of work on reducing stranded patient numbers.



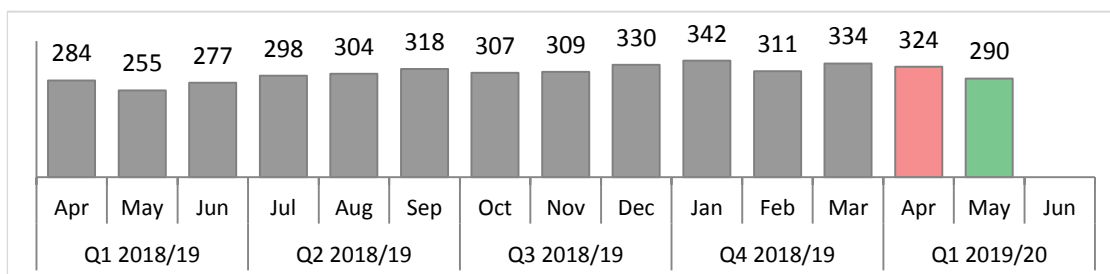
## Indicator Detail

May-19	Length of Stay: Elective (UoR)
<span style="color: green;">●</span> 2.43	The average length of a patient spell, from admission to discharge. Calculated using elective admissions only. Excludes day case admissions with length of stay of 0 days. Excludes Obstetrics/Maternity. Reported by month of discharge.
Target	Elective length of stay is below the peer average in month.
<= 2.6	



Actions
Continued focus on discharging patients by mid-day across all Business Groups

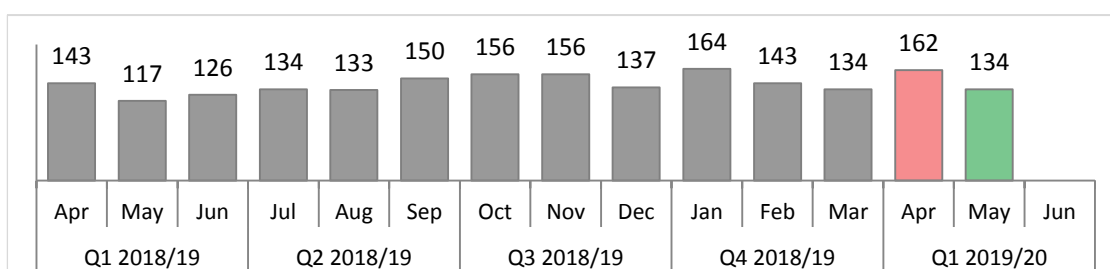
May-19	Stranded Patient Count (UoR)
<span style="color: green;">●</span> 290	The total number of patients with a length of stay of 7 days or more. Performance based on a snapshot taken on the last Monday of the reporting month.
	Please note: This indicator is measured against an agreed improvement trajectory. Longer length of stay (Stranded) patient numbers have reduced in month.
Target	
<= 304	



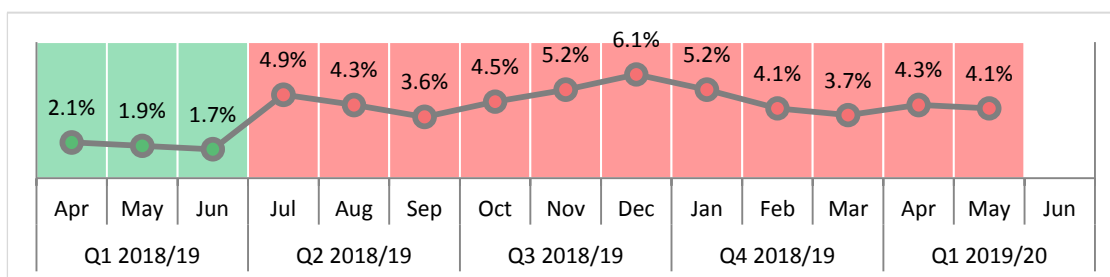
Actions
Improvement actions continue within the ITT with a weekly meeting with ITT Manager/Clinical Nurse Lead for CSC and the Delivery Director
Trajectory set and monitored weekly focussing on not only +21 days but the +14 and +7 to reduce the number of patients who will then flip into the +21 day LOS.
SRO's for Stay Well, Home First, Patient Flow and Discharge to continue with the workgroups to improve flow to reduce the number of admissions and increase the number of discharges in a timely manner.

## Indicator Detail

May-19	Super-Stranded Patient Count (UoR)
<span style="color: green;">●</span> 134	The total number of patients with a length of stay of 21 days or more. Performance based on a snapshot taken on the last Monday of the reporting month.  Please note: This indicator is measured against an agreed improvement trajectory.
Target	There has been a national target (a 45% reduction) by March 2020 assigned to the longer length of stay patients (super-stranded). The Trust has reflected this within the monthly targets.
<b>&lt;= 144</b>	Numbers have reduced in month.



May-19	Delayed Transfers of Care (DTOC) (UoR)
<span style="color: red;">●</span> 4.1%	The percentage of patients that have remained in their hospital bed beyond their transfer of care date. This is an average number calculated using daily snapshot data.
Target	DTOC numbers have reduced slightly in month.
<b>&lt;= 3.3%</b>	

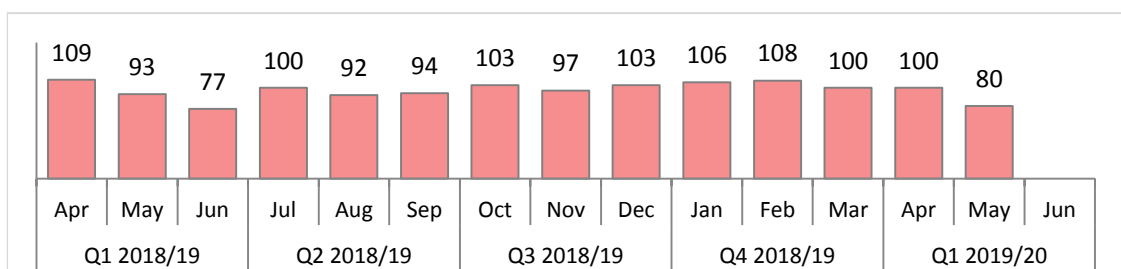


Actions
Improvement actions continue within the ITT with a weekly meeting with ITT Manager/Clinical Nurse Lead for CSC and the Delivery Director
Trajectory set and monitored weekly focussing on not only +21 days but the +14 and +7 to reduce the number of patients who will then flip into the +21 day LOS.
SRO's for Stay Well, Home First, Patient Flow and Discharge to continue with the workgroups to improve flow to reduce the number of admissions and increase the number of discharges in a timely manner.

Actions
Actions as per stranded patient work.

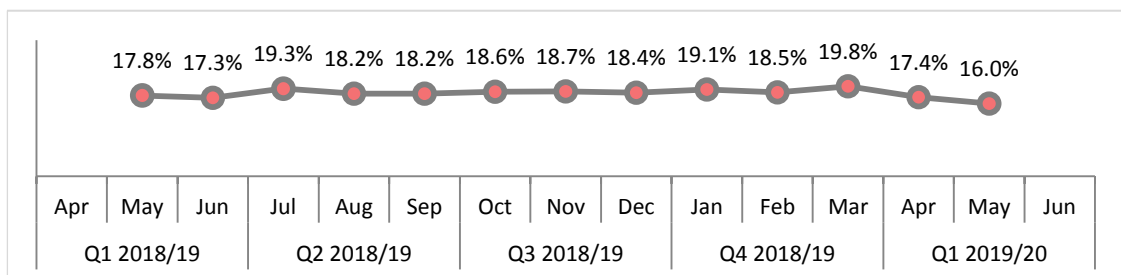
## Indicator Detail

May-19	Medical Optimised Awaiting Transfer (MOAT)
80	Total number of patients each day who have been medically optimised. This is an average number calculated using daily snapshot data. 'Medical optimisation' is the point at which care and assessment can safely be continued in a non-acute setting.
Target	MOAT number shave reduced in month.
<= 40	



Actions
Actions as per stranded patient work.

May-19	Discharges by Midday
16.0%	The total number of patients discharged by midday, calculated as a percentage of the total number of discharges for the period. Includes SAFER wards only.
Target	Discharges before midday are one of the standards that are measured at the in-hospital working group and then Programme Delivery Group. Although there has been success on a few wards the majority of the wards are still discharging patients later in the day and there is poor usage of the Discharge Lounge.
>= 33%	



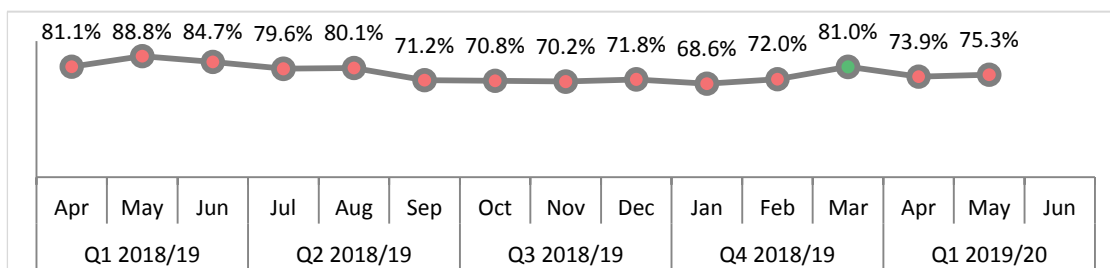
Actions
Continue to monitor and report through the In-Hospital Working Group and PDG.
Re-launch of the Discharge Lounge now that it is fully staffed to get the wards confident in the discharge lounge.
Holding a New World Launch - "One Year On" event to review and raise the profile of the New World Metrics.
Implementation of the ITT Review with regards to "Discharge Trackers" on all medical wards.

## Indicator Detail

May-19	A&E: Overnight Breaches
1141	The total of patients who were admitted, discharged, or leave A&E over 4 hours after their arrival between 20:00 and 07:59.
Target	There continues to be a high number of overnight breaches of which a number are non-admitted patients. One of the main issues is the lack of space to see and treat patients when the department is over capacity. There is also an issue with delay in speciality assessment.



May-19	A&E: 4hr Standard
75.3%	The percentage of patients who were admitted, discharged, or leave A&E within 4 hours of their arrival. Please note: This indicator is measured against an agreed improvement trajectory, not the national standard.
Target	Whilst performance against the 4hr standard improved from the previous month, it was below the improvement trajectory milestone. Attendances in May were slightly lower than predicted, but remain 2.3% above the level seen in May 2018 and are 6% up on the same two months last year.
>= 80%	



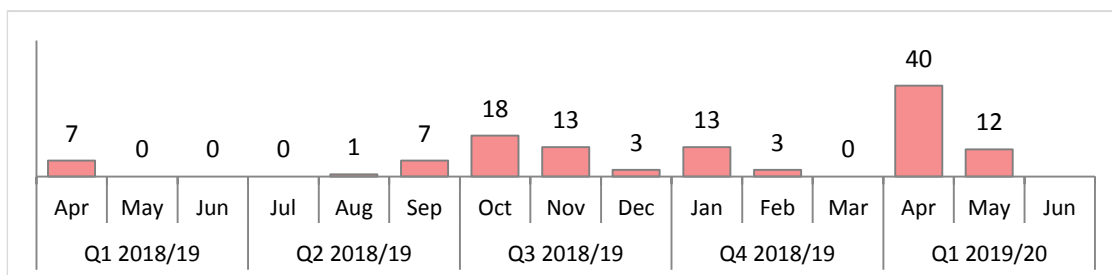
Actions
To look to have Consultant Cover until midnight 7 days a week
An additional senior twilight (6pm to 2.00am) registrar level cover. Rota currently being reviewed.
Operational Management team to have a rota which has one of them on site until 7.00pm to ensure there is a robust plan going into the night.
Focus on earlier AMU discharges.

Actions
Implementation plans for Project Phoenix continue to be progressed. A business case for the Urgent Care Treatment Centre is being finalised and will be considered by ET in early July.
Bluebell (Transfer to Assess Model) – A start date of 1st August 2019 is now unrealistic as the Trust is still awaiting confirmation from the CCG of funding.
Plans are in place to reduce overnight breaches by extending senior medical and managerial cover over a longer part of the evening /twilight.

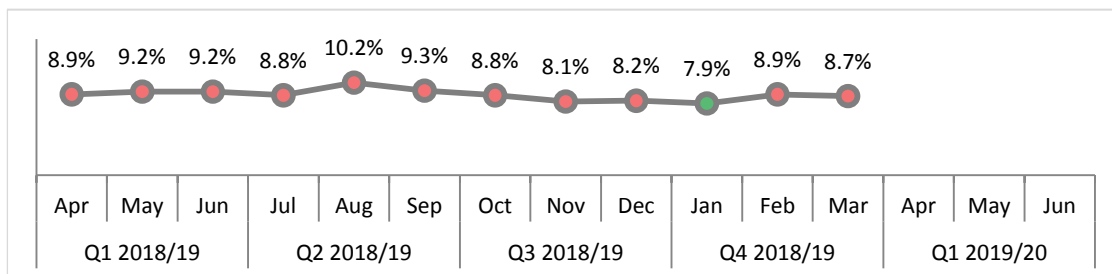


## Indicator Detail

May-19	A&E: 12hr Trolley Wait
12	Total number of patients whose decision to admit from A&E was over 12 hours from their actual admission.
Target	The continued number of 12 hour trolley waits in spite of moving out of our winter period have been a cause for concern.
<= 0	



Mar-19	Emergency Readmission Rate (UoR)
8.7%	The percentage of emergency re-admissions within 28 days following an inpatient discharge. This indicator includes admissions for all conditions, and is not restricted to re-admissions for the same condition as the original admission.
Target	This indicator is a good index of effective communication and seamless transition from hospital into primary care.
<= 7.9%	

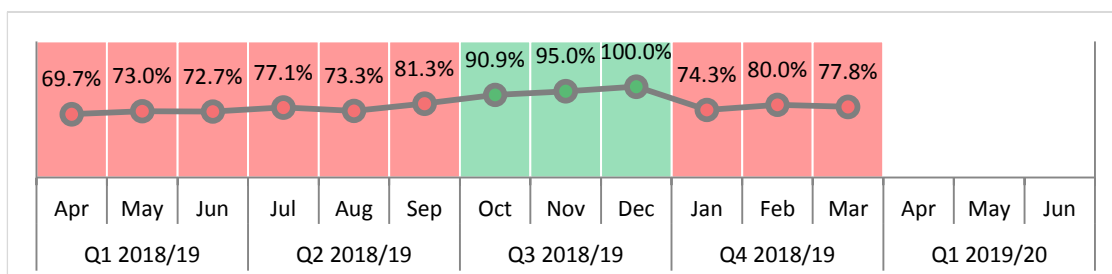


Actions
Meeting of key stakeholders to improve clarity about mitigating actions and escalation of patients approaching 12 hours since decision to admit.
Once a patient reaches 10th hour of a DTA then an urgent meeting is held to discuss the plan for the patient. The Business Group Director will be contacted to discuss with their respective team how the patient can be safely transferred into a bed area.
Delivery Director and Exec on Call to be informed at the 10th hour that there is not yet a plan in place for the patient to be transferred to a bed area.
Clear guidelines to be drawn up as to what is acceptable when moving a patient who has been waiting for longer than 12 hour.

Actions
This metric aligns well with the principles of Stockport Together. Establishment of the GP networks offers further opportunity to improve engagement. Ongoing work with crisis response, the integrated transfer team, community support for palliative care, and enhanced care management will all have their part to play in improving this metric.

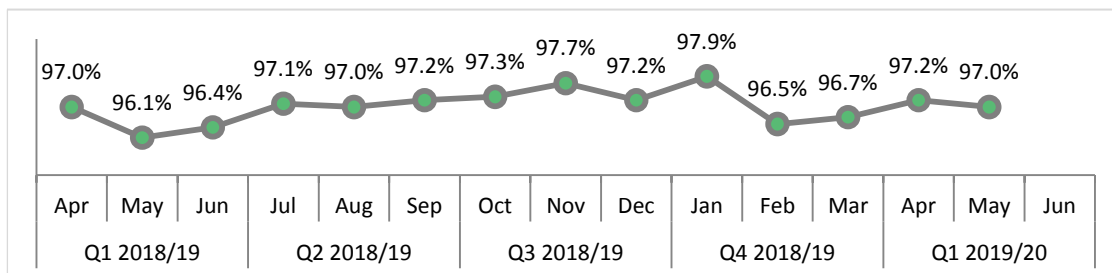
## Indicator Detail

Mar-19	Diabetes Reviews
<span style="color: red;">●</span> <b>77.8%</b>	The percentage of inpatients with known diabetes, on treatment and with a blood glucose of less than 3mmol/L, that have been reviewed by the diabetes team prior to discharge.
<b>Target</b>	We do not have data for this month, due to staffing challenges within the diabetes team.
<b>&gt;= 90%</b>	



Actions
Medical Director to meet with Business Group Director, Associate Medical Director and Clinical Director to ensure that staffing risk is understood, that all measures to mitigate have been considered or are in place, and that any remaining risk is well represented on the risk register.

May-19	VTE Risk Assessment
<span style="color: green;">●</span> <b>97.0%</b>	The percentage of eligible admitted patients who have been given a VTE risk assessment.
<b>Target</b>	The target is that >95% of agreed cohorts of patients admitted to the Trust receive an assessment relating to their individual risk of developing a venous thrombo-embolism (VTE).
<b>&gt;= 95%</b>	



Actions
The target has been achieved in month.

## Indicator Detail

May-19	Sepsis: Timely Identification
<div> <div></div> 75.1% </div>	The number of patients who are screened for sepsis, as a percentage of all eligible patients who meet the criteria .
Target	PercentagDuring May a total of:- 599 patients triggered on the NEWS2 as a possible sepsis 309 patients were reviewed by the IP&C service team after the exclusion criteria was applied 237 patients were escalated by nursing staff to the medical teams for review



Actions
To review electronic sepsis screening system similar to ED using our patient track.
Renewed challenge to ensure clinical support of the sepsis steering group.
Monthly review at business group performance meetings.

May-19	Sepsis: Timely Treatment
<div> <div></div> 45.8% </div>	The number of patients who received IV antibiotics within 1 hour, as a percentage of all eligible patients found to have sepsis.
Target	Percentage of inpatients clinically found to be septic and who received their antibiotics within an hour of the diagnosis
<b>&gt;= 90%</b>	During May only 11 of the 24 patients were given antibiotics within the hour of diagnosis.



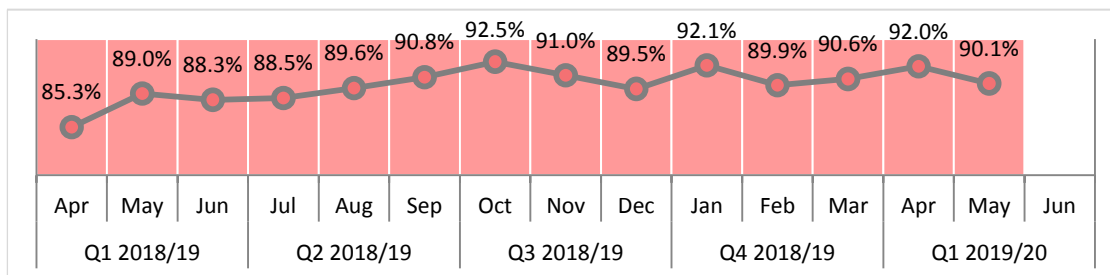
Actions
As for sepsis timely identification

## Indicator Detail

May-19	Medication Errors: Rate
4.00	Rate of medication errors, calculated as incidence per 1000 bed days.
<b>Target</b>	In May 2019, the medication error rate was 4.00 errors per 1000 bed days. This is an improved position from last year, but has increased from 3.62 last month



May-19	Discharge Summaries
90.1%	The percentage of discharge summaries published within 48hrs of patient discharge.
<b>Target</b>	We have seen considerable improvement from a very poor position 18 months ago. The target of 95% is valid, and should be achievable.
<b>&gt;= 95%</b>	



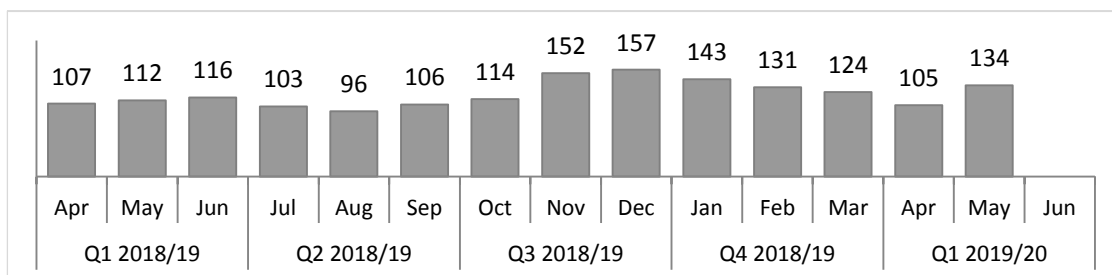
Actions
Medication errors are reviewed each week at the patient safety summit
In May, reminders were sent to staff, via the Patient Safety Summit Update, regarding the following; -
- Time critical antibiotics
- Raising awareness about prescribing Enoxaparin and Fondaparinux
- Safe use of syringe drivers
Medication issues were also featured in the monthly bulletin, Risky Business. In May, staff were reminded about prescribing gastro-intestinal protection medication when prescribing NSAID therapy

Actions
All business groups were challenged to present their ongoing actions at the business group performance reviews.
The greatest challenges remain in high turnover assessment areas. None the less, effective communication with the patients primary care team after such discharges is of critical importance, so the focus will remain until the target is reached.

## Indicator Detail

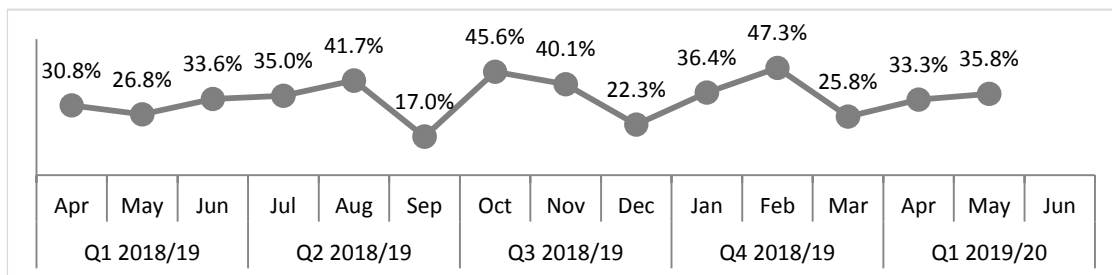
May-19	Mortality: Deaths in ED or as Inpatient
134	Total number of patient deaths while patient was in the emergency department or as an inpatient.
Target	In May, there were 134 death recorded in the Emergency Department or as an inpatient.

Actions
This metric is provided as a crude mortality statistic, and to serve as a denominator for the number of 'learning from deaths' reviews.



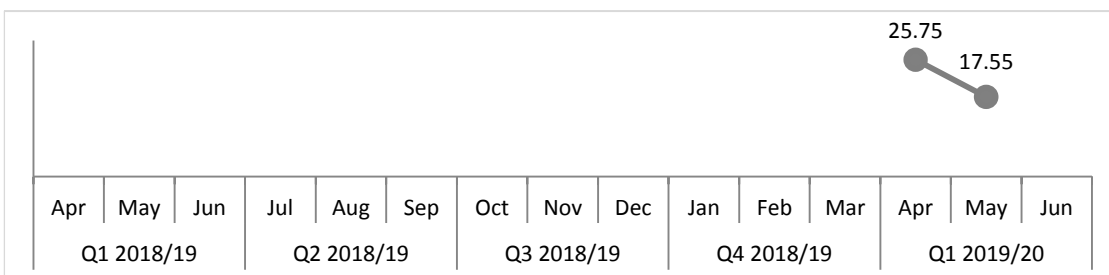
May-19	Mortality: Case Note Review Rate
35.8%	The number of case note reviews that taking place in month, as a percentage of all patient deaths while patient was in the emergency department or as an inpatient.
Target	In May, a case note review was undertaken in 35.8% of deaths.  Currently a 'deep dive' into two mortality metrics with higher than expected deaths is being undertaken. This method has proven very useful in assessing such concerns.

Actions
This process is working well.
Thank you to Dr McCluskey who has led for the past two years, and done an amazing job of establishing this process.
A new lead for mortality review, Dr Collins has been appointed.

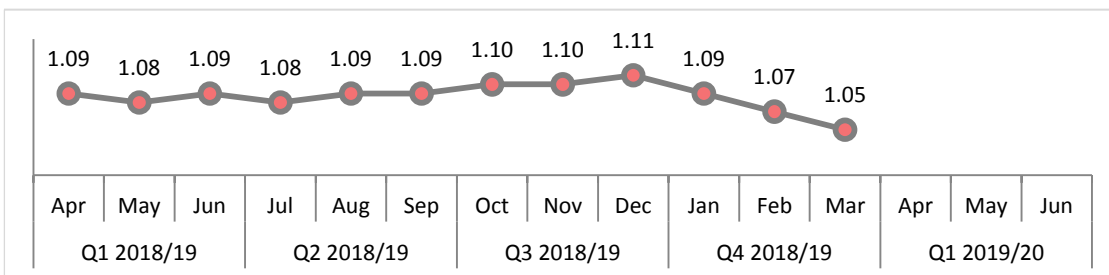


## Indicator Detail

May-19	Mortality: Specialist Palliative Care Length of Stay
17.55	The average length of a patient spell, from admission to death. Includes specialist palliative patients who die in hospital only. Reported by month of discharge/death.
<b>Target</b>	We would hope to see the time of such admissions reduce as our palliative care services develop.
	There be a group of patients that hopefully do not require hospital that are given the choice not to be admitted.



Mar-19	Mortality: HSMR
1.05	This is the ratio between the actual number of patients who either die while in hospital compared to the number of patients that would be expected to die based on whether patients are receiving palliative care, and socio-economic deprivation.
<b>Target</b>	A non significant improvement for the third consecutive month.
<= 1	

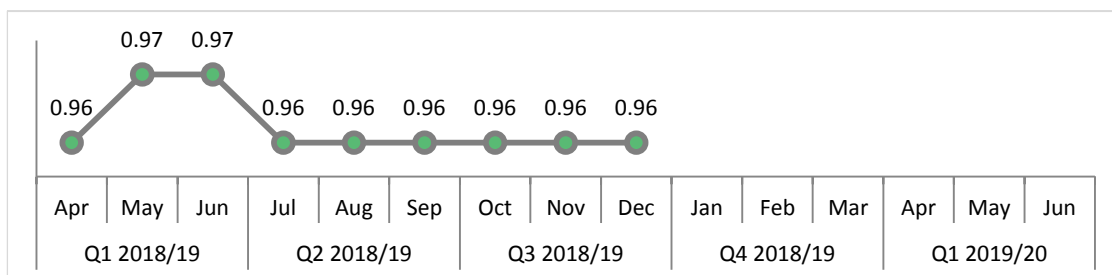


Actions
This is a new metric and we hope that it will serve as a useful illustration of this service.

Actions
Mortality actions include an AQUA quality improvement project, improvements in the palliative care team, work on improved integration with primary care, Enhanced case management and crisis response.
Giving patients little choice but to die in hospital increases the mortality statistic, but more importantly for many fails to meet their wishes relating to preferred place of death.
Improving outcomes requires a close analysis of all diagnoses with excess deaths, optimising treatment of sepsis, reducing in patient falls and pressure ulcers, as well as a focus upon nutrition and hydration all have a part to play.
A bi-annual report on mortality is submitted to the Quality Committee.

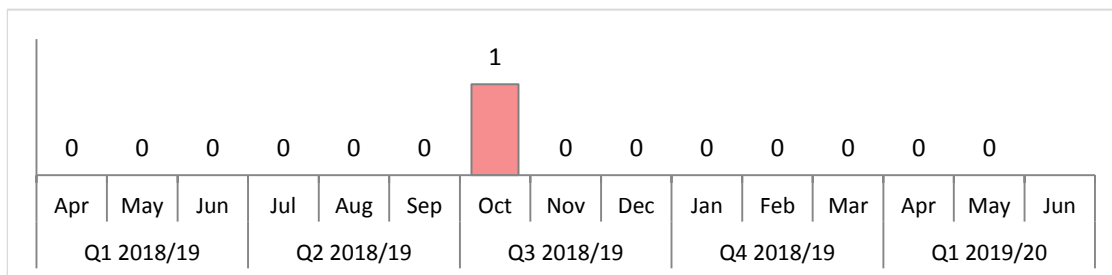
## Indicator Detail

Dec-18	Mortality: SHMI
0.96	This is the ratio between the actual number of patients who either die while in hospital or within 30 days of discharge compared to the number that would be expected to die on the basis of average England figures, given the characteristics of the patients treated.
Target	Sustained above average performance.
<= 1	



Actions

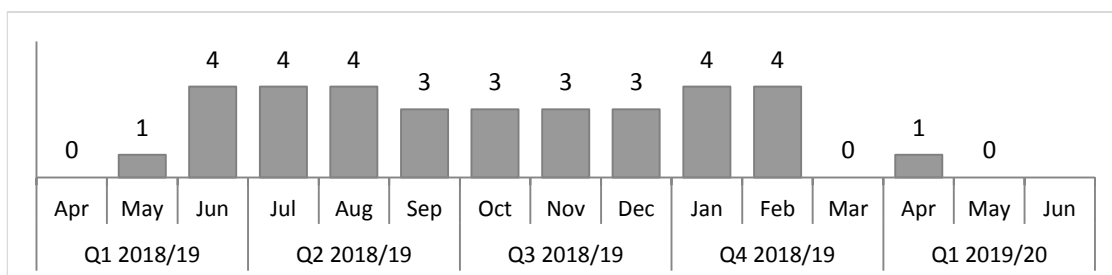
May-19	Never Event: Incidence
0	Total number of never events. Never events are serious, largely preventable patient safety incidents that should not occur if the available preventative measures have been implemented.
Target	In May, there were no never events recorded.
<= 0	



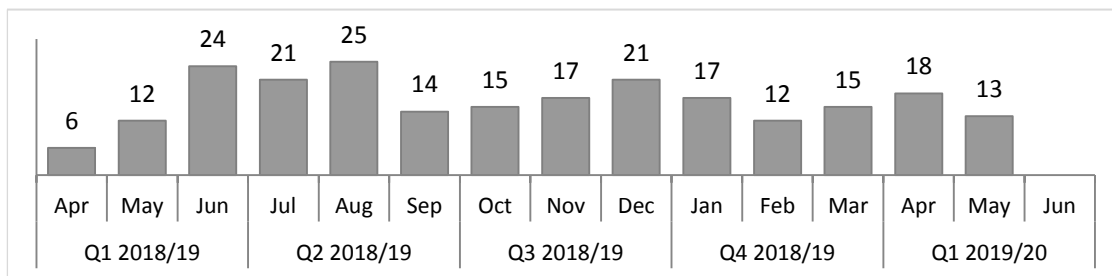
Actions
The last never event in the organisation occurred in October 2018.

## Indicator Detail

May-19	Duty of Candour Breaches
0	Total number of duty of candour breaches of regulation in month.
Target	In May, there were no Duty of Candour breaches.



May-19	Serious Incidents: STEIS Reportable
13	The total number of STEIS reportable incidents.
Target	In May 2019 there were 13 incidents that were reported on the Strategic Executive Information System (StEIS). This was an decrease of 5, compared to last month.



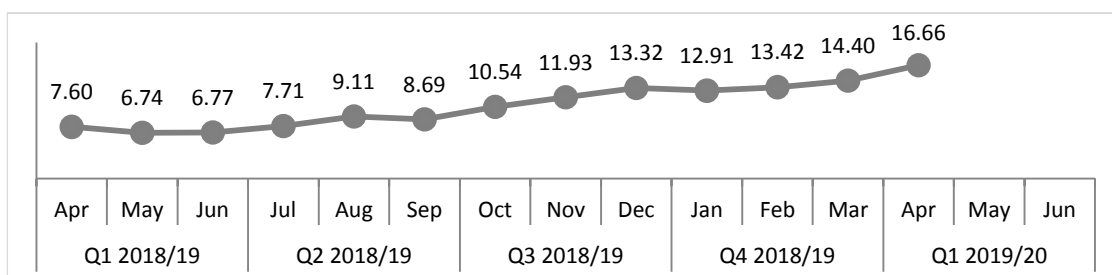
Actions
Duty of candour incidents are monitored on a weekly basis. Timeliness of the opening conversation and the written apology has improved.

Actions
<p>The incidents reported on StEIS were</p> <ul style="list-style-type: none"> <li>• 6 reported 12 hour emergency department breach incidents</li> <li>• 3 maternity divers</li> <li>• 1 safeguarding incident</li> <li>• 1 missed diagnosis</li> <li>• 1 instance where a patient had a fall that resulted in a fractured neck of femur</li> <li>• 1 incident where both CT scanners failed causing service disruption</li> </ul>

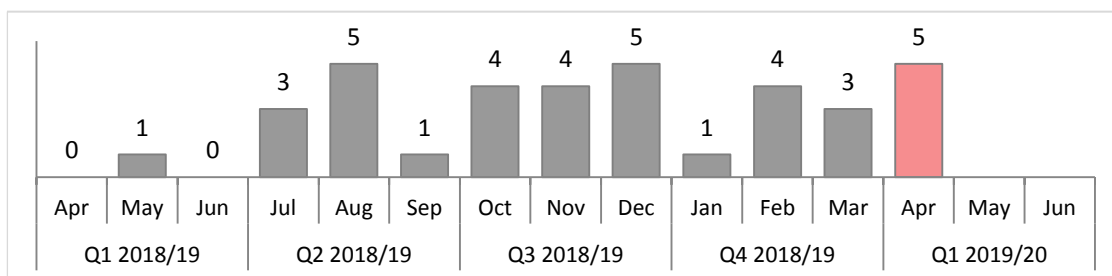


## Indicator Detail

Apr-19	C.Diff Infection Rate
16.66	Average number of C.Diff infections for every 100,000 bed days, calculated using a rolling 12 month number of Trust-attributable C.Diff infections compared to the rolling 12 month average number of bed days per 100,000.
<b>Target</b>	The average number of Clostridium difficile infections for every 100,000 bed days, calculated using a rolling 12month number of Trust –attributable Clostridium difficile infections compared to a rolling 12 month average number of bed days per 100,00.



Apr-19	C.Diff Infection Count
5	Total number of C.Diff infections.
<b>Target</b>	The 2019-20 target set by the Department of Health for hospital acquired Clostridium difficile toxin positive cases is 51
<= 4 *	

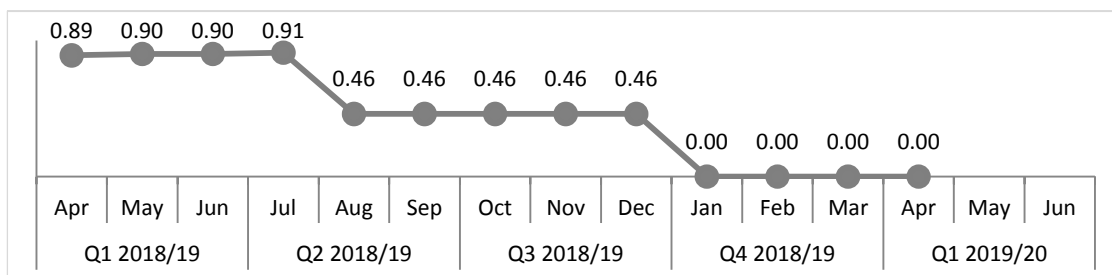


Actions
The target rate is monitored through the infection prevention & Control group
Due to the increase in cases over the last few months, NHS improvement are supporting us in different ways of working to reduce number of cases

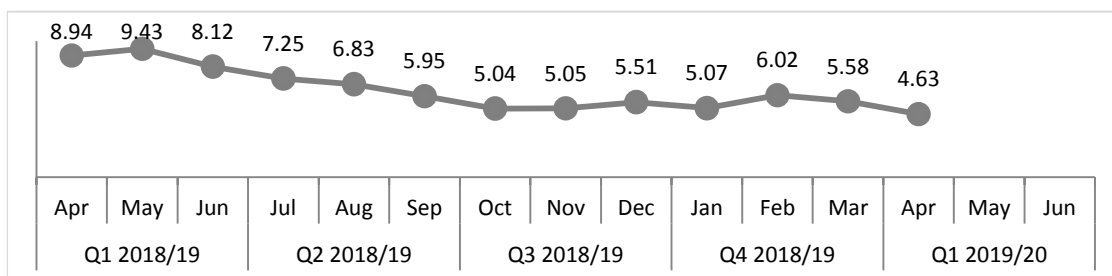
Actions
During April there were 5 cases of Clostridium difficile
The process around CDI investigations is currently under review
Each CDI case will require investigating within 14 days
The business group will then be require to present the case to a panel consisting of the DIPC, Matron for Infection prevention & control and the Consultant Microbiologist

## Indicator Detail

Apr-19	MRSA Infection Rate
0.00	Average number of MRSA infections for every 100,000 bed days, calculated using a rolling 12 month number of Trust-attributable MRSA infections compared to the rolling 12 month average number of bed days per 100,000.
<b>Target</b>	Rolling 12-month count of all MRSA infections as a proportion of the average 12 month rolling occupied bed days per 100, 000 population



Apr-19	MSSA Infection Rate
4.63	Average number of MSSA infections for every 100,000 bed days, calculated using a rolling 12 month number of Trust-attributable MSSA infections compared to the rolling 12 month average number of bed days per 100,000.
<b>Target</b>	Rolling 12-month count of all MSSA infections as a proportion of the average 12 month rolling occupied bed days per 100, 000 population

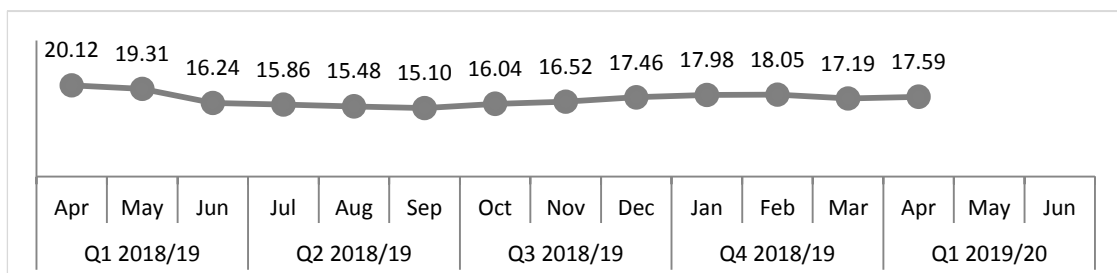


Actions
The MRSA target set by the Department of Health remains zero for 2019-20. In April there were zero cases of MRSA
The target is monitored through the infection prevention & control group

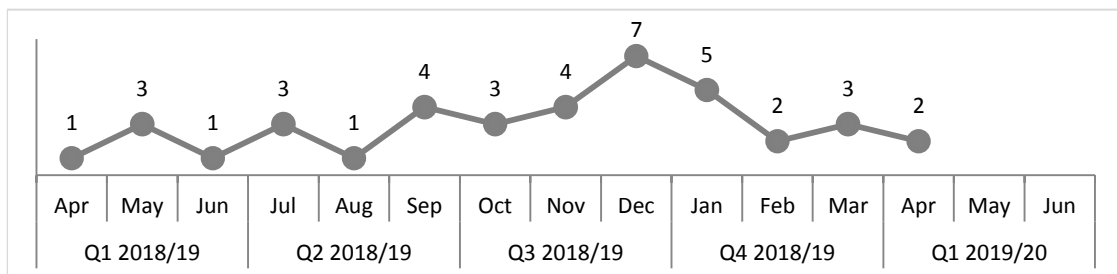
Actions
The MSSA infection rate is monitored as a whole health economy with no target. The figures represented within this report are Trust acquired cases
This is monitored through the Infection prevention & control group

## Indicator Detail

Apr-19	E.Coli Infection Rate
17.59	Average number of E.Coli infections for every 100,000 bed days, calculated using a rolling 12 month number of Trust-attributable E.Coli infections compared to the rolling 12 month average number of bed days per 100,000.
<b>Target</b>	Rolling 12-month count of all E. coli infections as a proportion of the average 12 month rolling occupied bed days per 100, 000 population



Apr-19	E.Coli Infection Count
2	Total number of E.Coli infections.
<b>Target</b>	The E Coli infection count is monitored as a whole health economy with no target. The figures represented within this report are trust acquired cases

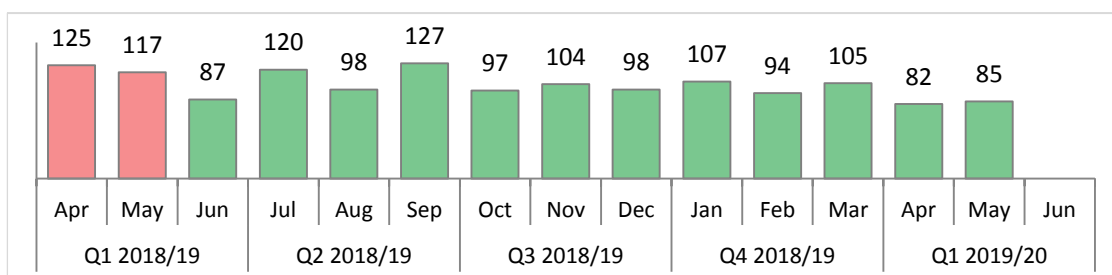


Actions
Nationally there is an aim to reduce healthcare associated gram-negative blood stream infections by 50% by March 2021, firstly focusing on E coli infection as one of the largest groups. The figures represented within this report are trust acquired cases
A reduction plan owned by the CCG has been developed collaboratively between the Trust, Health protection nurses and CCG.
This plan is monitored through the infection prevention & control group
Each case is currently being reviewed following which trends and themes can be highlighted

Actions
This is monitored through the Infection prevention & control group
Each case is currently being reviewed following which trends and themes can be highlighted

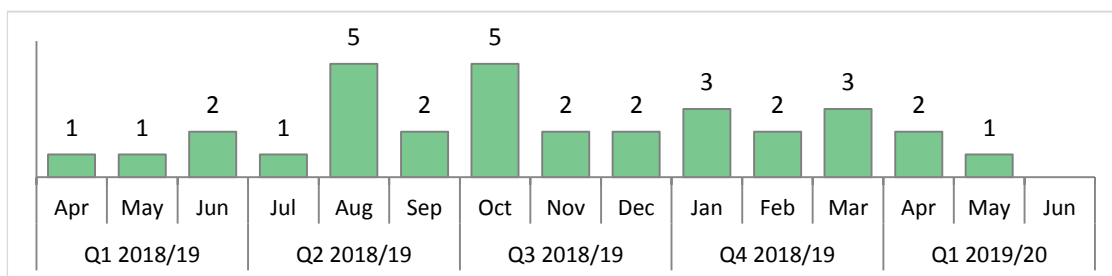
## Indicator Detail

May-19	Falls: Total Incidence of Inpatient Falls
<div> <div></div> <div>85</div> </div>	Total number of Inpatient falls
Target	The Trust has set a target of 10% reduction in in-patient falls for 2019/20 in comparison to 2018/19. This will be < 1100
<= 183 *	



Actions
<p>There have been a total of 85 in-patient falls during the month. May 19 continues the trend noted since December 18 with a month on month reduction in comparative data from the previous year (May 18- 102 falls; May 19- 85 falls).</p> <p>A sub category of "lowered to the floor" has been added to the incident reporting system this month to allow these to be removed from the actual falls numbers</p>

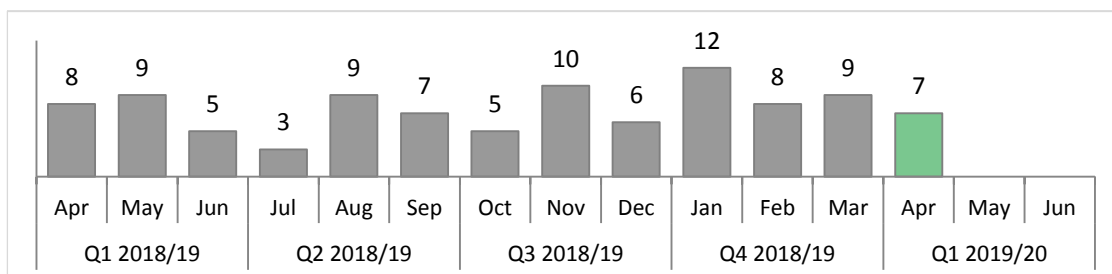
May-19	Falls: Causing Moderate Harm and Above
<div> <div></div> <div>1</div> </div>	Total number of falls causing moderate harm and above.
Target	The Trust has set a target of 10% reduction of in-patient falls resulting in moderate or above harm level for 2019/20 in comparison to 2018/19. This will be <26 falls with harm.
<= 4 *	



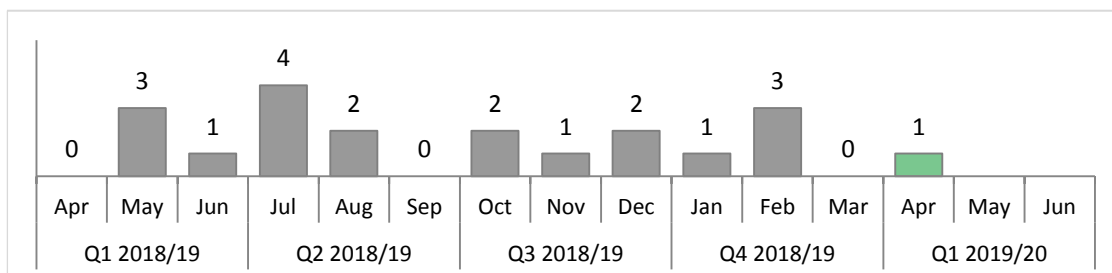
Actions
<p>There has been 1 fall in month resulting in Moderate or above harm, resulting in a fractured neck of femur.</p> <p>The investigation is currently on-going. This fall occurred within Medicine and Clinical Support</p> <p>Running total for the year to date is 3</p>

## Indicator Detail

Apr-19	Pressure Ulcers: Hospital, Category 2
7	Total number of category 2 pressure ulcers in a hospital setting.
<b>Target</b>	The Trust has set a target to reduce the overall number of category 2 hospital acquired pressure ulcers (p u) by 10% over the next 12 months. This month (April data) we have had 7 category 2 p u develop.
<b>&lt;= 7 *</b>	




Apr-19	Pressure Ulcers: Hospital, Category 3
1	Total number of category 3 pressure ulcers in a hospital setting.
<b>Target</b>	The Trust has set a target to reduce the overall number of category 3 hospital acquired pressure ulcers (p u) by 10% over the next 12 months. This month (April data) we have had 1 category 3 p u develop.
<b>&lt;= 1 *</b>	

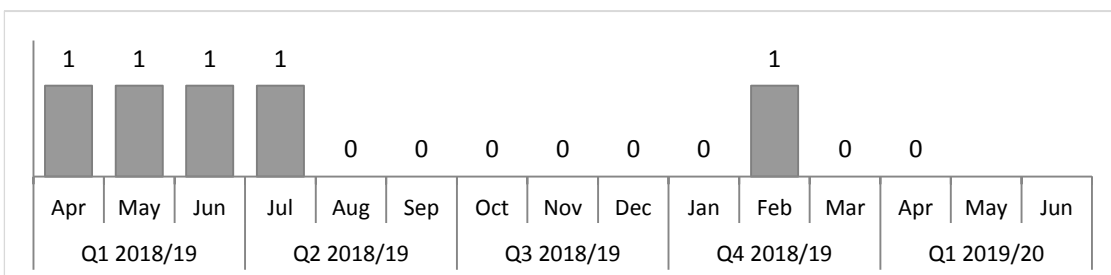


Actions
This month on the 26th of June we are holding the Trusts Pressure Ulcer Collaborative event at the Alma Lodge Hotel. Pressure Ulcer Targets and actions to achieve will be discussed, this will form the foundations of our Trust wide improvement strategy over the next 12 month.


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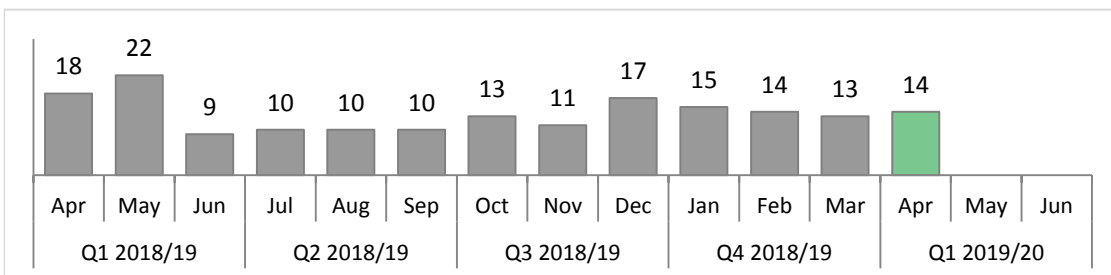
## Indicator Detail

Apr-19	Pressure Ulcers: Hospital, Category 4
 0	Total number of category 4 pressure ulcers in a hospital setting.
<b>Target</b>	The Trust has set a target to reduce the overall number of category 4 hospital acquired pressure ulcers (p u) by 10% over the next 12 months. This month (April data ) we have had no category 4 p u develop.
<b>&lt;= 0 *</b>	




Actions
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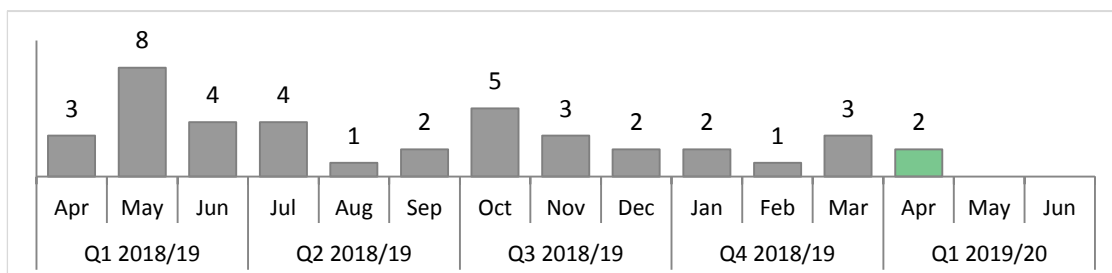
Apr-19	Pressure Ulcers: Community, Category 2
 14	Total number of category 2 pressure ulcers in a community setting.
<b>Target</b>	The Trust has set a target to reduce the overall number of community acquired category 2 pressure ulcers (p u) by 10% over the next 12 months. This month (April data) we have had 14 category 2 pressure ulcer develop
<b>&lt;= 16 *</b>	




Actions
This month on the 26th of June we are holding the Trusts Pressure Ulcer Collaborative event at the Alma Lodge Hotel. Pressure Ulcer Targets and actions to achieve will be discussed, this will form the foundations of our Trust wide improvement strategy over the next 12 month.

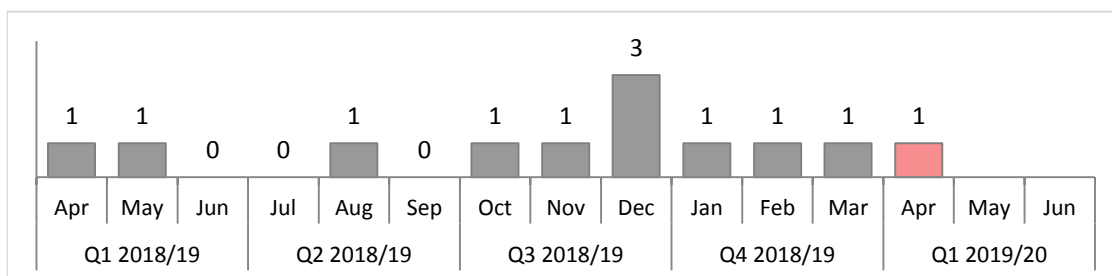
## Indicator Detail

Apr-19	Pressure Ulcers: Community, Category 3
 2	Total number of category 3 pressure ulcers in a community setting.
Target	The Trust has set a target to reduce the overall number of community acquired category 3 pressure ulcers (p u) by 10% over the next 12 months. This month (April data) we have had 2 category 4 pressure ulcer develop
<= 3 *	




Actions
This month on the 26th of June we are holding the Trusts Pressure Ulcer Collaborative event at the Alma Lodge Hotel. Pressure Ulcer Targets and actions to achieve will be discussed this will form the foundations of our Trust wide improvement strategy over the next 12 month.

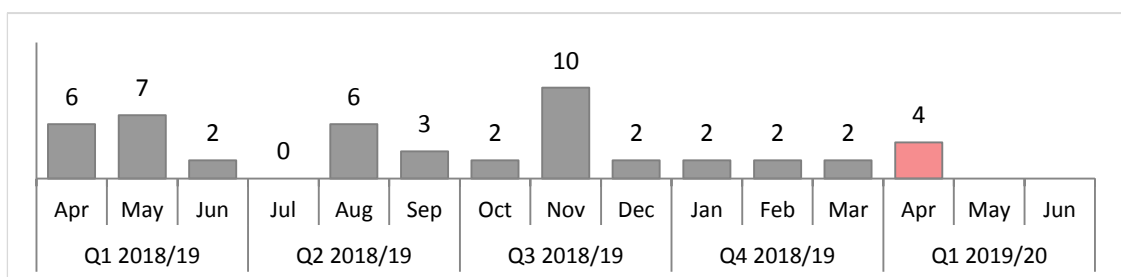
Apr-19	Pressure Ulcers: Community, Category 4
 1	Total number of category 4 pressure ulcers in a community setting.
Target	The Trust has set a target to reduce the overall number of community acquired category 4 pressure ulcers (p u) by 10% over the next 12 months. This month (April data ) we have had 1 category 4 pressure ulcer develop.
<= 0 *	




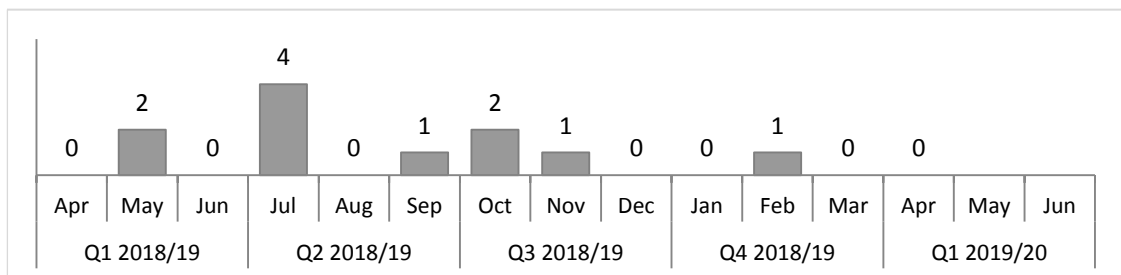
Actions
We are over trajectory for community acquired category 4 pressure ulcers, this has been reported and is now being investigated as a potential serious incident, and the outcome of this in terms of lessons learned is therefore awaited.
This month on the 26th of June we are holding the Trusts Pressure Ulcer Collaborative event at the Alma Lodge Hotel. Pressure Ulcer Targets and actions to achieve will be discussed this will form the foundations of our Trust wide improvement strategy over the next 12 month.

## Indicator Detail

Apr-19	Pressure Ulcers: Device Related, Category 2
 4	Total number of device-related category 2 pressure ulcers. Includes those from both a hospital and community setting.
<b>Target</b>	The Trust has set a target to reduce medical device related pressure ulcers (MDRPU) by 25% by the end of March 2020. This month (April data) there has been a total of four category 2 medical device related pressure ulcers that have occurred. This is 2 over our monthly trajectory
<b>&lt;= 2 *</b>	



Apr-19	Pressure Ulcers: Device Related, Category 3
 0	Total number of device-related category 3 pressure ulcers. Includes those from both a hospital and community setting.
<b>Target</b>	The Trust has set a target to reduce medical device related pressure ulcers (MDRPU) by 25% by the end of March 2020. This month (April data) there has been no category 3 medical device related pressure ulcers that have occurred.
<b>&lt;= 0 *</b>	



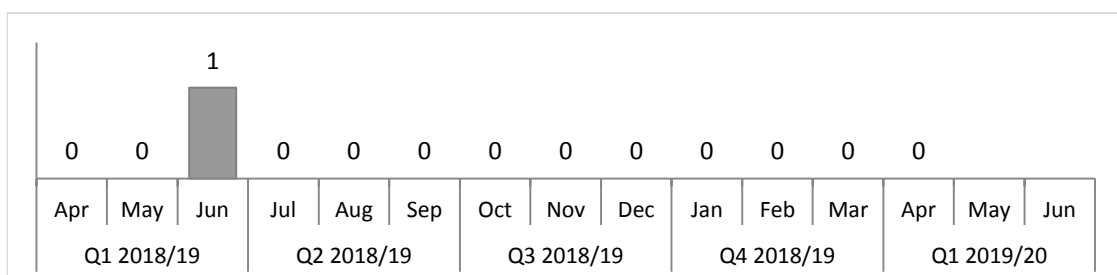
Actions
Two of these have developed within the medicine BG, one following the application of a POP and the other from a respiratory ventilation mask.
Two have developed under the care of integrated care, Podiatry and Orthotic services following the application of splints and braces.
The Medical Device Task and Finnish group is to be re-established to build on change initiatives already completed last year, and the tissue Viability service is asking that medical device pressure ulcers to be a standing agenda item on the Trusts Medical Device group going forward.
To date 55 staff have now received medical device tool box training across the trust, but has not yet included the clinical areas where MDRPU have occurred this month

Actions
The Medical Device Task and Finnish group is to be re-established to build on change initiatives already completed last year, and the Tissue Viability service is asking that medical device pressure ulcers to be a standing agenda item, on the Trusts Medical Device group going forward.
To date 55 staff have now received medical device tool box training across the trust, but has not yet included the clinical areas where MDRPU have occurred this month

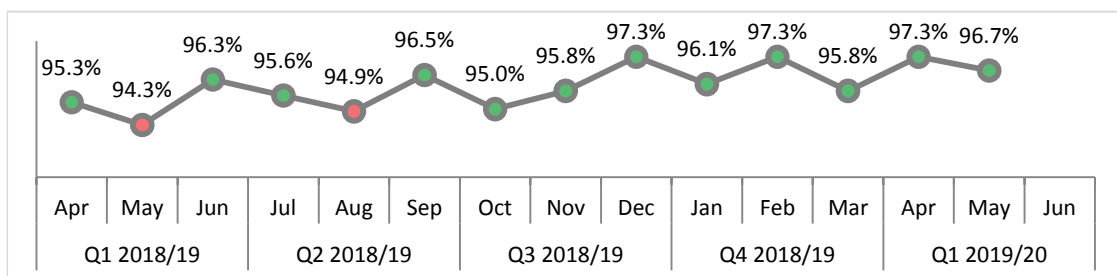


## Indicator Detail

Apr-19	Pressure Ulcers: Device Related, Category 4
0	Total number of device-related category 4 pressure ulcers. Includes those from both a hospital and community setting.
<b>Target</b>	The Trust has set a target to reduce medical device related pressure ulcers (MDRPU) by 25% by the end of March 2020. This month (April data) there has been no category 4 medical device related pressure ulcers that have occurred.
<b>&lt;= 0 *</b>	




May-19	Safety Thermometer: Hospital
96.7%	The percentage of patients receiving harm-free care, calculated using a point prevalence sample based on falls, pressure ulcers, UTIs and VTE assessments.
<b>Target</b>	The trust aim is that >95% of patients receive harm free care as monitored by safety thermometer. Results for May show that we have achieved 96.7%.
<b>&gt;= 95%</b>	

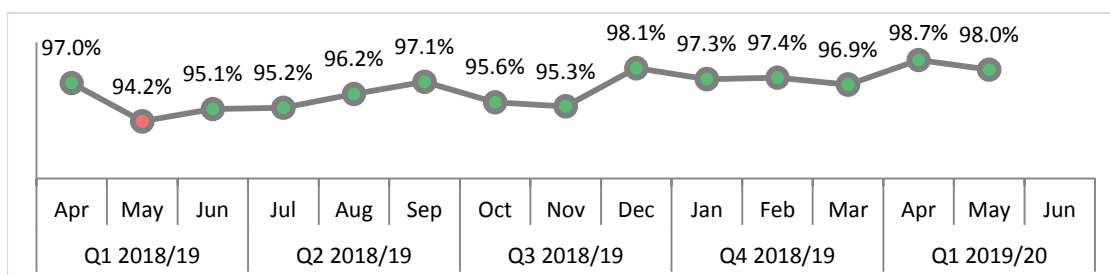


Actions
The Medical Device Task and Finnish group is to be re-established to build on change initiatives already completed last year, and the Tissue Viability service is asking that medical device pressure ulcers to be a standing agenda item, on the Trusts Medical Device group going forward.
To date 55 staff have now received medical device tool box training across the trust, but has not yet included the clinical areas where MDRPU have occurred this month


Actions
A training presentation was delivered to raise awareness within the Integrated Care business group in May at the senior nurse meeting.
Weekly validation meetings continue to be undertaken to improve the quality of the data.

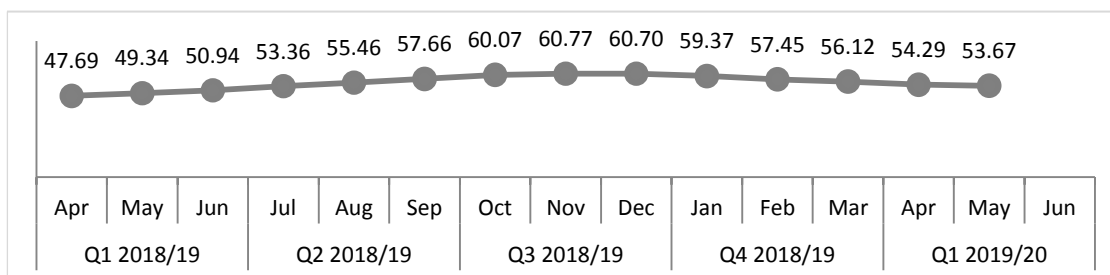
## Indicator Detail

May-19	Safety Thermometer: Community
 <b>98.0%</b>	The percentage of patients receiving harm-free care, calculated using a point prevalence sample based on falls, pressure ulcers, UTIs and VTE assessments.
<b>Target</b>	The Trust aim is that >95% of patients receive harm free care as monitored by safety thermometer. Results for May show that we have achieved 98.3%
<b>&gt;= 95%</b>	




Actions
No actions required.

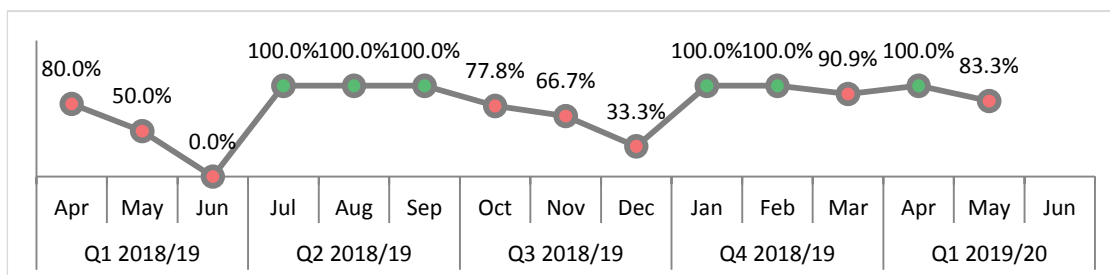
May-19	Patient Safety Incident Rate
 <b>53.67</b>	Average number of patient safety incidents for every 1000 bed days, calculated using a rolling 6 month number of reported patient safety incidents compared to the rolling 6 month average number of bed days per 1000.
<b>Target</b>	The number of patient safety incidents for every 1000 bed days has slightly reduced this month for the 6th month in a row. 1036 patient safety incidents were reported for the month of May 2019.




Actions
<p>The top five incidents in the month of May 2019:</p> <ul style="list-style-type: none"> <li>•Staffing issues <input type="checkbox"/></li> <li>•Pressure ulcers present on admission <input type="checkbox"/></li> <li>•Patient slip trip or fall <input type="checkbox"/></li> <li>•Uncooperative patient behaviour <input type="checkbox"/></li> <li>•Pressure ulcers developed during admission or whilst on case load <input type="checkbox"/></li> </ul> <p>There has been an increase in "Uncooperative patient behaviour" &amp; "New PU or Skin damage during admission or caseload" incidents reported compared to the month of April.</p> <p>Each week, following the patient safety summit, an update is circulated to all staff. Key themes this month have been;</p> <ul style="list-style-type: none"> <li>•Needle stick and inoculation injuries <input type="checkbox"/></li> <li>•Safe discharge of patients who leave our care against medical advice <input type="checkbox"/></li> <li>•Stock of vital equipment <input type="checkbox"/></li> <li>•Escalation of potential mixed sex accommodation <input type="checkbox"/></li> <li>•Missing or absconding patients <input type="checkbox"/></li> <li>•Using the correct equipment <input type="checkbox"/></li> </ul>

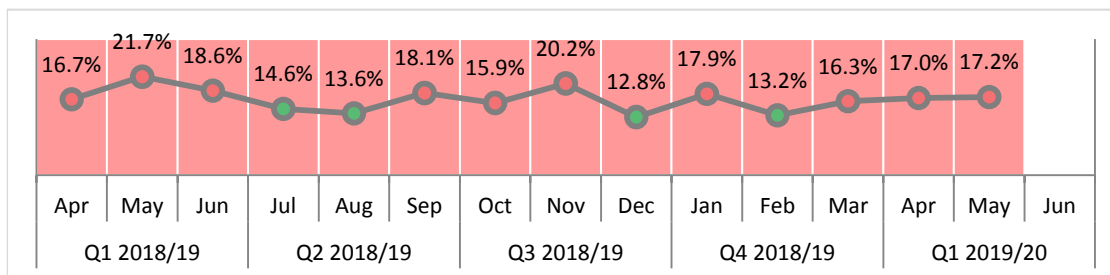
## Indicator Detail

May-19	Patient Safety Alerts: Completion
 <b>83.3%</b>	The percentage of Patient Safety Alerts that are completed within their due date.
<b>Target</b>	One NHS patient safety alert was not completed by the deadline in the month of May. NHS/PSA/RE/2018/007 Management Of Life Threatening Bleeds From Arteriovenous Fistulae And Grafts.
<b>&gt;= 100%</b>	




Actions
In relation to the alert, information is available on the microsite and topic has been discussed at huddles. Further information from the regional transplant unit is being sought to incorporate into the guidelines as they are in the process of updating their policy and guidance.
Work continues with business groups to ensure appropriate information is returned to the quality governance team in a timely manner.
Additional processes are being implemented for patient safety alerts so that the business groups and relevant clinical review groups are involved in the oversight of the development and implementation of the action plans.

May-19	Emergency C-Section Rate
 <b>17.2%</b>	The number of patients having an emergency c-section, as a percentage of all patients having registerable births.
<b>Target</b>	An increase in the Emergency C Section rate was reported in May. Although there has been an increase in the Emergency C. Section there has not been a negative impact on the outcomes for babies.
<b>&lt;= 15.4%</b>	

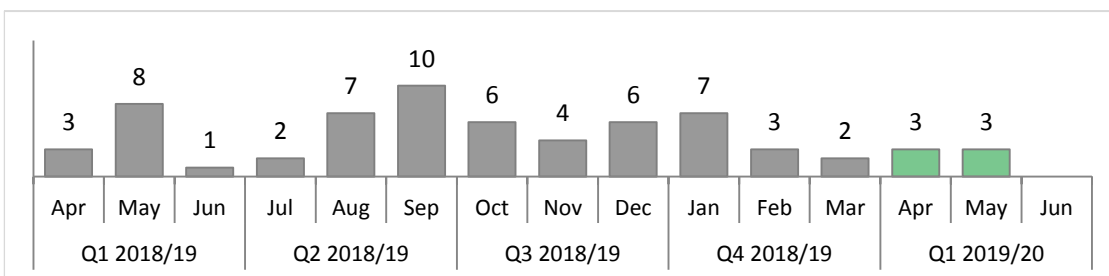



Actions
Emergency CS rate monitored at quality board. Review of the dashboard parameters planned to ensure that we are in line with GM.

## Indicator Detail

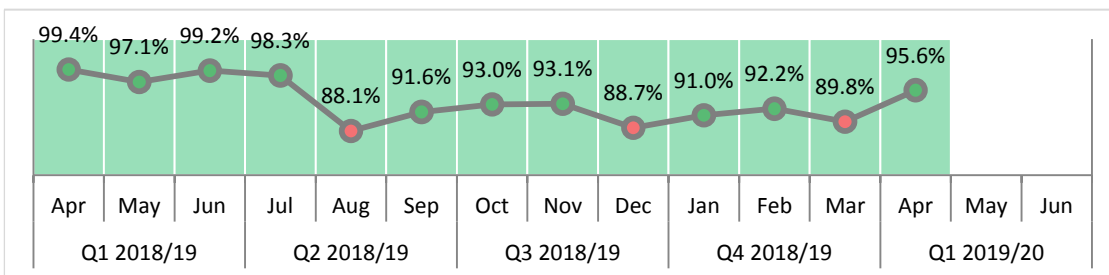
May-19	Term Babies Admitted to the Neonatal Unit
 3	Number of term babies (greater than or equal to 37 weeks) admitted to SCBU/NICU, at birth, unexpectedly.
Target	In May, there were 3 babies admitted to the neonatal unit according to the RCOG definition of the number of term babies (greater than or equal to 37 weeks) admitted to SCBU/NICU, at birth, unexpectedly
<= 5	

Actions
All of these admissions are subject to a review. The target was achieved in month



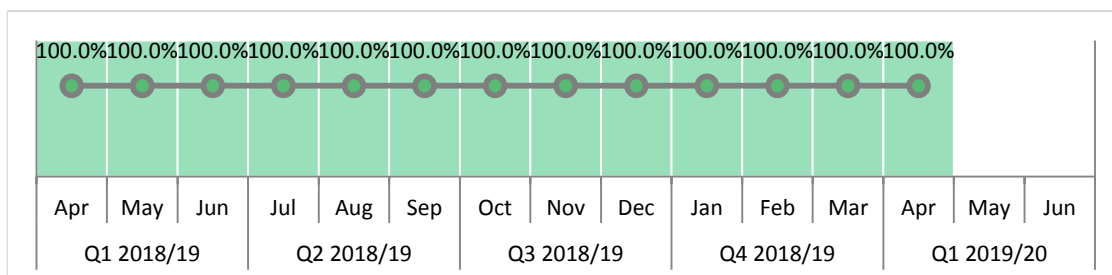
Apr-19	Dementia: Finding Question
 95.6%	The percentage of eligible patients who have a diagnosis of dementia or delirium or to whom case finding is applied.
Target	The target has been achieved in month
>= 90%	

Actions
No Actions required



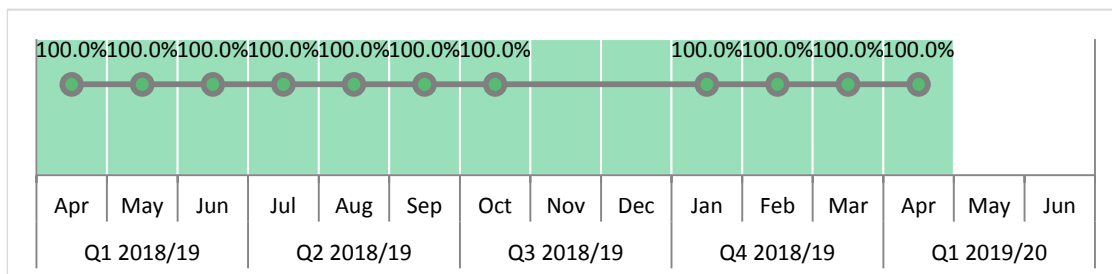
## Indicator Detail

Apr-19	Dementia: Assessment
<div> <div></div> 100.0% </div>	The percentage of eligible patients who, if identified as potentially having dementia or delirium, are appropriately assessed.
Target	The target has been achieved in month
>= 90%	



Actions
No Actions required

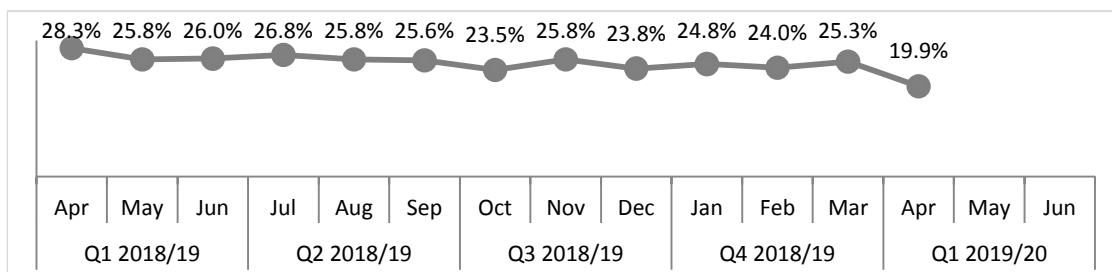
Apr-19	Dementia: Referral
<div> <div></div> 100.0% </div>	The percentage of eligible patients where the outcome was positive or inconclusive, are referred on to specialist services.
Target	The target has been achieved in month
>= 90%	



Actions
No Actions required

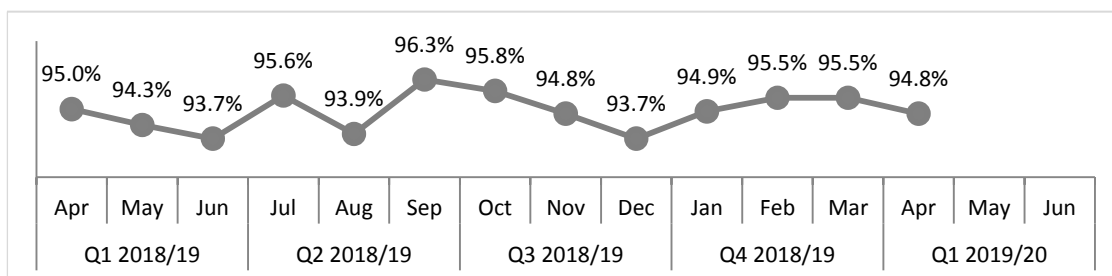
## Indicator Detail

Apr-19	Friends & Family Test: Response Rate
19.9%	The percentage of eligible patients completing an FFT survey.
Target	The percentage of surveyed patients who are extremely likely or unlikely to recommend the Trust for care.



Actions
Although there is no national indicator for response rate, Business Groups, wards and departments are encouraged to ensure as many patients as possible to continue to provide feedback. This enables us to triangulate the information with other patient feedback mechanisms.

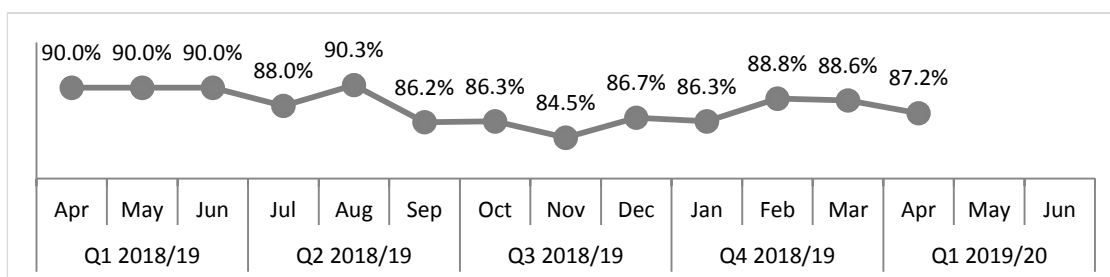
Apr-19	Friends & Family Test: Inpatient
94.8%	The percentage of surveyed inpatients who are extremely likely or likely to recommend the Trust for care.
Target	The percentage of surveyed inpatients who are extremely likely or likely to recommend the Trust for care.



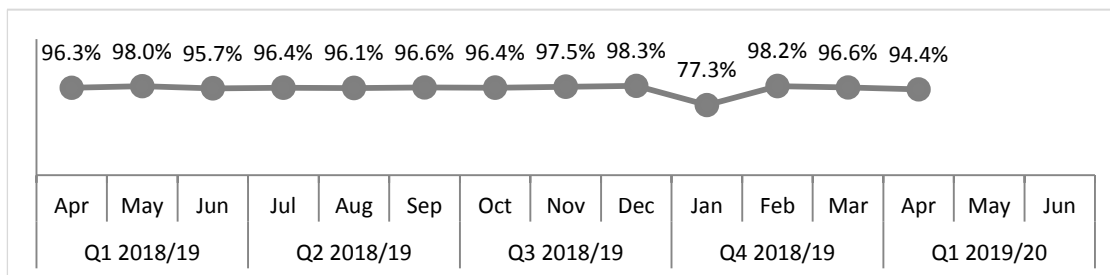
Actions
Although there is no national indicator for response rate, Business Groups, wards and departments are encouraged to ensure as many patients as possible to continue to provide feedback. This enables us to triangulate the information with other patient feedback mechanisms. The top 3 themes collected by Healthcare Communications for Inpatients for FFT in May are: Positive: 1. Staff attitude (303) 2. Implementation of care (188) 3. Environment (106) Negative: 1. Waiting time (7) 2. Patient mood/feeling (5) 3. Staff attitude (5)

## Indicator Detail

Apr-19	Friends & Family Test: A&E
<div> <div></div> <div>87.2%</div> </div>	The percentage of surveyed A&E patients who are extremely likely or likely to recommend the Trust for care.
Target	The percentage of surveyed inpatients who are extremely likely or likely to recommend the Trust for care.



Apr-19	Friends & Family Test: Maternity
<div> <div></div> <div>94.4%</div> </div>	The percentage of surveyed maternity patients who are extremely likely or likely to recommend the Trust for care.
Target	The percentage of surveyed maternity inpatients who are extremely likely or likely to recommend the Trust for care.

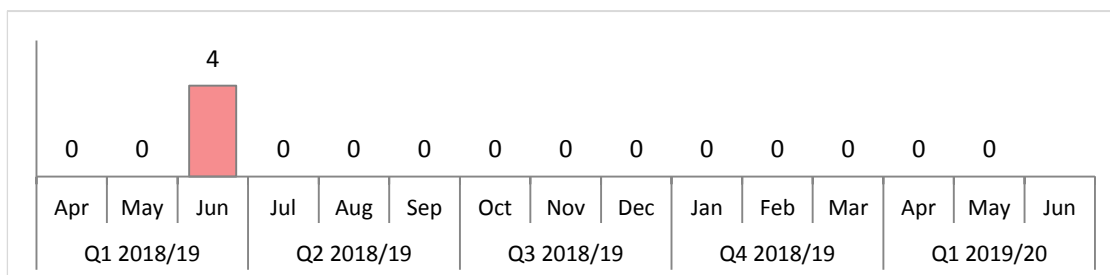



Actions
<p>Although there is no national indicator for response rate, Business Groups, wards and departments are encouraged to ensure as many patients as possible to continue to provide feedback. This enables us to triangulate the information with other patient feedback mechanisms.</p> <p>The top 3 themes collected by Healthcare Communications for Inpatients for FFT in May are: Positive: 1. Staff attitude (519) 2. Implementation of care (189) 3. Waiting time (180) Negative: 1. Waiting time (46) 2. Staff attitude (41) 3. Environment (37)</p>

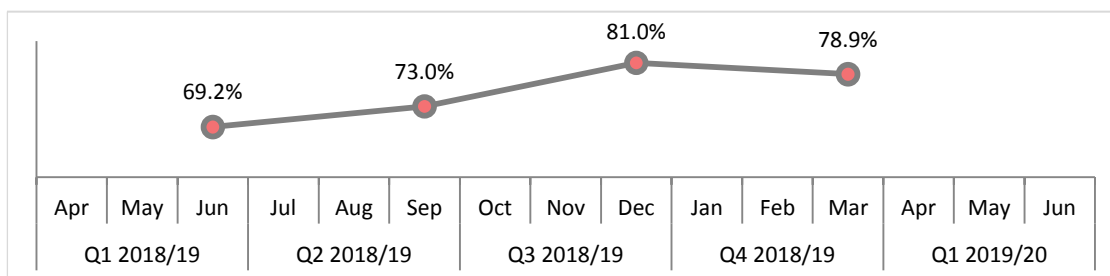
Actions
<p>Although there is no national indicator for response rate, Business Groups, wards and departments are encouraged to ensure as many patients as possible to continue to provide feedback. This enables us to triangulate the information with other patient feedback mechanisms.</p> <p>The top 3 themes collected by Healthcare Communications for Inpatients for FFT in May are: Positive: 1. Staff attitude (45) 2. Implementation of care (23) 3. Communication (18) Negative: There were no negative comments.</p>

## Indicator Detail

May-19	DSSA (mixed sex)
 0	Total number of occasions sexes were mixed on same sex wards
Target	Total number of occasions that sexes were mixed as per trust standard operating procedure.
<= 0	



Mar-19	Learning Disability: Adjusted Care Plans
 78.9%	The number of inpatients with a learning disability who have a reasonable adjustment care plan in place, as a percentage of all patients with a learning disability.
Target	The Trust has in place a flagging system to identify people who have learning disabilities. Adjusted care plans are formulated by referring to the Hospital Passport brought in with the patient and talking to the patient and / or their carers.
>= 100%	



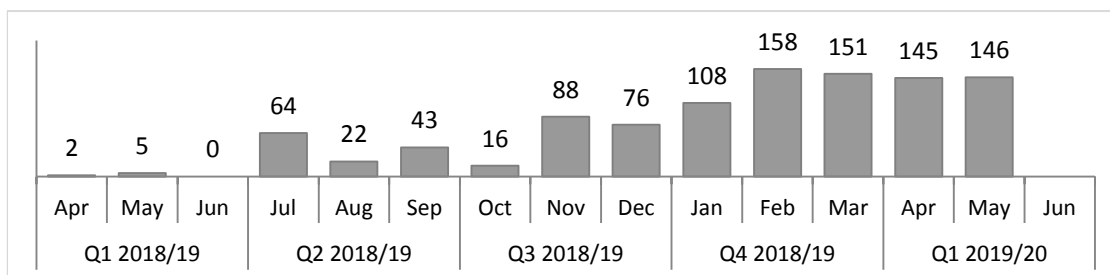
Actions
No patients were affected by a mixed sex breach in the month of May.
A meeting has taken place with the Matron for Patient Experience, Associate Nurse Director for Medicine, Lead Nurse Patient Flow, Matron and Ward Manager for CCU to discuss improving the process and management of patients to prevent potential breaches.
The standard operating procedure has been updated this month including a flow chart for procedures within the Coronary Care Unit.

Actions
To further underpin the leadership and management by the Business Groups in meeting the needs of patients with a learning disability in our care:
<ul style="list-style-type: none"> <li>the Adult Safeguarding team established an audit process through the Audit Management and Tracking interface</li> <li>Business Group Matrons will provide weekly evidence to the Adult Safeguarding Team in relation to the care and management of patients in our care with a learning disability. This data will be shared at Safety Quality and Leadership Group.</li> <li>Weekly monitoring will be undertaken by the Adult Safeguarding team at ward level.</li> </ul>

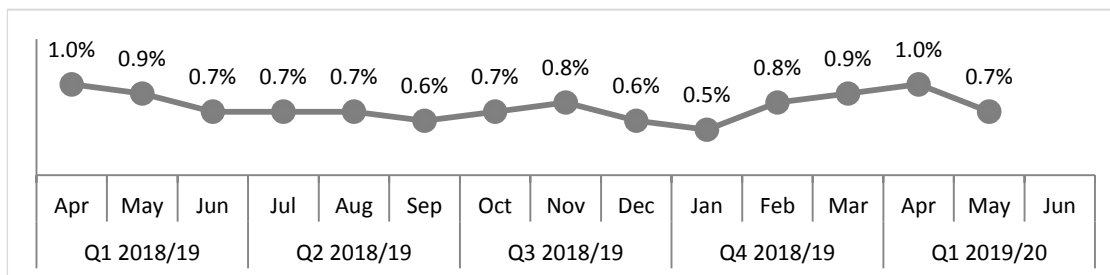


## Indicator Detail

May-19	Compliments
146	Total number of compliments received.
May-19	For May 2019, 146 compliments have been received by the Trust. 7 compliments were received on Care Opinion.



May-19	Complaints Rate
0.7%	The total number of formal written complaints received compared with the whole time equivalent staff.
Target	35 complaints were received in May 2019: Integrated Care = 5, Medicine = 7, Surgery = 14 and WCDS = 8

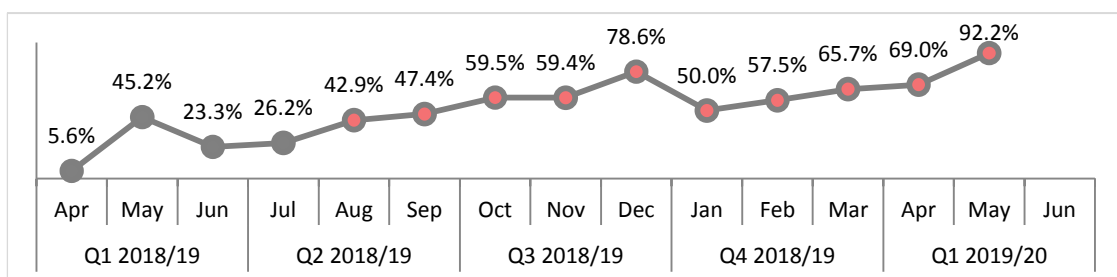


Actions
Any compliments received by the patient and customers services team are shared with the chief nurse & director of quality governance who acknowledges them in writing. If a member of staff is identified, the chief nurse & director of quality governance will present them with a Proud to Care Certificate in recognition of their hard work.
The matron for patient experience and quality improvement continues to work with business groups and wards to ensure compliments are being captured on the Datix system. This will enable the Trust to capture a wealth of information from thank you cards, letters, gifts and verbal feedback from service users and members of staff. The information is populated on a dashboard for each clinical area and their respective business group. Themes from the compliments are centred around compassion, caring, committed and professional staff.

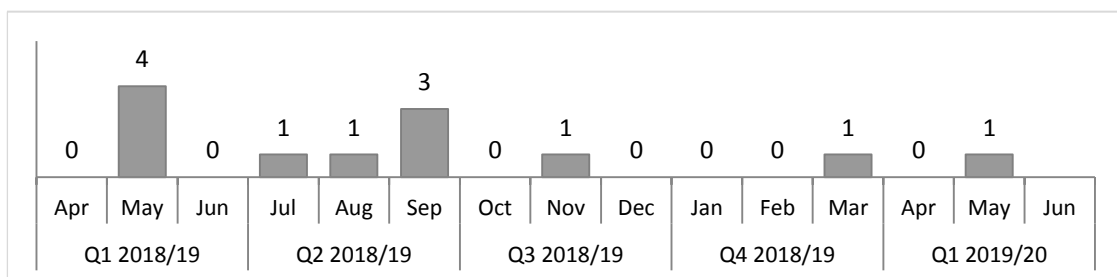
Actions
The Patient and Customer Services continue to focus on resolving concerns informally where appropriate with the hope to reduce the number of formal complaints.

## Indicator Detail

May-19	Complaints: Response Rate 45
<div> <div></div> <div>92.2%</div> </div>	The percentage of formal complaints responded to within 45 days.
<b>Target</b>	In the month of May 2019, 51 responses were closed, 47 of which were responded to on time resulting in a 92.2% response rate. The business group response rate is as follows: integrated care: 100%, surgery: 100%, estates and facilities: 100%, WCDS: 92.8% and medicine: 82.4%
<b>&gt;= 95%</b>	



May-19	Complaints: Parliamentary & Health Service Ombudsman Cases
<div> <div></div> <div>1</div> </div>	The total number of open Ombudsman cases.
<b>Target</b>	In May 2019, there was 1 new referrals received from the Parliamentary and Health Service Ombudsman and no final reports were received in month

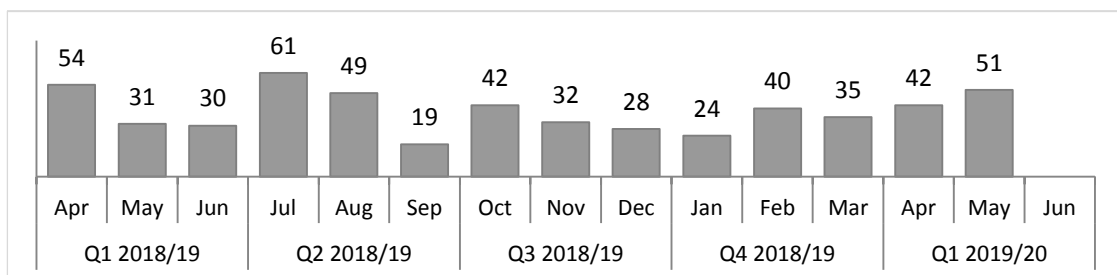


Actions
There has been a significant improvement on the Trust's response rate as a result of the hard work undertaken within the business groups.
The patient and customer services team continue to liaise with the business groups and the executive team with the aim of continuing to improve the Trust complaints response rate.
Complainants are kept informed of any delays that occur resulting in the Trust not being to respond in the agreed timeframe

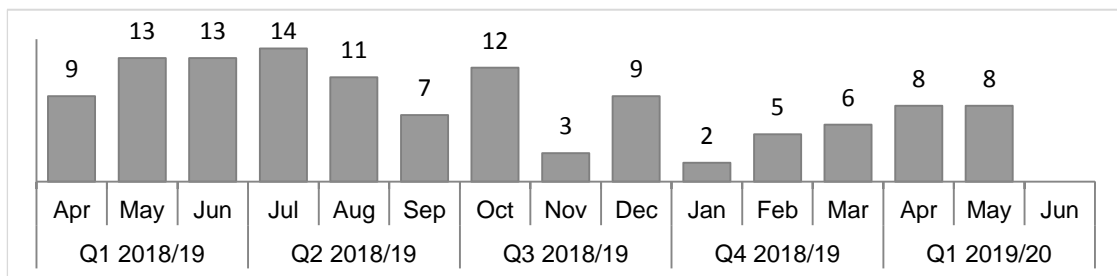
Actions
The PALS and Complaints Team Lead is responsible for liaising with the Ombudsman to ensure continuity and a seamless service. It is hoped that by improving the quality of responses, the number of cases upheld by the Ombudsman will remain low.

## Indicator Detail

May-19	Complaints Closed: Overall
51	The total number of formal complaints that have been closed.
Target	In the month of May 2019, 51 responses were closed in month: integrated care closed 5, medicine closed 17, surgery closed 14, women, children & diagnostic services closed 14 and estates and facilities closed 1.



May-19	Complaints Closed: Upheld
8	The total number of upheld formal complaints that have been closed.
Target	For May 2019, 8 cases were upheld out of the 51.

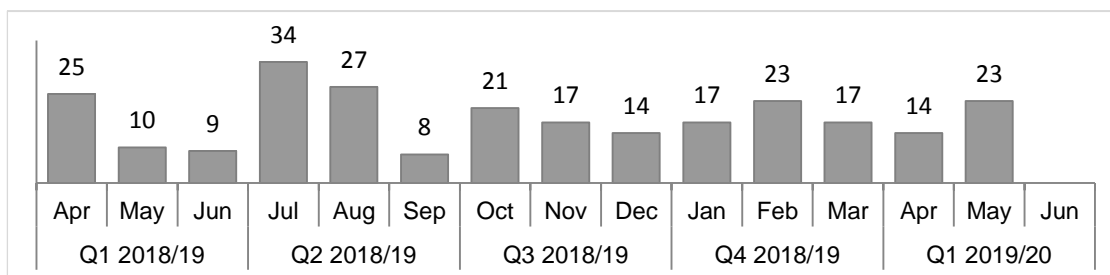


Actions
Work continues to ensure responses are sent in the timeframe initially agreed on the commencement of the investigation.

Actions
The chief nurse & director of quality governance continues to monitor the learning from complaints and ensure requests that this is always shared with the complainant to provide them with reassurance.

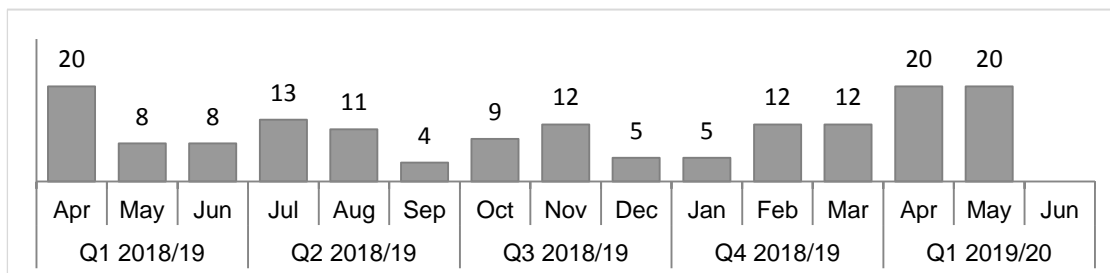
## Indicator Detail

May-19	Complaints Closed: Partially Upheld
23	The total number of partially upheld formal complaints that have been closed.
Target	In May 2019, 23 of the cases were partially upheld of the 51 closed.



Actions
Complaints that have partially upheld often have learning points for staff to reflect on. If this is the case, these will be shared with the complainant and fed back to appropriate staff.

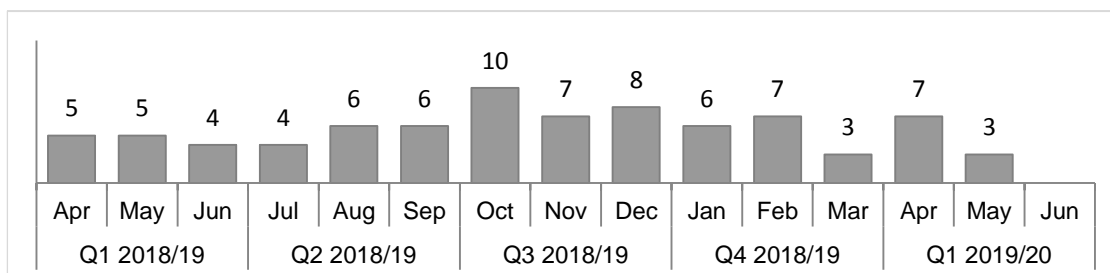
May-19	Complaints Closed: Not Upheld
20	The total number of not upheld formal complaints that have been closed.
Target	In May 2019, 20 of the cases were not upheld of the 51 closed.



Actions
Complaints that have not been upheld may still have learning points for staff to reflect on. If this is the case, this will be shared with the complainant and fed back to appropriate staff. If learning has not been identified, the complaint will still be shared with relevant staff for consideration for future practice.

## Indicator Detail

May-19	Litigation: Claims Opened
3	Total number of claims opened in month.
Target	In May 2019, 3 claims were received against the Trust. 2 medical negligence claims 1 employment liability claim



May-19	Litigation: Claims Closed
4	Total number of claims closed in month.
Target	In May 2019 there were 4 claims closed. 3 were medical negligence claims and were settled. 1 employment liability claim was repudiated.



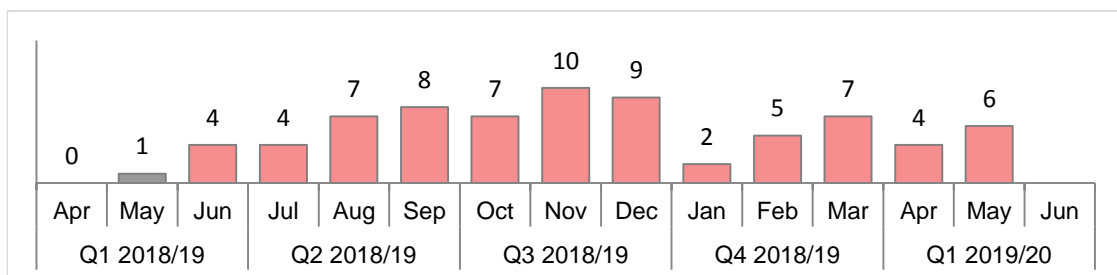
Actions
The process for investigating the claims received has commenced in line with policies and procedures.

Actions
The Trust robustly challenges claims to ensure payments are appropriate to the claim.
The three claims settled were related to A missed diagnosis following a fall resulting in a delay in surgery A lost biopsy resulting in a repeat biopsy being undertaken The development of a category 4 pressure ulcer

## Indicator Detail

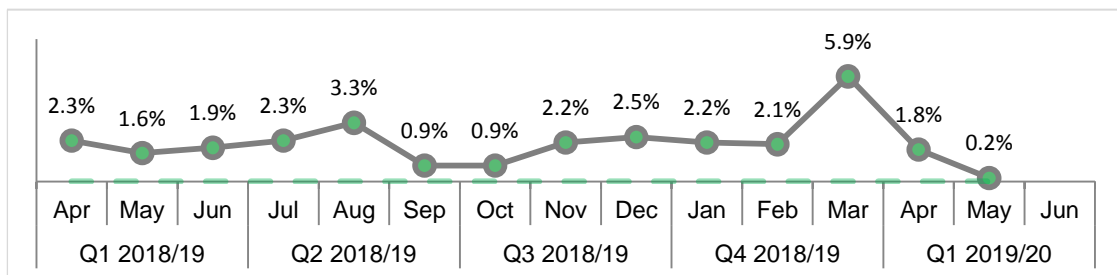
May-19	Referral to Treatment: 52 Week Breaches
6	The total number of patients whose pathway is still open and their clock period is greater than 52 weeks at month end.
Target	There were 6 patients reported beyond 52 weeks waiting for first definitive treatment. 2 patients still waiting for treatment have chosen to be treated in July.
<= 0	

Actions
Weekly review and escalation of any patient waiting beyond 38 weeks on their care pathway.
Refresher training for administrative staff to ensure pathway waiting times are recorded accurately.




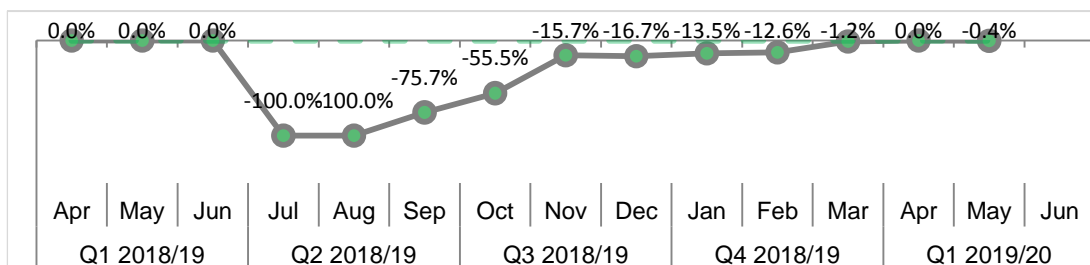
May-19	Financial Controls: I&E Position
0.2%	The percentage variance between planned financial position and the actual financial position.
Target	In the twelve months to 31st March 2020 the Trust has a planned underlying deficit of £24.5m after the planned achievement of a £14.2m CIP. This excludes non-recurring external support of £20.9m which will be received in full if the Trust achieves the agreed control total, reducing the overall planned deficit to £3.6m.
>= 0%	

Actions
The financial position for the first two months is in line with the overall plan; the Trust has delivered a deficit against the NHSI control total of £3.8m as planned. However in achieving this, the Trust has delivered less activity and income than plan, but also spent less than plan.




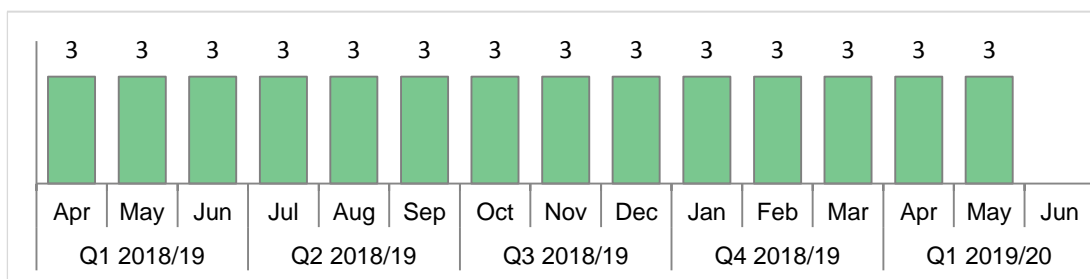
## Indicator Detail

May-19	Cash
 -0.4%	The percentage variance between planned borrowing-to-date and the actual borrowing-to-date.
<b>Target</b>	Cash in the bank on 31st May 2019 was £7.8m. The Trust has maintained a balance higher than the minimum cash balance allowed to protect working capital for the start of the financial year, where borrowing is limited.
<b>&lt;= 0%</b>	



Actions
The Trust borrowed £1.6m in May, increasing the total borrowed to date to £27.6m since September 2018. Due to the external support agreed for 2019/20 borrowing has reduced to a lower level in April and May, and is expected to peak and trough during the year as cash is received in advance and arrears for various elements.
The requirement for a working capital support facility loan is continually being reviewed as part of the 13 week rolling cash flow forecast and the Trust continues to be in dialogue with NHSI's cash and capital team about requirements for cash.

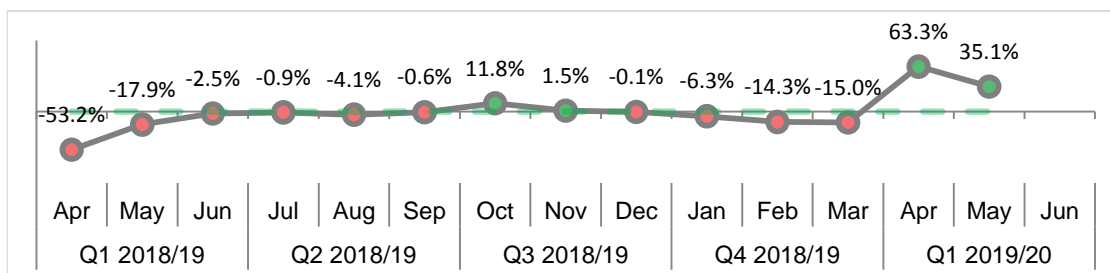
May-19	Financial Use of Resources
 3	A calculated score based on capital service capacity, liquidity, income & expenditure margin, distance from financial plan, and agency spend.
<b>Target</b>	The Trust's Use of Resources (UOR) draft score under the Single Oversight Framework is a 3, which is in line with plan.
<b>&lt;= 3</b>	



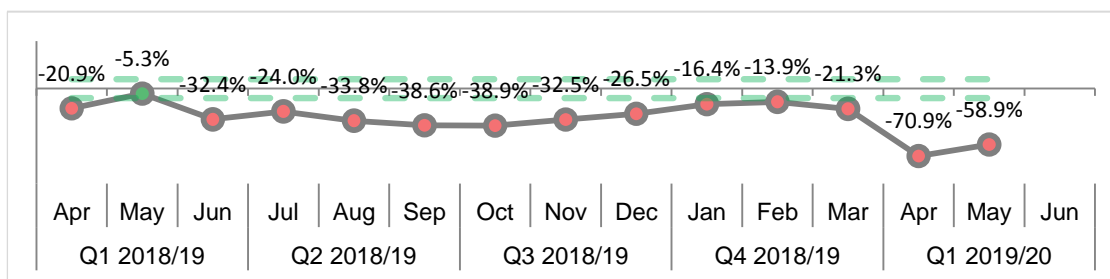
Actions
Individual scores under the Finance & Use of Resources Metrics are shown below: Capital service cover = 4 (worst) Liquidity = 4 (worst) I&E margin = 4 (worst) Variance from control total = 1 (best) Agency spend = 1 (best)
For the Trust's overall score to improve to a 2 then the Trust cash balance and liquidity would need to improve under the financial sustainability scores. As these two metrics score 4 in the operational plan for 2019/20, then this triggers an over-ride in the overall Use of Resources metric and limits the overall score to a 3.

## Indicator Detail

May-19	CIP Cumulative Achievement
<div> <div></div> <div>35.1%</div> </div>	The percentage variance between planned CIP achievement and the actual CIP achievement.
<b>Target</b>	The cost improvement plan (CIP) is £0.3m favourable to date, with £1.3m delivered against the £1.0m year to date target, of which £0.7m is non-recurrent vacancy factor. The year to date target is less than 7% of the annual requirement.
<b>&gt;= 0%</b>	



May-19	Capital Expenditure
<div> <div></div> <div>-58.9%</div> </div>	The percentage variance between planned capital expenditure and the actual capital expenditure. Capital expenditure includes such things as buildings and equipment.
<b>Target</b>	Capital costs of £0.6m have been incurred in the two months to date against a plan of £1.5m and so is £0.9m behind plan. This relates to equipment purchases (£0.4m), estates capital projects (£0.1m) and the early termination of a finance lease (£0.3m). This expenditure will now fall later in the year for IT system stabilisation.
<b>+/- 10%</b>	



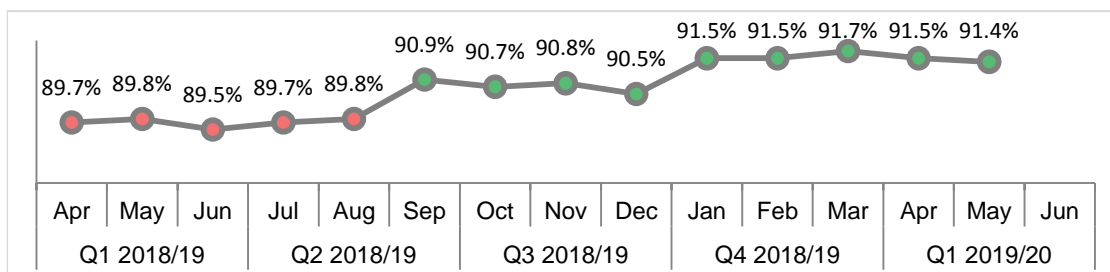
Actions
<p>The Trust is £0.3m favourable to the profiled CIP plan to date, however this has been delivered through non-recurrent vacancy factor and there is a significant risk to the delivery of the total CIP programme in 2019/20. At month 2 the Trust has identified £9.1m of schemes, and is working to identify schemes in order to bridge the £5.1m gap to the £14.2m requirement for 2019/20.</p> <p>£3.4m of CIP has been delivered against the £14.2m in year target, £1.9m of which is recurrent.</p> <p>The phasing of the CIP means that the level of savings required increases in each quarter of the year.</p>

Actions
<p>The full funding of Healthier Together schemes is fundamental to the delivery of the capital programme in 2019/20 with £11.5m (59%) of the Trust's capital forecast under this heading. These costs are currently expected to fall towards the end of the financial year, so any changes to the forecast will not impact the capital variance for several months.</p>



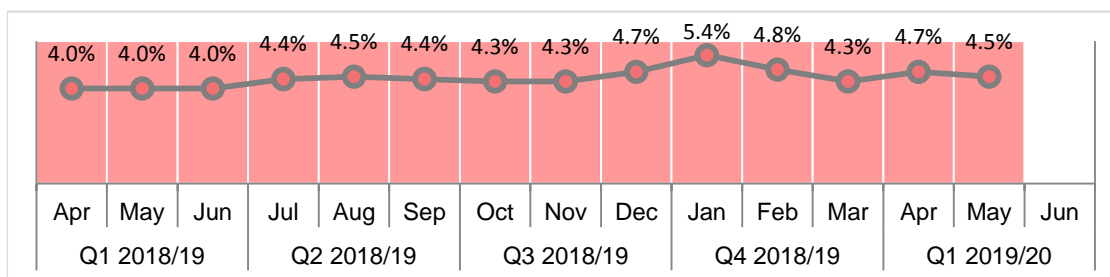
## Indicator Detail

May-19	Staff in Post
<span style="color: green;">●</span> <b>91.4%</b>	The percentage of whole time equivalent staff in post compared with the current establishment.
<b>Target</b>	The Trust staff in post figure for May 2019 is 91.36% of the establishment, which is a decrease of 0.18% from 91.54% the previous month.
<b>&gt;= 90%</b>	



Actions
Following engagement with NHSI workshops a review of the recruitment and retention plans has been completed; . The recruitment and retention programme is being refreshed in response to ensure we are maximising opportunities.

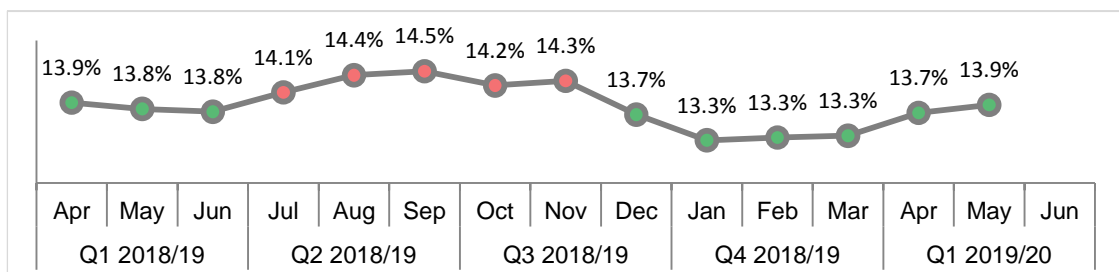
May-19	Sickness Absence Rate (UoR)
<span style="color: red;">●</span> <b>4.5%</b>	The percentage of staff on sickness absence, based on whole time equivalent.
<b>Target</b>	The in-month unadjusted sickness absence figure for May 2019 is 4.46%; a decrease of 0.24% compared to the adjusted previous month's figure of 4.70%. The sickness rate for comparison in May 2018 was 4.04%.
<b>&lt;= 3.5%</b>	



Actions
The unadjusted cost of sickness absence in May 2019 is £549,548; a decrease of £18,887 from the adjusted figure of £568,435 in the previous month. This does not include the cost to cover the absence. The top three reasons for sickness remain as Stress/Anxiety (30.46%), Back/Muscular Skeletal problems including Injury/Fracture (25.54%) and Cough Cold/Influenza (9.45%).
Ongoing dedicated HR support is provided to assist managers with the management of attendance. A review of the managing attendance policy and associated support arrangements has been concluded and is progressing through our governance arrangements. This will continue to be supported by health and wellbeing initiatives, including access to staff counselling, fast track physiotherapy and physical health activities.

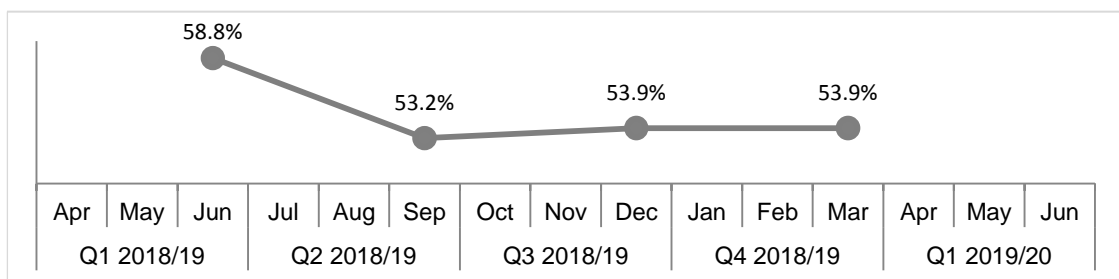
## Indicator Detail

May-19	Workforce Turnover (UoR)
<span style="color: green;">●</span> 13.9%	The percentage of employees leaving the Trust and being replaced by new employees.
Target	The rolling 12-month permanent headcount unadjusted turnover figure at the end of May 2019 is 13.87%. which falls below the Trust target.
<= 13.94%	



Actions
The top adjusted leaving reasons are: Work Life Balance/Dependents 17.28%, Relocation 15.12%, Retirement 14.81%, and Promotion 14.81%.

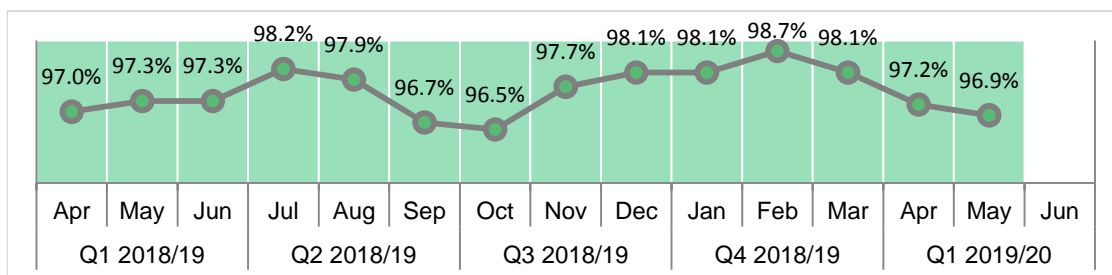
Mar-19	Staff Friends & Family Test: Recommend for Work
<span style="color: grey;">●</span> 53.9%	The percentage of all surveyed staff who are extremely likely or likely to recommend the Trust as a place of work.
Target	There has been a 1.23% increase since the previous quarter in staff recommending the Trust as a place to work and correlates with the response from the Staff Survey.



Actions
The increase is positive although it is still considerably lower than quarter one. There are a number of initiatives generated in response to these results including:-
- Cultural Engagement Change Programme.
- Promotion of Health and Wellbeing initiatives
- Schwartz Rounds
- Recruitment and Retention Strategy
- Leadership and Development Programmes

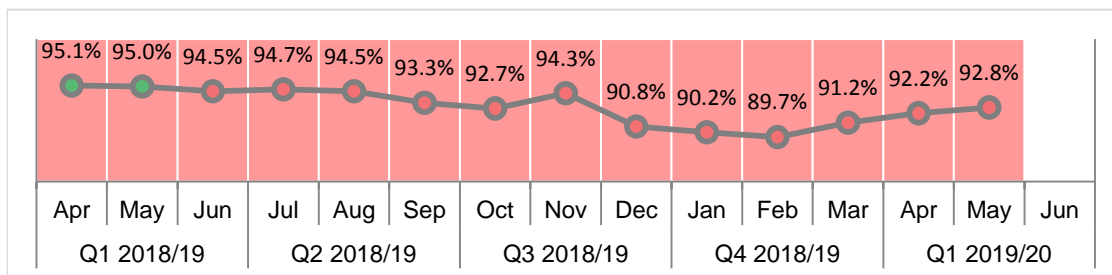
## Indicator Detail

May-19	Appraisal Rate: Medical
<div> <div></div> <div>96.9%</div> </div>	The percentage of medical staff that have been appraised within the last 15 months.
Target	The medical appraisal rate for May 2019 is 96.89%, a decrease on the last month's figure of 97.20% but above the Trust target of 95%.
<b>&gt;= 95%</b>	



Actions
Performance above target.

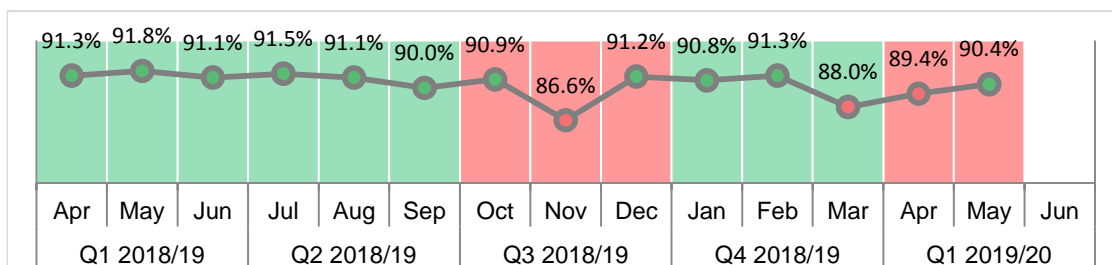
May-19	Appraisal Rate: Non-medical
<div> <div></div> <div>92.8%</div> </div>	The percentage of non-medical staff that have been appraised within the last 15 months.
Target	The appraisal rate is 92.8% this month. This is 2.2% below the trajectory of 95%.
<b>&gt;= 95%</b>	



Actions
Reporting arrangements continue, with mid-month reporting to support managers to focus efforts on areas of non-compliance.

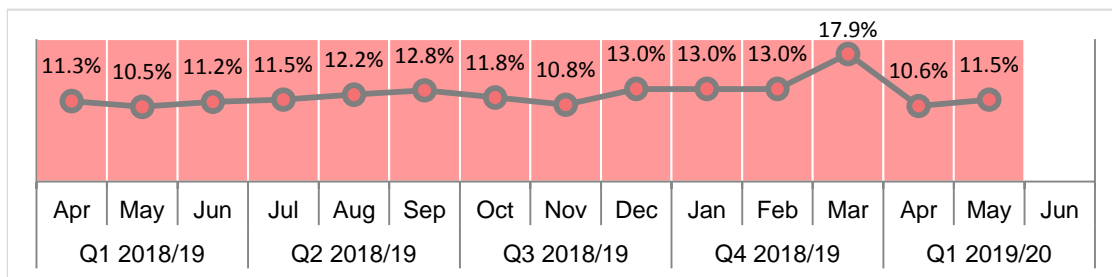
## Indicator Detail

May-19	Statutory & Mandatory Training
<div> <div></div> <div>90.4%</div> </div>	The percentage of statutory & mandatory training modules showing as compliant.
<b>Target</b>	Mandatory and statutory training compliance is 90.4%; an increase of 0.61% from the previous month .
<b>&gt;= 90%</b>	



Actions
Although the KPI is on target, in order to ensure maintenance of compliance an increase of face to face sessions for both data security and fire training have been arranged.

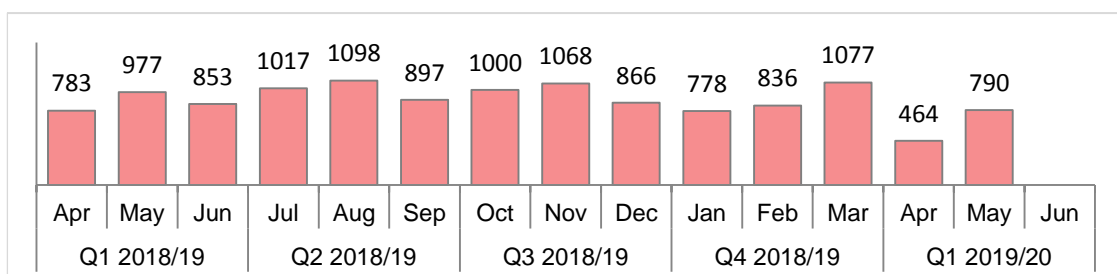
	Bank & Agency Costs
<div> <div></div> <div>11.5%</div> </div>	The total bank & agency cost as percentage of the total pay costs
<b>Target</b>	Total spend on bank staff this month was £1.4M, which is 7.12% of the total pay spend. Agency spend at £848k is 4.39% of the total pay expenditure; of which £482,000 is medical agency and £339,000 is non-medical clinical agency.
<b>&lt;= 5%</b>	



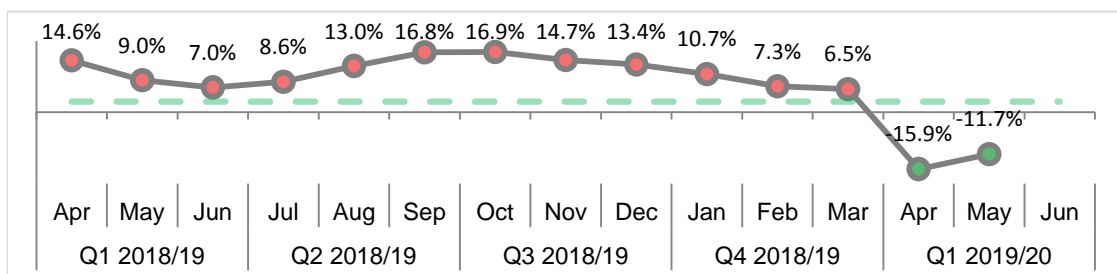
Actions
<p>Action is on-going to address temporary staffing spend:</p> <p>Substantive recruitment from within both the UK &amp; overseas to our hard to fill vacancies.</p> <p>Growth of the medical bank to reduce the reliance on agencies and avoid the commission payments.</p> <p>Further Physician Associate roles recruited.</p> <p>Medical rota re-design .</p> <p>CSEP processes to ensure timely actions in place to recruit to posts and avoid unnecessary agency spend.</p> <p>Increased senior challenge of locum rates and requirements at ECP.</p> <p>Renewed focus on nursing turnover to introduce further support, induction and training for nursing staff to avoid individuals feeling overwhelmed and wanting to find alternative roles.</p>

## Indicator Detail

May-19	Agency Shifts Above Capped Rates
790	Number of agency shifts above the provider spend cap.
<b>Target</b>	There were a total of 790 shifts paid above NHSI capped rates during the 5 week period from 29th April to 2nd June 2019; equating to an average 158 shifts per week, an increase of 42 shifts per week compared to April's figures. However, this is a decrease compared to the 195 shifts per week in May 2018.
<b>&lt;= 0</b>	




May-19	Agency Spend: Distance From Ceiling (UoR)
-11.7%	The percentage variance between Trusts expenditure on agency and external locums across all staff groups and the cap set by NHSi.
<b>Target</b>	The total number of agency shifts worked in this period, including shifts under cap, was 1,812 – an average of 362 per week. This is an average increase of 13 shifts per week compared to April.
<b>&lt;= 3%</b>	

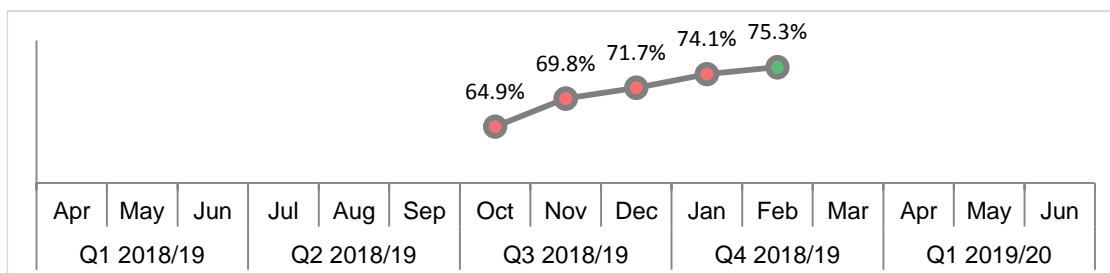


Actions
Medicine have seen the highest number of agency cap breaches with an average of 51 shifts per week (an increase of 8 compared to April), mainly attributable to an increase of medical locum shifts. This is followed by Surgery with 43 shifts per week (an increase of 8 shifts per week). Estates and Facilities have seen some agency use this month due to some senior vacancies within the management team.


Actions
There were a total of 109 shifts paid at or above £100 per hour, which required Chief Executive approval, which is an average of 22 shifts per week, compared to 33 shifts per week in April.

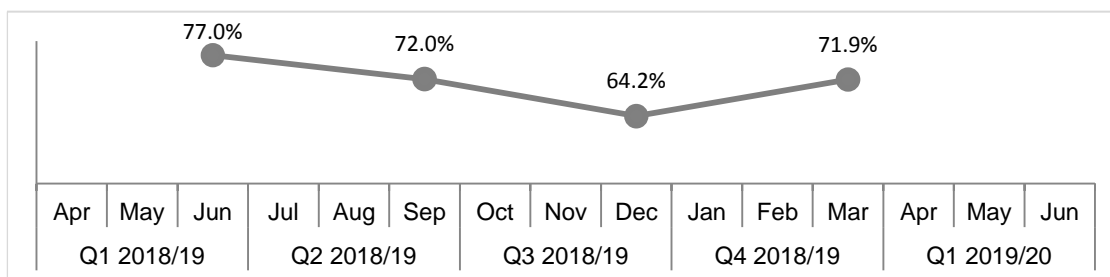
## Indicator Detail

Feb-19	Flu Vaccination Uptake
 75.3%	The percentage of staff receiving the flu vaccination.
<b>Target</b>	Last year's campaign ended on 73.9% frontline uptake, this year we have achieved 79.3%.
<b>&gt;= 75%</b>	



Actions
A review of the success of this year's campaign will be undertaken by the Workforce Flu Strategy group to inform plans and arrangements for this season's approach.

Mar-19	Staff Friends & Family Test: Recommend for Care
 71.9%	The percentage of all surveyed staff who are extremely likely or likely to recommend the Trust for care.
<b>Target</b>	The overall trust staff response rate for the Friends and Family test is 64%. This data was taken from the national staff survey for Qtr 3 where 598 staff responded.



Actions
<p>Actions</p> <ul style="list-style-type: none"> <li>- Agenda item on the Cultural engagement group (CEG)</li> <li>- Cultural ambassadors to promote</li> <li>- Extensive communication plan to commence regarding the staff survey in particular</li> <li>- To explore exit interviews and leavers information to make positive changes</li> <li>- To support new staff in the trust with initiatives such as preceptorship and buddies</li> <li>- Celebrating Stockport- with staff initiatives such as Celebration of achievements</li> </ul>

# Safer Staffing Report

May-19	Day				Night				Day		Night		Care Hours Per Patient Per Day (CHPPD)				Safety Thermometer			
	Registered midwives/nurses		Non-registered		Registered midwives/nurses		Non-registered		Registered fill rate	Non-registered fill rate	Registered fill rate	Non-registered fill rate	Cumulative number of patients at 23:59 each day	Registered midwives/ nurses	Non-registered	Overall	Pressure Ulcers (new)	Falls with Harm	Catheters & UTIs (new)	New VTEs
	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual												
Ward Name																				
AMU	4,092	3,240	3,348	3,270	3,720	3,258	3,069	3,003	79.2%	97.7%	87.6%	97.8%	1666	3.9	3.8	7.7	0	0	0	0
Clinical Decisions Unit	372	372	372	372	341	341	341	341	100.0%	100.0%	100.0%	100.0%	185	3.9	3.9	7.7	0	0	0	0
D4	1,163	572	791	678	682	682	682	682	49.2%	85.8%	100.0%	100.0%	478	2.6	2.8	5.5	0	0	0	0
A3	1,442	1,262	977	980	1,023	979	682	682	87.5%	100.3%	95.7%	100.0%	745	3.0	2.2	5.2	0	0	0	0
A10	2,888	2,003	2,046	2,234	2,046	2,024	1,364	1,375	69.4%	109.2%	98.9%	100.8%	779	5.2	4.6	9.8	0	0	0	1
A11	1,581	1,424	1,628	1,508	682	693	682	704	90.0%	92.6%	101.6%	103.2%	895	2.4	2.5	4.8	1	0	0	0
A12	1,209	851	605	839	682	682	682	671	70.4%	138.7%	100.0%	98.4%	487	3.1	3.1	6.2	0	0	0	2
B4	1,442	1,213	1,302	1,311	682	693	1,023	1,133	84.1%	100.7%	101.6%	110.8%	660	2.9	3.7	6.6	0	0	0	0
B6	1,209	1,209	2,077	2,005	682	682	682	637	100.0%	96.5%	100.0%	93.4%	697	2.7	3.8	6.5	0	0	0	0
Bluebell Ward	1,674	1,559	868	898	682	694	682	855	93.1%	103.5%	101.8%	125.3%	412	5.5	4.3	9.7	0	0	0	0
C4	1,209	946	605	1,032	682	682	682	825	78.2%	170.7%	100.0%	121.0%	483	3.4	3.8	7.2	1	0	0	1
Coronary Care Unit	837	744	465	433	682	682	341	330	88.9%	93.1%	100.0%	96.8%	162	8.8	4.7	13.5	0	0	0	0
Devonshire Centre for Neuro-Rehabilitation	1,070	1,050	2,000	1,950	682	682	682	1,166	98.2%	97.5%	100.0%	171.0%	543	3.2	5.7	8.9	0	0	0	0
E1	1,952	1,524	2,310	2,235	1,023	1,012	1,364	1,683	78.1%	96.8%	98.9%	123.4%	952	2.7	4.1	6.8	0	0	0	1
E2	2,279	2,249	1,581	1,988	1,023	1,001	1,023	1,364	98.7%	125.7%	97.8%	133.3%	1044	3.1	3.2	6.3	2	0	0	0
E3	2,279	2,229	1,581	1,793	1,023	1,023	1,023	1,705	97.8%	113.4%	100.0%	166.7%	1069	3.0	3.3	6.3	0	0	0	0

# Safer Staffing Report

May-19

May-19	Day				Night				Day		Night		Care Hours Per Patient Per Day (CHPPD)				Safety Thermometer			
	Registered midwives/nurses		Non-registered		Registered midwives/nurses		Non-registered		Registered fill rate	Non-registered fill rate	Registered fill rate	Non-registered fill rate	Cumulative number of patients at 23:59 each day	Registered midwives/ nurses	Non-registered	Overall	Pressure Ulcers (new)	Falls with Harm	Catheters & UTIs (new)	New VTEs
	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual												
Ward Name	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual												
A1	1,395	1,103	1,209	1,266	1,023	1,012	682	792	79.0%	104.7%	98.9%	116.1%	778	2.7	2.6	5.4	0	0	0	1
C6	935	911	1,112	1,172	682	891	682	682	97.4%	105.4%	130.6%	100.0%	576	3.1	3.2	6.3	0	0	0	0
D1	1,679	1,468	1,349	1,487	682	682	1,023	1,034	87.5%	110.2%	100.0%	101.1%	715	3.0	3.5	6.5	0	0	0	0
D2	1,634	1,177	1,442	1,459	682	614	682	1,067	72.0%	101.2%	90.0%	156.5%	596	3.0	4.2	7.2	0	0	0	0
D6	1,307	1,321	1,037	989	682	649	682	704	101.1%	95.4%	95.2%	103.2%	636	3.1	2.7	5.8	0	0	0	0
M4	1,241	1,126	977	947	682	682	594	726	90.7%	96.9%	100.0%	122.2%	457	4.0	3.7	7.6	0	0	0	0
SAU	1,851	1,803	729	705	1,023	984	682	627	97.4%	96.7%	96.2%	91.9%	406	6.9	3.3	10.1	0	0	0	0
Short Stay Surgical Unit	1,937	1,675	797	771	880	845	682	660	86.5%	96.7%	96.0%	96.8%	632	4.0	2.3	6.3	0	0	0	0
ICU & HDU	4,697	4,134	372	372	4,092	3,663	341	341	88.0%	100.0%	89.5%	100.0%	280	27.8	2.5	30.4	0	0	0	0
Birth Centre	930	855	465	458	620	540	310	310	91.9%	98.4%	87.1%	100.0%	41	34.0	18.7	52.7				
Delivery Suite	2,790	2,745	465	443	1,860	1,840	310	300	98.4%	95.2%	98.9%	96.8%	208	22.0	3.6	25.6				
Maternity 2	1,628	1,628	930	930	682	682	341	341	100.0%	100.0%	100.0%	100.0%	478	4.8	2.7	7.5				
Jasmine Ward	930	930	465	498	620	620	0	36	100.0%	107.0%	100.0%	na	218	7.1	2.4	9.6	0	0	0	0
Neonatal Unit	2,325	1,973	0	0	1,628	1,323	0	0	84.8%	na	81.3%	na	265	12.4	0.0	12.4	0	0	0	0
Tree House	2,790	2,715	465	379	1,860	1,787	0	0	97.3%	81.5%	96.1%	na	566	8.0	0.7	8.6	0	0	0	0
	54,760	48,004	34,363	35,394	34,035	32,624	22,015	24,775	87.7%	103.0%	95.9%	112.5%	18109	4.5	3.3	7.8	4	0	0	6



## Safer Staffing Report

BOARD PAPERS – Quality, Safety & Experience Section : May 2019			
DESCRIPTION	AGGREGATE POSITION	TREND	PERFORMANCE AGAINST PREVIOUS MONTH
<u><b>Registered Nurses monthly:</b></u> Expected hours by shift versus actual monthly hours per shift.  <b>Day time shifts only.</b>	87.7% of expected RN hours were achieved for day shifts. This is the 9th month that staffing has been below the 90% benchmark.  Any RN numbers that fall below 85% are required to have a business group review & an update of actions provided to the Chief Nurse & Deputy Chief Nurse. 14 areas indicate below 90% RN levels in month.	May 87.7%  April 89.6%  March 88.5%	The lowest RN staffing levels during the day were on Ward D4 at 49.2% .The business groups Associate Nurse Director is reviewing these figures. There were never less than 2 RN on duty at any time. Matron's office is located on this ward for additional support. Harm free care metrics in month are optimal. Short term absence and vacancies have impacted on these staffing figures. A new ward manager has now been recruited into post.
<u><b>Registered Nurses monthly:</b></u> Expected hours by shift versus actual monthly hours per shift.  <b>Night time shifts only.</b>	95.9% of expected RN hours were achieved for night shifts.  4 areas report below 90% RN levels in month.	May 95.9%  April 95.3%  March 91.9%	The lowest RN night staffing levels are reported on Neonatal Unit at 81.3% staffing levels. The neonatal acuity and cot occupancy was low throughout May. Staffing was assessed to meet the needs of the acuity on a daily basis. Harm free care metrics alongside staffing levels are reviewed to assure safe care. Closely supervised by Neonatal Matron.
<u><b>Non-registered staff monthly:</b></u> Expected hours by shift versus actual monthly hours per shift.  <b>Day time shifts only.</b>	103% of expected non-registered hours were achieved for day shifts.  1 area reported below 90% levels in month.	May 103%  April 102.3%  March 101.8%	The lowest non registered staffing levels for day duty was on the Tree House at 81.5%. The non-registered staff were supported by 97.3% RN levels. Harm free care levels in month are optimal.

## BOARD PAPERS – Quality, Safety & Experience Section : May 2019

DESCRIPTION	AGGREGATE POSITION	TREND	PERFORMANCE AGAINST PREVIOUS MONTH
<p><b>Non-registered staff monthly:</b> Expected hours by shift versus actual monthly hours per shift.</p> <p><b>Night time shifts only.</b></p>	<p>112.5 % of expected Non-registered hours were achieved for night shifts.</p> <p>For areas with over 100% staffing levels for non-registered staff this is reviewed by matrons. It is predominately due to wards requiring 1:1 support for patients following a risk assessment, or to support RN staffing numbers when there are unfilled shifts.</p> <p>No areas reports below 90% levels in month.</p>	<p>May 112.5%</p> <p>April 108.0%</p> <p>March 112.5%</p>	<p>No wards below 90% in month.</p>
<p>RN safe staffing levels are supported by temporary staff (NHSP Bank and agency).</p>	<p>This is reported as demand versus NHSP and agency fill compared to substantive vacancies.</p>	<p>May 141.5 WTE RN filled</p>	<p>Trust vacancy rate is 170.06 WTE (10.54%).</p> <p>Of the RN 141.5 WTE (Demand 189.3 WTE) The fill rate overall is 75% of the shifts requested. 47% are NHSP and agency 28%.</p>
<p>Non-registered safe staffing levels are supported by temporary staff (NHSP Bank).</p>	<p>This is reported as demand versus NHSP and agency fills compared to substantive vacancies.</p>	<p>May 140.5 WTE non-registered filled</p>	<p>Trust vacancy rate is 44.45 WTE (5.42%).</p> <p>Of the non-registered 140.5 WTE (Demand 171.1 WTE) the fill rate is 82 %. Agency staff are not routinely booked with only 0.7% agency utilised in month</p>

<b>Report to:</b>	Council of Governors	<b>Date:</b>	17 July 2019
<b>Subject:</b>	Proposed changes to the Constitution		
<b>Report of:</b>	Interim Director of Corporate Affairs	<b>Prepared by:</b>	Mrs C Parnell

## REPORT FOR NOTING

<b>Corporate objective ref:</b>	N/A	<b>Summary of Report</b>  The purpose of this report is to seek the Council of Governors approval for a number of proposed changes to the Trust's Constitution.  Any changes to the Constitution require the approval of the majority of the Council of Governors and the Board of Directors. This paper will be discussed by the Board of Directors at their next meeting on 31 July 2019.
<b>Board Assurance Framework ref:</b>	N/A	
<b>CQC Registration Standards ref:</b>	N/A	
<b>Equality Impact Assessment:</b> <input type="checkbox"/> Completed <input checked="" type="checkbox"/> Not required		

**Attachments:**

**This subject has previously been reported to:**

- |  |   |
|--|---|
| <input type="checkbox"/> Board of Directors    | <input type="checkbox"/> PP Committee               |
| <input type="checkbox"/> Council of Governors  | <input type="checkbox"/> Charitable Funds Committee |
| <input type="checkbox"/> Audit Committee       | <input type="checkbox"/> Nominations Committee      |
| <input type="checkbox"/> Executive Team        | <input type="checkbox"/> Remuneration Committee     |
| <input type="checkbox"/> Exec Management Group | <input type="checkbox"/> Joint Negotiating Council  |
| <input type="checkbox"/> Quality Committee     | <input type="checkbox"/> Other                      |
| <input type="checkbox"/> F&P Committee         |   |

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## PROPOSED CHANGES TO THE CONSTITUTION

### 1. Introduction

It is good practice for NHS Foundation Trusts to regularly review their Constitutions in line with the Model Constitution recommended by NHS Improvement. The Trust's Constitution was last reviewed in October 2018.

This paper sets out a number of proposed changes for consideration by the Council of Governors and then the Board of Directors. The Constitution states that:

*44.1 The Trust may make amendments of its constitution only if:*

*44.1.1 More than half of the members of the Council of Governors of the Trust voting approve the amendments; and*

*44.1.2 More than half of the members of the Board of Directors of the Trust voting approve the amendments.*

In line with the Health and Social Care Act, the Constitution is clear that only matters “*in relation to the powers and duties of the Council of Governors*” require presentation at the annual members meeting where members would be given the opportunity to vote on whether they approve the amendment.

None of the proposed amendments in this report relate to the “*power and duties of the Council of Governors*” and therefore do not require members' approval if agreed by the Council of Governors and Board of Directors.

### 2. Proposed changes

#### 2.1 Governor tenure

In 2012 the Trust removed the maximum nine year tenure for all Governors. This was agreed by both the Board of Directors and Council of Governors, even though the Board raised a number of governance concerns about the move.

The Trust currently has five governors who have served more than nine years, which is the maximum tenure in the majority of NHS Foundation Trusts. In 2018 it was proposed to re-introduce a maximum tenure of nine years. This proposal was supported unanimously by the Board of Directors, but was fiercely debated by the Council of Governors.

After two debates at Council of Governor meetings in 2018 and 2019, the Chair taking private soundings from all Governors, and a working group meeting to look at the issues raised, the proposal to re-introduce a maximum tenure of nine years was put to a ballot that closed on 8 July 2019.

A total of 14 governors voted and the ballot result was:

- 8 for the re-introduction of a maximum nine year tenure for Governors,
- 6 against the re-introduction of a maximum tenure.

As the majority of Governors who voted are in favour of the re-introduction, the Trust's Constitution will be amended accordingly and a process introduced to implement the change with immediate effect.

In practice this will mean that all Governors who have served nine years or more will serve out the remainder of their current tenure. At the end of that tenure they will not be able to stand for re-election.

This change will require the following additions to section 14 of the Constitution:

*14.3 An elected governor shall be eligible for re-election at the end of his/her term, and shall serve no more than three terms of office, resulting in a maximum 9 years tenure.*

*14.6 An appointed governor shall be eligible for re-appointment at the end of his/her term and shall serve no more than three terms of office, resulting in a maximum 9 years tenure.*

## 2.2 Governor elections

The outcome of the Trust's annual Governor elections are concluded in October and currently the Constitution ties them into the annual members' meeting.

The aim of the annual members' meeting is to present the annual report and accounts for the previous year, and current arrangements mean that the Trust is reporting on a year that ended seven months prior to the meeting. The Trust should be holding its annual meeting within six months of the end of the final year, but the tie in with the annual elections prevents this.

It is proposed to separate the elections from the annual meeting, maintaining an annual schedule of elections with results announced on 1 October, but allowing the meeting to be held earlier in the year. Ideally this would be in July shortly after the annual report and accounts are laid before Parliament and therefore become public documents, but it should be no later than September each year.

This proposal would require changes to section 14 of the Constitution:

*14.1 An elected governor may hold office for a period not exceeding three years commencing from when their election is announced on 1 October.*

*14.7 For the purposes of these provisions concerning terms of office for Governors, “year” means a period commencing immediately after their election is announced.*

## 2.3 Board of Directors – composition

The Trust is obliged to have a Board of Directors comprised of more Non-Executive than Executive Directors. Currently the Trust’s Board is made up of six Executive and seven Non-Executive Directors, including the Chair.

As trusts develop and their leadership needs change many FTs have introduced a level of flexibility into their Constitution. This maintains the Non-Executive Director majority, but allows the Board flexibility in the number of members it has without having to change the Constitution each time it wants to amend the Board make-up.

It is proposed to change the Constitution to allow a more flexible approach to the make-up of the Board of Directors and this would require an addition to section 23 of the Constitution:

*23.2 The Board of Directors is to comprise:*

*23.2.1 a non-executive chairman;*

*23.2.2 six to eight non-executive directors; and*

*23.2.3 six to eight executive directors.*

*23.3 The number of Directors may be increased within the range of 23.2.2 and 23.2.3 above, with the approval of the Board, provided always at least half the Board comprises non-executive directors determined by the Board to be independent.*

This addition would affect the numbering of this section of the Constitution.

## 2.4 Public Constituency

- a) When the Trust took over responsibility for community services in Tameside and Glossop the Constitution was amended to designate one Governor seat for that area. As the Trust no longer provides those services it is proposed that the Tameside and Glossop seat is disbanded and the constituency amended to High Peak and Dales, with three Governor seats instead of the current two for that geographic area. This change would not alter the current the make-up of the Council of Governors.
- b) Rest of England – a number of NHS Foundation Trusts have introduced a Rest of England constituency to ensure that anyone with any interest in the organisation can sign up as a member. For many organisations this extra constituency means that in practical terms they can attract a wider field of candidates for non-executive director roles.

The recent process to appoint a new non-executive director attracted significant interest from capable candidates who were subsequently disqualified because they lived outside the Trust's current public constituencies. The Trust already has an Outer Region constituency and it is proposed to broaden that constituency to cover the rest of England, renaming it Rest of England, and retaining the one governor seat.

- c) Minimum numbers of members – all NHS Constitutions must specify the minimum number of members they must have in each of its constituencies. This is essentially the minimum number of members it needs to have to hold an election.

Currently the Trust specifies just four members for each of its public constituencies, and 16 members for the staff constituency. Both are low compared to other NHS Foundation Trusts. It is proposed to increase the minimum number of members to 50 for the public constituencies and 100 for the staff constituency to 100.

These proposals would require changes to Annex 1 - The Public Constituencies - to state:

*The minimum number of members of each of the public constituencies is 50.*

Annex 2 - The Staff Constituency of the Constitution – would also require a change to state:

*The minimum numbers of members of the Staff Constituency is 100.*

## 2.5 Composition of the Council of Governors

Council of Governors are generally made up of a mix of public and staff governors elected by their constituents, and Governors appointed by partner organisations as their representatives.

The Trust currently has just two appointed governors – one representing Stockport Metropolitan Borough Council and the other representing Stockport College of Education. There has always been good involvement in the Council of Governors from the local authority, but a less active role from the college representative.

As the Trust is keen to develop and maintain strong partnership arrangements with a wide variety of local stakeholders it is proposed to increase the number of organisations invited to put forward an appointed Governor. This would include:

- One for Stockport Metropolitan Borough Council,
- One for a medical/nursing school associated with the Trust,
- One for Stockport Clinical Commissioning Group,
- One for Stockport Healthwatch,



- One representative of a relevant local charity or third sector group, eg Age Concern.

This proposal would increase the current number of appointed Governors by three and the overall make-up of the Council of Governors to 29 from the current 26. These proposals would require the following change and addition to Annex 3 – Composition of the Council of Governors of the Constitution:

- *One Governor to be appointed by a medical or nursing school associated with the Trust – a Partnership Governor.*
- *One Governor to be appointed by Stockport Clinical Commissioning Group – a Partnership Governor.*
- *One Governor to be appointed by Stockport Healthwatch – a Partnership Governor.*
- *One representative of a local charity or third sector organisation – a Partnership Governor.*

### **3. Recommendation**

The Council of Governors is asked to approve the following proposals and their associated amendments to the Constitution:

- a) Separating the annual members' meeting from the annual elections. This would allow the annual meeting to be held earlier in the year but maintain the annual elections outcome in October.
- b) Amending the make-up of the Board of Directors to allow greater flexibility, but maintaining the appropriate balance of Executive and Non-Executive Directors.
- c) Remove the Governor seat for Tameside and Glossop.
- d) Increase the number of Governor seats for High Peak and the Dales from two to three.
- e) Broaden the Outer Region constituency and rename it Rest of England.
- f) Increase the minimum number of members required in each public and staff constituency, as set out in section 2.4c.
- g) Increase the number of appointed Governors by three, in line with the proposal outlined in section 2.5.

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<b>Report to:</b>	Council of Governors	<b>Date:</b>	17 July 2019
<b>Subject:</b>	Appointment of new Non-Executive Directors		
<b>Report of:</b>	Chair	<b>Prepared by:</b>	Mrs C Parnell

## REPORT FOR APPROVAL

<b>Corporate objective ref:</b>	N/A	<b>Summary of Report</b>  This report advises the Council of Governors of outcome of a recruitment and selection process led by the Nominations Committee to identify candidates for a vacant Non-Executive Director post.  It seeks the Council of Governors' approval for the Committee's preferred candidates to be appointed.
<b>Board Assurance Framework ref:</b>	N/A	
<b>CQC Registration Standards ref:</b>	N/A	
<b>Equality Impact Assessment:</b> <input type="checkbox"/> Completed <input checked="" type="checkbox"/> Not required		

<b>Attachments:</b>
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<b>This subject has previously been reported to:</b>	<input type="checkbox"/> Board of Directors <input type="checkbox"/> Council of Governors <input type="checkbox"/> Audit Committee <input type="checkbox"/> Executive Team <input type="checkbox"/> Exec Management Group <input type="checkbox"/> Quality Committee <input type="checkbox"/> F&P Committee	<input type="checkbox"/> PP Committee <input type="checkbox"/> Charitable Funds Committee <input type="checkbox"/> Nominations Committee <input type="checkbox"/> Remuneration Committee <input type="checkbox"/> Joint Negotiating Council <input type="checkbox"/> Other
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## **1. PURPOSE OF THE REPORT**

This report aims to set out:

- the recruitment and selection process led by the Nominations Committee to identify candidates for a vacant Non-Executive Director post, and
- the discussions in relation to appointing to a second post.

It also seeks the Council of Governors' approval for the Committee's preferred candidates to be appointed.

## **2. BACKGROUND**

The Council of Governors is responsible for the appointment of Non-Executive Directors, and it has the statutory duty to set up a Nominations Committee to lead on the process of recruiting and selecting candidates for Non-Executive Director posts.

Earlier this year the Committee agreed to appoint Finegreen, an external recruitment company, to lead the search for candidates for a vacant Non-Executive Director post. A number of recruitment companies were asked to submit bids for the project, and Finegreen was chosen as a result of both its cost effective bid and Trust's previous experience of successfully using the company to recruit to the Finance Director and Director of Workforce & OD posts.

The Committee discussed the current make-up of the Board of Directors, the challenges and opportunities facing the Trust now and in the future, and the skills and experience of Board members required to meet those challenges. Committee members were committed to seeking candidates that reflect the diversity of the communities the Trust supports, as well as people with experience of transformational change and digital/IT skills.

Due to some current Non-Executive Directors reaching the end of their tenure within the next two years, the Committee was also open to the idea of identifying potential candidates for those roles via this process, and this was discussed with Finegreen at the outset of the search.

## **3. THE PROCESS**

Based on discussions with the Committee Finegreen developed a job description and advertisement, that was widely circulated externally. They also used their own contacts to identify potential candidates.

This process attracted over 100 initial applications from potential candidates, a number of which were rejected because they lived outside the geographic area specified in the Trust's current constitution.

The Committee met with Finegreen to discuss the long list of candidates, and the attributes the Trust was looking for. Finegreen used this information to reduce the long list, and subsequently carried out first interviews with 16 candidates. Using the information gathered at this stage the Committee chose to invite six candidates for interview.

On 24 July Committee members and other governors joined a focus group and panel to interview four candidates, two candidates having pulled out of the process due to ill health and pressure of existing work commitments. At the end of the process the Committee identified two strong candidates for the role, who subsequently met both the Chair and Chief Executive to further explore their motivations for the applying for the role and the experience they would bring to the Board of Directors.

The Chair sought views on whether to appoint one of the candidates as an Associate Non-Executive Director, serving on the Board in a non-voting capacity until a further vacancy occurs. The consensus view was that both candidates were equally worthy of appointment, and it may be difficult to keep their interest in the Trust if one was to be offered an Associate role rather than a full Non-Executive position.

#### **4. RECOMMENDATION**

The Committee agrees that both candidates would make excellent Non-Executive Directors. They have different skills, experience, and leadership styles that would complement the current make-up of the Board of Directors.

The Committee recommends that the Council of Governors supports the appointment of both candidates, subject to agreeing to a change to the Constitution to flex the make-up of the Board of Directors. (*see attached information on both candidates.*)

## **NON-EXECUTIVE DIRECTOR CANDIDATES**

### **BACKGROUND INFORMATION**

#### **Marisa Logan-Ward**

Marisa, who lives in Stockport, was mostly recently Group Pathology Director with BMI Healthcare. She has a PhD in Molecular Immunology and began her career with national roles with NHS Estates and the Department of Health.

She was Programme Director for Diagnostics with Cheshire and Merseyside Strategic Health Authority, and spent five years as Business Development Director with Unilabs. She has most recently been Business Development Director at SYNLAB UK & Ireland, and has also been a Non-Executive Director with Oldham Community Leisure Ltd.

Her career highlights include:

- Project Director for the Greater Manchester Haematological Diagnostics Service (July 2016-Oct 2017) on behalf of The Christie NHSFT
- led a national turnaround programme to address severe quality and safety issues with respect to laboratory services and blood transfusion
- supported NHS Trusts and PCTs on the introduction of the controversial 18-week target.

Key areas of expertise that she would bring to the Board include:

- An understanding of clinical issues and sensitivities
- Collaborative working and joint ventures with external partners
- Strategic development and business growth
- Community engagement / understanding of diverse groups.

#### **Mark Beaton**

Mark, who lives in Romiley, was most recently Senior Managing Director with Accenture. With an MSc from the London School of Economics and an MA from the University of Aberdeen, Mark began his career with BP before joining Accenture 27 years age.

He has worked his way up through the ranks of the company to become the Senior Managing Director of Accenture's Cloud Computing business, a business unit with 180,000 employees and revenue of \$10bn. He is also responsible for the company's inclusion and diversity agenda globally. Mark has recently been appointed as a Non-Executive Director at Blackpool Teaching Hospitals NHS Foundation Trust.

His career highlights include:

- led the World's first major HR Outsourcing deal with BT
- led the first major Finance & Accounting Outsourcing deal at BP
- led the deployment of cloud based NHS mail service across England and Scotland
- While Executive Lead for Inclusion and Diversity, oversaw Accenture's fastest growing and most diverse business unit with more than 50% women and a doubling of female executives over three years from 17% to 40%.

Key areas of expertise that he would bring to the Board include:

- Business transformation
- Technology and digital agenda
- Partnership working and joint ventures
- Inclusion and diversity agenda.



<b>Report to:</b>	Council of Governors	<b>Date:</b>	17 July 2019
<b>Subject:</b>	Review of Council of Governors' Committee Structure		
<b>Report of:</b>	Interim Director of Corporate Affairs	<b>Prepared by:</b>	Mrs C Parnell

## REPORT FOR APPROVAL

<b>Corporate objective ref:</b>	N/A	<b>Summary of Report</b>  In response to a request by the Council of Governors to review its Committee structure, this report sets the background to the current structure and how it has been operating in recent years.  It also asks the Council of Governors to consider the following recommendations to: <ul style="list-style-type: none"> <li>• Increase the number of Council of Governors meetings to five a year, enabling the items currently being discussed in the Committees to be addressed by the full Council,</li> <li>• Disband the current non-statutory Committees ie Governance, Quality of Care, and Membership Engagement Committees,</li> <li>• Set up ad hoc working groups, as and when required, to focus on key pieces of work on behalf of the Council of Governors.</li> </ul>
<b>Board Assurance Framework ref:</b>	N/A	
<b>CQC Registration Standards ref:</b>	N/A	
<b>Equality Impact Assessment:</b>	<input type="checkbox"/> Completed <input checked="" type="checkbox"/> Not required	

**Attachments:**

**This subject has previously been reported to:**

- |  |   |
|--|---|
| <input type="checkbox"/> Board of Directors    | <input type="checkbox"/> PP Committee               |
| <input type="checkbox"/> Council of Governors  | <input type="checkbox"/> Charitable Funds Committee |
| <input type="checkbox"/> Audit Committee       | <input type="checkbox"/> Nominations Committee      |
| <input type="checkbox"/> Executive Team        | <input type="checkbox"/> Remuneration Committee     |
| <input type="checkbox"/> Exec Management Group | <input type="checkbox"/> Joint Negotiating Council  |
| <input type="checkbox"/> Quality Committee     | <input type="checkbox"/> Other                      |
| <input type="checkbox"/> F&P Committee         |   |

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## Review of Council of Governors' Committee Structure

### 1. Introduction

In discharging its duties the Council of Governors within NHS Foundation Trusts (FTs) are only required to have one committee – the Nominations Committee. This makes recommendations on the appointment, remuneration, allowances and appraisal of Non-Executive Directors.

However, over and above the Nominations Committee, FTs are able to make the arrangements they think fit to enable the Council of Governors to discharge its duties. As a result the Committee structure varies from FT to FT, with some having just a Nominations Committee and others choosing to have a range of Committees and working groups.

### 2. Background

In December 2017 the Council of Governors set up the following Committees:

- Governance & Membership Committee
- Patient Experience Committee
- Quality Standards Committee

In December 2018 the structure was again reviewed following concerns about an inability to achieve a quorum for meetings, and a growing interest in membership communications and engagement. As a result the following Committees were established:

- Quality of Care Committee
- Governance Committee
- Membership Committee.

However at the April 2019 meeting of the Council of Governors Mrs Parnell, Interim Director of Corporate Affairs, was asked to carry out a review of the structure following further concerns about attendance at the Committee meetings. Mrs Parnell had recently completed a review of corporate governance for the Trust, which had included a desk top exercise looking at the agendas and minutes of all key Committees.

### 3. Current position

<b>Governance Committee</b> <b>Quorum 4 members</b>	<b>Quality of Care Committee</b> <b>Quorum 4 members</b>	<b>Membership &amp; Engagement Committee</b> <b>Quorum 4 members</b>	<b>Nominations Committee</b> <b>Quorum 3 + 1 NED</b>
Les Jenkins	Charles Galaski	Eve Brown	Eve Brown
Eve Brown	Tad Kondratowicz	Kathryn Glass	Roy Greenwood
Roy Greenwood	Gerry Wright	Roy Greenwood	Gerry Wright
Robert Cryer	Julie Wragg		Robert Cryer

	Richard King		Les Jenkins
	Lance Dowson		Adrian Belton
	Ron Catlow		Malcolm Sugden
	Lynne Woodward		
	Tony Johnson		

### 3.1 Governance Committee

The last two meetings were unable to go ahead as they did not achieve a quorum and, with Coun. Tom McGee stepping down from his role as appointed Governor, this Committee currently has just four members.

### 3.2 Quality of Care Committee

This Committee currently has a nine strong membership, but more than half of the Council of Governors expressed a preference to be a member and it frequently attracts more Governors to its meetings than its core membership. This indicates that there is a great interest amongst the Council of Governors in the quality of care.

The last meeting was unable to go ahead as the management lead for the Committee was not available.

### 3.3 Membership and Engagement Committee

With Linda Appleton and Caroline Mitchell stepping down as Governors this Committee currently has just three members. Its last two meetings were unable to go ahead as they did not achieve a quorum, and also the management lead for the Committee has left the organisation.

### 3.4 Nominations Committee

This Committee currently has seven members with the addition of Les Jenkins, who was the only Governor to put himself forward as a member following the April Council of Governors meeting.

## **4. Proposal**

There is a core group of Governors with the interest in particular subjects and the time to attend Committee meetings. However, these do not appear to be sufficient to maintain regular meetings of both the Governance and Membership Engagement Committees.

Considerably effort goes into organising meetings, which is wasted if they cannot go ahead, and the lack of a quorum can impact on the speed in which issues can be addressed. The Council could make another plea for Governors to join these two Committees, but past experience would suggest this is unlikely to be successful.

Conversely, more than half the Council of Governors were interested in being members of the Quality of Care Committee. It is not surprising that this is an area of interest to Governors, and having reviewed the Committee's work plan it appears to be considering issues that are a regular feature of full Council of Governors meetings in other FTs, e.g quality improvement plan, patient safety walkabouts, learning from experience. In preparation for the next Care Quality Commission visit to the Trust it is important that all Governors have an understanding of the quality challenges facing the Trust and its progress in implementing the agreed Quality Improvement Plan.

Over the last few months both Mrs Parnell and Mr Belton have spoken to a number of Governors about ways to improve how the Council of Governors operates and its governance arrangements . One of the topics raised is the long gaps between the four current meetings a year of the full Council.

In response to this concern Mr Belton has recently begun a monthly briefing for all governors to help improve the flow of information, but he acknowledges that if the Council wants to improve its governance arrangements and how it operates then the current frequency of meetings is probably not sufficient.

Therefore it is proposed to:

- Increase the number of Council of Governors meetings to five a year, enabling the items currently being discussed in the Committees to be addressed by the full Council,
- Disband the current non-statutory Committees ie Governance, Quality of Care, and Membership Engagement Committees,
- Set up ad hoc working groups, as and when required, to focus on key pieces of work on behalf of the Council of Governors, such as developing the governors' statement for the annual report, devising a plan for membership recruitment, reviewing the Constitution.

This proposal would have the added benefit of freeing up Trust staff currently focused on organising and supporting the Committees to help with the implementation of a more robust development plan for the Council of Governors.

## **5. RECOMMENDATION**

The Council of Governors is asked to consider and support the proposals detailed in section 4.

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<b>Report to:</b>	Council of Governors	<b>Date:</b>	17 July 2019
<b>Subject:</b>	Draft development plan		
<b>Report of:</b>	Interim Director of Corporate Affairs	<b>Prepared by:</b>	Mrs C Parnell

## REPORT FOR NOTING

<b>Corporate objective ref:</b> N/A	<b>Summary of Report</b>  The purpose of this report is to set out a draft development plan for Governors for 2019-20.  It is good practice for NHS Foundation Trusts to have development plan to meet the individual and collective needs of Governors to support them in fulfilling their roles.  Governors are asked to review the draft plan and make any comment or suggestions for its refinement prior to implementation.
<b>Board Assurance Framework ref:</b> N/A	
<b>CQC Registration Standards ref:</b> N/A	
<b>Equality Impact Assessment:</b> <div style="display: flex; align-items: center;"> <input type="checkbox"/> Completed         </div> <div style="display: flex; align-items: center;"> <input checked="" type="checkbox"/> Not required         </div>	

<b>Attachments:</b> Draft work plan for 2019-20
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<b>This subject has previously been reported to:</b>	<div style="display: flex; flex-wrap: wrap;"> <div style="width: 50%;"> <input type="checkbox"/> Board of Directors  <input type="checkbox"/> Council of Governors  <input type="checkbox"/> Audit Committee  <input type="checkbox"/> Executive Team  <input type="checkbox"/> Exec Management Group  <input type="checkbox"/> Quality Committee  <input type="checkbox"/> F&amp;P Committee         </div> <div style="width: 50%;"> <input type="checkbox"/> PP Committee  <input type="checkbox"/> Charitable Funds Committee  <input type="checkbox"/> Nominations Committee  <input type="checkbox"/> Remuneration Committee  <input type="checkbox"/> Joint Negotiating Council  <input type="checkbox"/> Other         </div> </div>
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## **Council of Governors draft development plan 2019-20**

### **Induction**

Mandatory for all new governors, provided in-house, to include:

- Introduction to the Trust – overview of hospital and community services, geographic area covered by services, population health statistics, challenges and opportunities.
- The structure of the NHS and where the Trust fits.
- How the Trust is funded and regulated, including role of NHSI, CQC.
- The national, regional and local health and social care context eg Long Term Plan, GM, Healthier Together, and how the local system works together.
- The Trust's corporate governance structure, including the role of the Board of Directors, the Chair and other Non-Executive Directors, and where the Council of Governors fits.
- Assurance – including what is assurance, how does the Board of Directors get assurance, and how does the Council of Governors hold Non-Executive Directors to account for the Board's delivery against the terms of the Trust's operating licence.
- The role of governors – what the role is and is not. The Code of Conduct and what it means for governors. How governors can engage and represent their constituents.

### **Rolling in-house programme – all governors to attend each session at least once in their tenure**

- Understanding NHS finances – the Trust's financial position and performance.
- Understanding NHS performance standards – the quality, safety and operational targets the Trust is measured against nationally and regionally, as well as those we set ourselves.
- Strategy – how the Trust develops and updates its strategy, and how governors can influence that.

### **Tailored training to suit governor's identified needs (may be provided in-house or externally)**

- Assertiveness
- Public speaking
- Chairing skills

**Presentations/workshops at each Council of Governors meeting on key issues, services or topics crucial to the Trust's performance or future development, for example:**

- Our neighbourhood model of community services
- Sepsis
- Frailty
- Urgent care
- Cancer
- Dementia care
- Quality improvement plan

<b>Report to:</b>	Council of Governors	<b>Date:</b>	17 July 2019
<b>Subject:</b>	Draft work plan		
<b>Report of:</b>	Interim Director of Corporate Affairs	<b>Prepared by:</b>	Mrs C Parnell

## REPORT FOR NOTING

<b>Corporate objective ref:</b> N/A	<b>Summary of Report</b>  The purpose of this report is to set out a draft work plan for the Council of Governors for 2019-20.  Subject to the Council of Governors agreeing to a proposal set out in the Governor Committee Review paper, this work plan would be amended to take into account items currently considered by Council of Governor Committees.
<b>Board Assurance Framework ref:</b> N/A	
<b>CQC Registration Standards ref:</b> N/A	
<b>Equality Impact Assessment:</b> <div style="display: flex; align-items: center;"> <input type="checkbox"/> Completed         </div> <div style="display: flex; align-items: center;"> <input checked="" type="checkbox"/> Not required         </div>	

<b>Attachments:</b> Draft work plan for 2019-20
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<b>This subject has previously been reported to:</b>	<div style="display: flex; flex-wrap: wrap;"> <div style="width: 50%;"> <input type="checkbox"/> Board of Directors  <input type="checkbox"/> Council of Governors  <input type="checkbox"/> Audit Committee  <input type="checkbox"/> Executive Team  <input type="checkbox"/> Exec Management Group  <input type="checkbox"/> Quality Committee  <input type="checkbox"/> F&amp;P Committee         </div> <div style="width: 50%;"> <input type="checkbox"/> PP Committee  <input type="checkbox"/> Charitable Funds Committee  <input type="checkbox"/> Nominations Committee  <input type="checkbox"/> Remuneration Committee  <input type="checkbox"/> Joint Negotiating Council  <input type="checkbox"/> Other         </div> </div>
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**COUNCIL OF GOVERNORS**  
**DRAFT MEETING PLAN 2019-20**

	<b>July 2019</b>	<b>October 2019</b>	<b>December 2019</b>	<b>April 2020</b>
<b>Development session</b>	Strategy development	Emergency care & winter planning	Community services	Frailty Network
<b>Public meeting</b>	Chair's report	Chair's report	Chair's report	Chair's report
	Chief Executive's report	Chief Executive's report	Chief Executive's report	Chief Executive's report
	Integrated performance report	Integrated performance report	Integrated performance report	Integrated performance report
	Quality improvement plan – quarter 1 report	Quality improvement plan – quarter 2 report	<i>QIP report on quarter 3 not available until January</i>	Quality improvement plan – end of year report
	External auditors present their report on the annual accounts for 2018-19	Update on Outpatients improvement activity		Operational plan for 2020-21
	Constitution review	Update on preparations for next CQC inspection		
	Committee review			
	NED appointment		NED appointment process – paper from Nominations Committee	NED appraisals – paper from Nominations Committee
	Committee reports	Committee reports	Committee reports	Committee reports
	Governors feedback on training/development	Governors feedback on training/development	Governors feedback on training/development	Governors feedback on training/development

	Lead governor communications	Lead governor communications	Lead governor communications	Lead governor communications
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<b>Report to:</b>	Council of Governors	<b>Date:</b>	17 July 2019
<b>Subject:</b>	Governor Elections 2019		
<b>Report of:</b>	Interim Director of Corporate Affairs	<b>Prepared by:</b>	S Curtis

## REPORT FOR NOTING

<b>Corporate objective ref:</b>	N/A	<b>Summary of Report</b> <i>Identify key facts, risks and implications associated with the report content.</i>  The purpose of this report is to advise the Council of Governors of the timetable for Governor Elections in 2019.
<b>Board Assurance Framework ref:</b>	N/A	
<b>CQC Registration Standards ref:</b>	N/A	
<b>Equality Impact Assessment:</b>	<input type="checkbox"/> Completed <input checked="" type="checkbox"/> Not required	

<b>Attachments:</b>
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<b>This subject has previously been reported to:</b>	<input type="checkbox"/> Board of Directors <input type="checkbox"/> Council of Governors <input type="checkbox"/> Audit Committee <input type="checkbox"/> Executive Team <input type="checkbox"/> Quality Committee <input type="checkbox"/> F&P Committee	<input type="checkbox"/> PP Committee <input type="checkbox"/> Charitable Funds Committee <input type="checkbox"/> Nominations Committee <input type="checkbox"/> Remuneration Committee <input type="checkbox"/> Joint Negotiating Council <input type="checkbox"/> Other
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## **1. INTRODUCTION**

- 1.1 The purpose of this report is to advise the Council of Governors of the timetable for Governor Elections in 2019.

## **2. BACKGROUND**

- 2.1 The terms of office for a number of current Governors will expire on 3 October 2019. Consequently, elections will need to be held in the following constituencies:

### Public

- Bramhall & Cheadle (4 seats)
- Marple & Stepping Hill (4 seats)
- By-election: Tame Valley & Werneth (1 seat)

### Staff

- By-election: Staff (1 seat)

## **3. CURRENT SITUATION**

- 3.1 The timetable for the election process is included for reference at Appendix 1 to this report. Results of the election will be available on 27 September 2019 and the terms of office for successful candidates will commence on the date of the Annual Members Meeting, 3 October 2019.
- 3.2 With regard to attracting prospective Public Governors, details of the elections will be posted on the Trust's website and members in the relevant constituencies will receive information direct from the election service provider. This will be supplemented by direct e-mail contact to relevant members by the Trust.
- 3.3 With regard to attracting prospective Staff Governors, the forthcoming election will be promulgated on the Trust's intranet site and will be featured in staff briefings.
- 3.4 Workshops for prospective Governors, both Public and Staff, facilitated by the Interim Director of Corporate Affairs, will be held in early August 2019 in advance of the closing date for nominations. Governors are requested to assist in notifying members of the election process wherever possible. Governors are reminded that individuals whose term of office is due to expire, and who have served six years or less as a Governor, have the option to choose to stand for re-election.

## **4. RECOMMENDATIONS**

- 4.1 The Council of Governors is recommended to:
- Receive and note the timetable for Governor Elections 2019.

**ELECTION TIMETABLE 2019**

<b>Election Stage</b>	<b>Date</b>
Trust send nomination material & data to ERS	Friday, 12 July 2019
Notice of Election / Nomination open	Friday, 26 July 2019
Nominations Deadline	Friday, 16 August 2019
Summary of valid nominated candidates published	Monday, 19 August 2019
Final date for candidate withdrawal	Wednesday, 21 August 2019
Electoral data to be provided by Trust	Friday, 23 August 2019
Notice of Poll published	Thursday, 5 September 2019
Voting packs despatched	Friday, 6 September 2019
Close of election	Thursday, 26 September 2019
<b>Declaration of results</b>	<b>Friday, 27 September 2019</b>

**Notes:**

1. The timetable complies with NHS Improvement and Model Rules requirements
2. The days are working days and the timetable accounts for public holidays

# **STOCKPORT NHS FOUNDATION TRUST**

## **ANNUAL REPORT AND ACCOUNTS 2018/2019**



# **STOCKPORT NHS FOUNDATION TRUST**

## **ANNUAL REPORT AND ACCOUNTS 2018/2019**

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



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## Chair's Introduction

Welcome to the Trust's Annual Report & Accounts for 2018/19. In recent years the Chair's Introduction to the Annual Report has necessarily focused on the challenges experienced by the Trust in describing what had been far from positive organisational performance. Consequently, it gives me great pleasure to introduce a report which will show that 2018/19 was a year when we were able to shift the dial and demonstrate real and tangible achievement in improving our performance across a range of areas. Last year I explained that change and change undertaken at pace was essential to better manage the many challenges facing the Trust. Our successes in 2018/19 have come as a result of people across the organisation, and the wider Stockport system, embracing change and working productively to effect improvement. There is now a real sense that we have 'turned a corner', with a much greater degree of confidence and optimism as we look forward to 2019/20 and beyond.

Of course, we continue to operate in a difficult environment and the challenges experienced in recent years have not disappeared. There remains much to do to demonstrate to our patients, the public we serve and, of course, our regulators, that Stockport NHS Foundation Trust will be a high performing, high quality sustainable organisation in the near future. From an operational performance perspective, sustained progress towards the national performance standard for four hour waiting in the Accident & Emergency Department during 2018/19 remained elusive, although performance during the final quarter of the year gives cause for optimism as Trust and system plans to improve patient flow through the hospital start to bear fruit. Our financial position also remained challenging and inhibits the latitude that we have to invest in service improvements. The Board approved a planned deficit for 2018/19 and, while delivery of the financial plan was an achievement, we cannot ignore that the Trust remains in a deficit position as we enter 2019/20. However, arrangements for the Provider Sustainability Fund provide us with the opportunity to make significant inroads to this deficit during the coming year which, if successful, will put the Trust on a much firmer financial footing and better placed to deliver the requirements of the NHS Long Term Plan.

Our greatest achievement during 2018/19 has been the improvements made in quality of care which, after all, is what we are really all about. Those familiar with the Trust's recent history will be aware of the weaknesses identified by the Care Quality Commission during inspections in both 2016 and 2017. The level of focus and effort, from Ward to Board level, on addressing shortcomings has been immense and the effectiveness of our approach to quality improvement was reflected in the outcomes of our 2018 inspection, which were published by the Care Quality Commission in December 2018. Yes, the Trust was still rated as 'Requires Improvement', but the positive movement in ratings across a range of areas demonstrated that we are truly making meaningful progress on our Improvement Journey. We now work towards implementing and embedding further improvement in order to realise our aim of achieving a 'Good' rating at our next inspection.

While the Trust can be rightly proud of the progress made during 2018/19, we should not ignore the contribution made by the local health economy and the support of our partners in the Stockport Together programme; Stockport Clinical Commissioning Group, Stockport Metropolitan Borough Council, Pennine Care NHS Foundation Trust and Viaduct Care (a federation of Stockport general practitioners). Fresh leadership across most of the partners in the programme necessitated work to form and strengthen relationships across organisations and the relative



success of local health economy plans for the winter period demonstrated the benefits of productive and effective collaborative working.

On the subject of fresh leadership, the Board of Directors went through a process of reinvigoration and renewal during 2018/19 resulting in a number of changes in Board personnel. It was important that we completed our protracted search for a substantive Chief Executive and I was delighted to secure the appointment of Louise Robson who commenced with the Trust in early January 2019. Louise has an excellent track record and is committed to ensuring that the Trust realises its full potential and is once again regarded as an exemplar organisation. It is important that I acknowledge the sterling work undertaken by Helen Thomson in maintaining a steady ship as Interim Chief Executive pending the substantive appointment.

Earlier in the year we said goodbye to John Sandford, our long standing and well respected Chair of Audit Committee, and welcomed David Hopewell in John's stead. David brought with him a wealth of experience from his previous Non-Executive Director appointment with Mid-Cheshire Hospitals NHS Foundation Trust. Angela Smith, who had been an effective Chair of our People Performance Committee completed her three year term as a Non-Executive Director on 31 March 2019. We have had changes too amongst the Executive Director cohort with the retirement of Paul Buckingham, Director of Corporate Affairs in February 2019 and the departures to alternative employment of Feroz Patel, Director of Finance, and Hilary Brearley, Interim Director of Workforce in early 2019/20. We will be welcoming to the Board John Graham and Greg Moores who will be taking up the posts of Director of Finance and Director of Workforce respectively in May and June 2019.

A key area of work for the Board during 2018/19 was a review and refresh of the Trust Strategy and we undertook extensive consultation on a revised Strategy document during the period October 2018 – January 2019. The Strategy had yet to be formally adopted by the Board at year-end, to facilitate further review and refinement to ensure consistency with the vision set out in the NHS Long Term Plan. We anticipate that the revised Strategy will be formally approved by the Board during the summer of 2019. While the Board will set the strategic direction and objectives for the Trust, it will be our nurses, doctors and support colleagues who will make achievement of these objectives a reality and the Board approved a People Strategy in September 2018 which sets the framework for employee participation and engagement over the next five years. Across the organisation, our colleagues were magnificent during 2018/19 and repeatedly demonstrated their commitment to providing the best possible services to patients, often in quite challenging circumstances. The importance of their role in achievements during the year and their contribution to the success of the Trust, particularly in relation to quality improvements, cannot be overstated and the Board collectively would like to thank all of our colleagues for their continued commitment and professionalism in providing safe, high quality care to our patients.

In my role of Chair of both bodies, I have endeavoured to foster a productive working relationship between the Board and the Council of Governors and enhance the effectiveness of both groups in the process. The Council plays an important role in reflecting the views of both staff and public members, and the wider public, on the Trust's performance and plans and Governors also have an important role as ambassadors in communicating with members and the public. To this end, we will ensure that Governors are fully apprised on, and have a comprehensive understanding of, the Trust's revised Strategy to facilitate effective engagement with the public. While the composition of the Council of Governors can change regularly, in line with outcomes of annual

elections, one consistent during my time as Chair has been the presence of Les Jenkins in the role of Lead Governor. Les, who had undertaken the role for five years, had signalled his intention to stand down in December 2018 and we subsequently appointed a new Lead Governor in April 2019. While Les continues to represent the Marple & Stepping Hill constituency as a public governor, I would like to thank him for his support, wise counsel and dedicated work on behalf of fellow Governors during his tenure as Lead Governor.

During my frequent visits to wards and departments across the Trust, both in the hospital and in community settings, I regularly come across members of our volunteer corps. We have over 400 volunteers who give their time to support a range of functions across the organisation and these individuals are often the public face of the Trust, whether that's in signposting patients and visitors to the correct destination or assisting patients during meal times. Our volunteers provide a sterling service, day in and day out, and many have undertaken these roles for a great number of years. A highlight of my year was the opportunity to meet with these individuals and to recognise the commitment and dedication of long serving volunteers during their annual awards ceremony.

The progress made during 2018/19 provides us with a sound platform to build on and we can quite rightly look forward to 2019/20 with a renewed positivity. Yes, there are still many challenges to overcome and, yes, the operating environment both locally and regionally will continue to be difficult. There is likely to be greater clarity on potential service changes across the region which will result from the Greater Manchester Health & Social Care Partnership programme and, while outcomes may present challenges, we recognise that outcomes may also present opportunities for the further development of Trust services. There is also the potential for opportunities to result from service reviews being considered in East Cheshire. We must ensure that the Trust is in a position to exploit such opportunities when they arise. Collaborative working with existing partners will be essential but we will also seek to work constructively with other organisations, locally and regionally, where the parties share common objectives.

The progress made in achieving quality improvements during 2018/19 will provide encouragement as we strive to replicate this success in other areas of Trust performance during 2019/20. There is no doubt that culture influences quality, however quality may be defined, and a focus on the themes of culture and quality will be at the heart of the Board's agenda in the coming year. We must, and will, continue along our Improvement Journey and, with the continued commitment and dedication of our 5,000 employees to the delivery of first class care to our patients, I am confident that we can become a high performing organisation.

A handwritten signature in black ink, appearing to read 'Adrian Belton', with a stylized flourish at the end.

**Adrian Belton**  
**Chair**  
28 May 2019

# Performance Report

## Overview of Performance

The purpose of the Overview is to provide readers with a short summary that includes sufficient information to understand the organisation, its purpose, the key risks to achievement of its objectives and how it has performed during the year.

2018/19 proved to be another difficult year, both for the Trust and the local health and social care economy in general. Continued failure to achieve sustainable improvements against the 4-hour A&E standard, deterioration in performance against other key operational metrics and an extremely challenging financial position resulted in a range of pressures for the Trust's leadership teams throughout the year. Consequently, it was far from being a successful year and we rightly and understandably remained subject to close regulatory scrutiny, and will continue to do so until such time as we are able to sustainably address the numerous challenges facing the Trust.

However, there were positives, and it is important that we acknowledge that real and meaningful progress was made during 2018/19. The outcomes of a Care Quality Commission inspection demonstrated that we had made tangible progress in quality improvements during the previous 12 months and, organisationally, provided a real sense of a corner being turned. I have seen enough during my relatively short time with the Trust to know that, while the extent of the challenges cannot be underestimated, there is a real determination across the organisation to build on positive developments and continue the positive progress made on our Improvement Journey.

Performance against the A&E standard continues to be a conundrum that we have yet to solve. During 2018/19, performance against the standard was influenced by a combination of factors including; levels of demand, acuity of patients, the rate and timeliness of discharges and the level of 'stranded patients' i.e. those patients with a length of stay of 7 days or more. These factors impair patient flow, i.e. the movement of patients through and beyond the hospital, with a consequent impact on our ability to efficiently manage the in-flow of patients to the Emergency Department. Our clinical site coordination team was fully embedded during 2018/19 and was supplemented in-year with the appointment of a senior-level Delivery Director. The team provides a clinically-led approach to the management and coordination of patient flow and bed allocation 24 hours a day, 7 days a week, and was tested by circumstances akin to 'winter pressures' being experienced over a 12-month period.

Reducing the volume of patients presenting at hospital and ensuring that appropriate services are available in the community to facilitate efficient discharge of patients are matters that are not entirely within the Trust's control. We continued to work on the Stockport Together programme with our health and social care economy partners and introduced a multi-disciplinary Crisis Response Team which provides patients with appropriate care and support with the aim of avoiding the need for hospital admission. Our Integrated Transfer Team is now fully embedded and provides a 'joined up' approach between health care, social care and third sector professionals to facilitate timely discharge of patients.

The effectiveness, or not, of processes within the Trust has also been subject to rigorous scrutiny to identify where practice could be enhanced in order to facilitate more efficient patient flow. This scrutiny and challenge has been assisted with support and advice from regulatory bodies, with additional resource and input provided by both NHS Improvement and the Greater Manchester

Health & Social Care Partnership (GMHSCP). NHS Improvement appointed an Improvement Director for Urgent & Emergency Care who provided additional senior-level support to the Trust, with a particular focus on the preparation of comprehensive system winter plan, during the period May - December 2018.

We were also assisted by members of the Emergency Care Intensive Support Team (ECIST) who worked with Trust staff to complete a diagnostic on Emergency Department Crowding which focused on practice related to Breach Analysis, Ambulance Handover, Streaming & Pathways, Assessment Areas and Escalation. Outcomes from the diagnostic were reported on 28 February 2019 with an overarching recommendation made to adopt a marginal gains approach across the whole pathway, as this is likely to be more successful than seeking out a single solution to transform patient and staff experience. We have committed to implementing the outcomes from the diagnostic during 2019/20.

A further indication of the scale of the challenge experienced during 2018/19 was the deterioration in our performance against both the Cancer 62-day standard and the Referral to Treatment standard. With regard to the Cancer standard, performance was affected by a significant increase in referrals across a range of tumour groups during the year, with a consequent increase in the demand for diagnostic services impacting on service capacity. These factors are by no means specific to Stockport, as evidenced by the failure to achieve the standard at a Greater Manchester level, and while we and other individual Providers will work to achieve improvements, we plan to increase CT scanner capacity in 2019/20 for example, it is likely that sustainable improvement will necessitate Greater Manchester-level developments in certain specialties, such as Breast services for example. We expect that performance against the standard will continue to be challenging in 2019/20 and do not plan to recover a compliant position until 31 December 2019.

Performance against the Referral to Treatment standard was similarly affected by significant and sustained increases in GP referral rates together with demands on administrative capacity across the whole patient pathway. Again, the situation is not peculiar to the Trust and there has been a regulatory focus on the management of waiting list size with a requirement to maintain the waiting list at the March 2018 level. We agreed a waiting list recovery plan with Stockport CCG and effective collaborative working between the Trust, Stockport CCG and Stockport GPs resulted in a 5.4% reduction in waiting list size over the period August 2018 – March 2019. However, we have yet to recover the March 2018 baseline position and a waiting list size of no greater than 22,345 patients will continue to be a key target for the Trust in 2019/20. We are forecasting non-compliance with the 92% standard throughout 2019/20, with a trajectory in place to achieve performance levels of 90% by 31 December 2019.

The nature of our financial position, as with delivery of the key operational performance standards, is not something that is peculiar to Stockport NHS Foundation Trust and many NHS organisations experienced financial challenges throughout 2018/19. The control total arrangements for 2019/20 reflect this situation. Despite a testing financial environment, we achieved our financial plan for the year, which included delivery of cost improvements with a value of circa £12.8m, with an outturn deficit position of £31.1m against a planned deficit of £34m. However, we were reliant on cash support of £24.4m to achieve the plan. It is clear that service transformation and the introduction of new models of care are essential to achieve the level of efficiencies necessary in the current financial climate. It is not just about money. A transformative approach plays a significant part in improving efficiency and enhancing service quality – with a consequent positive impact on patient experience.

Key to delivery of efficiency savings was a Clinical Services Efficiency Programme (CSEP) which we implemented in 2018/19. We further developed the CSEP approach during the second half of the year and developments were further refined with support from NHS Improvement as part of a financial diagnostic completed in Quarter 4 2018/19. We have looked to develop a much more forward-looking programme, with efficiency opportunities being identified and delivered on a cyclical basis rather than a more traditional year on year approach. This approach has already begun to pay dividends with good progress towards the £14.2m target value for 2019/20 identified by 31 March 2019. Further detail on the CSEP is included in the Financial Review section on page 33 of the report. The Control Total agreed for 2019/20 and associated Provider Sustainability Fund (PSF) arrangements provide a golden opportunity to improve the Trust's financial outlook and realise a significant improvement to our deficit position. In this context, the Board of Directors considered the Going Concern position during a meeting held on 28 March 2019 and determined that, after making enquiries, the directors have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Board continues to adopt the going concern basis in preparing the accounts.

Providing the best possible quality of care to our patients is the principal aim of all involved with the organisation, and it is in this area where the Trust shifted performance in absolutely the right direction in 2018/19. A Safe, High Quality Care action plan was implemented to address weaknesses previously identified by the Care Quality Commission (CQC) and formed part of an ambitious Board-approved Quality Improvement Plan which describes an Improvement Journey resulting in attainment of a 'Good' rating by 2020. We completed the first stage of this journey during 2018/19 as evidenced by the improved outcomes from a CQC inspection which were published in December 2018. While the overall rating for the Trust remained as 'Requires Improvement', it is clear that inspectors found a different, well-motivated organisation and we improved our ratings across a range of individual service areas. The outcomes increased levels of confidence in the Trust to the extent that regulators took the decision in March 2019 to step down the Quality Improvement Board arrangements that had been established to provide regulatory oversight and scrutiny following CQC inspections in 2017. There remains much work to do, both to sustain improvements made to date and to implement initiatives to achieve further improvement, but we now have a solid platform from which to continue our Improvement Journey.

I must take the opportunity here to acknowledge the effectiveness of the support provided to the Trust in its progress against the Quality agenda during 2018/19. The Trust was assigned an Improvement Director by NHS Improvement and the support and advice provided by Mrs Caroline Griffiths proved invaluable. Caroline worked closely with the Chief Nurse and other senior leaders in advising on development of the Quality Governance Framework, preparations for the CQC inspection and a range of other activities. Her efforts on behalf of the Trust were much appreciated.

Collaboration is King. Whether you consider operational performance, financial performance or quality performance (and all three are inextricably linked) we are not going to achieve our goal of organisational sustainability by simply ploughing our own furrow. It is imperative that we work effectively with both local and regional partners to address performance challenges and contribute to the development of sustainable, high quality services for patients in Stockport and the High Peak and across Greater Manchester. In local terms, the collaborative approach during 2018/19 could be likened to 'the curate's egg' i.e. good in parts. There were changes in senior leadership positions across all of the Stockport Together participants which, perhaps unsurprisingly, impaired

progress as individuals familiarised themselves with the programme while maintaining a necessary focus on their organisation-specific challenges and objectives.

At the same time, meaningful progress was made with full participation of stakeholders in areas such as further positive development of a multi-disciplinary Integrated Transfer Team, which now has oversight and control of discharge processes, and the introduction of an effective Crisis Response service. The system Urgent & Emergency Care Delivery Board also provided a good example of the benefits of effective collaborative working, particularly in coordinating arrangements for the winter period. The Board has wide participation, and includes representatives from Stockport Healthwatch and the third sector in addition to the principal system partners. These arrangements facilitated the welcomed involvement of the British Red Cross in working with the Trust and other agencies to assist with the prompt discharge of patients from hospital over the winter period.

That said, it became clear during Quarter 4 2018/19 that, as a system, we needed to review the governance framework and establish revised objectives for locality arrangements. This will be essential if we are to continue to make progress on achieving the benefits set out in the original Stockport Together business cases. Consequently, in March 2019 system partners established a Stockport Health Partnership Board comprised of Board-level representatives from; the Trust, Stockport Clinical Commissioning Group, Viaduct Care and Pennine Care NHS Foundation Trust to coordinate health care-related developments for the locality. The Partnership Board agreed that 2019/20 will be a 'stocktake' year for the health system, to determine which joint initiatives are working best and which need to be improved. Work has commenced on base-lining current positions against business case projections in order to inform the aims and objectives for in-year developments.

Despite the many challenges, there were also a number of positives and successful developments during 2018/19, which demonstrate both our ability to deliver high quality services and the professionalism and skills of our staff. Our Stroke Service was once again identified as being second to none, literally. In December 2018 our Stroke Centre was rated the best in the country in an independent report from the Sentinel Stroke National Audit Programme (SSNAP). The report rates the quality and performance of services for every stroke patient from treatment to recovery and our Centre was rated first in the country. This really was a magnificent achievement, both for the Trust and our patients, and is testament to the dedication of all staff involved in delivery of the Stroke Service.

Other key achievements during 2018/19 include:

- We have some of the best safety standards in the country for cancer care and orthopaedic surgery.
- We improved and expanded our Emergency Department with additional consulting and treatment rooms, improved patient waiting areas and a new reception area.
- Achieving the 75% target for Flu vaccinations across clinical staff. Our midwifery team again achieved the best vaccination rate for pregnant mothers in England.
- Our services for children and young people were rated as Outstanding for Care
- Our community NHS services began a ground breaking study to reduce the use of morphine-like medications among patients living with pain. The work is supported by funding from the Health Foundation as part of their Reducing Opioids through Supportive Education (ROSE) initiative.

- A 50% reduction in the number of people being cared for in the community sustaining pressure ulcers.
- Our community wheelchair service implemented a specialist 'driving course' for powered wheelchair users, the only one of its kind in the North West and one of the first in the country.
- Exceeded our target of reducing inpatient falls by 10%
- Our Surgical department introduced an innovative new procedure to help prostate surgery patients recover sooner. The new UroLift procedure reduces both the risk and time of surgery and patients do not usually need to stay in hospital overnight.
- 26 of our wards completed accreditation for their quality improvement actions
- In November 2018, Carol Wilde, one of our Practice Education Facilitators, won the Practice Education Facilitator of the Year award at the University of Manchester Recognising Excellence & Achievement Awards
- Also in November 2018, Sara Bennett, a member of our Research & Development team, won the Research Nurse of the Year award at the Greater Manchester Clinical Research Awards.

The above are just a few of our achievements and successes during the year and further information is available on the Trust's website at <http://www.stockport.nhs.uk/news>

It is absolutely right that we should celebrate successes but, at the same time, we cannot underestimate the work required to continue our Improvement Journey. We have a sound platform to work from and a committed workforce which is determined to work together, and in collaboration with others, to meet the expectations of our patients and the public in Stockport and the High Peak, to maintain the confidence of our regulators and to recover the Trust's position as a high performing organisation. The Performance Report which follows, and the general content of the Annual Report, expands on overall performance during 2018/19 and should provide the reader with a good appreciation of the Trust's position.



**Louise Robson**  
**Chief Executive**  
**28 May 2019**

## **Brief History of Stockport NHS Foundation Trust**

The organisation was 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 provided Community Services for the populations of Stockport and Tameside and Glossop. However, the Trust's provision of these services in Tameside and Glossop ceased on 31 March 2016 when responsibility for service provision was transferred to Tameside & Glossop Integrated Care NHS Foundation Trust.

We employ over 5,200 staff working across hospital and community premises. Our major hospital is Stepping Hill Hospital situated on the A6, south of Stockport town centre. We also provide services from the Meadows, Swanbourne Gardens, the Devonshire Centre and in peoples' homes and the community within Stockport.

The Trust is licensed to provide the following mandatory services:

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

These services are delivered through our Business Groups which are led by a 'triumvirate' comprised of; a Business Group Director, an Associate Medical Director (AMD) and an Associate Director of Nursing (ADN). Our Business Group structure was reviewed and revised in 2017 and remained as follows throughout 2018/19:

- Integrated Care Business Group
- Women, Children & Diagnostics Business Group
- Medicine & Clinical Support
- Surgery, Gastrointestinal & Critical Care

The Trust is committed to developing its leaders at all levels and we implemented a comprehensive leadership development programme for our Business Group triumvirates in 2018/19. This programme will continue in 2019/20. Our Business Groups are supported by a full range of in-house corporate services which include; Corporate Nursing, Communications, Estates & Facilities, Finance, Information Management & Technology, Learning & Development, Procurement, Strategy & Planning and Workforce.

## Key Issues & Risks

The Board of Directors has identified its strategic objectives and associated principal risks in a Board Assurance Framework which is subject to regular monitoring and review by the Board. The key issues and risks that could affect the Trust in delivering its objectives are detailed in the Annual Governance Statement 2018/19 which can be found on page 98 of the report.

## Performance Measurement

The Board of Directors has approved a set of key metrics to measure performance which cover; operational performance, quality performance, financial performance and workforce performance. Data detailing performance against these metrics is consolidated in a comprehensive Integrated



Performance Report (IPR) which is reviewed on a monthly basis by the Board of Directors. The outcomes of CQC inspections and an Undertakings Review carried out by NHS Improvement identified a need to enhance performance monitoring and reporting. Consequently, we undertook a comprehensive review of our IPR during 2017/18 and developed a revised approach based on best practice advice. A new format IPR was subsequently introduced for reporting to the Board of Directors from April 2018 and presents relevant performance metrics grouped under the domains of:

- Safe
- Effective
- Caring
- Responsive
- Efficient

In addition to detailing monthly performance against metrics, the IPR details the year to date position and the forecast risk associated with delivery of each indicator. This allows the Board to take a more forward-looking view on Trust performance. The framework for population of the IPR enables production of similar reports for use by specific Business Groups and these reports, which facilitate a more granular analysis and scrutiny of performance at operational level, form the basis of bi-monthly Performance Review Meetings undertaken with individual Business Groups involving Executive Directors and the Business Group triumvirate. The functionality of the IPR ensures that there is a common thread running from the Board through the various tiers of organisational assurance and that performance priorities at Board-level are replicated across the Trust.

The format and content of the IPR is subject to ongoing review to ensure that it remains fit for purpose and that metrics incorporated in the report accurately reflect the Trust's priorities. In 2019/20 we will further develop IPR content to reflect the Trust's increasing use of benchmarking and productivity metrics, in line with the Trust-wide drive for improved service efficiency.

## Summary of Performance

The table below summarises performance against key Single Oversight Framework metrics during 2018/19:

Metric	Standard	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Maximum time of 18 weeks from point of referral to treatment: Patients on an incomplete pathway	92%	87.8%	84.7%	83.5%	83.1%
Maximum waiting time of 4 hours from arrival to admission / transfer / discharge	95%	85%	77%	70.9%	74%
All cancers – 62 day wait for first treatment from urgent GP referral for suspected cancer	85%	80.4%	81.2%	75.7%	76.4%
Maximum 6-week wait for diagnostic procedures	99%	98.8%	99.7%	99.3%	98.7%

## Performance Analysis

### Emergency Department – 4-hour Standard 95%



The 4-hour A&E standard was not achieved in any quarter during 2018/19. While Quarter 1 performance was in line with the improvement trajectory of 85% agreed with NHS Improvement, the improvement was not sustained, with a deterioration in performance during Quarter 2 and a 'bottoming out' of performance at around the 70% level during Quarter 3. The circumstances affecting performance against this key indicator, particularly increased activity levels during the early winter period, were by no means specifically related to Stockport and the scale of the challenge both regionally and nationally was subject to considerable media coverage. Other key factors which influenced performance during the year included:

- The number of patients attending the Emergency department in the evening and overnight and waiting more than 4 hours for treatment or admission
- The volume and proportion of patients staying in hospital for more than 7 days i.e. 'stranded patients'
- The low number of patients discharged from hospital before midday on a daily basis and particularly at weekend and holiday periods
- The absence of alternatives to the Emergency Department in the local area.

While performance against the standard throughout the year was clearly not good, in the context of the national 95% standard, there were encouraging signs of improvement during the Quarter 4 period, January to March 2019, with month on month improvement against the standard culminating in March 2019 performance of circa 82%. The improvement reflects the effectiveness of Trust and system management arrangements during the peak winter period, assisted by some relatively benign weather conditions for the time of year, and resulted in the March 2019 position being some 17 percentage points better than the position during March 2018. Factors contributing to the performance improvement, based on improved 'patient flow' through the hospital included:

- A 25% reduction in the number of patients with a length of stay of 7 days or more in March 2019 compared to March 2018
- A sustained reduction in the number of 'Super Stranded' patients in the hospital i.e. those patients with a length of stay of 21 days or more
- A consistent reduction in the number of patients classified as Medically Optimised Awaiting Transfer (MOAT), typically patients awaiting social care arrangements.

The improvement during the final quarter of the year is indicative of increasingly effective collaborative working and leadership focus on patient flow at a delivery level between partners across the Stockport system and beyond. However, both the Trust and its partners will need to continue to work effectively in order to sustain performance improvement and address factors which continue to impair performance such as:

- The recruitment of substantive medical staff in the Emergency Department and across Medicine specialties
- The availability of, and access to, alternatives to the Emergency Department in Stockport in comparison with system models in other localities across Greater Manchester.
- The consistent provision of, and access to, key services both inside and outside of hospital across the 7 days of the week.

Improvement initiatives for urgent care across the Stockport health and social care system are overseen by an Urgent & Emergency Care Delivery Board which is chaired by the Trust Chief Executive. The work of the Board is based on an Urgent Care Improvement Plan which is divided into four quadrants, each of which is focused on a key element for the provision of Urgent Care:

**Stay Well** – To enable people to stay well through schemes to prevent ill health and provide early intervention with support for self-care when required. Schemes include:

- Crisis Response Team – to enable, promote and maintain independence and provide a safe alternative to hospital admission where this is in the best interests of the patient
- Active Recovery Team – to provide a greater level of holistic care, built around the individual to support more people in early and sustainable discharge

**Home First** – To ensure that patients can access urgent or emergency care at home, or as close to home as possible. Schemes include:

- Ambulance Service Deflection Pathway – enables Mastercall, an Out of Hours Primary Care provider, to manage less clinically urgent calls to North West Ambulance Service thereby releasing ambulance capacity for higher acuity patients and reducing the number of ambulance attendances at the Emergency Department
- Urgent Treatment Centre – planned development of a co-located alternative to the Emergency Department for lower acuity patients to reduce levels of demand on current services and ensure that patients are seen in a safe and timely manner

**Patient Flow** – To facilitate patient flow through the hospital by reducing length of stay, reducing delayed transfers of care and reducing the level of stranded patients. Schemes include:

- SAFER & Red2Green – to ensure effective discharge planning for patients in hospital and minimise the number of bed days by eliminating unnecessary delays
- Acute Medical Unit (AMU) Improvement Programme – to ensure that configuration of the Acute Medicine service is optimised with care provided in a safe, timely and effective manner

**Discharge & Recovery** – To assist care systems across Stockport to safely transfer patient care back into community settings, supporting patients to return to their usual place of residence and improve outcomes. Schemes include:

- Trusted Assessor Model – to minimise the time a patient has to stay in hospital through adoption of a standard method of assessment for care home acceptance. Patients are assessed by a hospital-based 'Trusted Assessor' rather than waiting for an assessment by individual care homes.
- Key Worker Model – to ensure that every hospital ward has a member of the Integrated Transfer Team embedded as an integral part of the ward Multi-Disciplinary Team (MDT).

## 18 Week Referral to Treatment – Standard 92%



Performance against the 18 Week Referral to Treatment standard became non-compliant during Quarter 4 2017/18 as a direct result of the national mandate to halt all non-urgent or cancer surgery during the winter period to ease pressures in the Urgent Care system. Our performance in that Quarter was also affected by decisions taken by the Trust to cancel and reschedule elective outpatient activity to allow consultant time to be used to support Urgent Care. This meant that both the Admitted and Non-Admitted pathways were affected as a result of the significant pressures during the winter period.

Despite best efforts, we were unable to recover the position during Quarter 1 2018/19 and performance against the 92% standard continued to deteriorate over the remainder of the year to a low point of 83.1% in Quarter 4. Factors which have further impaired performance during 2018/19 included:

- A 22.1% increase in urgent 'Two Week Wait' suspected cancer referrals resulted in the deferral and rescheduling of routine outpatient appointments to create the capacity required for more clinically urgent patients
- 1,388 more referrals were received from Stockport GPs in comparison with the previous year
- A year on year increase in demand for access to large services such as Gastroenterology (30.2%) and Oral Surgery (21.4%) had a significant impact on the Trust's overall position against the 92% standard.

While performance against the standard has deteriorated, improvements have been made in reducing the size of the overall Referral to Treatment waiting list size. These improvements have resulted from the following actions:

- Improved scheduling and utilisation of Outpatient and Theatre facilities through the implementation of schemes such as Two-Way text reminders and slot utilisation reviews for outpatient appointments and the focus on improvement provided by a front-line led Theatre Service Improvement Group.
- Increased emphasis on data quality and validation through a review of roles and responsibilities of our Operational Management teams to ensure that pathway management is given necessary focus
- Collaborative working with Stockport Clinical Commissioning Group and the positive impact of focused support provided to individual GP practices to better manage referral rates and identify alternatives to referral for secondary care.

## Cancer 62 Day Standard 85%



Performance against the Cancer 62 Day standard fell far short of the national standard in each Quarter of 2018/19 with the 85% target achieved in just three months of the year. The clinical pathway challenges affecting performance were experienced by Providers both regionally and nationally and included:

- Those patients requiring multiple diagnostics
- Those patients requiring specialist treatment or investigations provided by other organisations
- Those patients requiring complex surgery performed by multiple surgeons

A comprehensive improvement plan has been agreed which includes the following actions:

- Development of 'one-stop' diagnostic services for conditions such as lung cancer. These services mean that patients do not have to make multiple visits to the hospital as they will receive all the relevant diagnostic testing they require in one visit. This approach provides a more timely diagnosis and a much improved service for our patients.
- Development of 'Straight to Test' pathways across a number of services. These models ensure that all patients complete diagnostic testing before seeing a consultant. Patients are then able to discuss the results of the tests with the doctor at their first appointment, rather than attending multiple appointments with tests in between.
- Planned expansion of the Endoscopy Suite. The expansion will provide greater capacity for the endoscopy service and reduce the wait time for access to this key diagnostic test.

While the improvement plan will contribute to enhanced performance, recovery against the 85% standard is not expected to be achieved in the short term and we currently plan to return to a compliant position in December 2019. A further challenge for performance in 2019/20 will be achievement of the Faster Diagnosis Standard which requires that all patients are informed by Day 28 of their pathway whether cancer is either confirmed or ruled out. We plan to manage performance against this standard through an upgraded method of data collection and training with the relevant clinical Multidisciplinary Teams.

## Diagnostics – Standard 99%



Performance against the 6-week diagnostic standard was variable during 2018/19 and, despite strong performance in Quarter 2 and Quarter 3, the Trust narrowly failed to achieve the 99% standard in both Quarter 1 and Quarter 4. Instances of non-compliance related to capacity issues in the Echocardiography service and the availability of more specialist diagnostic tests.

### **Challenges to meeting national service standards in 2019/20**

The challenges to achievement of national service standards have been described in the preceding section and the Board of Directors has declared a forward risk of non-compliance with the Emergency Department 4-hour standard, the Referral to Treatment standard and the Cancer 62-day standard in 2019/20 as part of its governance declaration to NHS Improvement.

Capacity and demand issues resulted in extreme pressures on the Trust's Breast service during the autumn and winter of 2018/19, with a consequent impact on compliance with the standard for two-week wait referrals. The issues experienced resulted from a combination of a significant increase in referrals and difficulties experienced with recruitment for 'hard to recruit' positions. In order to ensure that patients were not subject to prolonged wait times, a commissioning decision was taken to limit referrals to the Trust's service to Stockport patients, with patients resident in the High Peak being temporarily referred to Macclesfield or Wythenshawe. This situation was regrettable but necessary to ensure prompt access for patients.

In January 2019 we resumed referrals for High Peak patients but with a continued rise in demand, and no increase in capacity, the service was unable to resume referrals from other non-Stockport CCG areas in February and March 2019 as planned. The Breast service continues to experience demand and capacity pressures and the ability of the Trust to maintain compliance with the two-week wait standard throughout 2019/20 is likely to be impaired. The Trust is an active participant in the Greater Manchester programme for the regional development of Breast services although programme timescales indicate that a solution will not be available in the short term. Consequently, the Trust will work with partner organisations to establish sustainable arrangements for the short to medium term.

As at 31 March 2019, there remained a high degree of uncertainty in relation to the United Kingdom's planned exit from the European Union. The Trust made preparations during 2018/19 for the potential impact of the United Kingdom's exit from the European Union, including planning in event of a 'no deal' exit, and followed recommendations made in European Union Exit Operational Guidance published by the Department of Health & Social Care in December 2018. The Trust has progressed all recommendations set out in the guidance and has established a series of work streams, led by relevant senior level managers, to plan and coordinate arrangements in areas such as Supply of Medicine & Vaccines and Workforce implications.

The Director of Finance is the Trust's EU Exit Senior Responsible Officer and has regularly reported progress and/or developments to the Board of Directors in 2018/19. Management of preparations has been coordinated by the Trust's Emergency Preparedness, Resilience & Readiness (EPRR) Group, and the frequency of Group meetings was increased from quarterly to monthly to reflect increased activity in this area during Quarter 3 and Quarter 4 2018/19. In the run up to 31 March 2019, EPRR Group meetings were supplemented by a weekly EU Exit workshop where Exit Theme leads were able to manage any emergent issues. The Trust also participated in a Locality-wide response to EU Exit chaired by Stockport Metropolitan Borough Council with representatives from the education, transport and housing sectors. Trust representatives

participated in EU Exit workshops facilitated by DHSC together with attendance workshops with a more regional focus facilitated by the Greater Manchester Health & Social Care Partnership.

At the time of preparing this Annual Report, the uncertainty relating to both the timing and nature of the UK exit from the EU remains. Consequently, the preparatory arrangements in place during 2018/19 will continue in 2019/20 and have been enhanced through work stream leads meeting on a weekly basis during Quarter 1 to ensure that developments are closely monitored with any identified risks being managed and/or escalated accordingly.

### **Any new or significantly revised services**

A number of new and developed services were introduced during 2018/19 which included:

#### Capsule Endoscopy Service

This service allows patients to swallow a tablet-sized capsule that records internal images to support medical diagnosis. The capsule contains a tiny camera and an array of light-emitting diodes (LED) powered by a battery. After a patient swallows the capsule, the camera takes a number of images per second which are transmitted wirelessly to an array of receivers connected to a portable recording device carried by the patient. The primary use of capsule endoscopy is to examine sections of the small intestine that cannot be seen by other types of endoscopy such as a colonoscopy or a esophagogastroduodenoscopy.

#### Seven-Day Gastrointestinal 'Bleed Rota'

The rota was introduced to ensure that suitably skilled clinicians are available seven days a week to manage patients who are experiencing time critical internal bleeding. This is a significant step forward for the Trust in the delivery of a safe, high quality Gastrointestinal service and will support both the planned expansion of Endoscopy services and the future recruitment of clinicians to the service.

#### Community Neuro-Rehabilitation Service

This service was introduced in Quarter 3 2018/19 and provides services to help patients who have experienced a stroke, or similar neurological condition, to be supported in their own homes. This can often mean that patients are discharged from hospital earlier than they would have been previously as they are able to receive the specialist support and input they need in the community.

#### Elective Orthopaedic Unit

The unit was established in the early part of 2018/19 following a review of trauma and orthopaedic wards and provides a dedicated ward for patients undergoing planned elective orthopaedic procedures to receive their pre-operative and post-operative care. The Unit is run by a multidisciplinary specialist team of clinicians who apply national and international best practice to ensure that our patients receive the safest and highest quality care.

### **Descriptions of significant partnership and alliances entered into by the Trust to facilitate the delivery of improved health care**

The Trust has been actively involved in both regional and local strategic partnerships and alliances within the Health and Social Care system throughout 2018/19.

The Trust has been an active participant in two regional strategic programmes during 2018/19. The first is the South East Sector collaboration of providers as part of the Greater Manchester-wide

Healthier Together programme. The Trust's status as the fourth Specialist Hospital site in Greater Manchester was confirmed in January 2016 and we have worked constructively with Sector partners and the central Healthier Together team on preparatory work to plan and design services, including revised clinical pathways, in advance of Phase One implementation.

The second programme is the hugely significant Greater Manchester Health and Social Care Partnership (GM HSCP) which was established as part of Devolution arrangements on 1 April 2016. The GM HSCP has responsibility for a £6bn budget and spending decisions in Greater Manchester to deliver its vision of the fastest and greatest improvement in the health and wellbeing of the 2.8 million people living in the conurbation. This vision was set out in the Greater Manchester strategic plan *'Taking Charge of our Health and Social Care'* which focuses on four key areas:

- A fundamental change in the way people and our communities take charge of, and responsibility for, their own health and wellbeing
- A focus on local care, and local care organisations, where doctors, nurses and other health professionals come together with social care professionals in co-located teams, in increasingly community based settings
- Hospitals across Greater Manchester working together to make sure expertise and experience can be shared widely; and
- Other changes which will make sure standards are consistently high across Greater Manchester, and will generate significant financial efficiencies, for example; sharing back office functions across organisations, making best use of the public sector estate, investing in new technology and embedding research and innovation.

The Trust is one of 37 health and social care organisations that participate in the GM HSCP and are working collaboratively to develop services across Greater Manchester as part of a series of transformation programmes. These themes include:

- Theme 1 - Population Health
- Theme 2 - Primary Care
- Theme 2 - Adult Social Care
- Theme 2 - LCO Development
- Theme 2 - Housing & Health
- Theme 2 - Person & Community Centred Approaches
- Theme 2 - Learning Disabilities
- Theme 3 - Improving Specialist Care
- Theme 4 - Clinical and Non-Clinical Support Services

The Trust holds the Provider Transformation Lead role for the Benign Urology programme within the Improving Specialist Care theme. As with other clinical specialty programmes work on the Benign Urology programme in 2018/19 focused on the development of a proposed clinical model of care. A detailed modelling exercise has since been undertaken with the outputs now subject to a formal options appraisal alongside other clinical programmes. The full list of clinical specialties where the proposed clinical models have been appraised include:

- Benign Urology
- Paediatric Surgery
- Breast Services
- MSK & Orthopaedics
- Neuro-rehabilitation



- Cardiology
- Respiratory
- Vascular

Two of our consultants also undertake Clinical Lead roles; Dr P Turner for MSK & Orthopaedics and Dr C Cooper for Acute Paediatrics. A key part of the governance arrangements of the GM HSCT is the Greater Manchester NHS Trust Provider Federation Board and our Chief Executive is an active participant in the work of the Board to develop services across Greater Manchester.

Within the Clinical Support Services programme priority areas include:

- Pharmacy
- Pathology
- Radiology

Our clinical and management teams have played an active role in each programme, with our Chief Pharmacist undertaking a lead role for the Pharmacy Aseptic project. The Greater Manchester NHS Trust Provider Federation Board has recently reviewed and proposed the following projects to develop as priorities within Theme 4:

- Pathology Hubs
- Digital Pathology
- Laboratory Information Management System (LIMS) Procurements
- Pharmacy Supply Chain
- Collaborative Imaging Procurement Programme

Further information on the work of the Greater Manchester Health & Social Care Partnership is available at [www.gmhsc.org.uk](http://www.gmhsc.org.uk)

A formal review of the future sustainability of East Cheshire Trust was undertaken by Cheshire & Mersey STP, specifically acute services delivered from Macclesfield District General Hospital. Six clinical scenarios have been proposed which explore various degrees of service reconfiguration. Whilst there is a clear preferred option, any changes will be agreed through a formal public consultation process which will be planned in 2019/20.

As a key stakeholder, Trust involvement has been through an **East Cheshire and Greater Manchester Liaison Meeting** including four provider organisations; Stockport NHS Foundation Trust, East Cheshire Hospitals NHS Trust, Mid-Cheshire NHS Foundation Trust and Manchester University NHS Foundation Trust. Clinical teams within obstetrics, paediatrics and surgical services have also been part of meetings to review the optimal future clinical models for some of the services subject to review.

#### Stockport Together

The Trust has worked productively and collaboratively throughout 2018/19 to progress developments as part of the Stockport Together transformation programme with its partner organisations; Stockport Clinical Commissioning Group, Stockport Metropolitan Borough Council, Viaduct Care and Pennine Care NHS Foundation Trust. Work has been undertaken on the various work streams which make up the Integrated Service Solution (ISS). The work streams which form the ISS are as follows:

- Active Recovery
- Transfer to Assess
- Crisis Response
- Integrated Neighbourhood Teams
- Seven Day GP Access
- Medicines Review
- Acute Visiting / Clinical Triage
- Enhanced Case Management
- Falls Service
- Ambulatory III (GP streaming)
- Ambulatory Care Unit

For the majority of the year, the Provider Partners of Stockport Together undertook strategic management of these developments, collectively known as Stockport Neighbourhood Care, by means of a steering group with Executive-level representation from each of the four Providers. While progress against the programme was impaired by changes at senior Executive level across each of the partner organisations, the work we have undertaken with partners has paid dividends over the past year, and has helped to address a number of the challenges faced by the local health and social care system. This work included:

- Introduction of routine evening and weekend GP appointments
- The launch of a new First Contact Physiotherapy Service
- Development of a Community Falls Service
- Introduction of a GP Home Visiting Service
- Establishment of a Community Active Recovery team
- Introduction of a Crisis Response Team
- Development of mental health and wellbeing services in each of the 8 Stockport neighbourhoods.

During Quarter 4 2018/19 system partners identified the need to review the governance framework and establish revised objectives for locality arrangements. This was considered to be essential in order to continue to make progress on achieving the benefits set out in the original Stockport Together business cases. In March 2019 system partners established a Stockport Health Partnership Board, which replaced the former Alliance Provider Board, comprised of Board-level representatives from; the Trust, Stockport Clinical Commissioning Group, Viaduct Care and Pennine Care NHS Foundation Trust to coordinate health care-related developments for the locality. The Partnership Board agreed that 2019/20 will be a 'stocktake' year for the health system, to determine which joint initiatives are working best and which need to be improved. Work commenced on base-lining current positions against business case projections in order to inform the aims and objectives for in-year developments.

### **Consultation with Local Groups and Organisations**

The Trust has not made any material changes to its service provision, estate or any other aspect of its establishment and operation that required formal consultation during 2018/19. The Chair and Chief Executive participate as members of the Stockport Health & Wellbeing Board and Executive Directors attend meetings of the local Health Overview & Scrutiny Committee by invitation at Stockport Metropolitan Borough Council to brief Committee members on developments at the Trust.

## Important events since the end of the Financial Year

There have been no events to report that have arisen since the end of the financial year.

## Overseas Operations

The Trust did not conduct any overseas operations during 2018/19.

## Vision, Strategic Priorities and Trust Strategy

Following a review of our strategy by the Board of Directors in 2017/18, significant work was undertaken throughout 2018/19 to refresh our 5 year strategy. This was largely in the context of significant changes in the Trust's operating environment. The Trust sought external expertise to help formulate a refresh of our strategy. This programme of work included a series of meetings and engagement sessions with the Board of Directors, Executive Leads, Clinical Leads and Senior Management teams. From this work, a refreshed vision, mission, and set of priorities were agreed and approved by the Board of Directors as follows:

- **Brand statement:** An overall succinct message used on materials that remains unchanged
  - Your Health. Our Priority.
- **Vision:** The ambition for our organisation
  - Achieve excellent patient care each and every time.
- **Mission:** The purpose of the Trust
  - To provide safe, high quality, integrated care to people through a range of excellent, accessible health and social care services.
- **Strategic priorities and associated aims:** The main priorities of the Trust
  1. Quality improvement: Keep our patients safe at all times
  2. Operational performance: Provide excellent patient experience and deliver expected outcomes
  3. Partnership working: Have effective partnerships that support better patient care
  4. Leadership development: Create a culture of clinical excellence through highly developed and resilient leaders
  5. Financial resilience: Be a well-led and governed Trust with sound finances.

A revised strategic view has been developed which is intended to provide a realistic and achievable plan to put the Trust in the best possible position to address inevitable future change and maximise any opportunities arising from this change. The view recognises that the future will be based on cohesion and cooperation, rather than competition and commerce, and has the interests of patients at its core. The revised Strategy provides the clarity of purpose which is essential for our staff and stakeholders.

The above formed the basis for development of a strategic outline consultation document and during Quarter 3 in 2018/19 a formal consultation and engagement process was undertaken to seek the views of both internal and external stakeholders. Engagement sessions were led by the Director of Strategy Planning & Partnerships and Associate Director of Strategy & Planning with support from the Strategy & Planning team. Over 40 sessions were delivered face-to-face to over

670 staff and stakeholders. Information was shared regularly internally to ensure all members of staff had the opportunity to provide feedback on the refreshed strategic view. As well as delivering presentations to a wide range of clinical and non-clinical staff, sessions were also held with the following partner organisations:

- Stockport Clinical Commissioning Group
- Stockport Metropolitan Borough Council Corporate Leadership Team
- Council of Governors
- Stockport Healthwatch
- Eastern Cheshire Clinical Commissioning Group
- Viaduct Care
- NHSI Regional Leads

Following completion of the consultation period in January 2019, key themes and messages were reported to the Board of Directors with some additions agreed to be made to reflect the feedback or provide points of understanding and clarity. The Board plan to hold further strategy development sessions during Quarter 1 2019/20 in order to finalise some of the key strategic messages and to set the appropriate context for development of supporting clinical service level strategies. This will be a significant programme of work which will be set in the context of significant partnerships and our external operating environment described in the preceding section.

## **Single Oversight Framework**

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

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

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

## **Segmentation**

Stockport NHS Foundation Trust has been placed in segment 3 throughout 2018/19 and up to 31 March 2019. While no enforcement action was taken, details of oversight and support provided by NHS Improvement are included on page 95 of the report. This segmentation information is the Trust's position as at 31 March 2019. Current segmentation information for NHS trusts and foundation trusts is published on the NHS Improvement website.

## **Finance and use of resources**

The finance and use of resources theme is based on the scoring of five measures from '1' to '4', where '1' reflects the strongest performance. These scores are then weighted to give an overall score. Given that finance and use of resources is only one of the five themes feeding into the

Single Oversight Framework, the segmentation of the Trust disclosed above might not be the same as the overall finance score here.

The Trust's performance against the metrics with regard to the Use of Resources is detailed in the following table:

Area	Metric	2018/19 scores				2017/18 scores			
		Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Financial sustainability	Capital service capacity	4	4	4	4	4	4	4	4
	Liquidity	4	4	4	4	4	4	3	2
Financial efficiency	I&E margin	4	4	4	4	4	4	4	4
Financial controls	Distance from financial plan	1	1	1	1	1	1	1	1
	Agency spend	2	2	2	2	1	2	2	2
Overall scoring		3	3	3	3	3	3	3	3

The Trust therefore finished the year with an overall score of a 3, which is driven by 'excellent' performance in financial control but 'poor' performance relating to the financial deficit and resulting reducing cash balance.

## Financial Review

The Group accounts include the consolidated financial results of Stockport NHS Foundation Trust, its associated Charity General Fund and the Trust's wholly owned subsidiary, Stepping Hill Healthcare Enterprises Ltd (trading as the Pharmacy Shop). The Group accounts reflect the outturn of the Trust of a £31.1m deficit in 2018/19 and subsidiaries' profit of £127k for Stepping Hill Enterprises Ltd. The Trust Charity had net movement of £163k incoming funds in 2018/19. Further detail on both of these elements is provided at Notes 42 to 44 in the annual accounts. The figures quoted in the following section relate solely to the Trust as the other components are considered immaterial for the purposes of the Group accounts.

In 2018/19, the Trust again took the decision to reject the proposed control total from NHS Improvement. However, agreement was reached between Greater Manchester trusts in order to secure Provider Sustainability Funds for the Greater Manchester system and the Trust, in improving its outturn position compared to plan, succeeded in securing additional funding of £0.6m which is included in the 2018/19 accounts. The Trust was subject to enhanced financial oversight by NHS Improvement throughout financial year 2018/19 and this increased oversight and scrutiny contributed to achievement of a higher level of savings and an improved financial outturn than forecast at the beginning of the year.

The 2018/19 financial performance includes the delivery of cost improvements with a total value of £12.8m, of which £9.8m were recurrent improvements. All efficiency schemes are subject to a Quality Impact Assessment to assess potential impact on the quality and safety of services and ensure that any identified risks are effectively mitigated. Key delivery programmes in 2018/19 focused on operational productivity gains, reductions in the use of agency staffing and patient pathway re-design.

Whilst achieving savings, we have continued to invest in the improvement of services for patients, both in terms of improving the quality and safety of services and investing in buildings and equipment, such as a bed replacement programme. Total investment through the capital programme in 2018/19 was £8m which included £2.7m on equipment, £3.3m on estates and £2m on IT investments including mobile electronic devices for our community-based staff.

## 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 Standards 1 (IAS 1). This is undertaken by considering the information available about the future prospects of the Trust as at 31 March 2019, including the Trust's assessment of the future cost and productivity improvements required to enable it to manage through the difficult economic climate facing it in the future. The Financial and Governance risks assessed by NHS Improvement are also examined as well as additional operational risks such as the potential loss of key personnel and activity changes.

At a Board of Directors meeting held on 31 January 2019, the Directors carefully considered a control total offer of £28.1m which, if accepted, would earn the Trust Provider Sustainability funding of £6.1m, Financial Recovery funding of £14.8m and a Marginal Rate for Emergency Threshold (MRET) of £3.6m, resulting in a net control total deficit of £3.6m for 2019/20. The offer required the Trust to deliver a cost improvement programme of £14.2m. The Board agreed to accept the control total offer on the basis that the additional funding available would bring the Trust's financial position closer to financial breakeven.

The Trust has agreements in place for 2019/20 with all of its Commissioners. Agreements have been based on the outturn position for 2018/19 and adjusted for growth for increased activity, particularly in relation to cancer referrals for certain specialties. Plans also continue for the reconfiguration of services in Greater Manchester where high risk surgery will move to the Trust under the Healthier Together programme. The Trust is participating in discussions relating to other potential service developments in Greater Manchester and East Cheshire where such developments may be aligned with the strategic direction of the organisation. The anticipated continuation of provision of Trust services in the future as evidenced by agreed commissioning contracts is confirmation of the Trust's continuation as a going concern.

A detailed report assessing the financial risks facing the Trust was considered by the Board of Directors on 28 March 2019. The assessment focused on the following:

- a. The continued level of vacancies in the Trust which are often covered by banks and agency staff
- b. Operational pressures in meeting the national patient standards
- c. The challenging financial environment in 2019/20 with limited contingency to manage unforeseen consequences, and,
- d. Delivery of a £14.2m cost improvement programme with minimal redundancy costs and impact on commissioner requested services.

The Board concluded that, while 2019/20 will be as challenging as the previous two financial years, particularly with regard to delivery of recurrent cost improvements, the offer of £24.5m to significantly reduce the deficit provides a more sustainable future for the Trust. The Trust is therefore considered to be a going concern and the Board has reason to believe that this will remain the case for the next 12 months and beyond. The Board is committed to exercising the strong financial management required to achieve the control total and will continue to review the financial position and financial controls throughout 2019/20 together with future plans through a Medium Term Financial Strategy.

A key consideration of the going concern assessment was the overall availability of cash to the Trust to meet its financial obligations. The Trust accessed revenue support funding for the first time in

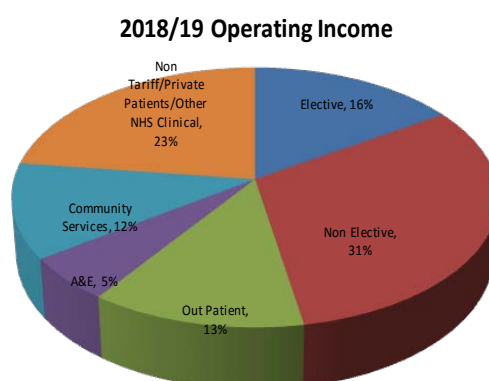
August 2018 and borrowed a total of £24.4m in 2018/19. The Trust's Cash Action Group has worked proactively throughout the year to maximise liquidity. The Trust has submitted a cash flow forecast for 2019/20 in its Operational Plan which reflects the profile of how cash will need to be borrowed, with timings based on how income from the Provider Sustainability Fund, Financial Recovery Fund and MRET will be received in arrears. The Trust has satisfied borrowing requirements and has governance systems in place for the draw-down of revenue support in 2019/20.

However, the financial plan is challenging and the Trust recognises that non-delivery of cost improvements to plan would result in a risk that working capital / liquidity funding will be required in excess of the permitted income and expenditure deficit borrowing limit of £3.6m. Funding in excess of the limit is only provided in exceptional circumstances and requires the provision of additional information at the point of draw-down including, performance against the Better Payment Practice Code (BPPC), aged creditors / debtors, liquidity days, creditors beyond payment terms and suppliers threatening to put accounts on stop to justify such an exceptional request. There is a material uncertainty that may cast significant doubt as to the entity's ability to continue as a going concern and therefore it may be unable to realise its assets and discharge its liabilities in the normal course of business.

Consequently, after making enquiries, the Directors have a reasonable expectation that Stockport NHS Foundation Trust has adequate resources (including external cash flow assistance) to continue its operations on an ongoing basis. For this reason, the Directors continue to adopt the going concern basis in preparing the accounts.

## Income and Expenditure

In 2018/19 the Trust's overall income was £295.3m (£285.5m in 2017/18). Income from provision of health services was greater than that from provision of goods and services for any other purpose. The Trust did not receive or make any political donations in 2018/19. Our operating income in 2018/19 was £260.4m, an increase of £9.5m from 2017/18, which predominantly relates to inflation in order to cover the cost of the national pay award and an increase in the level of high cost drugs supplied as a pass-through cost. The income is shown by activity in the chart below:



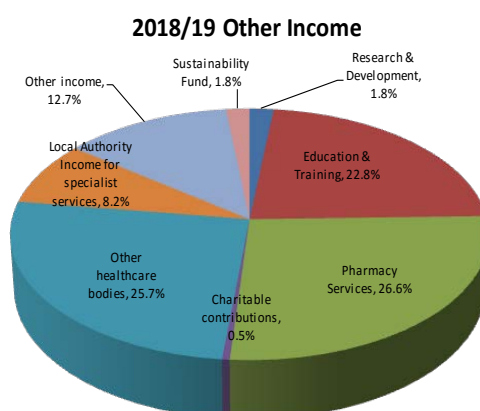
The Trust agreed a block contract for urgent care (non-elective and A&E) and outpatients for 2018/19 with Stockport CCG, the Trust's lead commissioner. This agreement was part of the plans within the economic business cases for the Stockport Together programme with Stockport CCG and Stockport MBC, whereby the block contract gave protection of income whilst transformational change to move services from hospital to integrated community settings was expected to take place. In addition, the Trust received income from Stockport CCG and Stockport MBC to provide system resilience during the 2018/19 winter period. However, the Trust continued to experience a growth in

the number of patients seen in the Emergency Department and patients were predominantly older and more frail people who required admission to hospital.

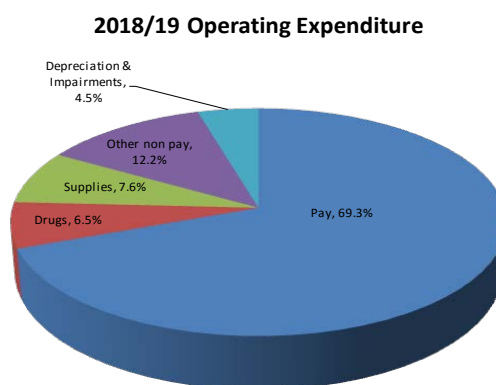
Elective income continued to be received on a case by case basis under the rules within the health payment system 'Payment by Results (PBR)'. Elective income was in line with plan at the end of the financial year, an improvement on the 2017/18 position, as a result of robust planning to sustain Orthopaedic activity during the winter period thereby reducing overall waiting list times for patients and mitigating the risk of cancelled procedures. The Trust experienced a significant increase in cancer pathway referrals during 2018/19 with a consequent increase in the number of diagnostic tests carried out. This resulted in increased income for both diagnostic testing and outpatient activity.

Private patient and overseas visitors income represents a modest proportion of total operating income with £0.4m earned in 2018/19 compared with £0.3m in 2017/18. The increase relates to Urology services with patients treated using a specialist robot. The Trust therefore confirms that income from the provision of good 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 also earns income from a number of different sources and a breakdown of the £35.0m 'Other Income' is provided in the chart below.

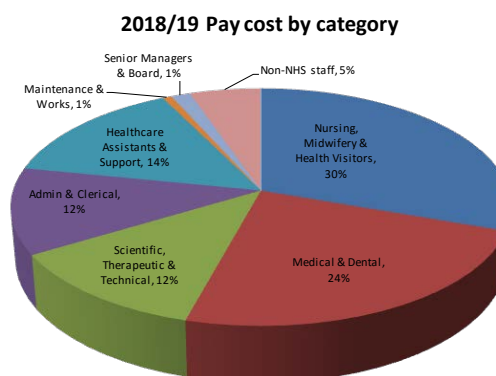


The Trust has no fees and income (income generation) levied which meet the disclosure criteria under the Managing Public Money definition. The Trust has trading activities within Stockport Pharmaceuticals whereby it has secured contracts via published procurement processes and has recovered full cost within an operating margin and therefore this is outside the scope of disclosure. Operating expenditure was £323.1m in 2018/19 (£303.4m in 2017/18). The Trust's costs are divided into the following areas:



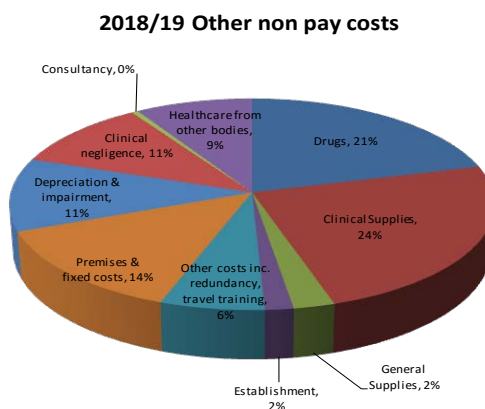


Pay costs account for 69% of our operating expenses, and our pay spend is split over the following categories:



Pay costs in 2018/19 were £223.7m (£213m in 2017/18). Settlement of the Agenda for Change pay deal for NHS staff, excluding medical staff, was agreed in 2018/19 and resulted in increased costs of £4m. Investment made in Community Services as part of the Stockport Together programme also resulted in increased costs relating to nursing and therapies staffing. The Trust has continued with investment programmes in order to recruit to medical and nursing vacancies with a consequent reduction in agency costs. However, the Trust continues to use agency staff where there are particular specialties with high national vacancy rates for specialist services. Agency costs reduced from £12.3m in 2017/18 to £11.8m in 2018/19. All other costs are broadly in line with previous years and no other significant changes to pay costs occurred in 2018/19.

Non-pay expenditure of £99.2m in 2018/19 was incurred as follows:



While premises costs for Community properties across Stockport increased by £0.6m in 2018/19, the increase was directly offset by income from Stockport CCG. Drugs costs increased by £1.2m, as a result of an increase in high cost drugs, which was also supported by additional income. The Clinical Negligence cost to the Trust increased by £1m to a total cost of £10.4m in 2018/19. This increase applied to all NHS trusts. Healthcare costs from other bodies has increased by £2.6m to a total cost of £8.6m in 2018/19, of which £2.1m reflects the Trust's Stockport Together investment.

In 2018/19 the Board of Directors approved suspension of work on an intangible asset under construction and agreed to impair costs incurred to date of £1.8m. This is included within Operating Expenses in the annual accounts.

## Balance Sheet

The regulations relating to the calculation of the Public Dividend Capital (PDC) and current commercial interest rates mean that it is more beneficial for the Trust to keep bank balances in the government bank account. The Trust has drawn down revenue support of £24.4m in 2018/19 and paid £1m in interest on this and other long term loans drawn down for capital builds in previous years. The Trust's modest retained cash balances earned interest of £0.1m in 2018/19.

Our year-end cash balance was £4.9m compared to an opening cash position of £15.5m and the Trust will continue to apply for revenue support in 2019/20.

## Charitable Funds

The Board acts as Corporate Trustee in respect of its charitable funds. The 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, the Trust's website or from the Charities Commission website.

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

In 2018/19, Charitable Funds income was £207,000 and the Trust is extremely grateful for donations of £127,000, legacies of £14,000 and fundraising income of £19,000. The Charity also received £47,000 investment income. Expenditure in 2018/19 was £127,000 comprising £75,000 on purchases for patient welfare, £42,000 on supporting staff welfare and training activities and £10,000 on smaller items of equipment. Expenditure included £28,000 for the refurbishment of bathroom facilities at Swanbourne Gardens Children's Respite Centre, £8,000 for a new Delivery Suite bed and £5,000 to update ultrasound scanning photography provision for expectant parents.

## Financial Outlook

The Trust has experienced another financially challenged year where the Trust delivered a loss of £31.1m. This is the fourth consecutive financial year where the Trust has recorded a deficit position. However, in each of these years, including 2018/19, the Trust achieved its financial plan and this year delivered in excess of what was originally planned as reflected in the financial controls section of the Single Oversight Framework. In order to achieve the plan, the Trust delivered a cost improvement programme of £12.8m against a target of £15m. £9.8m of this total related to recurrent efficiency savings which was a significant improvement on the 2017/18 performance.

The Board of Directors has accepted the Control Total for 2019/20 and the planned deficit of £3.6m requires delivery of a recurrent cost improvement programme of £14.2m in order to realise funding from the Provider Sustainability Fund (PSF), Financial Recovery Fund (FRF) and Marginal Rate for Emergency Threshold (MRET) totalling £24.5m. The underlying deficit plan for the Trust is therefore £28.1m. Accepting the Control Total offer, and the potential to bring £24.5m into the Stockport health economy, provides an opportunity for the Trust to make material progress towards financial balance in 2019/20, consistent with the aim set out in the Trust's Medium Term Financial Strategy of achieving a surplus position within the next five years.

The Trust's cash balance has reduced as the deficit position has increased and there will be a continuing need for revenue support during 2019/20. The Board of Directors will maintain the governance arrangements in place to comply with the application process and meet the additional terms and conditions associated with access to revenue support.

Delivery of the full cost improvement programme on a recurrent basis is imperative and progress with delivery will be closely monitored by the Board of Directors. The Trust plans to deliver its £14.2m cost improvement plan through a Clinical Services Efficiency Programme (CSEP) based on a specialty approach and analysis of performance against relevant benchmark metrics, such as Model Hospital and Getting it Right First Time (GIRFT), to identify opportunities for greater efficiency through different ways of working and adoption of best practice. This sustainable approach to identification and delivery of efficiency savings is undertaken with full involvement of clinicians, is aligned to the Trust's strategy and uses the Trust's standard quality improvement methodology.

The Board of Directors approved a Medium Term Financial Strategy in November 2018/19 with a focus on returning the organisation to financial surplus through the following drivers:

1. Significant reduction of workforce costs and reliance upon non-substantive staff
2. Maximise available opportunities identified in Model Hospital and other best practice benchmarks
3. Delivery of Stockport Together programme benefits
4. Realisation of increased income opportunities through repatriation of planned day case and elective activities, increased births and contract negotiation
5. Exploiting opportunities arising from local and regional strategic developments.

### Capital Planning 2019/20

The Trust is planning capital expenditure of a range between £7.6m and £18.3m in 2019/20 with the upper range dependent on the release of capital funding in relation to Healthier Together.

A summary of planned investments at the base position is as follows:

Capital description	Plan 2019/20 £k
Equipment	2,059
Property Schemes	777
Estates – backlog maintenance	772
Information Management & Technology	2,929
Finance Leases	1,014
<b>Total Capital Plan</b>	<b>7,551</b>

The property schemes relate to expansion of the Hospital Sterilisation & Decontamination Unit (HSDU), refurbishment of Maternity birthing rooms and land / road reconfiguration following the demolition of Wards A12 and A15 in 2018/19.

There are a number of schemes in the Information Management & Technology development programme including of key patient systems and IT infrastructure.

The equipment programme focuses on the on-going asset replacement programme across all Business Groups with the largest proportion of planned spend being invested in Endoscopy, Radiology and Intensive Care Unit developments.

## Environmental Matters

### Introduction

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

In order to fulfill our responsibilities, Stockport NHS Foundation Trust has made the following strategic vision statement in its sustainable development management plan (SDMP):

***‘Stockport NHS Foundation Trust is committed to providing services in a way that is sustainable and supports our corporate and social responsibilities’***

As a part of the NHS, and the public health and social care system, we have a duty to contribute towards the ambition set out in 2014 of reducing the carbon footprint of the NHS by 28% (from a 2013 baseline) by 2020. The Trust remains committed to supporting the NHS in achieving national targets and we aim to reduce our carbon emissions by 28%, using 2013 as the baseline year, by 2020.

Our Carbon Management Implementation Plan (CMIP), which has been in place since 2008, aims to reduce carbon emissions through:

- Reduced energy use through rationalisation and efficient design
- Implementation of a Green Travel plan through provision of low carbon travel, transport and access
- Increased local procurement
- Reduction of waste levels and increased recycling of waste
- Reduction in water use and associated waste
- Organisation and workforce awareness and development

We continue to deliver significant ‘carbon savings’ through design innovation including:

1. Voltage Optimisation Electrical Energy Saving techniques to provide a reduced supply voltage for site equipment. This improves power quality by balancing phase voltages and reducing the Trust’s electricity demand and cost.
2. Installation of cost effective Duplex Stainless Steel Plate Heat Exchangers to optimally improve energy efficiency and minimise waste water pollution.
3. Reducing energy costs through the replacement of old or inefficient boilers with new systems designed to use as much as 30-40% less energy.
4. Increased insulation of roof spaces and exposed pipework and valves.
5. Reduced mechanical ventilation by improving airflow and natural ventilation through the installation of new windows.
6. Replacement of inefficient engineering plant.
7. Continued use of green technologies such as LED lighting and heat recovery units and review of our supply chain management strategy.

8. Replacement of Trust vehicles with low emission models. The new vehicles operate using efficient technology or alternative fuels, rather than diesel, and reduce both running costs and the environmental impact of the vehicle fleet.
9. Introduction of an intelligent Building Management System which supports more efficient management of heating systems.

We recognise that sustainability goes far beyond compliance with legislation and we believe that development of sustainable practice is a fundamental corporate responsibility. The Trust has a Sustainable Development Management Plan (SDMP) in place in accordance with the NHS Carbon Reduction Strategy 2009. This plan sets out the Trust's commitments and actions to achieve NHS-wide carbon emission reduction targets. We achieved the target of a 10% reduction by 2015 and further carbon reduction strategies and projects are in place to achieve the target of a 28% reduction in energy use and carbon emissions by 2020. The main actions being taken to achieve this are summarised below.

### **Key Objectives**

The Trust has carried out a significant amount of work to reduce carbon emissions and achieve wider sustainability goals. Our key objectives for environmental and sustainability management include:

- Building on our Carbon Management Programme and ensuring a long term vision for sustainable energy management for the Trust.
- Ensuring that environmental protection and social issues, including prevention of pollution, are considered within the Trust's strategic planning, management and operations.
- Reduce the Trust's environmental impacts in the areas of water and waste, including Capital Planning management schemes.
- Continue to make better use of the Trust's occupied floor space and disposing of under utilised assets.
- Increased recycling and waste reduction.
- Fulfil all compliance obligations relating to environmental management.
- Environmental/Sustainability Key Performance Indicators to be reported and tracked at a local level and reported monthly as part of Estates & Facilities Finance and Performance meetings.
- Reducing vehicle emissions by offering staff a capped choice of low emission or electric vehicles via the NHS Car Lease Scheme.
- Increase engagement with staff and the public at all levels through a range of communications channels.
- Embed sustainability principles in the organisation's current processes and policies whenever possible.
- Capital planning processes to take into account sustainability options and to explore wider funding routes i.e. SALIX, Environmental Funders Network and CIBSE guidance.

### **Carbon and Energy Management**

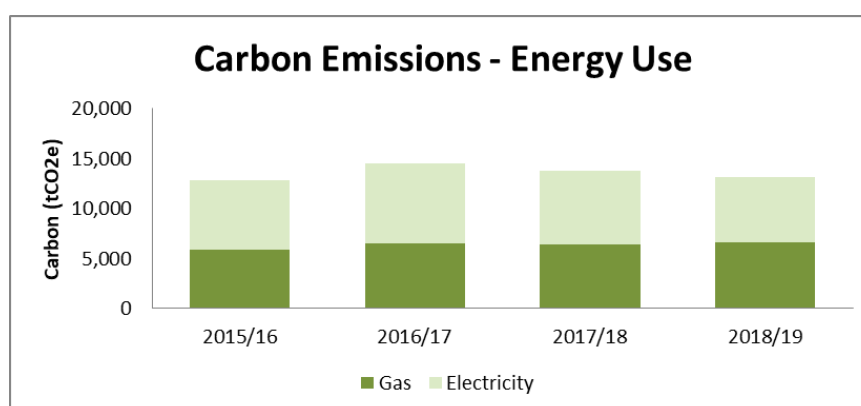
Our approach to carbon and energy management is based on; reduction in energy consumption, the supply of energy as efficiently as possible and the supply of required energy using low carbon and renewable sources where appropriate. Efficient energy management necessitates close monitoring and analysis of energy consumption to enable consumption patterns and targets to be set for individual buildings across the estate. Automatic utility metering continues to be rolled out across the estate which provides half hourly gas, electricity and water consumption data for Trust buildings.

Automatic meter reading (AMR) enables the Trust to scrutinise consumption patterns to identify and address inefficiencies whilst also enabling greater financial control of energy budgets by eliminating estimated readings.

## Energy and Water Consumption

The Trust's consumption of energy and water during 2018/19 is summarised in the table below along with comparative performance in previous years. The Trust continued to achieve a year on year reduction in energy costs with the total cost of £1,434,600 representing a 17% decrease in comparison with 2017/18 costs. The Trust has been able to reduce overall energy use and costs through a combination of; negotiating competitive rates with its energy suppliers, introduction of a number of energy efficiency projects and raising staff awareness of the need to manage consumption. The marginal decrease in electricity usage in comparison with 2017/18 resulted from minor capital schemes which incorporated the installation of more economical equipment such as heat exchanges and LED lighting. The increase in gas consumption will be investigated further to determine whether the reason for the increase is something other than seasonal variances.

Resource		2015/16	2016/17	2017/18	2018/19
Gas	Use (kWh)	27,282,955	31,040,831	30,185,153	31,229,742
	tCO <sub>2</sub> e	5,788	6,512	6,317	6,527
Electricity	Use (kWh)	12,572,918	12,907,495	12,848,845	12,676,387
	tCO <sub>2</sub> e	7,040	7,994	7,387	6,551
Total Energy CO <sub>2</sub> e		12,828	14,506	13,704	13,078
Total Energy Spend		£ 2,065,049	£ 2,012,161	£ 1,672,728	£ 1,434,600



## Water

Water consumption increased in 2018/19, with further investigative work required to identify reasons for the increase. The Estates team actively work to minimise water consumption through the use of water efficient technology across the estate such as the installation of low flush WCs and reduced flow showers and taps. Reducing consumption will continue to be an area of focus during 2019/20. However, we are conscious of the need to balance water efficiency initiatives with the need to maintain robust infection control regimes and to guard against the risks of legionella contamination of water systems by regular flushing of water outlets.

## Waste Management

Effective waste management is a core principle for the Trust and we are committed to reducing the organisation's carbon footprint and improving understanding of the importance of effective waste management in the health service. Widely distributed recycling bins encourage the collection of

paper, cardboard, plastics, tins and glass for recycling and the waste management team also recycles ink cartridges and batteries. The Trust will continue its focus on sustainable waste management and will work collaboratively with its contractors and partners to drive service and environmental improvements.

During 2018/19 our aim was to enhance the safe, compliant and sustainable management of waste and disposal across all Trust sites while maximizing the volume of waste recycled. Recycling drop-off points and the segregation of cardboard, scrap metals, furniture and electrical waste, together with improvements made to waste compactors, collection bins and holding areas, have contributed to improved recycling performance. Towards the end of 2018/19 we established arrangements for general waste disposal with a local waste collection company which will result in a reduced carbon footprint for the transportation of waste and improved performance for the volume of waste material processed for recycling. The Trust also appointed a new clinical waste contractor in January 2019 and early indications suggest improved efficiency for the disposal of clinical waste with a reduction in high temperature incineration through the use of alternative treatment methods where appropriate.

The Estates & Facilities team provide advice and support for waste management to departments across the Trust, providing guidance information, equipment and facilities to facilitate the safe handling, segregation and storage of waste. Regular waste audits are undertaken and outcomes during 2018/19 informed the planned introduction of arrangements for management of an offensive waste stream which is expected to further reduce the cost base for waste processing in 2019/20. The Table below provides a summary of improvements made by the Trust over the past three years in relation to treatment of waste streams.

Waste Stream Tonnage (based on Estates Return Information Collection (ERIC) data)

Waste		2016/17	2017/18	2018/19
Recycling	(tonnes)	131.30	84.58	133.54
	tCO <sub>2</sub> e	2.63	1.78	2.81
Other recovery	(tonnes)	692.00	650.46	533.75
	tCO <sub>2</sub> e	13.84	13.66	11.21
High Temp disposal	(tonnes)	360.00	332.35	533.63
	tCO <sub>2</sub> e	78.84	73.12	117.40
Landfill	(tonnes)	26.00	162.38	36.18
	tCO <sub>2</sub> e	6.35	50.34	11.21
Total Waste (tonnes)		1209.30	1229.77	1237.11
% Recycled or Re-used		11%	7%	10.80%
Total Waste tCO <sub>2</sub> e		101.66	138.89	142.63

### Smoke-free Hospitals

We want to look after the health of everyone who uses our hospital and the Trust is committed to providing a clean and healthy environment for patients, visitors and staff. A complete smoking ban has been in place on Trust property since 2005 and during 2018/19 we continued to strengthen the effectiveness of this policy with a direct and honest poster campaign supplemented by security officers politely reminding people of our non-smoking policy.

## **Green Travel Plan**

The Trust continues to operate a Travel Plan which contains specific mode share targets which relate to an action plan of Travel Plan measures. Additionally, the Travel Plan continues to reference the supporting work undertaken; TRICS surveys, traffic surveys and a parking study, to inform the Plan targets and measures.

The purpose of the Travel Plan is to:

- Encourage the use of modes of transport to and from the site other than the car;
- Discourage the use of single occupancy car travel to the site;
- Make provision for staff / patients / visitors to travel to the site by alternative modes of transport other than the car;
- Ensure that on-site car parking is effectively managed;
- Ensure that parking demand does not exceed on-site provision or place a demand on nearby streets and car parks; and
- Ensure that the transport needs of hospital departments within the site are met in a sustainable way.

The Trust's Revised Travel Plan is a long-term strategy for the site that seeks to deliver sustainable transport objectives through positive action, and is subject to regular review (DfT Good Practice Guidelines: Delivering Travel Plans through the Planning Process, 2009). The Travel Plan aims to make the site more accessible to all users, whether or not they have access to a car, and helps to promote social equality within the local community. The Travel Plan for Stockport NHS Foundation Trust covers both the hospital and community sites and will improve accessibility for patients and visitors alike.

## **Sustainable Procurement**

The Trust is committed to the principles of sustainable development to support central Government and Department of Health & Social Care commitments in this area of policy and the improvement of the nation's health and wellbeing. The Trust recognises that it has an influential role in furthering sustainable development through the procurement of buildings, goods and services. Sustainability, environmental and social principles are embedded in our procurement processes to ensure that a balanced consideration of social, ethical, environmental and economic factors is undertaken as part of the procurement evaluation process.

The Trust's Procurement Team has adopted a 'whole life cost' approach by assessing the environmental impact of products from production to disposal costs. This approach will realise benefits for both the organisation and society in general, as well as minimising impact on the environment. The Trust also has in place a comprehensive Anti-Fraud, Bribery & Corruption Policy which was subject to review by the Trust's local Anti-Fraud Specialist prior to approval by the Audit Committee on 20 March 2018.



# Accountability Report

## Directors' Report

### Board of Directors and Board Committees

The Board of Directors is responsible for setting the strategic direction and managing the business of the Trust and, subject to any relevant requirements of the Trust's 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 takes decisions with regard to:

- **Quality Issues** – which include 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 Operational 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** – this includes decisions relating to the establishment of effective governance arrangements across the organisation.

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 for 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 2018/19 the Board of Directors met on 12 occasions. Details of individual directors and their attendance at meetings are as follows:

#### **Adrian Belton – Chair**

Appointed on 1 June 2017 until 31 May 2020

Attendance 11/12

##### Background

Adrian Belton has a wealth of public and private sector experience, at both national and regional level. He has held chief executive roles at the Construction Industry Training Board (CITB) and FERA, formerly the national Food and Environment Research Agency. Adrian led the merger of four organisations to create FERA, and also has integration experience from his times as an executive director of Nottingham City Council and subsequently in the creation of Natural England as a new non-departmental public body.

Adrian previously worked at board level within banking and financial services, with Risk Director roles at Barclays and the Bradford & Bingley Group. In addition, he has held a number of non-executive roles in the previous 10 years. These include chairman of the Institute of Environmental Management & Assessment and a lay member on the Council of Sheffield University where he sits on the Audit Committee.

#### **Malcolm Sugden – Non-Executive Director (Deputy Chairman)**

Re-appointed on 1 April 2018 until 31 March 2019

Attendance: 12/12

##### 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 North West 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.

#### **Mike Cheshire – Non-Executive Director (Senior Independent Director)**

Reappointed on 1 September 2016 until 31 August 2019

Attendance: 11/12

##### 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 NHS 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 disestablishment, Dr Cheshire was the Medical Director for NHS North West.

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

Re-appointed on 1 July 2017 until 30 June 2018

Attendance: 3/3

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 has developed 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.

**David Hopewell – Non-Executive Director (Chair of Audit Committee)**

Appointed on 1 July 2018 until 30 June 2021

Attendance 7/9

Background

David Hopewell is a Fellow of the Institute of Chartered Accountants and trained with Deloitte, Haskins and Sells before moving into industry with senior finance positions with Shell in both the United Kingdom and West Africa. Mr Hopewell moved into the public sector in 1994 and was Corporate Director at Government Office for the North West (1998-2006) where he was a Board Director with a portfolio including; finance, partner audit, human resources, communications, governance and Ministerial business. He then spent a short period as Director of Resources and Company Secretary with Cheshire Peaks and Plains Housing Trust (2006-2007).

Since 2007, Mr Hopewell has had a portfolio career working as a Resources Director for Retrak, a charity running projects for street children in Africa (2007-2011), a Non-Executive position with a housing association (2009-2012) and an appointment as a Non-Executive Director with Mid-Cheshire Hospitals NHS Foundation Trust (2007-2018).

**Catherine Anderson**

Re-appointed on 1 January 2019 until 31 December 2021

Attendance: 11/12

Background

Catherine Anderson has held senior management roles within General Electric Company, the University of Liverpool and Manchester Metropolitan University. As Head of Customer Services at Manchester Metropolitan University she established the largest department in the university by transforming and merging 10 departments. Catherine now runs her own consultancy which helps businesses to improve their performance.

### **Angela Smith**

Appointed on 1 April 2016 until 31 March 2019

Attendance: 10/12

#### Background

Angela Smith has held senior human resources management roles with Virgin Management Ltd and Granada Hotels and Leisure. During her 17 years at Virgin, Angela oversaw significant organisational change and redesign at the company and ensured Virgin was an employer of choice. Angela now runs her own consultancy firm providing strategic HR advice to organisations and entrepreneurial businesses. She is also a non-executive director for PossAbilities, a social enterprise that supports adults and children with disabilities to become more independent and experience new opportunities.

### **Catherine Barber-Brown**

Appointed on 1 September 2016 until 31 August 2019

Attendance: 11/12

#### Background

Catherine Barber-Brown has held senior roles at the Britannia Building Society and Co-operative Bank since 2003. She was most recently Head of Strategy for the Co-operative Bank, whilst earlier roles spanned Change Management and Procurement. Prior to this, Catherine worked for ten years at international organisations Barclays de Zoete Wedd and Credit Suisse. Catherine left the Co-operative Bank in 2016 to set up her own consultancy. She is also a member of the University of Manchester Nominations Committee and General Assembly and a School Governor.

### **Helen Thomson - Interim Chief Executive (until 6 January 2019)**

Attendance: 6/9

#### Background

Helen Thomson has over 20 years Board experience, with impressive results in strategic development and operational delivery. She originally trained as a nurse, before becoming a Director of Nursing and Midwifery, and has previously worked in both acute and community provider organisations. More recently, as an independent healthcare consultant, Helen has led work for large NHS Trusts in Yorkshire, Staffordshire and Greater Manchester on quality strategy, urgent care improvement, service reconfiguration and clinical reviews.

### **Louise Robson – Chief Executive (from 7 January 2019)**

Attendance: 3/3

#### Background

Louise was previously Acting Chief Executive and Deputy Chief Executive of Newcastle upon Tyne Hospitals NHS Foundation Trust. She joined Newcastle Hospitals in October 2012, helping to secure the Trust's reputation as an organisation that delivers 'outstanding care' (as rated by the Care Quality Commission) and has a strong reputation for quality and performance, research and innovation.

Mrs Robson has over 21 years' experience as a Board member of successful NHS organisations and has an extensive portfolio which includes; leading on strategy, planning, performance, commissioning, operations, service improvement, service transformation, commercial development and partnership working. While the majority of her career has been spent in acute hospitals, Mrs

Robson also has experience as Chief Executive / Chief Operating Officer with three former Primary Care Trusts with responsibility for caring and system leadership.

**Hugh Mullen - Director of Strategy, Planning & Partnerships (Deputy Chief Executive)**

Attendance: 12/12

Background

Hugh Mullen joined the Trust in January 2017. Hugh brings 38 years extensive NHS experience, which includes senior management roles in a number of acute and community health provider organisations in this region. He was Director of Operations for six years at Salford Royal and more recently Director of Operations at Pennine Acute Hospitals Trust which runs North Manchester & Fairfield General Hospitals, The Royal Oldham Hospital, Rochdale Infirmary & community services.

**Alison Lynch - Chief Nurse & Director of Quality Governance**

Attendance: 12/12

Background

Alison first qualified as a nurse in Salford in 1988 and since then has had a wide variety of clinical and managerial roles across Greater Manchester and Cheshire & Merseyside. She was previously the director of nursing and quality at Mid-Cheshire Hospitals NHS Foundation Trust for two years. During this time she was instrumental in supporting progress in the patient quality, safety and experience journey, personally leading a number of successful quality improvement and harm reduction strategies.

Alison has particular interests in developing and engaging staff toward providing the best possible care to patients, especially the most vulnerable patients, and in developing new roles that cross boundaries in support of services working closer together. Alison also has a particular interest in nurse leadership and the care of our most vulnerable patients.

**Colin Wasson - Medical Director**

Attendance: 11/12

Background

Colin Wasson was appointed as Medical Director on 1 April 2016. He is a consultant in intensive care and has been at the forefront of service innovation and improvements since first joining the organisation in 2002. During his time at the Trust, Colin has worked as audit lead, Clinical Director of Critical Care and Associate Medical Director for Surgical & Critical Care.

**Feroz Patel - Director of Finance**

Attendance: 12/12

Background

Feroz Patel began his career in the NHS as a National Financial Management Trainee in 1999 and has trained at Lancashire Teaching Hospitals NHS Foundation Trust and Salford Royal NHS Foundation Trust. Feroz qualified as a Chartered Public Finance Accountant on the scheme and since graduating he has held a number of senior finance roles across provider and commissioner organisations. Feroz joined Stockport NHS Foundation Trust in 2015 from Blackpool Teaching Hospitals NHS Foundation Trust, where he worked for eight years and held the roles of Associate Director of Finance, Acting Director of Finance and Deputy Director of Finance.

## **Sue Toal - Chief Operating Officer**

Attendance: 9/12

### Background

Sue Toal, who is also a registered nurse, joined the Trust as interim Unscheduled Care Programme Director and was previously at Salford Royal managing divisions including surgery, theatres & anaesthesia and neurosciences & renal. Sue was appointed as Acting Chief Operating Officer in May 2016 and as substantive Chief Operating Officer in March 2017.

## **Hilary Brearley – Interim Director of Workforce & Organisational Development (Non-Voting)**

Attendance: 12/12

### Background

Hilary has a strong track record in workforce and organisational development across both public and private sector organisations. Prior to commencing with the Trust, Mrs Brearley was Interim Director of Workforce at Bolton Hospitals NHS Foundation Trust. She has also worked in a number of local authorities and with NHS England to deliver a national GP Coaching development programme.

## **Paul Buckingham - Director of Corporate Affairs (until 28 February 2019) (Non-Voting)**

Attendance: 9/11

### Background

Paul Buckingham joined the Trust in February 2015 as Company Secretary. He had previously been the Corporate Secretary at North West Ambulance Service NHS Trust since establishment of the Trust in 2006 and had undertaken procurement and contracting roles after joining the ambulance sector in 1998. Prior to working in the NHS, Paul completed a 20-year engagement as Logistics Officer in the Royal Navy. Paul was appointed as Director of Corporate Affairs with an expanded portfolio on 1 January 2017.

## **Balance, Completeness and Appropriateness of the Membership of the Board**

While there have been a number of personnel changes in terms of Board roles during 2018/19, there have been no changes to the composition of the Board of Directors in terms of voting positions on the Board. The Board considers that the 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.

<b>Skill</b>	<b>Responsible Non-Executive Director</b>
Clinical	Mike Cheshire
Financial Acumen	Malcolm Sugden / David Hopewell
Commercial	Adrian Belton / Catherine Anderson
Workforce	Angela Smith
Transformational	Catherine Barber-Brown

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 Soile Curtis, Deputy Company Secretary on tel no 0161 419 5166 or e-mail [soile.curtis@stockport.nhs.uk](mailto:soile.curtis@stockport.nhs.uk) if you wish to have access to the register).

## **Performance Evaluation**

The Board of Directors undertakes development activities on a monthly basis with a full development day held each quarter. 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 2018/19, development activities focused on the following subject areas:

- Relationships and Team Building
- Understanding NHS Contracts
- Forward Commissioning Intentions (with Stockport CCG)
- Preparation for the CQC Well-Led Review
- Model Hospital and Getting it Right First Time (GIRFT)
- Understanding Safeguarding
- Understanding the work of NHS Resolution
- Freedom to Speak Up
- Equality, Diversity & Inclusion
- Engaging Transformational Leadership

The monthly approach to Board development activities is planned to continue in 2019/20 and the programme will commence with a 360 degree evaluation of the Board involving both internal and external stakeholders. This follows the session referenced above on Engaging Transformational Leadership and outcomes are expected to inform development programme content for the remainder of 2019/20.

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 Governors' views through participation in joint Governor and Non-Executive Director meetings.

## **Audit & Risk Committee**

The Trust has an Audit & Risk Committee which meets at least five times a year. The membership of the Committee is detailed below. Attendance at meetings during 2018/19 is shown in brackets.

- John Sandford (Chair of the Audit Committee) - Non-Executive Director (attendance 1/1)
- David Hopewell (Chair of Audit Committee) – Non-Executive Director (attendance 5/5)

- Malcolm Sugden - Non-Executive Director (attendance 6/6)
- Angela Smith - Non-Executive Director (attendance 5/6)

The Director of Finance, Director of Corporate Affairs, Deputy Director of Finance and the Chief Nurse (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 & Risk Committee has Board-approved Terms of Reference which 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 its role, the Committee's work is predominantly focused 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 and compliance with the NHS Foundation Trust Code of Governance.

The Audit & Risk 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 & Risk Committee has approved a policy for use where external audit are required to provide non-audit services to ensure that objectivity and independence is safe-guarded.

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

- Reviewed the outcomes of internal audit reports
- Reviewed the Head of Internal Audit Opinion
- Received follow-up reports on internal audit recommendations to provide assurance that actions had been completed
- 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
- Reviewed assurance reports on progress against the six priorities set out in the Risk Management Framework
- Reviewed and, where appropriate, approved the Annual Accounts, Annual Governance Statement, Annual Report and Annual Quality Report for 2017/18
- 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 moderate assurance
- Received assurance reports on the Trust's readiness of General Data Protection Regulation (GDPR) implementation
- Approved the Costing Process and Accounting Policies for 2018/19
- Reviewed losses, write-offs and waivers of Standing Financial Instructions in 2018/19
- Completed an annual review of the Committee's Terms of Reference
- Reviewed Anti-Fraud Annual Report and service progress reports
- Reviewed and approved plans and process for procurement of audit services
- Reviewed the Going Concern Report in advance of Board consideration on 28 March 2019.



The External Audit Plan for audit of the financial statements for 2018/19 was considered and approved by the Audit Committee on 27 March 2019. The plan identified a number of significant audit risks as follows:

- Recognition of NHS Revenue
- Management Override of Controls; and,
- Going Concern

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 & Risk Committee met on 27 March 2019 and approved the accounting policies note for the Annual Accounts 2018/19.

A key function for the Committee during 2018/19 was oversight and management of a competitive procurement process for the future provision of Internal Audit services, including the Anti-Fraud service. The procurement process concluded during March 2019 and involved thorough evaluation of short-listed service providers. Mersey Internal Audit Agency was subsequently awarded a five-year contract for the provision of both an Internal Audit and an Anti-Fraud service. A further competitive procurement process will be initiated during Quarter 1 2019/20 for the future provision of an External Audit service.

## **Internal Audit**

Internal Audit services, which include an Anti-Fraud service, 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 2018/19 and the total cost of the service was £70,273.

## **Countering Fraud and Corruption**

During 2018/19 the Trust's Anti-Fraud Specialist and the Anti-Fraud service was provided by Mersey Internal Audit Agency (MIAA). The Trust's Anti-Fraud and Corruption Policy supports our strong anti-fraud culture and the annual work plan, agreed by the Director of Finance and approved by the Audit Committee, included work under the following subject headings strategic governance, inform and involve, prevent and deter and holding to account. The Anti-Fraud Specialist regularly attends Audit Committee meetings to provide updates on the progress of the annual work plan and investigations. The total cost of the service, including investigation work, in 2018/19 was £25,064.

The Trust has in place a Raising Concerns at Work Policy which outlines how staff can raise concerns, including those that may be related to fraud. Staff are reminded of their responsibility to report such matters at induction and mandatory training. The policy continues to be supplemented by the Trust's Freedom to Speak Up Guardian which was a post introduced in response to a recommendation arising from the Francis Report.

## **External Audit**

External Audit services were provided throughout 2018/19 by Deloitte LLP following appointment as the Trust's External Audit provider by the Council of Governors with effect from 1 October 2014 following a competitive tender process. The cost of the External Audit service totalled £64,686 comprised of £48,222 for the Trust accounts, £11,760 for audit work on the Quality Report and £4,704 for Charitable Funds. All figures are inclusive of VAT.

Deloitte LLP was also appointed as the External Audit Provider for Stepping Hill Healthcare Enterprises (the Pharmacy Shop) and the fees in preparation for the accounts since the commencement, included within the consolidated accounts, is £7,200 inclusive of VAT.

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. Preparation of the accounts is undertaken by the finance team, comprising qualified accountants and support staff, appropriately trained to produce professional accounts.

The Audit & Risk Committee has delegated authority from the Board of Directors to review and approve the Annual Accounts. The Directors consider that the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for patients, regulators and stakeholders to assess the NHS Foundation Trust's performance, business model and strategy.

## **Accounting Policies**

The Annual Accounts have been prepared under a direction issued by NHS Improvement 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 NHS Improvement's NHS Foundation Trust Annual Reporting Manual (ARM) and the Department of Health Group Accounting Manual.

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 61. Note 7.1 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

Under current financial constraints, the Trust is no longer in a position 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. This decision resulted from the Financial Improvement Programme completed in 2016 and was taken following extensive dialogue with our supplier base that was broadly understanding of the change.

All suppliers' payment terms were reviewed and the Trust continues to work with small and medium enterprises to ensure they are not disproportionately affected by the change. The Trust now has a policy of payment within 60 days, first introduced in July 2016, and performance against the policy in the previous two financial years is as follows:

	2018/19	2017/18
Total number of invoices within 60 days	80.7%	87.5%
Total value of invoices within 60 days	84.8%	88.2%

No significant interest was paid under the Late Payments of Commercial Debts (Interest) Act 1988.

## 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 98 describes how this is undertaken. The Board used the Well-Led Review carried out by the Care Quality Commission as a proxy for its review of internal control.

## 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 Chair and the Deputy Chair. The Chief Executive routinely attends meetings and the Chair of the Trust is Chair of the Committee. Membership during 2018/19 was as follows:

Name	Position
Adrian Belton	Chair
Malcolm Sugden	Deputy Chair
Les Jenkins	Public Governor (Lead Governor)
Eve Brown	Public Governor
Ron Catlow	Public Governor (until 4 December 2018)
Gerry Wright	Public Governor
Roy Greenwood	Public Governor
Robert Cryer	Public Governor (from 5 December 2018)

Key activities for the Committee during 2018/19 included work related to succession planning for Non-Executive Directors and the recruitment process for a substantive Chief Executive.

Appointments of a Chair of Audit Committee and a Chief Executive were approved by the Council of Governors on 23 May 2018 and 1 October 2018 respectively. The Committee commissioned the services of Gatenby Sanderson Ltd to support the search and recruitment process for the Non-Executive Director appointment.

## **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 26.2 of the Constitution of Stockport NHS Foundation Trust.

## **Council of Governors**

The Council of Governors presently has 26 seats, of which 24 represent the public (20) and staff (4) and are elected by our Members. The remaining 2 are appointed by partnership organisations which include the Stockport Metropolitan Borough Council and the education sector. The Council of Governors meets 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.

During 2018/19 the Council of Governors further developed its Committee arrangements, in order to enhance Committee effectiveness, and adjusted the focus of its three standing Committees as follows: review resulted in establishment of the following three Committees:

- Governance Committee
- Membership Engagement Committee
- Quality in Care Committee

The Governor Committees meet on a quarterly basis and provide reports and recommendations to the Council of Governors at their quarterly meetings.

The Council of Governors work closely with the Board of Directors and during 2018/19 Directors were routinely in attendance at meetings of the Council of Governors. The Governors have not exercised their power under paragraph 10c 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 strategic developments. The Trust ensures that Governors are provided with opportunities to develop their skills and knowledge, including participation at the North West Governors' Forum.

At a Council of Governors meeting held on 25 October 2018, Governors were given the opportunity to provide their opinions, and those of the members they represent, on the revised Strategy for the Trust as part of a comprehensive consultation process. Progress with the consultation exercise was subsequently reported to the Council of Governors on 5 December 2018. Members of the Board of Directors were present at both meetings to hear the views expressed by Governors.

The Council of Governors continued its 'new ways of working' approach throughout 2018/19 which aims to enhance Governor / Non-Executive Director engagement and improve the effectiveness of Council of Governors meetings. Governors participate in an informal preparatory session with the Chair prior to each Council meeting with other Non-Executive Directors participating as required. Governors have also enthusiastically supported participation on Patient Safety Walk-rounds to provide a Governor perspective on the Trust's arrangements and a number of our Governors have also been involved throughout the year in Patient Led Assessment of the Care Environment (PLACE) activities. Governors also had the opportunity to provide their views on the Trust during a workshop held with CQC inspectors during the Well-Led Review in October 2018.

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 influenza vaccination. 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 attendance at the Annual Members' Meeting, participation in member information sessions and membership recruitment activities.

- d) A number of Governors have participated as members of a working group lead by the Head of Communications to review the Membership Strategy and identify means for more effective and active engagement with both members and members of the public. Outcomes will be coordinated through the Membership Engagement Committee.

Governors operate on a non-paid voluntary basis but the Trust does reimburse travel expenses. In 2018/19, four Governors were reimbursed a total of £752 (four Governors reimbursed a total of £620 in 2017/18).

## Elections 2018/19

Elections were held in 2018/19 in the following constituencies. The outcomes of the elections are shown in brackets:

Public:

- Tame Valley & Werneth (four Governors elected)
- High Peak & Dales (two Governors elected unopposed)
- Outer Region (one Governor elected)

Staff:

- Staff (four Governors elected)

Results of these elections, which were held under the independent scrutiny of Electoral Reform Services, were announced at the Annual Members' Meeting on 9 October 2018.

Elections to the Council of Governors in 2019/20 will take place during the period July – September 2019 and will be held in the Bramhall & Cheadle and Marple & Stepping Hill public constituencies. The Trust encourages nominations for election from all sections of the relevant constituencies and there are no specific skill sets or criteria required to become a Governor, other than membership of the Trust. Individuals who would like to find out more about either Trust membership or the role of Governors should contact Soile Curtis, Deputy Company Secretary, on telephone number 0161 419 5166.

## Membership of the Council of Governors

Details of our elected Governors and their attendance at meetings during 2018/19 are provided in the following tables:

Name	Constituency	Elected Until	Attendance at Governors' meetings
<b>Yvonne Banham</b>	Staff	Annual Members' Meeting 2018	2/3
<b>Isabel Daniel</b>	Staff	Annual Members' Meeting 2018	1/3
<b>Christopher Hudsmith</b>	Staff	Annual Members' Meeting 2018	0/3
<b>Caroline Mitchell</b>	Staff	Annual Members' Meeting 2021	3/5
<b>Christopher Dawson</b>	Staff	Annual Members' Meeting 2021	2/2

<b>Name</b>	<b>Constituency</b>	<b>Elected Until</b>	<b>Attendance at Governors' meetings</b>
<b>Jo Keyes</b>	Staff	Annual Members' Meeting 2021	2/2
<b>Kathryn Glass</b>	Staff	Annual Members' Meeting 2021	2/2
<b>Robert Cryer</b>	Public – Bramhall & Cheadle	Annual Members' Meeting 2019	4/5
<b>Maureen Harrison</b>	Public – Bramhall & Cheadle	Resigned in October 2018	1/3
<b>Tony Johnson</b>	Public – Bramhall & Cheadle	Annual Members' Meeting 2019	4/5
<b>Linda Appleton</b>	Public – Tame Valley & Werneth	Annual Members' Meeting 2021	3/5
<b>Roy Driver</b>	Public – Tame Valley & Werneth	Annual Members' Meeting 2018	0/3
<b>Alan Gibson</b>	Public – Tame Valley & Werneth	Annual Members' Meeting 2018	0/3
<b>Roy Greenwood</b>	Public – Tame Valley & Werneth	Annual Members' Meeting 2021	4/5
<b>Terry Morley</b>	Public – Tame Valley & Werneth	Annual Members' Meeting 2021	2/2
<b>Carlton Lyons</b>	Public – Tame Valley & Werneth	Annual Members' Meeting 2021	2/2
<b>Eve Brown</b>	Public – Heatons & Victoria	Annual Members' Meeting 2020	5/5
<b>Catherine Barton</b>	Public – Heatons & Victoria	Annual Members' Meeting 2020	2/5
<b>Gerald Wright</b>	Public – Heatons & Victoria	Annual Members' Meeting 2020	5/5
<b>Tad Kondratowicz</b>	Public – Heatons & Victoria	Annual Members' Meeting 2020	5/5
<b>Ronald Catlow</b>	Public – Marple & Stepping Hill	Annual Members' Meeting 2019	5/5
<b>Les Jenkins</b> <i>(Lead Governor)</i>	Public – Marple & Stepping Hill	Annual Members' Meeting 2019	4/5
<b>Richard King</b>	Public – Marple & Stepping Hill	Annual Members' Meeting 2019	5/5
<b>Julie Wragg</b>	Public – Marple & Stepping Hill	Annual Members' Meeting 2019	2/5
<b>Lance Dowson</b>	Public – High Peak	Annual Members' Meeting 2021	3/5
<b>Lynne Woodward</b>	Public – High Peak	Annual Members' Meeting 2021	4/5
<b>Barbara Vaughan</b>	Public – Tameside	Annual Members' Meeting 2018	0/3
<b>Raees Khan</b>	Public – Outer Region	Annual Members' Meeting 2018	0/3
<b>Charles Galasko</b>	Public – Outer Region	Annual Members' Meeting 2021	1/2
<b>Tom McGee</b>	Appointed – Stockport MBC	Annual Members' Meeting 2019	5/5

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 Soile Curtis, Deputy Company Secretary on 0161 419 5166 or [soile.curtis@stockport.nhs.uk](mailto:soile.curtis@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

Membership of the NHS Foundation Trust is open to any individual who:

- is over 11 years of age; and
- is entitled under our Constitution to be a member of one of the public constituencies or 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 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. Membership 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 the staff constituency and who:

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

shall become members.

## **Membership Numbers**

### **Public Members by Constituency (as at 31 March 2019)**

<b>Constituency</b>	<b>No. of Members</b>
Bramhall and Cheadle	2,510
Tame Valley and Werneth	1,973
The Heatons and Victoria	2,056
Marple and Stepping Hill	2,584
High Peak and Dales and Tameside and Glossop	1,387
Outer Region	773
<b>Total</b>	<b>11,283</b>

## Staff Members (as at 31 March 2019)

Constituency	No. of Members
Staff	5,008

## Membership Development & Involvement

In 2018/19 we continued to progress our Membership Strategy and developed a full plan detailing a number of objectives, the implementation of which was led and monitored by the Council of Governors through the Governance & Membership Committee. This included membership recruitment and development and communication with members.

We worked closely with our Governors over the course of the year and formed a working group of Governors, led by the Head of Communications, to review the membership strategy. The refreshed strategy sets out a framework to deliver and develop the benefits of membership and details how we intend to sustain and build on our membership numbers. The strategy sets out the nature of the relationship we seek to have with our membership and what benefits both parties can expect to derive from that relationship.

The Guiding principles of the Membership Strategy are that:

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

We consider 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.
- 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 2018/19 events for members which took place in the Trust included:

- 'Eye Opener' – a health talk about eye health and cataracts
- 'Love Hearts' – a health talk about heart disease and looking after your heart
- 'As Good as New' – a health talk about hip and knee replacement
- 'Take a Look Inside' – a tour of our Radiology department
- Annual Members' Meeting

Our regular communication with members includes:

- Our "Stepping Up" members' magazine
- The members' section on the Trust's website

- Use of social media, including Twitter and Facebook
- Regular e-mail updates to members who have provided an e-mail address
- An organised programme of events aimed at both members and members of the public offering public health messages and delivered with the support of Governors
- Events which facilitate communication between Governors and members advertised in “Stepping Up”, on the Trust’s website, in the local press, on Twitter and by means of posters on Trust sites.

As part of our refreshed strategy, we plan to conduct a membership survey and audit and the survey will seek the views of members on the type of events they would like to see during 2019/20. Performance indicators are set for all of our engagement events and outcomes will be used by the Membership Committee to evaluate the success of activities during 2019/20.

## **Quality Governance Reporting**

The Trust has systems and processes in place to ensure the robust governance of service quality. Indicators of service quality, which include performance against national targets, as well as national and local measures on clinical quality, financial and workforce issues, are reported and monitored at Business Group level. The Business Groups are held to account by the Executive Team for achievement of these metrics at bi-monthly performance reviews. Outcomes from these reviews are reported to the relevant Board assurance committees which in turn, report to the Board of Directors via key issue reports. The Board also receives a monthly compliance report which highlights the exceptions to meeting national and local indicators and this is supported by detailed data within the Integrated Performance Report (IPR). The Board of Directors considers a ‘Patient Story’ at each meeting which brings the practical impact of service quality to the heart of the Boardroom. The Board of Directors also reviews the outcomes of a six-monthly strategic staffing review, in line with national guidance, which supplements a monthly safe staffing report included in the IPR.

Risks to quality may be identified and assessed at any level of this process and will then be monitored via Business Group, Department or Trust-level risk registers depending on the severity of the risk. In addition to the arrangements described above, we continue to run two quality and safety-related ‘summit’ meetings which were first introduced during 2017/18. A weekly Patient Safety Summit, chaired by the Chief Nurse, serves to monitor patient safety incidents and identify themes and immediate lessons learned for sharing widely across the Trust. We use a fortnightly Patient Quality Summit to plan means of embedding and assuring safe, high quality care for our patients.

We implemented a Quality Governance Framework in April 2018 and have worked throughout 2018/19 to develop and embed effective practice for the five Executive-led management groups which form the basis of the Framework. The business of these groups is concentrated on the following subject areas:

- Infection Prevention and Control
- Medicines Optimisation
- Patient Experience
- Quality Governance
- Safeguarding

Each of these groups consider the key risks to delivery of objectives in their respective areas and report assurance on progress by means of key issues report to the Quality Committee.

## Quality Improvement Strategy

Improvements in the quality of healthcare and progress towards meeting national and local targets are monitored formally through the Trust's quality governance reporting structure, from business group to Board of Directors, via performance reviews and the Board assurance committees. The Integrated Performance Report tracks the progress through this structure. During 2018/19 we refreshed the Quality Improvement Strategy and implemented a two-year Quality Improvement Plan 2018-2020 in April 2018. Progress against objectives set out in the Quality Improvement Plan is monitored by the Quality Governance Group with assurance on progress reported to the Board via the Quality Committee. Detailed information on progress against 2018/19 objectives, together with information on improvement targets for 2019/20 can be found in the Trust's Annual Quality Report on page 109.

## Clinical Audit

Clinical audit is well established in the Trust as an effective means of monitoring quality in an on-going systematic manner. The Trust engages in a full annual programme of both local and national audits, with the results informing service improvements. Clinical audit results are shared within Business Groups at quarterly audit days, whilst also being reported from the Clinical Audit Steering Group through the quality governance reporting structure described above. The Trust's Audit Management & Tracking (AMaT) system has been embedded in practice during 2018/19 and has enhanced the monitoring and transparency of clinical audit and quality improvement projects. Full details of the 2018/19 clinical audit programme can be found in the Annual Quality Report on page 109.

## Care Quality Commission Reviews

The Trust is fully registered with the Care Quality Commission (CQC) for all its services and locations and was not subject to any enforcement actions during 2018/19. The CQC carried out unannounced inspections in September 2018 of the following core services:

- Urgent and Emergency Services
- Medical Care
- Maternity
- Community Health Services for Adults

Outcomes of both the inspections and a Well Led Review undertaken in October 2018 were subsequently published in December 2018. The CQC found that there had been improvements across all the core services inspected and upgraded the rating for three areas that had previously been assessed as 'Inadequate'. Our Improvement Journey during 2018/19 had been informed by a comprehensive Safe, High Quality Care Improvement Plan and resulted in a total of 12 areas of improvement across the services which were inspected. The improvements achieved in the Well Led domain, where the Trust was rated as 'Good' for core services, were particularly satisfying and the inspection also confirmed that we had successfully completed all of the 'Must Do' actions which had previously been identified in Community Health Services for Adults.

While the overall rating for the Trust remained as 'Requires Improvement', the outcomes from the inspection clearly demonstrated that significant progress had been made since previous inspections in 2017. We reviewed the content of our Safe, High Quality Care Improvement Plan following publication of the inspection report to incorporate 'must do' and 'should do' actions and the Plan will continue to be the basis for implementation of further improvements during 2019/20. The Board of

Directors is assured that we have the skills, dedication and ambition to satisfactorily address remaining weaknesses and ensure that we provide the best possible level of care to each and every patient. Successful implementation of our quality improvement plans will ensure that further improvements are made, embedded and sustained across all Trust services.

### **Commissioning for Quality & Innovation (CQUIN)**

A proportion of the Trust's income in 2018/19 was conditional on achieving quality improvement and innovation goals agreed with Commissioners through the Commissioning for Quality and Innovation payment framework (CQUIN). The level of income associated with these goals in 2018/19 was £5.6m which represented 2.5% of income in line with national guidance. We made good progress against most of the CQUIN indicators during 2018/19 and full details can be found in the Trust's Annual Quality Report on page 109.

### **Service improvements following staff or patient surveys**

The Trust captures patient feedback in a variety of ways which include:

- Annual national surveys e.g. the national inpatient survey
- The Friends and Family Test
- Monthly iPad surveys
- Complaints and compliments
- Care Opinion website

In addition, many of our services ask patients to complete bespoke questionnaires in order to gather local insight and understanding of care delivery. Feedback from these different approaches enriches our understanding of the patient and family experience and strengthens our ability to identify themes and trends that highlight areas for improvement. The feedback also identifies where we are getting things right, which can be a great motivator for staff.

The questions used for our iPad surveys are reviewed on an annual basis to ensure that all questions are relevant and up to date. This review also allows us to focus on aspects of care where it has been identified that a greater level of surveillance or a greater understanding of a particular issue is required. The surveys themselves are carried out by our volunteers who support patients in completing the surveys. We ensure that volunteers receive feedback themselves on survey outcomes by means of updates in the bi-monthly Volunteers Newsletter. Patient stories continue to be a feature at the monthly meetings of the Board of Directors and are also used to support staff training as appropriate, illustrating a particular aspect of care from the patient's point of view.

Examples of service improvements introduced as a result of feedback during 2018/19 include:

- Outcomes from audits carried out by night sisters to monitor compliance with Noise at Night standards resulted in the introduction of a Sound Ear system which allows staff to effectively monitor noise levels
- We reviewed information available to patients and their families on wards to ensure a standardised approach and have installed Safety & Quality boards in all our ward areas which display a range of patient and staff information
- We introduced 'Behind the Bed' boards so that patients will always have details of their named nurse and doctor and ward staff can see at a glance details of what is important to individual patients

- We implemented a range of 'Always Events' where staff work with patients to ensure that a series of essential standards are applied every time for each patient
- We introduced a volunteer service in the Outpatients Department with volunteers available to help patients who may experience difficulties to attend clinic appointments
- We introduced a 'Veterans Passport' for patients who have served in the armed forces. The passport provides a range of relevant information which ensures that patients' specific needs are taken into account when attending the Trust for consultation and/or treatment
- We further developed our 'Music in Hospital' programme
- We re-launched the 'Hello, my name is' initiative to ensure that patients and staff are able to use individuals' preferred names
- We completed a project to film patient stories for use in various settings for the sharing of patient experiences and provide opportunities for service improvements
- We extended our pet therapy initiative to provide a holistic service in both hospital and community settings
- We introduced table-size placemats which display a range of key information which contributes to a better-informed patient experience.

## **Improvements in patient / carer information**

Dementia packs are readily available for the families and carers of patients with dementia. Each pack contains a copy of "This is Me", a document which provides a snapshot of an individual's details e.g. preferred name, likes and dislikes, which can help staff to care for the patient and develop therapeutic relationships both in and out of the hospital setting. The pack also provides information on additional support services that family members may choose to access.

During 2018/19 we developed and launched a Patient, Carers, Family and Friends Strategy in partnership with patients and carers which provides the context and a framework for staff to work collaboratively with relevant stakeholders in the delivery of effective patient care. Our work is conducted in accordance with the National Institute of Clinical Excellence (NICE) quality standard for Patient Experience which informs provision of a quality service to ensure that the best standard of care is available for the people who use our services.

## **Complaints Handling**

The Trust received 402 formal complaints in 2018/19, compared with 471 in 2017/18 and 687 in 2016/17 and the continued reduction in complaint numbers results from our emphasis on proactively resolving concerns at a much earlier stage which means that fewer people then go on to lodge a formal complaint. Where complaints are received, we ensure that each complaint is subject to a thorough investigation and involve both patients and staff to gain an understanding of where we need to improve. The main themes of complaints received in 2018/19 related to:

- Treatment;
- Communication;
- Appointment / Admission;
- Patient Care; and
- Staff Values & Behaviours

These themes are monitored by means of a quarterly Patient Experience Report which is reviewed by Patient Experience Group and includes details of improvements to practice as a result of patient feedback. A particular development in 2018/19 has been continued focus on robust and timely

investigation of complaints and an emphasis on ensuring that all complainants receive a comprehensive and complete response.

In 2018/19 twelve cases were accepted for review by the Parliamentary & Health Service Ombudsman (PHSO); four reviews remain ongoing. Ten final reports were received from the PHSO in 2018/19, three complaints were partially upheld and seven were not upheld. The reasons for upholding a complaint included the lack of an appropriate apology, insufficient record keeping, delay to undertake tests, method of treatment and poor communication with patients, family and other health professionals. Responses to upheld complaints include apology and financial restitution, and an action plan is developed to mitigate the risk of reoccurrence.

## **Remuneration Report 2018/19**

### **Remuneration and Appointments Committee**

The Board of Directors has established a Remuneration and Appointments Committee. Its responsibilities include the review and consideration of remuneration and conditions of service of the Chief Executive and Executive Directors and appointments to Executive Director positions.

#### **Chairman's Statement**

The Remuneration and Appointments Committee met on six occasions during the reporting period to consider the following business:

- Recruitment and Appointment of a Chief Executive
- Executive Team Structure
- Executive Team Succession Planning
- Recruitment and Appointment of Director of Workforce
- Recruitment and Appointment of Director of Finance
- Appointment of Director of Strategy, Planning & Partnerships
- Inflationary Pay Award
- Review of Committee Terms of Reference

In determining and reviewing remuneration for Executive Directors, the Committee takes into account relevant benchmarking with other NHS and public sector organisations, guidance from NHS Improvement, national inflationary uplifts recommended for other NHS staff, and any variation or change to the responsibilities of Executive Directors. With regard to remuneration, the one major decision taken by the Committee in respect of senior managers' remuneration during 2018/19 was to approve a flat rate uplift of £2,075 per annum, back dated to 1 April 2018, for Executive Directors in accordance with guidance set out in correspondence from Mr I Dalton, Chief Executive, NHS Improvement, dated 19 December 2018.

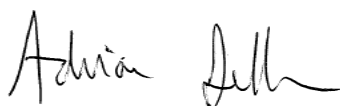
All Executive Directors are subject to an annual appraisal which is completed with the Chief Executive. The appraisal for the Chief Executive is completed with the Chairman. As with all other staff in the organisation, performance against agreed objectives is discussed at appraisal meetings together with objectives for the forthcoming year.

Membership of the Committee and attendance at meetings during 2018/19 is detailed in the table below:

Name	Title	Attendance
Mr A Belton	Chair	6/6
Mr M Sugden	Deputy Chair	5/6
Mrs C Anderson	Non-Executive Director	6/6
Mrs C Barber-Brown	Non-Executive Director	4/6
Dr M Cheshire	Non-Executive Director	5/6
Mr J Sandford	Non-Executive Director	2/2
Mr D Hopewell	Non-Executive Director	3/4
Ms A Smith	Non-Executive Director	4/6

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 received support for the recruitment processes for the Chief Executive position from Gatenby Sanderson Ltd and for the Director of Workforce / Director of Finance positions from Finegreen Ltd during the period covered by this report.

The contracts of employment of all substantive 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.



**Adrian Belton**  
**Chair**  
**28 May 2019**

## Business Expenses

As with all staff, the Trust reimburses the business expenses of Non-Executive Directors and Executive Directors that are necessarily incurred during the course of their employment, including sundry expenses such as car parking and transport costs such as rail fares.

The expenses paid to Directors during the year were:

	2018/19	2017/18
Total number of Directors in office	18	18
Number of Directors receiving expenses	8	7
Aggregate sum of expenses paid to Directors	£3,488	£2,860



## Off-Payroll Arrangements

As part of the remuneration report, we are required to present the following tables showing the numbers of staff employed through other means than the payroll, classed as off-payroll staff. These are staff that are paid the equivalent of more than £245 per day and have an engagement lasting longer than six months. It is Trust policy that 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 or via the agency payroll. The arrangements apply to a number of interim managers but not to medical agency staff.

Table 1

	2018/19	2017/18
No of existing arrangements as of 31 March 2019	Nil	Nil
Of which:		
Less than one year at time of reporting	-	-
Between one and two years at time of reporting	-	-
Between two and three years at time of reporting	-	-
Between three and four years at time of reporting	-	-
Four or more years at time of reporting	-	-

Table 2

	2018/19	2017/18
No of new engagements, or those that reached 6 months duration, between 1 April 2018 and 31 March 2019 of which:	Nil	Nil
- Number assessed as within the scope of IR35	-	-
- Number assessed as not within the scope of IR35	-	-
Number engaged directly (via PSC contracted to trust) and are on trust's payroll	-	-
Number of engagements reassessed for consistency / assurance purposes during the year	-	-
Number of engagements that saw a change to IR35 status following the consistency review	-	-

Table 3

	2018/19	2017/18
Number of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year.	Nil	Nil
Number of individuals that have been deemed "board members and/or senior officials with significant financial responsibility". This figure should include both off-payroll and on-payroll engagements.	18	21

## Exit Packages

Redundancy and other departure costs are paid in accordance with the provisions of the NHS Scheme and Trust policies. Any exit packages exceeding contractual amounts, and outside the terms of the normal pension scheme provisions, require Treasury approval before they are offered. The Trust did not offer a Mutually Agreed Resignation Scheme or Voluntary Redundancy Scheme in 2018/19. The following tables show the exit packages for 2018/19 and comparator to 2017/18:

### 2018/19

Exit package cost band (including any special payment element)	Number of compulsory redundancies 2018/19	Number of other departures agreed 2018/19	Total number of exit packages 2018/19
<£10,000	3	-	3
£10,001 - £25,000	-	-	-
£25,001 - £50,000	-	-	-
£50,001 - £100,000	-	-	-
£100,001 - £150,000	-	-	-
£150,001 - £200,000	1	-	1
>£200,000	-	-	-
<b>Total number of exit packages by type</b>	<b>4</b>	<b>0</b>	<b>4</b>
Total resource cost	£176,041	£0	<b>£176,041</b>

### Comparator to previous year 2017/18

Exit package cost band (including any special payment element)	Number of compulsory redundancies 2017/18	Number of other departures agreed 2017/18	Total number of exit packages 2017/18
<£10,000	-	-	-
£10,001 - £25,000	1	-	1
£25,001 - £50,000	-	-	-
£50,001 - £100,000	1	-	1
£100,001 - £150,000	-	1	1
£150,001 - £200,000	-	-	-

>£200,000	-	-	-
<b>Total number of exit packages by type</b>	<b>2</b>	<b>1</b>	<b>3</b>
Total resource cost	£87,475	£100,289	<b>£187,764</b>

The non-compulsory elements are further broken down in the following table:

	<b>2018/19</b>		<b>2017/18</b>	
Exit packages: other non-compulsory departure payments	Payments agreed number	Total value of agreements £000	Payments agreed number	Total value of agreements £000
Voluntary redundancies including early retirement contractual costs	-	-	1	100
Mutually agreed resignations (MARS contractual costs	-	-	-	-
Early retirements in the efficiency of the service contractual costs	-	-	-	-
Contractual payments in lieu of notice	-	-	-	-
Exit payments following Employment Tribunals or court orders	-	-	-	-
Non-contractual payments requiring HMT approval	-	-	-	-
<b>Total</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>100</b>

## Consultancy Costs

The Trust procures expert advice in order to deliver key projects where the Trust does not have internal expertise or, in some circumstances, may not have the capacity. Consultancy costs incurred in 2018/19 are summarised as follows:

Consultancy area	£000	Note
<b>Strategy:</b> The provision of objective advice and assistance relating to corporate strategies, appraising business structures, value for money reviews, business performance measurement, management services, product design and process and production management	45	(a)
<b>IT/IS:</b> The provision of objective advice and assistance relating to IT/IS systems and concepts, including strategic studies and development of specific projects. Defining information needs, computer feasibility studies and making computer hardware evaluations. Including consultancy related to e-business	180	(b)
<b>Human Resource, training and education:</b> The provision of objective advice and assistance in the formulation of recruitment, retention, manpower planning and HR strategies and advice and assistance relating to the development of training and education strategies	84	(c)
<b>Programme and Project Management:</b> The provision of advice relating to ongoing programmes and one-off projects. Support in assessing, managing and or mitigating the potential risks involved in a specific initiative; work to ensure expected benefits of a project are	0	

realised		
<b>Property and Construction:</b> The provision of specialist advice relating to the design, planning and construction, tenure, holding and disposal strategies. This can also include the advice and services provided by surveyors and architects	4	(d)
<b>Finance:</b> The provision of objective finance advice including advice relating to corporate financing structures, accountancy, control mechanisms and systems. This includes both strategic and operational finance.	130	(e)
<b>Technical:</b> The provision of applied technical knowledge. To aid understanding, this can be sub-divided into: - Technical Studies: Research based activity including studies, prototyping and technical demonstrators	35	(f)
<b>Procurement:</b> The provision of objective procurement advice including advice in establishing procurement strategies	0	
<b>Total cost 2018/19</b>	<b>478</b>	

- (a) The Trust commissioned external support to support a review of governance arrangements and refresh of the Trust's strategy.
- (b) The Trust is investing in Acute and Community EPR services and this relates to the consultancy costs associated with the programmes.
- (c) The Trust has invested in Quality Improvement methodology and development of staff across the organisation. There has been a particular focus on the development of medical leadership.
- (d) The costs incurred for property relate to specialist fees for future building projects.
- (e) The Trust commissioned consultancy support in order to support delivery of the cost improvement programme in 2018/19 and assist with development of efficiency opportunities for 2019/20.
- (f) The Trust has used specialist VAT advisors for general advice and specific projects relating to contracts.

### Fair pay multiple / 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 2018/19 was £200k - £205k (2017/18 £195k-£200k). The highest paid Director in 2018/19 was the Chief Executive, in 2017/18 the highest paid Director was the Medical Director. In 2018/19 this was 7.7 times the median remuneration of the workforce which was £26,177. In 2017/18 the fair pay multiple was 7.7 times and the median remuneration was £25,772.

In 2018/19 2 employees (2017/18 2 employees) received remuneration in excess of the highest paid director. The Trust has paid two director posts (three individuals due to the change in Chief Executive) in excess of the annual equivalent of £150,000 which is the threshold used by the Civil Service as a comparison to the Prime Minister's ministerial and parliamentary salary. The Remuneration Committee has satisfied itself that the salaries are reasonable and in line with other Foundation Trusts of a similar size.

A handwritten signature in black ink, appearing to read 'Louise Robson', with a stylized, cursive script.

**Louise Robson**  
**Chief Executive**  
**28 May 2019**

# **Salary and Pension Entitlements of Senior Managers**

## **Remuneration**

Name	Start Date of Office	Salary and allowances (in bands of £5,000) 2018/2019	Salary and allowances (in bands of £5,000) 2017/2018	All Pension Related Benefits (in bands of £2,500) 2018/2019	Total (in bands of £5,000) 2018/2019	Real increase/decrease during the reporting year in the pension at pension age (in bands of £2,500)	Real increase/decrease during the reporting year in related lump sum at pension age (in bands of £2,500)	Value at the end of the reporting year of the accrued pension at pension age (in bands of £5,000)	Value at the end of the reporting year of related lump sum at pension age (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)
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Executive Directors</b>												
Mrs A Barnes	01.03.2013	-	125 - 130	-	-							
Mrs H Thomson	06.01.2019	155 - 160	50 - 55	-	155 - 160							
Mrs L Robson	07.01.2019	45 -50	-	177.5 - 180.0	225 -230	2.5 - 5.0	7.5 - 10.0	70 - 75	215 - 220	1,331	105	1,658
Dr C Wasson	01.04.2016	195 -200	195 - 200	42.5 - 45.0	240 - 245	0.0 - 2.5	2.5 - 5.0	60 - 65	155 - 160	1,019	169	1,198
Mrs J Morris	01.07.2008	-	90 - 95	-	-							
Mrs R Holt	18.07.2017	-	30 - 35	-	-							
Mrs A Lynch	23.10.2017	115 -120	50 - 55	117.5 - 120.0	235 - 240	5.0 - 7.5	15.0 - 17.5	35 - 40	115 -120	655	189	851
Mrs J Shaw	01.01.2013		110 - 115	20.0 - 22.5								
Mrs H Brearley		125 -130	-	-	125 -130							
Mr M Patel	03.08.2015	115 -120	115 - 120	0.0 - 2.5	115 -120	0.0 - 2.5	(2.5 - 5.0)	30 - 35	65 - 70	397	66	467
Mr P Buckingham	01.01.2017	85 -90	90 - 95	-	85 -90							
Mrs S Toal	01.12.2016	110 - 115	105 - 110	25.0 - 27.5	135 -140	0.0 - 2.5	5.0 - 7.5	50 - 55	155 - 160	1,045	145	1,201
Mr H Mullen	01.11.2017	120 -125	50 - 55	-	120 -125	(5.0 - 7.5)	10.0 - 12.5	50 - 55	185 - 190	1,289	(10)	1,287
Mrs C Drysdale	01.01.2018	195 - 200	25 - 30	-	195 -200							
Mrs D Lynch	01.12.2016	-	0 - 5	-	-							
Mrs M Wood	01.05.2018	70 - 75	-	-	70 -75							
<b>Non Executive Directors</b>												
Mrs G Easson *		-	0 - 10									
Mr A Belton*		45 - 50	45 - 50									
Mr J Sandford		0 - 5	15 - 20									
Mr M Sugden		15 - 20	15 - 20									
Dr M Cheshire		15 - 20	15 - 20									
Mrs A Smith		10 - 15	10 - 15									
Mrs C Anderson		10 - 15	10 - 15									
Mrs C Barber-Brown		10 - 15	10 - 15									
Mr D Hopewell		10 - 15	-									
		2018/2019	2017/2018									
		£000	£000									
<b>Band of Highest Paid Director's Total</b>		200 - 205	195- 200									
		£	£									
<b>Median Total</b>		26,177	25,772									
<b>Remuneration Ratio</b>		7.7	7.7									

Notes to the Remuneration Table (which is subject to audit)

1. Mrs A Barnes retired from her post as Chief Executive on 31 December 2017. Mrs H Thomson was appointed as Interim Chief Executive on 1 January 2018 and retired on 6 January 2019. Mrs L Robson was appointed as Chief Executive from 7 January 2019.
2. Mrs G Easson completed her term of office as Chair on 31 May 2017. Mr A Belton was appointed as Chair from 1 June 2017.
3. Mr J Sandford retired on 30 June 2018 and was replaced by Mr D Hopewell who was appointed as a Non-Executive Director from 2 July 2018.
4. Mrs J Morris retired from her post as Director of Nursing & Midwifery on 31 December 2017, having worked on secondment to NHS England from 30 June 2017. Mrs R Holt was Acting Director of Nursing, on secondment from NHS England from 18 July 2017 to 22 October 2017. Ms A Lynch was appointed as substantive Director of Nursing from 23 October 2017.
5. Mrs J Shaw, Director of Workforce & Organisational Development left the Trust on 31 March 2018 and was replaced by Mrs H Brearley from 27 March 2018.
6. Mrs D Lynch, Acting Director Strategy & Planning, left the Trust on 30 April 2017.
7. Mrs C Drysdale was appointed as Managing Director Stockport Neighbourhood Care on 1 January 2018 and exited the Trust on 30 July 2018. Remuneration figures for 2018/19 include exit package costs.
8. Dr C Wasson's salary as Medical Director reflects his full salary which is split 65% for his Executive Director role and 35% for his clinical role. Dr Wasson's pension benefit values reflect the fact that he opted out of the pension scheme during 2018/19.
9. Mr P Buckingham retired from his post as Director of Corporate Affairs on 28 February 2019.
10. Mrs M Wood was seconded to the Board of Directors as Improvement Director between May 2018 and December 2018.
11. As at April 2019, the NHS Business Services Authority was awaiting confirmation that the Government will appeal the ruling made by the Court of Appeal on 20 December 2018 in relation to changes made to pension benefits in 2015. The impact of the 'McCloud judgement' has yet to be assessed and the benefits and related cash equivalent transfer values (CETV) disclosed in the Remuneration table do not allow for any potential future adjustments that may arise from this judgement.

## Staff Report

### Our Workforce

We recognise the exceptional work of all our staff and we have created a variety of initiatives and schemes to help engender the commitment and hard work of our dedicated workforce during what was a challenging year in 2018/19. These initiatives have included; implementation of a leadership management development framework, supporting a compassionate and inclusive leadership culture to engage staff at all levels and supporting the development of a robust performance culture.

Our services are delivered by a committed workforce and the average number of whole time equivalent (WTE) staff, employed on both a permanent and other basis, is detailed in the table below:

Category	Permanent	Other	2018/19	2017/18
Medical & dental	507	40	547	533
Administration & estates	813	2	815	760
Healthcare assistants & other support staff	987	143	1,130	1,207
Nursing, midwifery & health visiting staff	1,649	140	1,789	1,765
Scientific, therapeutic & technical staff	677	9	686	667
<b>Total average numbers</b>	<b>4,633</b>	<b>334</b>	<b>4,967</b>	<b>4,932</b>
<b>Of which:</b>				
Number of employees (wte) engaged on capital projects	1	0	1	5

Staff costs for the year, with comparative 2017/18 costs, were as follows:

Category	Permanent £000	Other £000	2018/19 £000	2017/18 £000
Salaries & wages	167,679	1,967	169,646	158,243
Social security costs	13,945	-	13,945	13,512
Apprenticeship levy	751	-	751	791
Employer's contributions to NHS pensions	18,931	-	18,931	18,144
Pension cost - other	54	-	54	23
Temporary staff – external bank	-	9,452	9,452	10,487
Temporary staff – agency/contract	-	11,219	11,219	11,978
<b>Total gross staff costs</b>	<b>201,360</b>	<b>22,638</b>	<b>223,998</b>	<b>213,178</b>
<b>Of which:</b>				
Costs capitalised as part of assets	43	-	43	259

Staff costs for the Group include staff employed by the Trust subsidiary, Stepping Hill Healthcare Enterprise Limited. Our employee workforce of 4,541 whole time equivalent staff relates to a headcount of 5,328 staff as at 31 March 2019 and the profile of staff by gender is 80% Female and 20% Male, of which:

Gender Headcount	Male	Female	Total
Directors	7	6	13
Other Senior Managers	3	1	4
Other Employees	1,046	4,265	5,328



In 2018/19 we made successful appointments to 22 Consultant positions (21.15 wte) and 235 Qualified Nurses (200.74 wte) during the year up to 31 March 2019.

## **Recruiting and retaining our people**

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

Employing over 5,300 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 and developing the skills that our staff bring to us. All staff complete corporate and local induction and e-learning training which includes raising awareness of relevant Trust policies. We have a permanent headcount staff turnover rate of approximately 13.3%. The Trust's Recruitment & Retention Strategy, reviewed in October 2018, sets out the many challenges we face in achieving our aim of recruiting and retaining a workforce with the requisite skills, within an environment which supports flexible and healthy working practices and professional development to make the Trust an employer of choice.

Our Recruitment and Selection Policy provides for the equity of treatment for all candidates and prospective employees, including applications made by disabled persons. The Trust has committed its support to the 'two ticks' scheme (positive about disabled people) guaranteed interview scheme and has pledged to support *Step into Health*, a recruitment initiative targeted at attracting talent from the Armed Forces community.

Despite implementation of the Recruitment & Retention Strategy, we continued to experience difficulties in recruiting suitable candidates to a number of consultant vacancies. These difficulties reflect the national position and the affected areas include the Radiology sub-specialties of Breast and Neuro, Emergency Medicine and Acute Physicians. The most important method of securing substantive medical staff is attracting individuals to high performing, cohesive teams that are well led. Reputation of individual specialties is a key factor, along with attractive service developments which enable specialist interests to be pursued. We work with Training Programme Directors to attract trainees due to obtain their Certificate of Specialist Training to ensure that the best calibre consultants know about specialty teams well in advance of their qualification.

Despite the challenges to recruitment of medical staff, we have been successful in making substantive appointments, particularly in surgical specialties. We have also successfully made appointments in some of the harder to fill specialties such as Emergency Medicine, Radiology and the Department for Older People. The Trust has also developed support structures that enable doctors to qualify as consultant using the CESR route for entry to the specialist register.

We continued to experience challenges relating to numbers of qualified nursing vacancies throughout 2018/19 and have explored opportunities for overseas recruitment, particularly in India, and secured approval for the appointment of a further 24 recruits through this route towards the end of Quarter 4 2018/19. In October 2018 we implemented the 'Trac' recruitment system, an electronic system which will help to deliver a more streamlined and efficient end to end recruitment process and includes tools designed to reduce our overall 'time to hire'.

Whilst the challenges are significant, we are confident that with the participation and commitment of every member of staff at every level, we will achieve and maintain a skilled and dedicated workforce that is representative of the local community and capable of delivering high quality and compassionate patient care to the people of Stockport and surrounding areas. In summary our strategy covers both recruitment and retention and the short, medium and long term objectives of the Trust, in relation to how it attracts, develops and retains our workforce. Plans have been reviewed and refined in the context of prevailing recruitment challenges and are expected to have a positive impact in 2019/20.

## Health and Wellbeing

Our commitment to the Health and Wellbeing of our staff is an area of priority and focus and is a 'golden thread' that runs through our People Strategy. 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** and understand that 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, be committed to their work and to reach their full potential.

Our Workforce Health & Wellbeing Strategy is a crucial element for delivery of the Trust's commitment to improve the health and wellbeing of our workforce and brings together multiple strands to effect this improvement. The key themes of the strategy are aimed at:

- Engaging all staff to identify, develop and improve their health and wellbeing through; increased physical activity, smoking cessation, reduced alcohol consumption, effective weight management and positive 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; and
- Recognising the importance of wellbeing and ensuring assistance is provided to help staff to remain at work and to return to work following a period of absence.

We have demonstrated our commitment to supporting our staff through facilities such as; the availability of dedicated staff counselling support services, in-house Occupational Health services and access to a fast-track physiotherapy service, together with a number of other initiatives including:

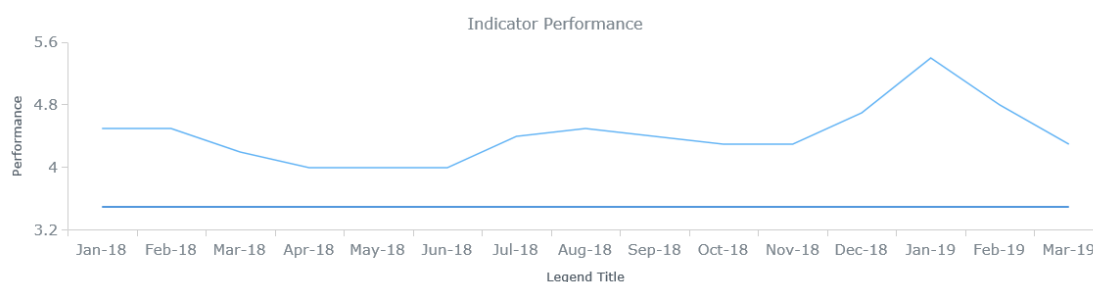
- Programme of health and wellbeing campaigns
- Spiritual and pastoral care
- Preventive interventions e.g. stress risk assessments and facilitated team working
- Coaching and guidance for managers
- Personal resilience and mindfulness workshops
- Staff benefits and incentives
- Smoking cessation support and advice
- Medication service
- Health and wellbeing lifestyle assessments
- Personal online wellbeing resource centre
- Subsidised exercise classes, health walks and running club

Our Occupational Health Service is designed to maximise the physical, psychological and social health of all staff and to support managers by undertaking health interventions and providing advice on medical issues. In addition to core services of new employee health assessments, management referrals and immunisation / 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 Occupational Health Service leads on the delivery of the staff flu vaccination each autumn with the assistance of many link nurses and achieved a good uptake of 78% of clinical staff during 2018/19.

Our service continues to be successful in retaining accreditation of the national quality assurance scheme called Safe, Effective, Quality Occupational Health Service (SEQOHS) which provides assurance on quality and effectiveness and allows the service to bid for new occupational health work in the region. The Trust continues to explore potential service reconfiguration of Occupational Health services with local trusts to maintain and enhance the services provided for NHS staff.

## Sickness Absence Data

The chart below details our sickness absence performance during 2018/19.



We have reviewed our sickness absence policy and supporting procedures, in partnership with our trade union colleagues, to enable staff and managers to better address the challenges presented by staff ill health. Progress towards an internal target of 3.5% absence continued to be a key objective for the Trust throughout 2018/19.

## Working in Partnership

We take a partnership approach to working with staff through our Joint Consultative and Negotiating Committee (JNCC) and Local Negotiation Committee (LNC). Both of these forums are attended by members of our Executive Team and include representatives from our staff side colleagues and trade union representatives. These meetings focus upon consulting with staff in a constructive manner in relation to key service changes across the Trust, as well as discussing and seeking approval of policies and procedures. Both forums share chairing arrangements between staff and management, and executive directors and senior managers are regularly in attendance. Major project developments will also include a local staff representative, as part of steering groups to ensure positive levels of union engagement.

## The Trade Union (Facility Time Publication Requirements) Regulations 2017

Table 1

Relevant Union Officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
35	31.48fte

Table 2

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	0
1%-50%	34
51%-99%	1
100%	0

Table 3

Percentage of pay bill spent on facility time

	Figures
Provide the total cost of facility time	£175,336
Provide the total pay bill	£212,858,000
Percentage of total pay bill spent on facility time	0.08%

Table 4

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	100%
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### Staff Engagement

The Trust had a cascade communication system in place for the majority which was initiated through a monthly Team Brief by the Chief Executive. Key messages were shared with all staff across the organisation, with an opportunity for staff to ask questions. The approach was designed to ensure that all staff are aware of the latest developments and are kept abreast of the Trust's performance across all areas. This approach was supplemented by Weekly Updates from the Chief Executive, cascaded by e-mail to 'All Users', which include a message to staff from the Chief Executive together with latest news and Trust developments.

During 2018/19 we introduced a 'New Starter' event where staff who reach the first anniversary of their employment are invited to meet with the Chief Executive and Director of Workforce for an informal discussion. Staff are encouraged to share their experiences of their first 12 months with the Trust and suggest ways in which these experiences could be improved. We involved staff in a comprehensive consultation process as part of the development of a revised Trust Strategy. The consultation period ran from October – December 2018 and involved face-to-face engagement with over 600 members of staff from departments across the Trust.

The Trust has a Culture & Engagement Plan, managed by a Culture & Engagement Group, which seeks to maximise staff involvement and increase opportunities for 'face to face' discussion to support successful transformational change. As well as helping to support people through change

by keeping them well informed, the plan plays a key role in engagement and productivity; enhancing a culture of openness, honesty and trust. Fostering and promoting a culture of openness is a prime interest of the Board and the importance of the Freedom to Speak Up Guardian role as a conduit for staff to raise concerns is fully recognised. All staff are able to access the Guardian for independent advice and support, and awareness-raising of the role and service provided is promulgated by means of Trust-wide communications, such as posters and screensavers. The Guardian provides individuals who raise concerns with assurance on protection from detriment.

At a time of significant transformation and challenge, maintaining an engaged workforce is more important than ever. Our staff have a valuable perspective on what is happening within the Trust and within their teams and their views of how their service is operating provide an important perspective to inform effective service delivery.

## **Equality, Diversity and Inclusion**

During 2018/19 we have continued on our journey and commitment to ensuring that our services and employment practices are fair, accessible and inclusive for the diverse communities which we serve and the workforce we employ. A culture of fairness and inclusion means that our patients, staff and anyone who comes into contact with the Trust feels valued and respected. Our Equality, Diversity & Inclusion Annual Report, published on the Trust website, re-affirms our commitment to the principles of equality and diversity. It sets out an ambitious agenda for action, ensuring that we meet our general and specific duties for equality, as required by legislation, and that we work effectively to meet the needs of our diverse workforce, patient population and the communities we serve.

Employees who become disabled during their employment are supported via a number of mechanisms, including a reasonable adjustment policy. This policy sets out what managers and staff need to know to support them in making decisions about applying for and considering requests for reasonable adjustments in the workplace and discussing requests from patients about how they could receive more accessible services across a range of different settings.

## **Governance**

The Trust has established an Equality, Diversity & Inclusion (EDI) Steering Group which is led by the Trust Chair and includes representatives from all key business group areas. The reports to the People Performance Committee and provides direction for promoting and maintaining EDI principles and requirements across the Trust in relation to both workforce activities and service delivery. This includes compliance with legislative, contractual and policy requirements and the adoption and embedding of good practice across all Trust functions.

All new or revised policies are subject to an equality impact assessment to ensure that policies support advancements in equality and do not have a negative impact upon any particular groups. Completion of such assessments also serves to ensure compliance with our duties under the Equality Act 2010.

## **Workforce Race Equality Standard (WRES)**

NHS England introduced the Workforce Race Equality Standard (WRES) in 2015 to ensure employees from black and minority ethnic (BME) backgrounds have equal access to career opportunities and receive fair treatment in the workplace. Our performance against these standards in 2018/19 and an associated action plan are published on the Trust's website. This

year we achieved improvements in three of the WRES metrics; shortlisting, access to training and development and disciplinary. The improvements demonstrate that there is no difference in these areas between the experience of white and BME staff.

We have a WRES Steering Group, which is chaired by Mr A Belton, Trust Chair, which oversees and monitors WRES-related actions and ensures an organisation-wide approach. Mr A Belton also acts as the Board-level lead for Equality, Diversity & Inclusion. Our EDI Manager is one of just 50 people in the country to have successfully completed the national WRES Experts programme. Learning from this programme will help address race inequality and support our ambition to accelerate adoption of WRES and to be recognised as a leading organisation in this field.

### **Workforce Disability Equality Standard (WDES)**

The Workforce Disability Equality Standard looks at the experiences of disabled staff in the NHS and how these experiences compare to those of non-disabled employees. The Trust has been undertaking preparatory work to publish relevant data in 2019/20 against the 10 metrics in the standard together with an associated action plan. Publication is scheduled for August 2019.

### **Gender Pay Gap**

The Trust complied with the requirement to publish a Gender Pay Gap Report by 30 March 2019, as required by Gender pay reporting legislation. The legislation requires employers with 250 or more employees to publish statutory calculations each year that detail the pay gap between male and female employees. The Gender Pay Gap Report is available on the Trust's website and an action plan has been developed to progress initiatives to address any identified gaps.

### **Raising the profile of Equality, Diversity and Inclusion**

During 2018/19 we participated in a number of events which served to raise the profile of the Equality, Diversity and Inclusion agenda:

#### **Manchester PRIDE**

The Trust was again represented at Manchester's annual lesbian, gay, bisexual and transgender (LGBT) festival, held over the August bank holiday weekend. Manchester PRIDE celebrates LGBT lives and works for greater mutual support and co-operation. The 2018 event was attended by over 50 of our staff, the largest number to date, and was a fantastic opportunity for the Trust to lend support and raise awareness, both in terms of being an inclusive employer and health care provider.

#### **Black History Month Event**

The Trust held a celebratory event which featured a combination of educational activities, insights into community experiences, staff stories and lots of fun and entertainment. The event was well attended by staff, community representatives and members from external organisations. A special guest appearance was made by Aziz Ibrahim, former Simply Red and Stone Roses guitarist, who provided entertainment and shared his experiences as a Pakistani artist touring the world.

#### **Anti-Bullying Week**

The Trust ran a range of activities to promote respect and inclusion during Anti-Bullying Week which included drop-in sessions for staff to confidentially discuss any issues and a social media campaign encouraging an open and fair workplace culture. Staff also took part in an 'Odd Sock

Day' campaign which was an opportunity for people to express themselves and celebrate their individuality and what makes us all unique.

### Deaf Awareness Session

A Deaf Awareness session was held to raise awareness of hearing loss. The session was well attended by staff from across the Trust and subjects covered during the session included; the impact of hearing loss, communication advice for front line staff and how to improve accessibility for those experiencing deafness.

### Disability Confident Employer

The Trust is proud to have completed the Level 2 accreditation stage and is now rated as a Disability Confident Employer. The Disability Confident scheme supports employers to make the most of the talents disabled staff can bring to the workplace and encourages us to see disability as an asset to improve how we attract, recruit and retain disabled employees.

### LGBT History Month

A range of activities took place during LGBT History Month to promote our continued commitment to ensuring an inclusive environment for our staff and patients. Organised by our LGBT Staff Network, activities included the raising of the 'Rainbow' flag, stalls for staff to learn more about LGBT history and the staff network and use of screensavers to raise awareness of LGBT History Month and associated events.

### Staff Networks

The Trust has successfully established three Staff Networks which focus on; Black and Minority Ethnic staff, Disabled staff and Lesbian, Gay, Bi-sexual & Transgender (LGBT) staff. Executive Director and Non-Executive Director sponsors are aligned to each of the networks to ensure senior level commitment and oversight of issues experienced by staff.

### Widening Participation

We have continued to develop our Supported Internship Programme for young people with learning disabilities. The main aim of this programme is to secure paid work either with the Trust or with an external employer. The course accommodates 10 people on 3 rotational placements throughout an academic year. The trainees have classroom based activity at the beginning and end of the day and by the end of the 12 months will gain a City and Guilds Entry 3 qualification – 'Personal progression through employment'.

In 2017/18 the Trust received funding from Health Education England to develop a Pre-Employment Programme (PEP) aimed at unemployed individuals between the ages of 18 and 65 to enhance their potential employment opportunities and confidence. The PEP is an entry-level vocational learning programme and is designed as a Level 1 Introduction to Adult Health & Social Care accredited programme. Learners are offered a guaranteed interview on successful completion of the PEP and live vacancies are identified by the Human Resources team at the point of delivery of the programme and are promoted throughout. As a result of the Level 1 accreditation, Learners are eligible to access opportunities such as apprenticeships, volunteering or further education. The Trust had 30 learners undertaking work placements during 2018/19.

## Summary of our Workforce Equality Monitoring Statistics 2018/19

A diverse and culturally aware workforce is better placed to understand and respond to the needs of everyone in our community. Of our workforce:

- 80% women;
- 28% aged under 35 years and 20% aged over 55 years;
- 15% are from black and minority ethnic communities (a further 5% of our staff are from white minority ethnic backgrounds);
- 3% declared themselves to be disabled; 82% declared themselves to be non-disabled and the disability status of the remainder is not known / not declared;
- 77% disclosed as heterosexual, 2% as lesbian, gay or bisexual;
- 53% declared Christianity as their religion;
- The average age of our Board members is 56; none declared a disability; the make-up of the Board is 77% White British and 46% are female.

## Remuneration

Information relating to exit packages, off-payroll arrangements and consultancy costs is included in the Remuneration Report on page 62.

## 2018 National Staff Survey

The annual staff survey is a vital component in finding out the views of staff and helping to identify where improvements can be made at corporate, business group and staff group levels to improve staff experience and further enhance engagement and staff satisfaction. In 2018, the Trust chose to survey a sample size of 2,000 members of staff. The Trust employed a number of methods to facilitate a healthy response, including a blended approach of online and hard copy surveys, regular reminders to complete the survey and workshop sessions to provide support to staff where required. However, just 614 staff completed the survey, a response rate of 30.07%. The response rate was disappointing and represented a ten percentage point reduction in the response rate for the 2017 survey. It also compared unfavourably with a national average response rate of 41.8% for combined acute and community trusts. In preparation for the 2019 survey, we plan to review our approach and ensure an enhanced communications campaign to encourage a more positive response rate.

In 2017 the Staff Survey Coordination Centre undertook a review of the reporting outputs for the National Staff Survey to establish what worked well and identify any areas for improvement. Outcomes of this review resulted in a number of changes to the way in which data is presented, the most notable of which has been the introduction of 'summary indicators' which have replaced the 'key findings' reported in previous years. Results from questions are grouped to give scores against 10 indicators. The indicator scores are then based on a score out of 10 for certain questions with the indicator score being the average of those. Scores for each indicator, together with those of the survey benchmarking group are presented below.

### Staff Survey Indicator Scores

Summary Indicator	2018/19		2017/18		2016/17	
	Trust	Benchmarking Group	Trust	Benchmarking Group	Trust	Benchmarking Group
<b>Equality, Diversity and Inclusion</b>	9.2	9.2	9.2	9.2	9.3	9.3



<b>Health and Wellbeing</b>	5.6	5.9	5.7	6.0	6.0	6.1
<b>Immediate Managers</b>	6.7	6.8	6.8	6.8	6.8	6.8
<b>Morale</b>	6.0	6.2	N/A	N/A	N/A	N/A
<b>Quality of Appraisals</b>	5.3	5.4	5.3	5.3	5.4	5.4
<b>Quality of Care</b>	7.2	7.4	7.3	7.5	7.4	7.5
<b>Safe Environment – Bullying and Harassment</b>	8.2	8.1	8.3	8.1	8.3	8.2
<b>Safe Environment – Violence</b>	9.5	9.5	9.5	9.5	9.5	9.5
<b>Safety Culture</b>	6.6	6.7	6.4	6.7	6.5	6.7
<b>Staff Engagement</b>	6.9	7.0	6.8	7.0	6.9	7.0

Note: The Trust's Benchmarking Group comprises the following combined acute and community trusts; Bolton Hospitals NHS Foundation Trust, East Cheshire Hospitals NHS Trust, Manchester University NHS Foundation Trust, Pennine Acute Hospitals NHS Trust, Salford Royal NHS Foundation Trust and Tameside & Glossop Integrated Care NHS Foundation Trust.

Focus groups and engagement events have been scheduled in order to both promote outcomes of the staff survey and gain feedback from staff on how to improve the staff experience. A Culture & Engagement Group has been established, supported by the Head of Organisational Development & Learning, and the Group will implement and monitor action plans to drive improvements. Assurance on progress against action plans will be regularly reported to the Board of Directors via the People Performance Committee. Delivery of action plans will be supported by the Trust's cohort of Cultural Ambassadors who will engage with colleagues to provide feedback in response to survey findings and conduct 'temperature checking' of the workplace.

The work of the Culture & Engagement Group during 2019/20 will focus on those areas where the Trust's outcomes are inconsistent with those of the Benchmark Group as follows.

#### Health & Wellbeing

The Trust is committed to supporting Health & Wellbeing initiatives across the organisation and we will continue to promote physical health programmes such as, cycle to work schemes, yoga classes, Zumba classes, walking groups and running groups. We will ensure that staff have access to preventative interventions such as smoking cessation support and weight management programmes in addition to stress management and mental health care support. The Trust's Occupational Health Service will assist staff with fast track physiotherapy services and counselling services to ensure that individuals are able to either remain at work or make a quicker return following a period of absence.

#### Morale

The Trust has introduced a number of measures to improve staff morale outcomes, such as Schwartz Rounds and personal resilience training. Implementation of the NHS Improvement Cultural Programme will facilitate a more detailed focus on issues that may potentially affect staff morale. Staff achievements and successes are recognised at our six-monthly Celebration of

Achievement events and we continue the use of 'Proud to Care' certificates to recognise examples of positive performance and care by individual members of staff.

### Quality of Appraisals

We have established a task and finish group to identify means of improving the quality of appraisals and staff experience of appraisals. A new appraisal process will be piloted in April 2019 with staff having the opportunity to feedback on the process and contribute to development of the eventual revised model. We will also continue our programme for training Appraisers to improve the quality and effectiveness of appraisals.

### Quality of Care

We will consider how staff can be provided with opportunities to engage and share innovative ideas with management and their teams and look to build upon initiatives already introduced such as Schwartz Rounds, a standardised quality improvement methodology and 'Friday Club' (a weekly forum open to all staff for sharing experiences, ideas and initiatives).

### Staff Engagement

We recognise that there is work to be done in relation to staff engagement and this is a key element of the People Strategy implemented during 2018/19. The Culture & Engagement Group will lead on the development of enhanced engagement activities and look to maximise the effectiveness of existing initiatives such as the Trust's cohort of Cultural Ambassadors.

## **Values-based Behaviours Framework**

The Trust's values of Quality & Safety, Service and Communication underpin the ongoing development of our Culture and Engagement Plan to enable staff to consistently deliver safe and high quality care through continuous learning, continuous improvement and by putting patients at the heart of everything we do. Our values are firmly embedded into our recruitment process, performance appraisal framework, leadership training and support for team development.

During 2018/19 we introduced 'Schwartz Rounds' which are meetings where staff are able to reflect on the emotional issues experienced while providing care in often challenging circumstances. Four meetings were held during 2018/19 and we plan to increase the number and frequency of meetings in 2019/20. In addition, we have expanded the use of coaching skills in developing individuals and teams with more managers being trained in coaching during 2018/19 in order to better support their staff.

## **Leadership Development**

Successfully addressing the many challenges facing the Trust necessitates leadership of the highest calibre and, to help achieve this, a key pillar of our People Strategy is Leadership Development. We will seek to offer support and development opportunities to our leaders and managers, at all levels, to enable them to lead well and create a workplace where our people will flourish and our patients receive the best possible care. The strategy supports a compassionate and inclusive leadership culture which engages staff across the organisation.

During 2018/19 there was a continued focus on leadership development for senior leaders, including Board-level leaders, Clinical Directors and the Business Group leadership triumvirates.

We have also trained Quality Practitioners to lead and drive positive quality and performance improvements. We expect our leaders at all levels to act as positive role models and continuously demonstrate the Trust's values and this expectation is fully incorporated in our internal leadership development programmes. In 2018/19 we put an emphasis on providing training for leaders in areas such as personal resilience, coaching and mentoring to ensure a healthy organisation.

## **Apprenticeships / Work Experience / Pre-employment Programmes**

The Apprenticeship Levy has enabled the Trust to have greater control and investment in apprenticeship training, to enhance employment opportunities for prospective apprentices and help to meet the needs of a changing workforce while aiding future succession planning. Our apprentices are supported throughout their apprenticeship, both on and off the job, whilst gaining relevant work experience. This brings benefits to the Trust of increasing the available talent pool and 'growing our own' to meet workforce requirements from the local community. The Apprenticeship Levy has supported a range of apprenticeships for permanent staff which have led to staff gaining qualifications in; project management, leadership and management, business administration, human resources, procurement, pharmacy services and health & social care. This approach supports both the retention of staff and further development of skills and contributes to the development of a motivated, skilled and competent workforce. Apprenticeships have also been used to meet changing service needs through the development of new roles, such as Nurse Associate, and 23 Trainee Nurse Associates commenced with the Trust during 2018/19.

The Trust continues to work collaboratively with local stakeholders such as Stockport College and the Department of Work & Pensions (Job Centre Plus) to increase the number of individuals in the local community from disadvantaged groups supported into employment opportunities through the Pre-Employment Programme (PEP). The PEP helps to reduce the number of people living in deprivation, widening participation and social mobility, and is primarily aimed at enhancing the employment opportunities and confidence of unemployed individuals over the course of a 10-week programme. The programme helps to ensure that individuals are 'work ready' through providing opportunities for learners to demonstrate their skills and potential and gain both experience and references for future use. In 2018/19, 45 learners accessed the PEP and undertook placements in administration services, pathology, ward areas, community services and facilities (porters, domestic and catering), with placements leading to either permanent job roles, further training on apprenticeships or signposting to additional support outside the Trust.

The Trust also offers work experience opportunities to students from local school and colleges to enable them to make informed choices about careers in the NHS as well as supporting school open days and practice interview sessions.

## **Workforce Design**

The Trust has continued to develop a sustainable and resilient workforce in order to respond to local workforce challenges such as staffing models of care to support our core services, innovative workforce models to support Stockport Neighbourhood Care developments and specialist service collaborations arising from Greater Manchester Health & Social Care Partnership activities. A sustainable workforce is fundamental to achieving the strategic direction of the Trust and we ensure that staff with the right skills and knowledge are recruited, with individuals demonstrating the willingness to work flexibly as new models of care are developed.

As part of our continuing drive to provide safe, accessible and high quality care for our patients, and to address skills gaps in 'hard to recruit' areas, we have introduced a number of new roles into our multidisciplinary teams. These have included Advanced Clinical Practitioners, Physician Associates, Nurse Associates and Housekeepers. Where skills gaps have become apparent, we have reviewed more traditional staffing models and have looked to develop a different skill mix to incorporate these newer roles without compromising the quality of care provided.

We recognise that comprehensive and effective workforce planning is fundamental to understanding the nature of the workforce we will need in the future to enable us to deliver high quality patient care consistent with the model set out in the NHS Long Term Plan. This is increasingly important as the domestic political context and international policy continues to impact on NHS workforce supply.

## 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 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 in their annual report to meet the requirements of the NHS Foundation Trust Code of Governance. 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 purpose 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><b><i>The Trust complies with this requirement.</i></b></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><b><i>The Board of Directors and the Council of Governors comply with this requirement.</i></b></p>

Reference	Statutory requirement:
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"> <li>(a) The annual accounts;</li> <li>(b) Any report of the auditor on them; and</li> <li>(c) The annual report.</li> </ul> <p><b><i>The Trust complies with this requirement.</i></b></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><b><i>The Trust complies with this requirement.</i></b></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><b><i>The Trust is aware of this requirement. This situation did not arise during 2018/19.</i></b></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><b><i>The Trust is aware of this requirement. This situation did not arise during 2018/19.</i></b></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><b><i>The Trust complies with this requirement.</i></b></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><b><i>The Trust complies with this requirement.</i></b></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><b><i>The Trust complies with this requirement. Appointment of the Chief Executive approved by the Council of Governors on 1 October 2018.</i></b></p>

Reference	Statutory requirement:
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><b><i>The Trust complies with this requirement.</i></b></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><b><i>The Trust complies with this requirement.</i></b></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><b><i>The Trust complies with this requirement.</i></b></p>
B.7.3	<p>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.</p> <p><b><i>The Trust complies with this requirement.</i></b></p>
B.7.4	<p>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.</p> <p><b><i>The Trust complies with this requirement.</i></b></p>
B.7.5	<p>Elected governors must be subject to re-election by the members of their constituency at regular intervals not exceeding three years.</p> <p><b><i>The Trust complies with this requirement.</i></b></p>
D.2.4	<p>The council of governors is responsible for setting the remuneration of non-executive directors and the chairperson.</p> <p><b><i>The Trust complies with this requirement.</i></b></p>
E.1.7	<p>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.</p> <p><b><i>The Trust complies with this requirement.</i></b></p>
E.1.8	<p>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.</p> <p><b><i>The Trust complies with this requirement.</i></b></p>

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	<p>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.</p> <p><b>See Annual Report page 39 and page 50.</b></p>
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><b>See Annual Report pages 40, 45, 49 and 62.</b></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><b>See Annual Report page 52.</b></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><b>See Annual Report page 52.</b></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><b>See Annual Report page 39.</b></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><b>See Annual Report page 44.</b></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><b>See Annual Report pages 40 and 50.</b></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><b>See Annual Report page 49.</b></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><b>See Annual Report page 49.</b></p>

Reference	Statutory requirement:
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><b><i>See Annual Report page 40.</i></b></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><b><i>See Annual Report page 51.</i></b></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><b><i>See Annual Report page 51.</i></b></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><b><i>See Annual Report page 45.</i></b></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><b><i>See Annual Report page 58.</i></b></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><b><i>See Annual Report pages 48 and 98.</i></b></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><b><i>See Annual Governance Statement on page 98.</i></b></p>



Reference	Statutory requirement:
C.2.2	<p>A trust should disclose in the annual report:</p> <ul style="list-style-type: none"> <li>a) If it has an internal audit function, how the function is structured and what role it performs; or</li> <li>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.</li> </ul> <p><b><i>See Annual Report page 47.</i></b></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><b><i>This situation did not arise during 2018/19.</i></b></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"> <li>• the significant issues that the committee considered in relation to financial statements, operations and compliance, and how these issues were addressed;</li> <li>• 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</li> <li>• 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.</li> </ul> <p><b><i>See Annual Report page 45.</i></b></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><b><i>This situation did not arise during 2018/19.</i></b></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><b><i>See Annual Report page 45.</i></b></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><b><i>See Annual Report page 56.</i></b></p>

Reference	Statutory requirement:
E.1.4	<p>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 and in the annual report.</p> <p><b>See Annual Report page 54.</b></p>
FT ARM	<p>The annual report should include:</p> <ul style="list-style-type: none"> <li>• A brief description of the eligibility requirements for joining different membership constituencies, including the boundaries for public membership;</li> <li>• Information on the number of members and the number of members in each constituency; and</li> <li>• 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.</li> </ul> <p><b>See Annual Report page 54.</b></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><b>See Annual Report pages 44 and 54.</b></p>

'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 Director of Corporate Affairs.

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.

Reference	Statutory requirement:
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.

There were two instances of Non-Executive Directors seeking re-appointment during 2018/19. Relevant information was provided to the Council of Governors by the Chair in relation to the re-appointment of Mrs C Anderson, with effect from 1 January 2019, and Mr M Sugden, with effect from 1 April 2019.

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	<p>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.</p> <p><b>Relevant information is included within the election material circulated to members by Electoral Reform Services who managed governor elections on behalf of the Trust in 2018/19.</b></p>

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. 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><b><i>The Trust complies with this requirement.</i></b></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><b><i>The Trust complies with this requirement.</i></b></p>
A.1.6	<p>The board should report on its approach to clinical governance.</p> <p><b><i>The Trust complies with this requirement.</i></b></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><b><i>The Trust complies with this requirement.</i></b></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><b><i>The Trust complies with this requirement.</i></b></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><b><i>The Trust complies with this requirement.</i></b></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><b><i>The Trust complies with this requirement.</i></b></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><b><i>The Trust complies with this requirement.</i></b></p>

Provision	Summary:
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><b><i>The Trust complies with this requirement.</i></b></p>
A.4.2	<p>The chairperson should hold meetings with the non-executive directors without the executives present.</p> <p><b><i>The Trust complies with this requirement.</i></b></p>
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><b><i>The Trust complies with this requirement.</i></b></p>
A.5.1	<p>The council of governors should meet sufficiently regularly to discharge its duties.</p> <p><b><i>The Trust complies with this requirement.</i></b></p>
A.5.2	<p>The council of governors should not be so large as to be unwieldy.</p> <p><b><i>The Trust complies with this requirement.</i></b></p>
A.5.4	<p>The roles and responsibilities of the council of governors should be set out in a written document.</p> <p><b><i>The Trust complies with this requirement.</i></b></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><b><i>The Trust complies with this requirement.</i></b></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><b><i>The Trust complies with this requirement.</i></b></p>
A.5.7	<p>The council should ensure its interaction and relationship with the board of directors is appropriate and effective.</p> <p><b><i>The Trust complies with this requirement.</i></b></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><b><i>The Trust complies with this requirement.</i></b></p>
A.5.9	<p>The council should receive and consider other appropriate information required to enable it to discharge its duties.</p> <p><b><i>The Trust complies with this requirement.</i></b></p>

Provision	Summary:
B.1.2	At least half the board, excluding the chairperson, should comprise non-executive directors determined by the board to be independent.  <b><i>The Trust complies with this requirement.</i></b>
B.1.3	No individual should hold, at the same time, positions of director and governor of any NHS foundation trust.  <b><i>The Trust complies with this requirement.</i></b>
B.2.1	The nominations committee or committees, with external advice as appropriate, are responsible for the identification and nomination of executive and non- executive directors.  <b><i>The Trust complies with this requirement.</i></b>
B.2.2	Directors on the board of directors and governors on the council should meet the “fit and proper” persons test described in the provider licence.  <b><i>The Trust complies with this requirement.</i></b>
B.2.3	The nominations committee(s) should regularly review the structure, size and composition of the board and make recommendations for changes where appropriate.  <b><i>The Trust complies with this requirement.</i></b>
B.2.4	The chairperson or an independent non-executive director should chair the Nominations committee(s).  <b><i>The Trust complies with this requirement.</i></b>
B.2.5	The governors should agree with the nominations committee a clear process for the nomination of a new chairperson and non-executive directors.  <b><i>The Trust complies with this requirement.</i></b>
B.2.6	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.  <b><i>The Trust complies with this requirement.</i></b>
B.2.7	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.  <b><i>The Trust complies with this requirement.</i></b>
B.2.8	The annual report should describe the process followed by the council in relation to appointments of the chairperson and non-executive directors.  <b><i>The Trust complies with this requirement.</i></b>
B.2.9	An independent external adviser should not be a member of or have a vote on the nominations committee(s).  <b><i>The Trust complies with this requirement.</i></b>

Provision	Summary:
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><b><i>The Trust complies with this requirement.</i></b></p>
B.5.1	<p>The board and the council of governors should be provided with high-quality information appropriate to their respective functions and relevant to the decisions they have to make.</p> <p><b><i>The Trust complies with this requirement.</i></b></p>
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><b><i>The Trust complies with this requirement.</i></b></p>
B.5.3	<p>The board should ensure that directors, especially non-executive directors, have access to independent professional advice, at the NHS foundation trust's expense, where they judge it necessary to discharge their responsibilities as directors.</p> <p><b><i>The Trust complies with this requirement.</i></b></p>
B.5.4	<p>Committees should be provided with sufficient resources to undertake their duties.</p> <p><b><i>The Trust complies with this requirement.</i></b></p>
B.6.3	<p>The senior independent director should lead the performance evaluation of the chairperson.</p> <p><b><i>The Trust complies with this requirement.</i></b></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><b><i>The Trust complies with this requirement.</i></b></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><b><i>The Trust complies with this requirement.</i></b></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><b><i>The Trust complies with this requirement.</i></b></p>



Provision	Summary:
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><b><i>The Trust complies with this requirement.</i></b></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><b><i>The Trust complies with this requirement.</i></b></p>
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><b><i>The Trust complies with this requirement.</i></b></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"> <li>i. The NHS foundation trust's financial condition;</li> <li>ii. The performance of its business; and/or</li> <li>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.</li> </ul> <p><b><i>The Trust complies with this requirement.</i></b></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><b><i>The Trust complies with this requirement.</i></b></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><b><i>The Trust complies with this requirement.</i></b></p>



Provision	Summary:
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><b><i>The Trust complies with this requirement.</i></b></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><b><i>The Trust complies with this requirement.</i></b></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><b><i>The Trust complies with this requirement.</i></b></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><b><i>The Trust did not have a performance-related element of remuneration for Executive Directors during 2018/19.</i></b></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><b><i>The Trust complies with this requirement.</i></b></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><b><i>The Trust complies with this requirement.</i></b></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><b><i>The Trust complies with this requirement.</i></b></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><b><i>The Trust complies with this requirement.</i></b></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><b><i>The Trust complies with this requirement.</i></b></p>

Provision	Summary:
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><b><i>The Trust complies with this requirement.</i></b></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><b><i>The Trust complies with this requirement.</i></b></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><b><i>The Trust complies with this requirement.</i></b></p>

## Regulatory Ratings

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 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). In July 2015 the additional licence condition relating to Governance was formally removed by Monitor in recognition of the actions taken by the Trust in response to recommendations made following an independent Governance Review completed by Deloitte LLP during 2014/15.

However, sustainable delivery of the A&E 4-hour waiting time standard has continued to be a major challenge, despite considerable efforts made by the Trust to improve performance against the target. This subject has continued to be a recurring theme of quarterly review meetings with NHS Improvement. In March 2017 NHS Improvement signalled its intention to conduct a formal review of the Enforcement Undertakings and this review was subsequently undertaken during the period June-July 2017. The review resulted in a Modification of the Additional Licence Condition dated 15 December 2017 requiring the Licensee i.e. the Trust, to address the following issues:

- a. Failure to take the action necessary to ensure compliance with the A&E 4 hour maximum waiting time standard on a sustainable basis;
- b. Lack of a clear vision and strategy around which the Licensee's board can determine its focus and priorities;
- c. Lack of a long term financial recovery plan demonstrating how the Licensee aims to return to a financial break even position and of a credible plan to deliver the required cost improvement programme;
- d. Failure to ensure that the Licensee's board and its committees have effective oversight of quality, safety, finances and A&E performance;
- e. Failure to respond sufficiently and in a timely manner to concerns identified by the CQC in its inspection of January 2016; and
- f. Any other issues relating to the operation of the Licensee's board and its other governance arrangements, including those identified in any independent assessment of its governance

arrangements, that have caused or contributed to, or will cause or contribute to, the breach, or the risk of breach, of the conditions of the Licensee's licence.

The Trust's progress in addressing these issues is subject to regular formal monitoring by means of monthly Enhanced Financial Oversight meetings and Quarterly Review Meetings with NHS Improvement. The Trust received support from NHS Improvement during Quarter 3 / Quarter 4 2018/19 in the form of a financial diagnostic. A Quality Improvement Board, jointly chaired by GM Health & Social Care Partnership and NHS Improvement, with a specific focus on quality matters and urgent and emergency care, met on a monthly basis throughout 2018/19.

## **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 the Accounting Officer, including their responsibility for the propriety and regularity of public finances for which they are answerable, and for the keeping of proper accounts, are set out in the NHS Foundation Trust Accounting Officer Memorandum issued by NHS Improvement. NHS Improvement, in exercise of the powers conferred on Monitor by the NHS Act 2006, has given Accounts Directions which require Stockport NHS Foundation Trust to prepare for each financial year a statement of accounts in the form and on the basis required by those Directions. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of 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 Department of Health and Social Care's Group Accounting Manual and in particular to:

- observe the Accounts Direction issued by NHS Improvement, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the NHS Foundation Trust Annual Reporting Manual (and the Department of Health and Social Care Group Accounting Manual) have been followed, and disclose and explain any material departures in the financial statements;
- ensure that the use of public funds complies with the relevant legislation, delegated authorities and guidance;
- confirm that the annual report and accounts, taken as a whole, is fair, balanced, understandable and provides the information necessary for patients, regulators and stakeholders to assess the NHS Foundation Trust's performance, business model and strategy; 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 the NHS Foundation Trust Accounting Officer Memorandum.



**Louise Robson**  
**Chief Executive**  
**28 May 2019**

## **Annual Governance Statement 2018/19**

### **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 2019 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 Board of Directors with responsibility for overseeing all aspects of risk management
- The Audit & Risk 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 Safety and Risk Group, a group which reports to a sub-group of the Quality Committee, which has responsibility for organisation-wide co-ordination and prioritisation of risk management issues. The Group adopts a 'peer review' approach to provide guidance and encourage learning from best practice.
- An assessment of the level of risk management training that is required for staff and its delivery
- General risk management training sessions delivered on a six-monthly basis, supplemented by focused training for individuals and groups as required
- Ensuring that employees with specific responsibilities for co-ordinating and advising on aspects of risk management have adequate training and development to fulfil their role
- Training sessions which equip staff to manage risk such as incident reporting and investigation and lessons learned
- The Trust's Risk Management Strategy, 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 & Framework (RMSF) 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 by means of appropriate training and development for employees with specific responsibilities for coordinating and advising on risk management.

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. The use of equality impact assessments and quality impact assessments is embedded in the Trust's business arrangements with the outputs of such assessments being used to inform risk mitigation activities where appropriate.

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 Trust Risk Register which is monitored on a monthly basis by the Safety and Risk Group, Board-level Committees and the Board of Directors.

Any data security risks are subject to this same process, with escalation through to the Trust Risk Register where appropriate. The subject of data security is incorporated in annual Information Governance training which is mandatory for all staff with compliance levels monitored by the Information Governance & Security Group. A specific area of focus in 2018/19 was the introduction of the General Data Protection Regulations (GDPR) in May 2018. The Trust's readiness for introduction of GDPR was monitored by the Audit & Risk Committee and was also subject to review by Internal Audit which resulted in an assessment of substantial assurance.

The Board Assurance Framework details the principal risks associated with delivery of the Trust's strategic objectives. 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. The Board assesses the risk appetite for each of the principal risks and determines an appropriate acceptable level of risk. The Board Assurance Framework is reviewed by the Board of Directors on a quarterly basis and the Board considers developments in the external environment to inform Board Assurance Framework content. An Internal Audit assessment completed in March 2019 confirmed that "*The organisation's Assurance Framework is structured to meet the NHS requirements, is visibly used by the Board and clearly reflects the risks discussed by the Board*".

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 of Directors had identified completion of an externally-facilitated Well Led Review as an objective for 2018/19, and had undertaken a self-assessment in 2017/18 against the NHS Improvement Well Led Framework in preparation for the review. However, the objective was subsequently superseded by a Well Led

Review completed by the Care Quality Commission in October 2018, with results published in December 2018. The outcomes from the Well Led Review will inform developments in practice and process in 2019/20. 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 2018/19 this included further development of the Board's Committee arrangements with the alignment of Committee annual reporting. Each of the Assurance Committees is chaired by a Non-Executive Director and reports directly to the Board. These Committees are:

- Audit & Risk Committee
- Finance & Performance Committee
- Quality Committee
- People Performance Committee

Reports from the Assurance Committees, which are structured with Alert, Assure and Advise headings, detail the key issues considered by the Committees and associated risks and are presented by the Committee chairs at each Board of Directors meeting.

The foundation trust is fully compliant with the registration requirements of the Care Quality Commission. Further information on this area is included on page 98.

### **Key Organisational Risk in 2018/19**

The risks to the principal objectives of the Trust, as identified in the Board Assurance Framework for 2018/19, were:

- Risk 1 – There is a risk that if the Trust strategy is not implemented it will result in missed opportunities to improve the quality of care we provide, leading to poor patient and staff experience, inability to modernise services, delays in delivering integration and failure to engage effectively and lead developments with partners
- Risk 2 – There is a risk that the Trust will fail to achieve the 2018/19 developments set out in the Quality Improvement Plan resulting in not consistently providing the safest, highest quality care to patients, their families and carers.
- Risk 3 – There is risk of failure to maintain financial stability which may impact on the Trust's compliance with the NHS Improvement Provider Licence.
- Risk 4 – There is a risk of not continuing to develop effective external partnerships and alliances leading to failure to improve the health of the local population and reduce health inequalities, failure to develop new care pathways and failure to achieve long term clinical and financial sustainability and viability.
- Risk 5 – There is a risk of not delivering the NHS Improvement Single Oversight Framework Operational Performance metrics impacting on the quality of care we provide, patient and staff experience and the Trust's Provider Licence.
- Risk 6 – There is a risk that the Trust fails to recruit, develop and retain a suitably skilled and motivated workforce.
- Risk 7 – There is a risk in not delivering the Trust capital programme in a planned and efficient manner.

The Board of Directors has confirmed that these will continue to be the key organisational risks for incorporation in the Board Assurance Framework for 2019/20. The governance framework

described above will ensure that risks are identified and, where necessary, escalated for action from Business Groups to the 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 the Chief Nurse & Director of Quality Governance. The Trust will seek to engage proactively with public stakeholders in the management of any risks which may impact upon them.

The practice and processes incorporated in the risk and control framework, together with those incorporated in the quality governance framework serve to provide assurance on the validity of the Trust's Corporate Governance Statement as required under NHS foundation trust condition 4(8)(b).

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 all four Quarters during 2018/19)

The Trust remained in breach of its provider licence throughout 2018/19 as a result of failure to achieve the 4-hour Emergency Department target and Board members have continued to meet with NHS Improvement representatives at regular intervals to discuss the effectiveness of measures being taken to address weaknesses in performance. Clearly, the Trust's performance against the 4-hour emergency department standard has continued to be a key area of scrutiny due to non-achievement of the target in any Quarter during 2018/19. Delivery of this standard remains a risk in 2019/20. The Trust implemented initiatives to manage patient flows, which included the provision of additional bed capacity over and above winter plan levels. However, a combination of increased levels of high acuity patients and difficulties experienced in managing the effective discharge of patients with social care needs, had a significant impact on capacity.

### **Quality Governance Framework**

Stockport NHS Foundation Trust has arrangements in place 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, operational financial and workforce metrics through consideration of an Integrated Performance Report at each Board meeting. This report triangulates a range of metrics relating to either locally agreed priority areas or those areas nationally mandated through NHS Improvement's Single Oversight Framework.

The Trust is fully compliant with the registration requirements of the Care Quality Commission and was subject to CQC inspection during the period September – October 2018. The outcomes of the inspection were published in December 2018 and resulted in an overall rating of 'Requires Improvement'.

The CQC found that there were improvements across all core services inspected and upgraded 3 previous 'Inadequate' ratings in Urgent & Emergency Services and Medical Care, although the overall rating remained as 'Requires Improvement'. The work undertaken through our Safe, High Quality Care Improvement Plan and monitoring through a weekly Patient Quality Summit resulted in improved ratings for 12 of the services inspected. Of particular note was the improvement in the



Well Led domain, where the Trust was rated as 'Good' for the core services. Additionally, the CQC found that we had completed all of the 'Must Do' actions that had been previously identified in the Community Health Services for Adults.

The inspection report, published on 21 December 2018 included requirements under the following regulations:

- Regulation 4 Health & Social Care Act (RA) Regulations 2014 – Premises and Equipment
- Regulation 5 Health & Social Care Act (RA) Regulations 2014 - Fit and Proper Persons
- Regulation 9 Health & Social Care Act (RA) Regulations 2014 - Person Centred Treatment
- Regulation 17 Health & Social Care Act (RA) Regulations 2014 - Good Governance
- Regulation 18 Health & Social Care Act (RA) Regulations 2014 - Staffing

No patient-safety related issues were identified that required immediate action and the improvements found by the CQC were subsequently acknowledged by NHS Improvement with a decision taken to step down the Quality Improvement Board in March 2019.

In April 2018 the Trust implemented a revised Quality Governance Framework (QGF). The QGF includes a clear and robust management group structure, which covers Quality Governance, Patient Experience, Infection Prevention & Control, Safeguarding and Medicines Optimisation, and provides a clear framework for the escalation of issues and reporting of assurance through to the Quality Committee and Board of Directors. Having established a robust Framework, a Quality Improvement Plan was produced which sets out targeted developments across the following seven themes:

- High Quality Safe Care Plan
- Urgent Care Delivery
- Quality Improvement Initiatives
- Safe Staffing
- Safety Collaboratives
- Reducing Unwarranted Variation in Clinical Practice
- Quality Faculty

This is an ambitious plan that the Trust believes will deliver the improvements necessary to achieve a short-term goal of fulfilling the requirements for a CQC rating of at least 'Good' by January 2019 and the longer-term ambition of meeting the requirements to achieve an overall Trust CQC rating of 'Outstanding' by 2020. Progress against the Quality Improvement Plan was monitored internally by the Quality Committee and Board of Directors and externally by the system Quality Improvement Board jointly chaired by representatives from the Greater Manchester Health & Social Care Partnership and NHS Improvement.

One Never Event was identified by the Trust during 2018/19.

## **Information Risks**

Specific risks relating to information governance, data protection and data quality are reviewed by the Information Governance and Security Group with oversight by the Finance & Performance Committee. As well as adopting proactive measures to prevent loss of data and improvements in data quality and cyber security, the Information Governance and Security Group ensures that

specific procedures for detecting, reporting and dealing with any issues of data loss and breaches are in place. Other steps taken to safeguard against risks to information and cyber threats include:

- IT security controls for the encryption of all laptops and mobile devices including e-mail encryption software and restrictions on the use of removable media on all Trust computers.
- E-mail and web security controls and filters to protect against malicious software and websites
- Regular security updates and patching applied to computers and systems in accordance with NHS Digital threat advisories and alerts.
- Independent security assessments and penetration testing of IT infrastructure and systems.
- On-going review of information flows of person identifiable data, internally and externally, and ensuring appropriate measures to maintain secure transfer of data.
- On-going review of information assets to ensure that they are appropriately risk assessed and that security measures are in place to maintain confidentiality, integrity and availability of data.
- Review of information security policies, procedures and guidance issued around handling and sharing of personal data in compliance with the General Data Protection Regulations (GDPR) and Data Protection Act 2018 which came into force on 25 May 2018.
- All staff are required to complete Data Security Awareness e-learning as part of the Trust's mandatory training programme.

The Trust has a 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. The SIRO role is undertaken by the Director of Strategy, Planning & Partnerships.

The Trust completed a 2018/19 self-assessment against the Data Security & Protection (DSP) Toolkit, which replaced the Information Governance Toolkit as the mandatory Department of Health & Social Care requirement to provide assurance of good information governance and data security practices. The Trust met all 100 of the mandatory requirements of the DSP Toolkit and an Internal Audit review of outcomes resulted in an assessment of Substantial Assurance.

There were no data breach incidents that met the threshold to report to the Information Commissioner's Office (ICO) during 2018/19. However, all incidents are reported within our internal systems and subject to an investigation, with appropriate action taken to mitigate risk of reoccurrence.

## **Other risk areas**

With regard to *Developing Workforce Safeguards* recommendations, the Trust has embedded the following National Quality Board Guidance in safe staffing governance:

- Supporting NHS providers to deliver the right staff, with the right skills, in the right place at the right time, 2016
- How to ensure the right people, with the right skills, are in the right place at the right time: A guide to nursing, midwifery and care staffing capacity and capability, 2016

The Board of Directors receives information and analysis on safe staffing via the Integrated

Performance Report (IPR) on a monthly basis, presented by the Director of Workforce & Organisational Development. The IPR also includes information for all staff groups relating to appraisals, temporary staffing usage, sickness absence and training.

Additionally, in line with guidance, the Board receives a bi-annual strategic staffing report presented by the Chief Nurse which evidences that our approach to safe staffing addresses NQB guidance. The staffing reports detail that assessments are undertaken against the three components of evidence-based tools, professional judgement and outcomes are used in our staffing governance processes. The Chief Nurse provides assurance to the Board that staffing is safe in ward and department areas via these bi-annual reports.

The Trust has robust guidance in place, Staffing in Extremis Guidelines, to support a response to unplanned workforce challenges. The purpose of this guidance is to help manage daily staffing levels so that the right staff and skill mix are available for safe, effective patient care. Reviews take place three times a day and are shared with ward managers, night sisters, matrons, associate nursing directors, deputy chief nurse and chief nurse, as well as on-call teams. The reviews include each ward's staffing and minimum staffing levels and temporary staff. During 2019/20 we plan to implement Safe Care Live and to further develop our staffing reviews to ensure better use of our resources in relation to safe staffing.

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.

During summer 2018/19 the Trust identified and reported a cluster of adult safeguarding incidents with a particular theme that related to some staffs' understanding of the mental capacity act and restraint. Subsequently, we put in place a series of actions to address the shortfalls recognising that a significant shift was required to ensure adoption of best practice. The Trust developed a Safeguarding Group with direct lines of report to a sub-committee of the Board of Directors, the Quality Committee. With the support of the Quality Committee, the Trusts ownership and integration of best practice has begun to emerge with notable areas of good practice, however there are areas where improvements are required. Robust plans and mitigating actions are in place to address the concerns, which were recognised by the Trust, and also by the CQC in their report of December 2018.

The Trust has published an up to date register of interests for the Board of Directors and a gap analysis was undertaken by Internal Audit to determine the measures required to achieve full compliance with Managing Conflicts of Interest in the NHS guidance. It is planned that a public-facing electronic system will be implemented by summer 2019.

The Foundation Trust has undertaken risk assessments and has a sustainable development management plan in place which takes account of UK Climate Projections 2018 (UKCP 18). The Trust ensures that its 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 and monitoring delivery of strategic change projects by the Finance & Performance Committee
- Board of Directors consideration of key issues reports from its Assurance Committees
- Executive team performance review meetings with Business Groups.

Compliance with the NHS Foundation Trust Code of Governance is reviewed by the Audit Committee on a six-monthly basis as a core element of the Committee's work plan. Outcomes of these reviews inform the compliance declarations included at page XX of the report. Work of the Audit, Nominations and Remuneration committees is included on pages 43, 46 and 58 of the report.

## **NHS Improvement 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). In July 2015 the additional licence condition relating to Governance was formally removed by Monitor in recognition of the actions taken by the Trust in response to recommendations made following an independent Governance Review completed by Deloitte LLP during 2014/15.

However, sustainable delivery of the A&E 4-hour waiting time standard has continued to be a major challenge, despite considerable efforts made by the Trust to improve performance against the target. In March 2017 NHS Improvement signalled its intention to conduct a formal review of the Enforcement Undertakings and this review was subsequently undertaken during the period June-July 2017. The review resulted in a Modification of the Additional Licence Condition dated 15 December 2017 requiring the Licensee i.e. the Trust, to address the following issues:

- a. Failure to take the action necessary to ensure compliance with the A&E 4 hour maximum waiting time standard on a sustainable basis;

- b. Lack of a clear vision and strategy around which the Licensee's board can determine its focus and priorities;
- c. Lack of a long term financial recovery plan demonstrating how the Licensee aims to return to a financial break even position and of a credible plan to deliver the required cost improvement programme;
- d. Failure to ensure that the Licensee's board and its committees have effective oversight of quality, safety, finances and A&E performance;
- e. Failure to respond sufficiently and in a timely manner to concerns identified by the CQC in its inspection of January 2016; and
- f. Any other issues relating to the operation of the Licensee's board and its other governance arrangements, including those identified in any independent assessment of its governance arrangements, that have caused or contributed to, or will cause or contribute to, the breach, or the risk of breach, of the conditions of the Licensee's licence.

The Trust's progress in addressing these issues is subject to regular formal monitoring by means of monthly Enhanced Financial Oversight meetings and Quarterly Review Meetings with NHS Improvement. The Trust received support from NHS Improvement during Quarter 3 / Quarter 4 2018/19 in the form of a financial diagnostic to identify opportunities for further development of financial management practice, particularly in relation to cost improvement programmes. We expect that the NHS Improvement monitoring arrangements will continue throughout 2019/20.

## **Annual Quality Report**

The Directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 (as amended) to prepare Quality Accounts for each financial year. NHS Improvement (in exercise of the powers conferred on Monitor) has issued guidance to NHS Foundation Trust boards on the form and content of annual Quality Reports which incorporate the above legal requirements in the *NHS Foundation Trust Annual Reporting Manual*.

The 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 Capita Health Knowledge Services (CHKS) and Model Hospital 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.
- Trust policies are available through the intranet and staff are encouraged to participate in consultation around new and updated policies
- Quality services are monitored through the Business Group structure through to the Board-level Committee tasked with oversight of Quality Governance.

The Trust assesses the quality and accuracy of elective waiting time data through testing against indicators detailed in the Data Quality Self-Assessment tool. Elective pathways are subject to regular validation in accordance with the Trust's Referral to Treatment Validation Procedure. The Procedure document details roles and responsibilities of staff in ensuring data quality and describes the schedule of validation reports and actions to minimise error rates. The implementation of Mandatory RTT training for relevant staff groups, which supports local role based learning, commenced in 2017/18 and continued in 2018/19. Monthly RTT data quality audits are carried out by the Validation team to identify any areas of concern and outcomes of audits are reported to the Audit & Risk 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 & Risk 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.

The process for maintaining and reviewing the effectiveness of the system of internal control is based on a governance architecture with subject specific management groups at its foundations. Management groups, for example the Quality Governance Group or the Cash Action Group, report assurance, which may be positive or negative, and escalate emergent issues to a Board Assurance Committee. The Board-level Committees review reports from management groups, initiate further management action where necessary and report outcomes of each meeting to the Board of Directors by means of a key issues report based on an Alert, Assure and Advise approach.

The Audit & Risk Committee has a specific remit in assessing the effectiveness of internal control systems and considers the outcomes of work undertaken by Internal Audit to test system effectiveness at each meeting. This Committee also reviews assurance reports from management on system effectiveness and actions taken to address audit recommendations. The Audit & Risk Committee presents a key issues report to the Board following each meeting. The Board of Directors considers matters reported through the Committee key issues reports at each of its meeting and either acknowledges the assurances provided or determines where remedial action is required.

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 2018/19.

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 principal risks to the organisation's strategic objectives. The Assurance Framework is subject to regular 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 & Risk Committee.
- The Head of Internal Audit Opinion which provided Substantial Assurance that there is a good system of internal control designed to meet the organisation's objectives, and that controls are generally being applied consistently.
- The Trust continues to be registered with the Care Quality Commission without conditions.
- 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, annual work plans and a clear reporting structure which enables matters to be reported and/or escalated in a timely manner.
- Outcomes of the Care Quality Commission Well Led Review undertaken during the period September - October 2018.

The Trust has a comprehensive risk-based internal audit programme in place and the programme was delivered in full during 2018/19. Outcomes of the internal audit programme are reported to the Audit & Risk Committee and appropriately led action plans are in place to address any audits which result in a limited assurance assessment. The monitoring of governance processes is informed by an Integrated Performance Report, which includes a comprehensive set of indicators and is reviewed by the Board of Directors at each meeting. Data validation and availability is also tested as part of internal audit assessments, where appropriate.

The Trust has identified instances of 12-hour breaches over the winter period as a significant control issue. These instances are subject to incident investigation and outcomes used to identify means of strengthening controls to mitigate the risk of reoccurrence. The outcomes will be an area of specific focus in the development of our plans to manage the winter period 2019/20.

The Trust identified adult safeguarding incidents with a particular theme that related to some staffs understanding of the mental capacity act and restraint. This has been recognised as a significant control issue, however robust plans and mitigating actions are in place to address the concerns, which were recognised by the Trust, and also by the CQC in their report of December 2018.

## **Conclusion**

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. However, challenges related to operational pressures during 2018/19, and the consequent impact on patient flow, resulted in an unacceptable level of patients who experienced extended waits in the emergency department, despite much improved wait to be seen times, and were subject to breach of the 12-hour standard. This situation is considered to constitute a significant control issue. I am satisfied that each instance of a 12-hour breach was subject to comprehensive review and that no patient harm arose as a result of a breach. I am also assured that control arrangements are in place to mitigate the risk of reoccurrence.

A handwritten signature in black ink, appearing to read 'Louise Robson', with a stylized, cursive script.

**Louise Robson**  
**Chief Executive**  
**28 May 2019**





Stockport NHS Foundation Trust

# Quality Accounts Annual Report 2018 - 2019

Your Health. Our Priority.



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**Your Health. Our Priority.**

# Welcome and Introduction



## We are pleased to share with you our Trust's annual Quality Report for the period of 1 April 2018 to 31 March 2019.

All NHS healthcare providers are required to produce an annual Quality Report to provide information on the quality of services they deliver. This aims to increase public accountability and drive quality improvements in the NHS.

We strive to achieve high quality care for our patients and the Quality Report provides an opportunity for us to demonstrate our commitment to quality improvement and show what progress we have made in 2017/18 against our quality priorities and national requirements.

Stockport NHS Foundation Trust welcomes the opportunity to outline how well we have performed over the course of 2018/19, taking into account the views of patients, carers, staff and the public, and comparing ourselves with other trusts on a national scale. This Quality Report outlines the good work that has been undertaken; the progress made in improving the quality of our services, and it identifies areas for improvement.

The Quality Report is a mandated and statutory document, which is laid before Parliament before being made available on the NHS Choices website and our own website ([www.stockport.nhs.uk](http://www.stockport.nhs.uk)). It contains specific, mandatory statements and sections. There are also three categories mandated by the Department of Health (DH) that give us a framework in which to focus our quality improvement programme. These are patient safety, patient experience, and clinical effectiveness.

# PROUD2CARE

# Background and History

## Our organisation

Our main hospital site; Stepping Hill first opened in 1905. Stockport NHS Trust formed in April 2000, following the merger of Stockport Acute Services and Stockport Healthcare NHS Trust. In 2004 we became one of the first NHS trusts in the country to achieve foundation trust status.

We provide hospital care for children and adults across Stockport, the High Peak, and beyond, as well as community health services across Stockport. We are the second largest employer in Stockport, with a highly-skilled, committed and dedicated workforce. Our stroke and surgical services at Stepping Hill Hospital are highly rated nationally, and we run one of the largest orthopaedic departments in the country.

We are also an associate teaching hospital, helping to train doctors and nurses for the future. In our region, we are one of four specialist hospitals for emergency and high risk general surgery; and one of only two orthopaedic departments delivering C-spine surgery (a form of specialist neck surgery).

## Our services

As well as our main hospital we run 24 health centres and community clinics in Stockport and also provide community health services in people's homes.

We also run specialist services including the Devonshire Centre for neuro-rehabilitation, Bluebell ward at The Meadows and Swanbourne Gardens - a purpose built respite facility for children and young people with complex health needs.

With an annual income of circa £286 million we strive to be efficient and make every single penny count, with an ongoing cost improvement programme. It is important that we spend our money in the most effective way for patients.

Since 2004 we have built up 12,000 public members to ensure that people have a say in how we develop our services. Our members are represented by elected governors who take an active role in our organisation.



## Our values

Our values are at the heart of everything we do and come from our 'Your Health. Our Priority' promise. Every day, they drive the behaviour and actions for everyone who works for us, ensuring good care for others.

- **Service:**  
We provide effective, efficient and innovative care. We work in partnership with others, to deliver improved care, in the right place, at the right time.
- **Quality & Safety:**  
We deliver safe, high quality and compassionate care. We ensure a clean and safe 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.



## Statement from the Chief Executive

### I am pleased to introduce Stockport NHS Foundation Trust's Quality Report for 2019/20.

The report demonstrates how we have worked hard to deliver high quality, effective care for patients, their families and carers over the last year, and it sets out our key quality and patient safety priorities for 2019/20.

Throughout the report you will find examples of the delivery of high quality care, which demonstrates our commitment to driving quality and putting patients first.



I would like to pay tribute to the compassion, determination and sheer resilience of our staff who, in the face of unprecedented challenges, have continued to work so hard to deliver the very best care for our patients. I would also like to thank the thousands of

patients cared for our hospital or community teams in their own homes for their unstinting support of their local Trust and their praise for the staff who have worked so hard to care for them.

This report reflects the many challenges and high points we have over the last 12 months, and just one of the things we have to be proud of is our Stroke Unit being recognised as Stroke Service of the Year. You will find many more examples of great services in the report, but they only scratch the surface of the very many innovative services and initiatives that our staff are developing and running right across the Trust.

The year 2018/19 saw the development of our Quality Improvement Plan, which described the steps we planned to take to ensure that our patients receive consistent, high quality care. It brought together all the actions that we believed to be the most important, and our staff should be proud of how they have delivered those improvements over the last 12 months.

As part of the Quality Improvement Plan, we developed a Safety Collaborative approach, using quality improvement methodologies that resulted in a significant reduction in the number of inpatient falls. We also saw a significant reduction in falls where moderate and above harm occurred.

I am delighted that we also developed a Virtual Quality Faculty to support the delivery of the agreed Quality Improvement Plan using Quality Improvement (QI) training to build capacity and capability amongst the workforce. The vision of the Quality Faculty is to oversee a hub of QI facilitators whose role is to train, mentor and support staff through QI projects.

The arrival of the CQC report in December, following a series of announced and unannounced inspections in September and October 2018, saw us rated as "requires improvement". We had anticipated the rating overall, but our staff were justifiably proud of the 12 points of improvement made across the core services visited. We were also very pleased that all of our care core services were assessed as good for being well led.

Recognising that our patients and staff deserve nothing less than a "good" rating, we are now in our

second year of our continuous improvement journey in delivering our Quality Improvement Plan. We have updated the plan to reflect our ambitions and we are working hard on making necessary improvements. We are investing, where appropriate, in our ageing estate to ensure it is an acceptable environment for our patients and staff.

Through our Safety Collaboratives planned for 2019/20, we aim to focus on making further improvements in a number of areas including caring for patients who may have sepsis, by consistently screening for the infection and giving timely antibiotics for this aggressive, potentially life threatening condition.

Focusing on our patient experience we launched the Care Opinion website in September 2018. This has proved to be a great way of capturing the views of our patients, carers and visitors, and as a direct result of a comment on the website we have developed our Veterans Passport across the Trust, in partnership with patients and staff alike.

Whilst the many initiatives and celebrations continue into the new financial year, we are never far away from the pressures and challenges facing today's health and social care services. Although the demands of 2018/19 winter were better than the previous year, we struggled to discharge patients who no longer needed acute hospital care. This impacted on our ability to see, treat, admit or discharge patients presenting at the Emergency Department within the national standard of 95% within four hours. This situation was reflected widely across the country and while we did not achieve the standard, we did perform better than both the regional and national average in March 2018 thanks to an amazing whole team effort.

The Trust recognises and highly commends the performance and excellence of its loyal and dedicated staff and their engagement in our efforts to improve the quality and safety of our services has been strong. This demonstrates an appetite amongst teams to recognise and celebrate excellence, and to make improvements where necessary.

More work is planned to build on this commitment and share best practice across the organisation. In this way, everyone will know and be empowered to make a difference for our patients every time. We believe this is the single most important thing we can do for our patients, and I have every confidence in the team at Stockport to embrace this so that together we can take the Trust to where it deserves to be.



A handwritten signature in black ink.

**Louise Robson**

**Chief Executive**

Stockport NHS Foundation Trust

## Priorities and statements of assurance

In December 2018 the Trust was rated at 'Requires Improvement' by the Care Quality Commission (CQC). Our Quality Improvement Plan describes the steps we plan to take to ensure that our patients receive consistent, high-quality care.



The CQC found that there were improvements across all core services inspected and removed three inadequate ratings in Urgent and Emergency Services and Medical Care, although the overall rating remained as 'requires improvement'. We worked together through our Safe High Quality Care Improvement Plan at our weekly Patient Quality Summit, and were pleased to note that there were 12 points of improvement across the services inspected. Of particular note is the improvement in the Well-led domain, where the Trust was rated 'Good' for the core services. Additionally, the CQC found that we had achieved all the 'must do' actions that had been previously required in the Community Health Services for Adults.

We want our Quality Improvement Plan to take us from 'Requires Improvement' on a trajectory to 'Good' and 'Outstanding'. Of course we must address areas of concerns relating to patient safety that have been noted externally by the CQC and NHS Improvement (NHSI), the external regulator of NHS Foundation Trusts, as well as those that we have recognised ourselves. We all want our patients to receive consistent, high-quality care and our ambition is that the pride taken in delivering care to our patients helps us to become the employer of choice in the region.

The delivery of our Quality Improvement Plan, underpinned by good governance and staff development, will ensure that the changes made already are sustained, and that those that are still need to be implemented can be delivered in agreed timeframes.

The Board of Directors is committed to providing full support, leadership, focus and rigour to ensure the delivery of the plan. The Board intends to ensure continuous focus on creating the conditions that allow staff to do their job well by removing blocks to success and making sure we are managing any risks to delivery.

Our Quality Improvement Plan has not been developed in isolation but with the support, contribution, and inputs from our key partners and stakeholders. It builds on the foundations and achievements from previous strategies. Staff from all areas of the organisation, along with governors, Stockport Clinical Commissioning Group (CCG) and Healthwatch were invited to provide their thoughts on key areas the organisation should focus its quality improvement efforts.

We have listened to feedback from the rich sources of information provided by our patients, their families, and carers including

- In-patient surveys
- Complaints themes and trends
- Incident reports
- Care Opinion website

The improvement work-streams in place to support urgent care delivery have been refreshed and aligned with the Greater Manchester Urgent Care Strategy. This has been an iterative process with support and engagement from local authority, Stockport Neighbourhood Care, CCGs, and NHSI improvement teams working alongside the Trust. All information and plans have been collated and merged to provide a clear map for our quality improvement journey, based on the delivery of seven themes.



## Priorities for improvement in 2018/19

Our Quality Improvement Plan brings together all the actions that we believe to be the most important.

We believe that gaining traction on these will deliver the improvements necessary to achieve the short-term goal of an overall Trust CQC rating of at least 'Good' by January 2019 and the longer-term ambition of an overall Trust CQC rating of 'Outstanding' by 2020. This has led to the development of seven key themes.



The Quality Improvement Plan will ensure that effective quality improvement (QI) skills are embedded and locally owned.

The development of a virtual Quality Faculty will support the delivery of the agreed Quality Improvement Strategy using QI training to build capability and capacity amongst the workforce. The vision of the Quality Faculty is to oversee a 'hub' of QI facilitators whose role will be to train, mentor and support staff working through QI projects. The Trust will adopt the Advancing Quality Alliance QI lean methodology model for improvement as our chosen QI methodology.

It is simple for all staff to use and is a widely understood methodology that has been successfully used in many healthcare settings. It builds on the existing knowledge and skills of many of our staff and

harnessing that enthusiasm and knowledge of frontline staff will enable us to make progress faster.

Whilst issues were identified within the Urgent and Emergency Services and Medical Care, we acknowledge that these findings are potentially relevant across the whole organisation. The identified aims align to the Trust's Quality Account Priorities for 2018/2019 and to the Operational Plan 2018/2020.

The plan to demonstrate the requirements of 'Good' and beyond is very detailed within our High Quality Safe Care Plan.



## High Quality Safe Care Plan

The Safe, High Quality Care Improvement Plan describes progress against the actions required to address the “must do” and “should do” areas identified in the CQC report published in December 2018.

Our Safety and Quality Leadership Group continues to meet three times a week to drive the improvement required against the five domains of safe, responsive, caring, effective, and well-led. A bi-weekly Patient Quality Summit monitors the actions with oversight and scrutiny from the executive directors and business group directors.

‘Must do’ and ‘should do’ actions include:

<b>Regulation 5 HSCA (RA) Regulations 2014: Fit and proper persons: directors</b>
The trust must ensure that it is fully compliant with the requirements laid out in legislation applicable to fit and proper persons: directors.
<b>Regulation 9 HSCA (RA) Regulations 2014: Person centered care</b>
The trust must ensure that care and treatment meets individual needs of patients including those with learning disabilities and mental capacity concerns
The trust must ensure that the best interests’ decision making is documented within patient records
The trust must ensure patients restricted under the Deprivation of Liberty Safeguards receive an on-going review or assessment of their needs
The trust must take appropriate actions so that patients restricted under the Deprivation of Liberty Safeguards receive an on-going review or assessment of their needs
<b>Regulation 15 HSCA (RA) Regulations 2014: Premises and Equipment</b>
The trust must ensure that equipment is maintained in line with its policies and process and manufactures guidance
<b>Regulation 17 HSCA (RA) Regulations 2014: Good Governance</b>
The trust must ensure that it has systems and processes in place to assess, monitor and mitigate the risks relating to the health, safety and welfare of service users. This includes legacy risks from the previous recording system.
The trust must improve the quality and consistency of serious incident investigations.
The trust must improve performance in prescription of patients’ regular medications.
The trust must ensure that governance processes are sufficient to mitigate identified clinical risks.
<b>Regulation 18 HSCA Regulations 2014:Staffing</b>
The trust must take appropriate actions so that sufficient numbers of trained nursing staff are in place at all times.
The trust must ensure that compliance with mandatory training is increased, including safeguarding training, particularly for medical staff.
<b>Should</b>
The trust should consider developing a documented talent map or succession plan
The trust should move at pace to implement the medium term financial strategy
The trust should consider involving patients in the development of the patient experience strategy.
The trust should consider improving the quality of appraisals
The trust should consider embracing the spirit of duty of candour in all applicable incident investigations
The trust should consider board level clinical staff sign off of all clinical serious incidents.

The trust should consider auditing all areas for medicines reconciliation
The trust should strengthen performance management arrangements for the business units.
The trust should consider improving Governor's understanding of the trust's strategic direction
The trust should ensure the ambient temperature of the medicines storage room is monitored to make sure medicines are stored within their accepted temperature range
The trust should take appropriate actions so that staff competency records are reviewed, maintained and kept up to date.
<b>Medicine</b>
The trust should take appropriate actions so that sufficient numbers of trained nursing staff are in place at all times. (In addition see actions under regulation 18)
The trust should take appropriate actions so that acute non-invasive ventilation patients receive care and treatment in line with British Thoracic Society (BTS) Quality Standards. (Adults)
The trust should take appropriate actions to improve staff mandatory training and appraisal process compliance
The trust should take appropriate actions to improve staff compliance in fluid balance monitoring and the management of patients with sepsis
The trust should take appropriate actions to reduce patient moves to other beds and wards during the night
The trust should take appropriate actions to improve the average length of patient stay for non-elective patients in geriatric medicine and cardiology specialties
The trust should take appropriate actions so that records are maintained for medicines returned to pharmacy for disposal.
<b>Bluebell</b>
The trust should ensure there is sufficient pharmacy oversight of prescribing on site including lithium blood level monitoring, timing of administration for pre-food medications and allergy recording on hard copy medication records.
The trust should ensure that sufficient clinical hand washing facilities are accessible to staff in patient care areas
The trust should ensure that there is senior nurse representation at department of medicine for older people quality board meetings
<b>Community Adults</b>
The trust should consider reviewing the security arrangements at Kingsgate House
The trust should ensure that the crisis response team carry out the expected nursing assessments based on the acuity and referral criteria of the patient
The trust should ensure the crisis response team review their terms of reference and key performance indicators
The trust should improve arrangements for meeting individual patient needs and access to information
The trust should consider reviewing targets for referral to treatment times.
<b>Devonshire</b>
The trust should take appropriate action so staff can access all mandatory training.
The trust should secure patient records at all times
The trust should secure the doors leading to the ward area at all times
The trust should consider introducing regular engagement with patients and their families to identify areas requiring improvement that will improve care and experience.
The trust should take appropriate actions so patients have access to psychiatric support.
The trust should take action so that patients have regular access to an activity co-ordinator

The trust should provide appraisals to all members of staff
<b>Maternity</b>
The trust should consider installing neonatal resuscitation equipment in all birthing areas to prevent separation of mum and baby in an emergency
The trust should continue to work towards staffing the unit to full establishment for safety of women and babies, to improve the access and flow for women and to optimise their choices of place of birth
The trust should consider redesign of the birthing room where the toilet is behind a curtain
<b>Urgent and Emergency services</b>
The trust should ensure patient records evidence capacity and delirium assessments
The trust should ensure a review of the staffing model in the paediatric department is completed to ensure staffing complies with the Royal College of Paediatrics and Children's Health standards
The trust should ensure that patients receive care in a timely way and work towards improving performance against national standards such as the time from arrival to treatment and median total time in the department
The trust should ensure that all patients receive an initial assessment within 15 minutes of arrival, in line with the Royal College of Emergency Medicine standards
The trust should ensure that plans for a new room for mental health assessments are completed
The trust should ensure staff follow national guidance and patient pathways to ensure patients receive treatment that meets best practice
The trust should continue to develop the number of substantive medical staff
The trust should ensure that privacy and dignity of patients is always maintained
The trust should take action to promote a positive culture within the emergency department.

## Reducing Unwanted Variation in Clinical Practice

Reducing unwanted variation in clinical practice focuses on three areas:

### **Seven day working**

- Dedicated funding for the seven day service (7DS) outline business case implementation was considered but not included in our investment plan priorities for 2019-20 due to the challenging financial situation.
- It was agreed in the March 2019 7DS implementation meeting that incremental and small changes that support 7DS delivery would be the way forward for this year, particularly if it is aligned with other business group priorities and performance delivery
- Business groups and Clinical Directors are working on the submission of deliverable plans for 2019-20.
- The Trust has participated in the trial new board level assurance process and has made the required submission to the national team, and feedback is awaited.
- The new board level assurance process for 7DS delivery is now in place with the next formal submission in June 2021, which will give us our performance position against the standards.

### **Getting it Right First Time [GIRFT]**

- The GIRFT review actions are key components in the individual Business Group's Clinical Services Efficiency Programmes
- The GIRFT model of using benchmark data to identify and review areas of unwarranted clinical variation is one of the central themes of the Trust's Service Efficiency Programme, which then allows for appropriate actions to be taken.
- The Transformation Team is in the process of developing a central schedule of reviews to ensure the benefits of the outputs are fully realised and aligned to the Service Efficiency Programme.

### **ACE Accreditation**

- Six new ward accreditations were completed in quarter four
- Pilots in Maternity, Paediatrics and Theatres accreditation have been completed. The pilot for Community is planned for the end of April 2019.

## Urgent Care Delivery

Urgent Care Delivery has made the following progress in quarter four:

- The Stockport System Urgent Care Programme remains aligned to the Greater Manchester Health & Social Care Partnership Urgent and Emergency Care Improvement plan, focusing on four the quadrants of Stay Well; Home First; Patient Flow and Discharge.
- Each of the quadrants of the plan has a named Senior Responsible Officer (SRO). A milestone plan is in place and bi-weekly exception reporting through the Urgent Care Programme Delivery Group (UCPDG). The UCPDG reports on a monthly basis to the system Urgent Care Delivery Board.
- The Urgent Care Programme Delivery Group has developed a suite of metrics for each quadrant of the plan across the Stockport system. This has been developed in collaboration with the Business Intelligence team from Stockport CCG, and allows the group to effectively monitor progress and highlight any areas of improvement or deterioration requiring further attention.
- The Stockport System Stranded Board is also in full operation, bringing together the outputs of 3 working groups, focusing on In Hospital Processes; Out of Hospital Services and Out of Area Services. As with the UCPDG, each of the working groups has a named SRO with a work plan and provides exceptions reports to the Stranded Board.
- Work has been undertaken to ensure there are clearly delineated plans and roles and responsibilities for each of the work groups, and the four quadrants of the UCPDG to avoid any duplication of effort or lack of clarity over accountability.
- Further work is being undertaken to ensure alignment between the Urgent Care Improvement Plan and the delivery and mobilisation of the Stockport Neighbourhood Care programme (SNC). Elements of the SNC programme are intrinsically linked to urgent care improvement and it is vital that both groups remain sighted on progress.

## Safety Collaborates

The establishment of the safety collaborates has focused on five areas:

### 1. Pressure ulcers

**Aim:** Achieve 50% reduction in avoidable stage two, three and four pressure ulcers (PU) in acute and community settings by March 2019 [max avoidable PU in acute = 22; max avoidable PU in community = 55]

- **Acute:** 27 avoidable pressure ulcers recorded across the year, (note: 51 pressure ulcers are in the process of having their outcome confirmed)
- **Community:** 19 avoidable pressure ulcers recorded across the year, (note: 79 pressure ulcers are in the process of having their outcome confirmed)

### 2. Falls

**Aim:** Achieve 10% reduction in all inpatient falls by March 2019 [max inpatient falls for 2018/19 is 1378] .Achieve 25% reduction in inpatient falls with moderate and above harm by March 2019 [max inpatient falls for moderate or above harm for 2018/19 is 31]

- 1222 total falls across the year-20% falls reduction achieved
- 29 falls with moderate or above across the year-29% falls reduction achieved.

### 3. NEWS2

**Aim:** NEWS2 introduction for improvement in March 2019.

- NEWS2 was successfully launched in December 2018.
- Monitoring and evaluation is on-going.

### 4. Nutrition

**Aim:** Achieve 100% compliance with MUST screening tool by March 2019

- Nutrition CNS has been included in the Clinical Induction Programme
- The e-learning package has been updated, successfully implemented October 2018
- Scoping for the quality audits is complete, successfully implemented in October 2018
- Electronic MUST score (apples) has been successfully implemented in October 2018
- Nutrition Guideline rolled out.
- MUST compliance is at 93%.

### 5. Discharge

**Aim:** Review of the discharge planning process and establish baseline and target for improvement by March 2019

- SAFER continues to be embedded in Medicine, Surgery and Integrated Care
- A SAFER Board has been established which is chaired by the Delivery Director and has the Deputy Chief Nurse and Associate Medical Director on the panel. The Business Group Divisional triumvirates are required to attend, present their current performance and action plans for achieving the standards
- Behind the bed boards have commenced rollout and include Expected Date of Discharge to assist with planning for discharge
- The scope of the safe discharge element has been established as: District Nursing, Active Recovery and Crisis Response areas. A dashboard is in the process of being created in the incident management recording system, which will include the number of incidents per month, with the category and qualitative information. This will be used to establish the baseline and objective for improvement.

## Quality Improvement Initiatives

The quality improvement initiatives form part of the Trust's three year Quality Improvement Faculty programme. A Quality Improvement Faculty Steering Group has been established, which provides the structure and work programme for the faculty. To date, two cohorts of quality improvement initiatives have been through the AQuA three day QI Practitioner training course, with a third cohort planned.

The QI Practitioner course is structured around delegates applying the QI methodology to their chosen projects. It has been found these projects have had varying level of progress in particular cohort one struggled with inconsistent representation and updates were not always available, with the exception of Cardiac Arrests and the projects which formed part of wider Trust programmes of work.

Feedback and learning from previous cohorts will inform the QI Faculty work to provide a more structured and coordinated approach including more clarity in advance to delegates about the expectations and requirements of the course and ensuring a project is identified and supported by management to enable better support to progress and apply the QI methodologies to their projects and to their day-to-day working.

Following presentations at the end of the third day for cohort two, a session for all project leads to present their progress and outcomes to senior managers is planned.

The following projects were progressed by cohorts one and two:

### **Cohort One:**

1. IV Referrals
2. Cardiac Arrests
3. Palliative Care
4. Effective Management (length of stay)
5. Safer Discharge
6. Reducing variable care reviews
7. Learning from Death
8. Fractured Neck of Femur Pathway

### **Cohort Two:**

1. Theatre utilisation
2. EoLC planning / reducing care home admissions
3. Low molecular weight heparin at discharge
4. Dressed is Best
5. EoLC/Coding (Inpatients)
6. Patient flow and experience on the postnatal wards
7. Safety thermometer - harm free care
8. Vaccination team
9. Ear, nose and throat outpatient flow



## Safe Staffing

We aim to ensure safe staffing and a reduction in reliance on temporary staffing through a series of recruitment and retention schemes associated. These include:

### **Recruitment programme – reduce vacancy rate**

- The quarterly vacancy rate has improved with a reduction from a peak of 182 WTE Registered Nurses (RN) to 158 WTE as at February 2019.
- Alternative workforce plans are now commencing, with the associate nurse programme now embedded, with 40 WTE per annum in training. The first 13 are due to qualify before June 2019; six have already qualified. These cohorts are working in the ward and community areas.
- An international nurse recruitment campaign is in progress and 22 nurses being offered positions. They will arrive between April and September 2019.
- The graduate nurse support initiative continues with a refreshed approach to corporate induction and preceptorship being at the forefront of the second year of the programme following feedback from recent graduates. Multiple recruitment events are attended over the Manchester and Stockport region, with UCLAN and Sheffield events being added to the 2019 programme.
- An average of 154 WTE Registered Nurse temporary workers per month over this quarter have been utilised to support safe staffing.
- Flexible working contracts have been encouraged to help attract staff.

### **Retention Programme – Reduce Turnover Rate by 1.5%**

- NHSI have fed back that our turnover rate has reduced by 0.9% in the year of review. Whilst this was below the 1.5% planned it was similar to the average in the cohort. NHSI is supporting us with further training sessions and retention masterclasses in May and July 2019 as part of a refreshed approach to achieve the desired 1.5%.
- The Itchy Feet programme, launched in March 2018, where staff can approach Corporate Nursing staff to look for career development opportunities is evaluating well. So far, 34 registered and non-registered nurses have been helped by this scheme and have chosen to stay within the Trust.
- There has been a particular emphasis on supporting graduate nurses with a 'yellow badge' scheme; senior nurses to buddy staff, keeping in touch events, and drop in sessions. The badge alert scheme will be rolled out to support the nurse associates and also the non-registered staff, with different colour coded badges.
- The Retire and Return Policy has been re-launched and on site pensions support days have been well attended and evaluated.
- Focussed work with the 'hot-spots' has shown a reduction in turnover for these areas. Next steps will be to refresh the focus of the top 10 'hot-spots' for year two.

### **Improved efficiencies in e-rostering against a range of measures**

- In May 2018 an e-rostering clinical lead was employed on a fixed term 12 month secondment to review the e-rostering practices. This secondment has now completed and it is recognised that a more comprehensive approach is needed with a band seven plus a band three in each business group.
- 'Establishment Genie' has provided an in-depth review of seven wards and three departments to look at their e-rostering practices and assist with providing revised rosters to help enable wards to maintain safe staffing levels; whilst also embracing new associate nurse band four role. The learning points from this has enabled deployment in safe established numbers of a maximum of 2.7 WTE on day and 5.8 WTE if nights are included, to ensure the correct skill mix. This data has been used to assist with planning for the wards that are accepting band four nurse associates.
- 20 deep dives have been undertaken by the e roster lead, which have highlighted areas of sub optimal e-roster practice. This has been fed back to the business groups for action.

- Improved 'grip' is being implemented, ensuring there are plans to cover the wards with a band six or seven on each shift to support junior nurses on days.

#### **Development of a suite of measures with NHS Professionals (NHSP)**

- A detailed NHSP report is reviewed at the monthly temporary staffing meeting.
- Key issues are reported to the Workforce Efficiency Group.
- The Trust participates in the North West Client User Group meetings where a review of agency and NHSP strategic financial and qualitative objectives and outcomes are scrutinised and acted upon. A key initiative for 2019 is to re-review the regional bank share and the registered nurse general regional pay rate, which is currently set at mid- point band five Critical care rates have been adjusted as at April 2019 to match the regional one point decrease in critical care NHSP rates.

## Quality Faculty

The Quality Faculty has made the following progress:

- The Friday Club continues to take place on a weekly basis with good attendance from staff. The group discuss project specific improvement ideas in addition to plans to develop the QI faculty across the Trust
- Following Executive Director agreement and support for the QI Faculty approach, a QI Faculty Steering Group has been established.
- A three year QI Faculty programme workplan has been developed which identifies faculty priorities across four workstreams (leadership, systems, skills, communication and engagement). This will be considered by the QI Faculty Steering Group and will provide the structure and work programme for the faculty
- The Chief Nurse and Medical Director have been identified as executive sponsors for the QI Faculty
- Expressions of interest for delegates to attend Cohort three of the AQUA QI Practitioner course has been sent out to the Trust's senior operational and clinical leadership.
- An evaluation of the Cohort two AQUA QI Practitioner Course is complete and will inform future course design

# Priorities for improvement in 2019/20

We have a duty to fully engage with our stakeholders and members to ensure that we are listening to their views about quality and identify the quality priorities moving forward.

Our staff, governors, members and patients are the eyes and ears of the organisation and their views are constantly sought to ensure that we are focusing on the things that will make the most difference. We surveyed staff, patients and visitors, through the Staff Survey and the Friends and Family Test, and from those results we captured their views in relation to the range of priorities.

The Quality Improvement Forward Planning workshop took place on in February 2019 to review progress against the 2018/19 priorities and consider indicators for 2019/20. The session was very well attended and generated lots of positive discussion, challenge and ideas to help shape the priorities for the year ahead.

The priorities are identified through receiving regular feedback and regular engagement with governors, staff, patients, the public, and commissioners of NHS services, overseeing scrutiny groups and other stakeholders. Progress on the planned improvements will be reported through the Trust's assurance committees, through Governors meetings, and ultimately through to Board of Directors.



SAFETY:	
Priority	Measure / Objective
1. Pressure Ulcers	25% reduction in device related pressure ulcers
2. Inpatient Falls	10% reduction in all inpatient falls
	10% reduction in falls causing harm
3. Sepsis	80% achievement in Sepsis 6
	Training compliance
EFFECTIVENESS:	
Priority	Measure / Objective
1. Discharge Planning	Improvement in readmission rates with the same condition
2. Accreditation for Continued Excellence (ACE)	Adult inpatient assessments
	Specialist area launch
3. Patient Transfers	Transfers after 10:00pm
	Transfers after 8:00pm for patients with dementia
	Number of inpatient transfers per patient per stay
EXPERIENCE:	
Priority	Measure / Objective
1. Advance Care Planning	Patients with opportunity for Advance Care Planning at the End of Life
2. Inpatient Survey	Improve five worst performing questions by Business Group by 5%
3. Strategic Staffing	Achieve fewer than 100 nursing and midwifery vacancies

## Quali-Tree 2019/20



## Statements of assurance from the board

The following section includes responses to a nationally defined set of statements which will be common across all Quality Reports. The statements serve to offer assurance that our organisation is performing to essential standards, such as securing Care Quality Commission registration and measuring our clinical processes and performance. This includes participation in national audits and being involved in national projects and initiatives aimed at improving quality - such as recruitment to clinical trials.

### Review of Services

This statement is to ensure that we have considered quality of care across all of our services. The information reviewed by our quality committees is from all clinical areas. Information at individual service level is considered within our divisional structure and any issues escalated to the Quality Governance Committee or to Performance and Planning Committee.

During 2018/19 Stockport NHS Foundation Trust provided and/or subcontracted 49 relevant health services.

The Trust has reviewed all the data available on the quality of care in all of these relevant health services through a variety of methods including the undertaking of clinical audit and service evaluations, holding business group assurance meetings, and business group quality boards.

The income generated by the NHS services reviewed in 2018/19 represents 87% of the total income generated from the provision of NHS services by Stockport NHS Foundation Trust for 2018/19.

### Participation in Clinical Audit

The purpose of this statement is to demonstrate that we monitor quality in an on-going, systematic manner. During 1 April 2018 to 31 March 2019, 52 national clinical audits and three national confidential enquiries covered relevant health services that Stockport NHS Foundation Trust provides.

During that period the Trust participated in 98% of national clinical audits and 100% of 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 the Trust participated in, and for which data collection was completed during 2018/19 are listed in table 1, 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.

The reports of 33 national clinical audits were reviewed by the provider in 2018/19 and the Trust intends to take the following actions to improve the quality of healthcare provided:

- Clinical leads for the relevant specialty reviews report findings and actions are developed. Reviews are approved by the business group's quality board.
- Approved reviews are included on the Quality Governance Group agenda as part of the governance framework.

The reports of 199 local clinical audits were reviewed by the provider in 2018/19 and the Trust intends to take the following actions to improve the quality of healthcare provided:

- A report and action plan, if appropriate, is produced for each audit and submitted to the clinical audit team.
- Business Groups are advised of outcomes and as part of the governance framework an outcomes report is submitted to the Trust's Quality Governance Committee to advise of compliance level, risk and escalation requirements.

**Table 1: National Clinical Audits & Confidential Enquiries**

The table below provides confirmation of the Trust's participation in the national clinical audit and confidential enquiries that NHS England advises trusts to prioritise for participation during each financial year. This includes projects which form part of the NHS England Quality Accounts list, the National Clinical Audit & Patient Outcomes Programme (NCAPOP) and those that form part of the Quality Accounts. Where available, the number and/or percentage of cases submitted have been provided. Where unavailable, this is primarily due to data being unavailable at the time of reporting.

**National Clinical Audits:**

Title	Host Organisation	Eligible	Participated	Submissions
Adult Cardiac Surgery	National Institute for Cardiovascular Outcomes Research	No	N/A	NA
Adult Community Acquired Pneumonia	British Thoracic Society	Yes	Yes	Unavailable
BAUS Urology Audit - Cystectomy	British Association of Urological Surgeons	Yes	Yes	Unavailable
BAUS Urology Audit – Female Stress Urinary Incontinence (SUI)	British Association of Urological Surgeons	Yes	Yes	22
BAUS Urology Audit - Nephrectomy	British Association of Urological Surgeons	Yes	Yes	160
BAUS Urology Audit - Percutaneous Nephrolithotomy (PCNL)	British Association of Urological Surgeons	Yes	Yes	50-50
BAUS Urology Audit – Radical Prostatectomy	British Association of Urological Surgeons	Yes	Yes	189
Cardiac Rhythm Management (CRM)	National Institute for Cardiovascular Outcomes Research	Yes	Yes	100%
Case Mix Programme (CMP)	Intensive Care National Audit and Research Centre	Yes	Yes	732
Child Health Clinical Outcome Review Programme	National Confidential Enquiry into Patient Outcome and Death	Yes	Yes	Unavailable
Elective Surgery (National PROMs Programme)	NHS Digital	Yes	Yes	105.1%
Falls and Fragility Fractures Audit Programme (FFFAP)*	Royal College of Physicians of London	Yes	Yes	2
Feverish Children (care in emergency departments)	Royal College of Emergency Medicine	Yes	Yes	99



Title	Host Organisation	Eligible	Participated	Submissions
Inflammatory Bowel Disease programme / IBD Registry	Inflammatory Bowel Disease Registry	Yes	Yes	0
Learning Disability Mortality Review Programme (LeDeR)	University of Bristol's Norah Fry Centre for Disability Studies	Yes	Yes	15
Major Trauma Audit	The Trauma Audit and Research Network	Yes	Yes	514
Mandatory Surveillance of Bloodstream Infections and Clostridium Difficile Infection	Public Health England	Yes	Yes	CDI 94 BSI 327
Maternal, Newborn and Infant Clinical Outcome Review Programme	MBRRACE-UK, National Perinatal Epidemiology Unit, University of Oxford	Yes	Yes	0
Medical and Surgical Clinical Outcome Review Programme	National Confidential Enquiry into Patient Outcome and Death	Yes	Yes	Unavailable
Mental Health Clinical Outcome Review Programme	National Confidential Inquiry into Suicide and Homicide by People with Mental Illness	No	N/A	NA
Myocardial Ischaemia National Audit Project (MINAP)	National Institute for Cardiovascular Outcomes Research	Yes	Yes	Unavailable
National Asthma and COPD Audit Programme*	TBC	Yes	Yes	COPD - 417
National Audit of Anxiety and Depression	Royal College of Psychiatrists	No	N/A	NA
National Audit of Breast Cancer in Older People	Royal College of Surgeons	Yes	Yes	Unavailable
National Audit of Cardiac Rehabilitation	University of York	Yes	Yes	100%
National Audit of Care at the End of Life (NACEL)	NHS Benchmarking Network	Yes	Yes	81
National Audit of Dementia	Royal College of Psychiatrists	Yes	Yes	100%
National Audit of Intermediate Care	NHS Benchmarking Network	Yes	Yes	97
National Audit of Percutaneous Coronary Interventions (PCI)	National Institute for Cardiovascular Outcomes Research	No	N/A	NA
National Audit of Pulmonary Hypertension	NHS Digital	No	N/A	NA
National Audit of Seizures and Epilepsies in Children and Young People	Royal College of Paediatrics and Child Health	Yes	Yes	38



Title	Host Organisation	Eligible	Participated	Submissions
National Bariatric Surgery Registry (NBSR)	British Obesity and Metabolic Surgery Society	No	N/A	NA
National Bowel Cancer Audit (NBOCA)	NHS Digital	Yes	Yes	179
National Cardiac Arrest Audit (NCAA)	Intensive Care National Audit and Research Centre	Yes	Yes	85
National Clinical Audit for Rheumatoid and Early Inflammatory Arthritis (NCAREIA)	British Society for Rheumatology	Yes	Yes	NA
National Clinical Audit of Psychosis	Royal College of Psychiatrists	No	N/A	NA
National Clinical Audit of Specialist Rehabilitation for Patients with Complex Needs following Major Injury (NCASRI)	King's College London / London North West Healthcare NHS Trust	Yes	Yes	100%
National Comparative Audit of Blood Transfusion programme*	NHS Blood and Transplant	Yes	Yes	2
National Congenital Heart Disease (CHD)	National Institute for Cardiovascular Outcomes Research	No	N/A	NA
National Diabetes Audit – Adults*	NHS Digital	Yes	Yes	Unavailable
National Emergency Laparotomy Audit (NELA)	Royal College of Anaesthetists	Yes	Yes	163
National Heart Failure Audit	National Institute for Cardiovascular Outcomes Research	Yes	Yes	98.50%
National Joint Registry (NJR)	Healthcare Quality Improvement Partnership	Yes	Yes	99.60%
National Lung Cancer Audit (NLCA)	Royal College of Physicians	Yes	Yes	213
National Maternity and Perinatal Audit (NMPA)	Royal College of Obstetricians and Gynaecologists	Yes	Yes	3195
National Mortality Case Record Review Programme	Royal College of Physicians	No	N/A	NA
National Neonatal Audit Programme (NNAP)	Royal College of Paediatrics and Child Health	Yes	Yes	Unavailable
National Oesophago-gastric Cancer (NAOGC)	NHS Digital	Yes	Yes	70

Title	Host Organisation	Eligible	Participated	Submissions
National Ophthalmology Audit	Royal College of Ophthalmologists	Yes	No	NA
National Paediatric Diabetes Audit (NPDA)	Royal College of Paediatrics and Child Health	Yes	Yes	199
National Prostate Cancer Audit	Royal College of Surgeons of England	Yes	Yes	Unavailable
National Vascular Registry	Royal College of Surgeons of England	No	N/A	NA
Neurosurgical National Audit Programme	Society of British Neurological Surgeons	No	N/A	NA
Non-Invasive Ventilation - Adults	British Thoracic Society	Yes	Yes	Unavailable
Paediatric Intensive Care (PICANet)	University of Leeds	No	N/A	NA
Prescribing Observatory for Mental Health (POMH-UK)*	Royal College of Psychiatrists' Centre for Quality Improvement	No	N/A	NA
Reducing the impact of serious infections (Antimicrobial Resistance and Sepsis)*	Public Health England	Yes	Yes	Unavailable
Sentinel Stroke National Audit programme (SSNAP)	Royal College of Physicians	Yes	Yes	Unavailable
Serious Hazards of Transfusion (SHOT): UK National Haemovigilance	Serious Hazards of Transfusion	Yes	Yes	21
Seven Day Hospital Services	NHS England	Yes	Yes	159
Surgical Site Infection Surveillance Service	Public Health England	Yes	Yes	132
UK Cystic Fibrosis Registry	Cystic Fibrosis Trust	No	N/A	NA
Vital Signs in Adults (care in emergency departments)	Royal College of Emergency Medicine	Yes	Yes	120
VTE risk in lower limb immobilisation (care in emergency departments)	Royal College of Emergency Medicine	Yes	Yes	136

\* Projects with multiple work streams are reflected in the [HQIP National Clinical Audit and Enquiries Directory](#).

**National Ophthalmology Audit** – Stockport FT was unable to participate due to software issues relating to the audit. This has been escalated to the business group and is currently being addressed.

## Confidential Enquiries:

Title	Host Organisation	Eligible	Participated	Submissions
Child Health Clinical Outcome Review Programme - Long-term ventilation in children, young people and young adults	The National Confidential Enquiry into Patient Outcome and Death (NCEPOD)	Yes	Yes	N/A
Medical and Surgical Clinical Outcome Review Programme - Pulmonary embolism		Yes	Yes	2/4
Medical and Surgical Clinical Outcome Review Programme - Acute Bowel Obstruction		Yes	Yes	3/9

## Participation in Clinical Research

### Background:

Research engagement within the Trust is critical to meet the expectations of our patients. Polls run through the Department of Health and Social Care have demonstrated public support for the NHS to offer opportunities to take part in healthcare research.

The NHS Constitution summarises what staff, patients and the public can expect from the NHS: 'The NHS will do all it can to ensure that patients, from every part of England, are made aware of research that is of particular relevance to them'. Healthcare professionals therefore have a part in ensuring the NHS Constitution is upheld in their own practices at this Trust. This message has been further strengthened by the NHS Long-Term Plan, released in 2019.

Research and innovation is seen as a key driver to future outcomes improvement within the NHS, aiming to increase the number of people registering to participate in health research to one million by 2023/24. It is essential that Stockport is primed to support this goal.



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

In 2016/17, research and innovation became part of the Trust strategy and this has remained the case

through to 2018/19. Research is enabled in the Trust predominantly through research active healthcare professionals and the staff and service department (i.e. pathology, pharmacy and radiology) funding support received from the National Institute of Health Research (NIHR). The NIHR provides the infrastructure for research delivery in the NHS. Support is offered in regions through the NIHR and Stockport is part of the Greater Manchester Clinical Research Network (GMCN).

### Staff Engagement in Research:

There has been a real move to increase the awareness of clinical research conducted at Stockport amongst all staff. More than 70 clinical staff members are now actively delivering research studies to our patients. Others are contributing to research studies focussing on improved health services and delivery which include on-line survey completion to improve knowledge in key clinical areas.

There has been a continued increase in allied healthcare professionals supporting with a particular function of research delivery such as scanning and endoscopies or wanting to deliver the research interventions themselves (e.g. podiatry, occupational therapists). Improved links have also been forged with advanced clinical practitioners. Research is one of the core pillars of the advanced clinical practitioner role and their support as part of the direct clinical care team is invaluable in embedding research studies within standard care pathways. Work is ongoing to have a named research champion in every clinical specialty.

The above staff participated in and/ or supported delivery of research recruitment across 18 out of a total of 30 NIHR specialties as detailed below, which is higher than other district general hospitals in the Greater Manchester. Although not all areas have shown active recruitment, there have been open opportunities in these 18 areas for our patients. Our engagement with clinical research demonstrates the Trust's commitment to testing and offering the latest medical treatments and techniques.

There has been significant activity within the research and innovation team throughout 2018/19 to continue to raise the profile of research in the Trust, including:

- GMC RN awards (where the research and innovation team were short-listed as finalists for team of the year and one of our research nurses won the accolade of GMC RN research nurse of the year)
- Celebrating Stockport Good Practice Event (where the team and individuals have been commended for their work in research)
- Internal events to support the national research programme and showcase the new research department at Stepping Hill Hospital: An extremely successful research open day event was arranged in March 2019 with staff, patients, MPs and other external visitors joining the research team to celebrate the range of studies this Trust currently hosts and our aspirations for research at Stockport for the future
- Introduction of a Clinical Research Nurse Lead role, appointed to and filled from October 2018: This role has provided robust senior leadership to the research nursing team and raised the profile of research through other nursing groups/committees in the Trust
- Delivery of a large meningitis B vaccine study across Stockport sixth form colleges, raising the research profile across the younger generation
- Hosting and delivering NIHR research education sessions including good clinical practice introductory/ refresher sessions and research essentials aimed at different staff groups
- Local press releases for recruitment successes
- Collaboration with the learning and development department in the Trust to embed research as part of the Trust induction for all new starters.

### Clinical Research Portfolio and Recruitment:

In 2018/19, the number of patients enrolled into a clinical research study adopted by the NIHR was 3,094, compared to the Trust target set by the GMC RN at 1,192. This reflects research studies that were approved by a research ethics committee (in conjunction with the Health Research Authority), and adopted by the NIHR.

In 2017/18, our local target was 645, increased to 1,192 in 2018/19 based on the planned study portfolio we had secured. Despite continued research nursing and supporting administrator vacancies, the local team have significantly exceeded the annual target. Innovative and efficient ways of working were adopted to deliver a large vaccine study in the community, where 2,330 students were recruited across 2018/19, balanced with delivery of the rest of the study portfolio.

The success of 2018/19 recruitment has given the team the confidence to push boundaries for future years, with increased recruitment targets to align with the NHS Long-Term Plan aspirations referenced above.

Stockport NHS Foundation Trust actively recruited into 50 out of 86 open research studies in the following Trust areas during this reporting period. Of these 86 studies, 10 are sponsored by pharmaceutical companies (i.e. commercial studies) and 76 sponsored by a variety of academic institutions (i.e. universities) and other NHS Trusts in the UK.

Specialty (Number in brackets is the number of studies open in 2018/19)	Numbers of NIHR Research Studies Recruited Into			Number of Participants Recruited		
	2017/18	2018/19	Difference	2017/18	2018/19	Difference
Anaesthesia (3)	2	3	+1	40	144	+104
Cancer (15)	10	9	-1	77	158	+81
Cardiovascular Disease (4)	3	1	-2	15	1	-14
Children (12)	4	5	+1	78	2,388	+2,310
Diabetes (4)	3	1	-2	45	18	-27
Ear, Nose, Throat (2)	1	2	+1	1	23	+22
Gastroenterology (8)	3	5	+2	48	33	-15
Genetics (2)	0	2	+2	0	16	+16
Health Services/ Delivery (5)	3	4	+1	126	140	+14
Hepatology (2)	0	0	0	0	0	0
Infectious Diseases (1)	1	1	0	2	1	-1
Musculoskeletal (7)	7	6	-1	34	41	+7
Ophthalmology (1)	0	1	+1	0	6	+6
Oral and Dental Health (0)	1	0	-1	80	0	-80
Primary Care (1)	1	0	-1	2	0	-2
Renal Disorders (1)	1	1	0	9	13	+4
Reproductive Health (6)	2	2	0	5	28	+23
Stroke (6)	3	2	-1	37	7	-30
Surgery (6)	2	5	+3	12	77	+65
<b>Totals</b>	<b>47</b>	<b>50</b>	<b>+3</b>	<b>611</b>	<b>3,094</b>	<b>+2,483</b>

2018/19 reflects a sustained diversification across different specialisms in the Trust, to ensure research can be a viable option across as many areas as possible for our patients. Stockport NHS Foundation Trust also acts as a participant identification area for other Greater Manchester Trusts across many of these specialisms to ensure there is choice is available to our patients for research study participation. The numbers of actively recruiting and open studies has increased slightly compared to the previous year where 47 studies were recruited from the 76 then open. This reflects the continuing commitment from the core research team and increased interest from allied healthcare professionals in expanding our research portfolio base at Stockport.

Summaries for most of our recruiting studies can be found through <http://public-odp.nihr.ac.uk/qlikview/>.

### Future Direction

For 2019/20, we hope to build on the success of previous years by further embedding research as a front-line activity here at Stockport NHS Foundation Trust: 'Research is Everyone's Business'. Re-location of the team into a centralised space on the Trust footprint has been a huge step forward for research at Stockport and we intend to maximise our new facilities to increase the research options for our patients and staff.

## Information on the use of CQUIN framework

**The Commissioning for Quality and Innovation (CQUIN) payments framework encourages care providers to share and continually improve how care is delivered and to achieve transparency and overall improvement in healthcare.**

The system was introduced in 2009 to make a proportion of healthcare providers' income conditional on demonstrating improvements in quality and innovation in specified areas of patient care. This means that a proportion of our income depends on achieving quality improvement and innovation goals. It continues to support the cultural shift towards making quality the organising principle of NHS services by embedding quality at the heart of commissioner-provider discussions.

A proportion of Stockport NHS Foundation Trust's income in 2018/19 was conditional on achieving quality improvement and innovation goals agreed between the Trust and any person or body they entered into a contract, agreement or arrangement with for the provision of relevant health services, through the Commissioning for Quality and Innovation payment framework. Further details of the agreed goals for 2018/19 and for the following 12 month period are available upon request from [CQUIN@stockport.nhs.uk](mailto:CQUIN@stockport.nhs.uk).

The level of the Trust's income in 2018/19 which was conditional upon the quality and innovation goals was £5.5m; in line with national rules this represented 2.5% of income.

During 2017/18 the Trust achieved a CQUIN payment of £5.0m, 90.1% of the £5.5m available.

For the first time since its introduction NHS England published a two year scheme for 2017/18 and 2018/19 to provide greater certainty and stability on the CQUIN goals, leaving more time for focus on implementing the initiatives. The CQUIN scheme intends to deliver clinical quality improvements and drive transformational change to support the ambitions of the Five Year Forward View and directly link to the NHS Mandate.

The CQUIN scheme shifted focus from local CQUIN indicators to prioritising engagement of the Sustainability and Transformation Plan (STP) and

delivery of financial balance across local health economies.

2.5% of the Trust's income is payable depending on performance and is split as follows:

- 1.5% assigned to the clinical and transformational national indicators
- 1% assigned support Sustainability and Transformation Plan and achieving financial balance



As well as participation in CQUINs which are commissioned locally, we also participated in the Specialised CQUIN scheme, of which two indicators were undertaken.




Progress against CQUIN is shared internally with the Quality Governance Group. All CQUINs are reported to our local commissioners on a quarterly basis as part of locally agreed process and internal CQUIN monitoring.

























































































**Table 2: CQUIN Performance 2018/19**

The table below shows the performance against quarterly financial milestones for each CQUIN indicator.

**Financial Incentive Performance Key:**

	<b>Fully achieved</b> – Secured all financial incentives		<b>Partially achieved</b> – Secured some financial incentives		<b>Not achieved</b> – Secured no financial incentives
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National Indicators	Value	Q1	Q2	Q3	Q4*	18/19*
Improvement Of Staff Survey Results	£184,394.00					
Healthy Food For NHS Staff, Visitors & Patients	£178,971.00					
Improving The Uptake Of Flu Vaccinations	£178,971.00					
Timely Identification Of Sepsis: ED	£54,234.00					
Timely Identification Of Sepsis: Acute Inpatients	£54,234.00					
Timely Treatment For Sepsis: ED	£54,234.00					
Timely Treatment For Sepsis: Acute Inpatients	£54,234.00					
Empiric Review Of Antibiotic Prescriptions	£108,467.00					
Reduction In Antibiotic Consumption	£108,467.00					
Improving Mental Health Services In A&E	£433,868.00					
Advice & Guidance	£271,168.00					
Tobacco - Screening	£21,693.00					
Tobacco - Brief Advice	£86,774.00					
Tobacco - Referral & Medication Offer	£108,467.00					
Alcohol - Screening	£108,467.00					
Alcohol - Brief Advice or Referral	£108,467.00					
Improving The Assessment Of Wounds	£271,168.00					
Personalised Care & Support Planning	£325,401.00					
Sustainability & Transformation Plan	£2,711,675.00					

Specialised Service Indicators	Value	Q1	Q2	Q3	Q4*	18/19*
Standardised Dose Banding for SACT	£58,484.00					
Medicines Optimisation	£87,727.00					

\*Please note that at the time of reporting Quarter 4 and End of Year performance was unconfirmed and therefore a forecast based on evidence is provided.



## Participation in CQUIN 2019/20

From 1 April 2019 CQUIN schemes are being reduced in value to 1.25% of the total contract value for providers, allowing more certainty around funding to invest in agreed local priorities.

NHS England (NHSE) recognised that past schemes attracted criticism for requiring significant cost to implement due to “the inclusion of new or complex goals, setting outcome based targets which impose unfairly distributed burden on providers, or require action which is outside the control of a single organisation”.

In response to this, NHSE has taken a different approach to CQUIN in 2019/20 by solely focusing on evidence based good practice that is already being rolled out across the country, “drawing attention through the scheme to the benefits for patients and providers”.

Both the 2019/20 Clinical Commissioning Group (CCG) and Prescribed Specialised Services (PSS) CQUIN schemes comprise of indicators aligned to four key areas;

1. Prevention of Ill Health
2. Mental Health (*not applicable for Stockport NHS FT*)
3. Patient Safety
4. Best Practice Pathways

With the exclusion of Mental Health, we will be participating in five of the nationally set CCG schemes, one national and one local PSS scheme. These include;

Prevention of Ill Health:	Patient Safety:	Best Practice Pathways:
<p><b>CCG:</b>  <u>Antimicrobial Resistance</u></p> <ul style="list-style-type: none"> <li>Lower Urinary Tract Infections in Older People</li> <li>Antibiotic Prophylaxis in Colorectal Surgery</li> </ul> <p>Staff Flu Vaccinations</p> <p><u>Alcohol and Tobacco</u></p> <ul style="list-style-type: none"> <li>Screening</li> <li>Brief Advice</li> </ul> <p><b>PSS:</b>  Medicine Optimisation and Stewardship  Nationally Standardised Dose Banding for Adult Intravenous SACT</p>	<p><b>CCG:</b>  Three High Impact Actions to Prevent Hospital Falls</p>	<p><b>CCG:</b>  <u>Same Day Emergency Care</u></p> <ul style="list-style-type: none"> <li>Pulmonary Embolus</li> <li>Tachycardia</li> <li>Community Acquired Pneumonia</li> </ul>

## Registration with Care Quality Commission

**The Care Quality Commission (CQC) is the independent regulator of health and adult social care services in England.**

Stockport NHS Foundation Trust is required to register with the Care Quality Commission and its current registration status is 'registered'. The Trust has no conditions on its registration. The Care Quality Commission has not taken enforcement action against the Trust during 2018/19.



In December 2018, the Trust was rated at 'Requires Improvement' by the CQC. The CQC found that there were improvements across all core services inspected and removed three inadequate ratings in Urgent and Emergency Services and Medical Care although the overall rating remained as 'requires improvement'.

We worked together through our Safe High Quality Care Improvement Plan at our weekly Patient Quality Summit and were pleased to note that there were 12 points of improvement across the services inspected. Of particular note was the improvement in the Well-led domain, where the Trust was rated 'Good' for the core services. Additionally, the CQC found that we had achieved all the 'must do' actions that had been previously required in the Community Health Services for Adults.

In 2017 our regulators, NHS Improvement, placed the Trust into segment three of the Single Oversight Framework.

These included:

### Strategy and Governance

- Strategy and Board Focus
- Balancing Priorities
- Quality of Papers
- Quality Assurance Committee Information
- Board Versus Committee Focus
- Triangulation between committees

### Finance

- Financial recovery plan
- Service reviews
- Cost Improvement Process
- Cost Improvement Reporting

### Emergency Department Improvement

- Alignment and oversight of action plans
- Identifying Strong leaders
- Addressing overnight breaches

In 2017, the Trust was identified as a Challenged Provider by NHS Improvement. An Improvement Board was established which monitored our progress against a range of quality standards. In March 2019, the Trust achieved its ambition identified in our Quality Improvement Plan to exit Challenged Provider status.

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

## Data Quality

**Data quality refers to the tools and processes that result in the creation of the correct, complete and valid data required to support sound decision-making.**

Good quality data underpins the effective delivery of patient care and is essential if improvements in quality of care are to be made.

Stockport NHS Foundation Trust submitted records during 2018/19 to the Secondary Uses Service (SUS) for inclusion in the Hospital Episode Statistics (HES) which are included in the latest published data.

The patient NHS number is the key identifier for patient records. Accurate recording of the patient's General Medical Practice Code is essential to enable the transfer of clinical information about a patient from a trust to the patient's GP.

**The percentage of records in the published data submitted to the SUS which included a valid NHS number was:**

Setting	2018/19	2017/18
Admitted Patient Care	99.81%	99.64%
Out-Patient Care	99.93%	99.83%
Emergency Care	99.07%	98.50%

**The percentage of records in the published data which included a valid General Medical Practice Code was:**

Setting	2018/19	2017/18
Admitted Patient Care	99.84%	99.79%
Out-Patient Care	99.95%	99.93%
Emergency Care	99.29%	99.15%



Stockport NHS Foundation Trust information governance assessment report overall score for 2018/19 was 68% (Level 2) and was graded green (satisfactory). Information governance ensures that information held about patients and staff is kept safe and secure. The information governance toolkit is the way in which we demonstrate our compliance with information governance standards. The Trust's Information Governance & Security Group oversees the annual submission.

Stockport NHS Foundation Trust was not subject to the Payment by Results clinical coding audit during 2018/19 by the Audit Commission. Clinical coding translates the medical terminology written by clinicians to describe a patient's diagnosis and treatment into standard, recognised codes. The accuracy of this coding is a fundamental indicator of the accuracy of the patient record.

**The Trust has been and will continue to take the following actions to improve data quality:**

- Referencing the national Data Quality Maturity Index and CHKS data Data Quality reports to identify data quality issues
- Continue to run a myriad of data quality reports to identify gaps and erroneous recording with a view to correcting and reducing similar errors in future.
- Update PAS and EMIS training materials in view of any data quality issues;
- Review and update procedures for capture and handling of patient activity data;
- Continue to review ways of improving data capture to assist clinical coding accuracy, including increasing the contact of clinical coders with clinicians to improve interpretation of clinical notes.
- Rigorous testing of the data quality of the new ECDS (Emergency CDS) data.
- Continue to undertake spot checks of patient recording activities in outpatient clinics and A&E department and report these.
- Undertake work to improve timeliness of electronic recording on wards of admissions, transfers and discharges, reporting in to senior nursing management.
- Review the community key performance indicators produced re data quality on EMIS and report on these bi-monthly to Data Quality Review Group;
- Continue to raise data quality issues at the two in house EMIS user groups with the aim of identifying issues and supporting service leads to rectify and prevent in future.
- Review the terms of reference of the Trust's Data Quality Review Group.
- Maintain compliance with the data quality standards of the Data Protection and Security Toolkit requirements.



# Reporting against mandated core indicators

Since 2012/13 NHS foundation trusts have been required to report performance against a core set of indicators using data made available to the Trust by NHS Digital. The tables below provide data against each indicator, including the number, percentage, value, score or rate (as applicable) for the latest available reporting period and at least the last two reporting periods for comparison. In addition, where available, the required data is compared with the national average and the highest and lowest performing NHS trusts.

As part of this reporting requirement we are also required, for each indicator, to make an assurance declaration in the form of a pre-defined statement. This includes what actions we have taken or plan to take to improve the performance in these areas.

**Please note that data provided is the most recent available to the Trust at the time of reporting.**

## Summary Hospital-Level Mortality Indicator (SHMI)

The Summary Hospital-level Mortality Indicator (SHMI) reports on mortality across the NHS in England. It is produced and published quarterly as a National Statistic by NHS Digital.

The SHMI is the ratio between the actual number of patients who die following hospitalisation at the trust and the number that would be expected to die on the basis of average England figures, given the characteristics of the patients treated there.

The Value And Banding Of The Summary Hospital-Level Mortality Indicator ("SHMI")				
Indicator	July 2015 – June 2016	July 2016 – June 2017	July 2017 – June 2018	January 2018 - December 2018
Stockport NHS FT	0.96	0.93	0.97	0.98
National average	1.00	1.00	1.00	1.00
Highest national	1.171	1.228	1.257	1.226
Lowest national	0.694	0.726	0.698	0.699

Stockport NHS Foundation Trust considers that this data is as described for the following reasons it is the latest data available from NHS Digital (reporting period is from July to June). We perform better than the national average (a lower score is better) and continue to focus upon accurate coding of patients to ensure that our population is accurately represented by their data.

Stockport NHS Foundation Trust intends to take/has taken the following actions to improve this number, and so the quality of its services, by developing a formal program for 'learning from deaths', and reviewing case studies at Morbidity and Mortality quarterly meetings within specialties to support learning. In addition, we have formalised our review of 'high mortality alerts', scrutiny of CQC insights report, NHSI mortality report and CHKS mortality reports. Finally, we have formalised our process for review of guidance and quality standards published by NICE.

## Patient Deaths with Palliative Care Coding

This indicator is designed to accompany the Summary Hospital-level Mortality Indicator (SHMI). The SHMI makes no adjustments for patients who are recorded as receiving palliative care. This is because there is considerable variation between trusts in the way that palliative care codes are used.

Using the same spell level data as the SHMI, this indicator presents percentage rates of deaths reported in the SHMI with palliative care coding at either diagnosis or treatment specialty level.

The % Of Patient Deaths With Palliative Care Coded At Either Diagnosis Or Specialty Level				
Indicator	July 2015 - June 2016	July 2016 - June 2017	July 2017 - June 2018	January 2018 - December 2018
Stockport NHS FT	26%	29%	31%	29%
National average	29%	31%	33%	34%
Highest national	55%	59%	59%	60%
Lowest national	1%	11%	13%	15%

Stockport NHS Foundation Trust considers that this data is as described for the following reasons; this is the latest data available. We continue to move closer to the national average. The Trust is currently within the expected range and is not an outlier.

Stockport NHS Foundation Trust has taken the following actions to improve this indicator, and so the quality of its services by undertaking reviews of deaths, root cause analysis where appropriate, discussions and shared learning at appropriate forums. A review of the Trust's policy on palliative care coding is underway with the intent to improve the consistency of reported data.

## Patient Reported Outcome Measures Scores (PROMS)

Patient Reported Outcome Measures (PROMs) assess the quality of care delivered to NHS patients from the patient perspective. Currently covering four clinical procedures, PROMs calculate the health gains after surgical treatment using pre- and post-operative surveys.

The four procedures are hip replacements, knee replacements, groin hernia and varicose veins (the latter is not applicable to Stockport NHS Foundation Trust). Health status information is collected before and after a procedure and provides an indication of the outcomes or quality of care delivered to NHS patients.

Data for Groin Hernia Surgery has been removed since last year's report as this data is no longer collected.

Indicator	April 2015 – March 2016	April 2016 – March 2017	April 2017 – March 2018	April 2018 - September 2018
<b>Hip Replacement Surgery</b>				
Stockport NHS FT	90%	89%	92%	no data available
National average	88%	89%	90%	83%
Highest national	100%	100%	100%	100%
Lowest national	63%	74%	33%	50%
<b>Knee Replacement Surgery</b>				
Stockport NHS FT	80%	89%	87%	no data available
National average	81%	81%	82%	91%
Highest national	100%	94%	100%	100%
Lowest national	63%	46%	57%	33%

Stockport NHS Foundation Trust considers that this data is as described for the following reasons this is the latest data available from NHS Digital. The figures are based on patients' responses to questionnaires, completed before and after surgery and are 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.

SFT has taken the following actions to improve these scores, and so the quality of its services, by the Trust continues to review results for hip and knee replacement survey on a regular basis, along with publishing the figures within and outside the Trust.

## Readmissions within 28 Days of Discharge

This indicator measures the percentage of emergency admissions occurring within 28 days of the last, previous discharge from hospital after admission for selected conditions.

Patients Aged 0-15 Who Were Readmitted To Hospital Within 28 Days Of Being Discharged				
Indicator	2015 / 16	2016 / 17	2017/18	2018/19 YTD (December)
Stockport NHS FT	8.6%	9.2%	9.2%	11.3%
National average	9.4%	9.1%	9.2%	9.6%
Highest national	18.2%	16.0%	18.1%	17.7%
Lowest national	0.0%	0.0%	0.0%	0.0%

Patients Aged 16+ Who Were Readmitted To Hospital Within 28 Days Of Being Discharged				
Indicator	2015 / 16	2016 / 17	2017/18	2018/19 YTD (December)
Stockport NHS FT	8.3%	8.2%	8.5%	8.7%
National average	7.5%	7.6%	8.0%	8.2%
Highest national	10.6%	10.5%	11.4%	12.0%
Lowest national	0.0%	0.0%	4.0%	0.0%

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

Stockport NHS Foundation Trust intends to undertake extensive reviews of the data, associated with readmissions within 28 days of discharge, within specialties where readmissions are above the national average. These actions will be monitored through the operational management group meeting.



## National Inpatient Survey

This survey looks at the experiences of adult patients who were admitted to an acute NHS hospital in England. It excludes patients whose treatment related to maternity or, patients admitted for planned termination of pregnancy or daycase patients. This indicator is based on an average weighted score of five questions relating to responsiveness to inpatients' personal needs (score out of 100).

Indicator	2015*	2016*	2017*	2018*
<b>The Trust's Responsiveness To The Personal Needs Of Its Patients (Score Out Of 100)</b>				
Stockport NHS FT	73	66	65	64
National average	69	69	69	70
Highest national	89	91	89	90
Lowest national	46	48	47	41

*\* average of Acute Trusts & Combined Acute and Community Trusts*

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 national inpatient survey.

Stockport NHS Foundation Trust is taking the following actions to improve this percentage, and so the quality of its services, by the Matron for Patient experience being highly visible on the wards supporting ward managers. The iPad survey continues to be used and the questions are reviewed annually in line with the national questions to ensure targeted focus.

Stockport NHS Foundation Trust has a Patient Experience Group and a Patient Experience action group where action plans and improvements are monitored.

## National Staff Survey

The purpose of this survey is to collect staff views about working in their NHS organisation. Data is used to improve local working conditions for staff, and ultimately to improve patient care. The survey is administered annually so staff views can be monitored over time. It also allows a comparison of the experiences of staff in similar organisations.

Indicator	2015	2016	2017	2018
<b>The % Of Staff Who Would Recommend The Trust As A Provider Of Care To Their Family Or Friends</b>				
Stockport NHS FT	<b>73.3</b>	<b>65.9</b>	<b>65.6</b>	<b>64.1</b>
National average	70.6	70.6	70.2	69.9
Highest national	88.9	90.9	89.2	TBA
Lowest national	45.2	48.1	48.0	49.2

Stockport NHS Foundation Trust considers that this data is as described for the following reasons as it is taken from the results of the national staff survey, published at [www.nhsstaffsurveys.com](http://www.nhsstaffsurveys.com).

Stockport NHS Foundation Trust intends to take the following actions to improve this percentage, and so the quality of its services, by ensuring a robust action plan is effective in supporting culture change. This will include thematic analysis of the comments and align to action plan and key areas of focus for the next 12 months will be added to the current culture plan. We will agree Communications Plan to support staff engagement and facilitate Focus Groups to share results with key groups of staff to generate feedback and ideas on actions to be taken to enhance the staff experience. Cultural Ambassadors will support areas where there are themes and trends.

## Venous Thromboembolism Risk Assessment

Venous thromboembolism (VTE) is a blood clot that starts in a vein. All patients, on admission, should receive an assessment of VTE and bleeding risk using national clinical risk assessment criteria to prevent VTE from developing.

Indicator	2015/16	2016/17	2017/18	2018/19 (Apr to Dec)
<b>The % Of Patients Who Were Admitted To Hospital And Who Were Risk Assessed For VTE</b>				
<b>Stockport NHS FT</b>	<b>95.7%</b>	<b>95.4%</b>	<b>96.3%</b>	<b>97.0%</b>
National average	95.8%	95.6%	95.3%	95.6%
Highest national	100.0%	100.0%	100.0%	100.0%
Lowest national	76.9%	70.4%	63.3%	64.5%

Stockport NHS Foundation Trust considers that this data is as described for the following reasons; the Trust has consistently achieved above 95% compliance for VTE risk assessment on admission since 2013. It is mandatory to complete the VTE Risk Assessment in ePMA before prescribing medications. The data is recorded onto Patient Centre and validated by the VTE specialist nurses. The exclusion cohort is monitored to ensure only those patients eligible for assessments are included in the figures.

Stockport NHS Foundation Trust has taken the following actions to improve this percentage: VTE risk assessment is included at junior doctor training to junior doctors, and the Thrombosis Committee & VTE Specialist Nurses closely monitor the Trust's performance. Any areas of non-compliance are highlighted to the Deputy Medical Director. In 2019 ePMA was introduced into ED, making VTE risk assessment mandatory earlier in the patient journey.

## Cases of Clostridium Difficile Infection

Clostridium difficile infection (CDI) remains an unpleasant, and potentially severe or fatal infection that occurs mainly in elderly and other vulnerable patient groups especially those who have been exposed to antibiotic treatment.

Indicator	2014/15	2015/16	2016/17	2017/18
<b>The Rate Per 100,000 Bed Days Of Cases Of C.Difficile Infection Amongst Patients Aged 2 Or Over</b>				
Stockport NHS FT	10.9	23.2	15.5	9.3
National average	15.1	14.9	13.2	13.7
Highest national	62.2	67.2	82.7	91.0
Lowest national	0.0	0.0	0.0	0.0

Stockport NHS Foundation Trust considers that this data is as described for the following reasons in that the trust follows the national Clostridium difficile guidelines. There is a robust system for data entry and validation which ensures all cases are entered onto the data Capture system.

Stockport NHS Foundation Trust has taken the following actions to improve this rate and so the quality of its services:

- Action plans in place to reduce MRSA and Clostridium difficile
- Changes to methods of investigation for Clostridium difficile cases
- Surveillance of cases/monitoring for increased incidences in defined locations
- Cohort isolation facility maintained to manage cases
- Antimicrobial steering group with feedback to Clinicians on incidences of prescribing non-compliance
- Increase in ward based training for management of infectious diarrhoea, viral gastroenteritis outbreaks and use of personal protective equipment
- Safety alerts distributed on the management of potentially infectious diarrhoea

## Patient Safety Incidents

A patient safety incident is any unintended or unexpected incident which could have or did lead to harm or even death for patients receiving NHS care. This indicator highlights the number and, where available, rate of patient safety incidents per 1,000 bed days reported and the number and percentage of such patient safety incidents that resulted in severe harm or death with the Trust during the reporting period.

Indicator	2016/17		2017/18	
Number Of Patient Safety Incidents (Including Rate Per 1,000 Bed Days)				
Stockport NHS FT	9,380	40.5	8,551	37.8
National average	9,217	40.6	1,485,042	42.5
Highest national	27,991	148.3	31,007	166.5
Lowest national	707	18.8	649	16.3
Number Resulting In Severe Harm Or Death (Including As A Percentage Of All Incidents)				
Stockport NHS FT	102	1.1%	106	1.2%
National average	34	0.4%	5,104	0.3%
Highest national	190	1.6%	220	1.8%
Lowest national	0	0.0%	0	0.0%

Stockport NHS Foundation Trust considers that this data is as described for the following reasons; we recognise that we are slightly under the national average per 1000 bed days for reporting incidents. In December 2017 the trust introduced a new hospital incident reporting system and adopted the new coding. The new reporting system is easier for staff to report incidents and gives a greater oversight for managers in the Trust.

The Trust has to meet statutory and legal requirements to record incidents and therefore all our patient safety incidents and near misses are reported to the National Reporting and Learning System (NRLS). Information from all NHS care providers is reviewed nationally by clinicians and safety experts to identify trends and alert other organisations.

Stockport NHS Foundation Trust has taken the following actions to improve this percentage/rate, and so the quality of its services, by encouraging reporting with an open and just safety culture. . In January 2018, the patient safety summit was introduced, where all incidents that have resulted in moderate harm or above, near misses, staffing incidents, medication incidents, Healthcare Acquired infections and safeguarding incidents are reviewed by the senior clinical and governance teams. This ensures that there is a consistent approach to assessing harm levels and the levels of investigations required. A weekly update is produced and sent to all staff which describes the lessons learnt from the incidents. We have instigated an automatic feedback mechanism from incidents, with an opt-out facility when required. The trust continues to deliver training programmes and has introduced a revised serious incident policy, process and incident investigation templates.

# Overview of the Quality of Care



The quality accounts regulations specify that Part 3 of the quality report should be used to present other information relevant to the quality of relevant health services provided by the provider during the reporting period.

In this section we have provided an overview of the quality of care offered by Stockport NHS Foundation Trust, based on performance in 2018/19 against indicators selected by the board in consultation with stakeholders. The indicator set selected includes:

- three indicators for **safety**
- three indicators for **effectiveness**
- three indicators for **experience**

The improvement priorities were discussed with a host of representatives from key organisations including governors, Stockport Clinical Commissioning Groups, and Healthwatch, along with our own staff. A vision - the Quali-Tree - was created and presented at various meetings and senior walk-rounds with the aim of planning our improvement priorities and quality indicators for 2018/2019.

The priorities have been identified through receiving regular feedback and regular engagement with governors, staff, patients, the public, and commissioners of NHS services, overseeing scrutiny groups and other stakeholders.

Progress on the planned improvements will be reported through the Trust's assurance committees, through Governors meetings, and ultimately through to Trust Board.

Our staff, governors, members and patients are the eyes and ears of the organisation and their views are constantly sought to ensure that we are focusing on the things that will make the most difference. We surveyed staff, patients and visitors, through the Staff Survey and the Friends and Family Test and from those results we capture the views of the staff and wider public in relation to the range of priorities.

### Pressure Ulcers

We aimed to achieve a 50% reduction in avoidable stage 2, 3 and 4 pressure ulcers (in both acute and community) by March 2019

- **Acute:** 27 avoidable pressure ulcers recorded across the year (51 pressure ulcers are in the process of having their outcome confirmed).
- **Community:** 19 avoidable pressure ulcers recorded across the year (79 pressure ulcers are in the process of having their outcome confirmed).

### Falls

We aimed to achieve a 10% reduction in in-patient falls, with 25% reduction in falls with moderate and above harm by March 2019

- 1222 total falls across the year-20% reduction achieved
- 29 falls with moderate or above across the year-29% reduction achieved

### MUST

We aimed to achieve 100% compliance with the Malnutrition Universal Screening Tool (MUST) by March 2019.

- Nutrition CNS has been included in the Clinical Induction Programme
- The e-learning package has been updated, successfully implemented October 2018
- Scoping for the quality audits is complete, successfully implemented in October 2018
- Electronic MUST score (apples) has been successfully implemented in October 2018
- Nutrition Guideline rolled out.
- MUST compliance is at 93%.

### **Strategic Staffing**

We aimed to undertake a strategic staffing review with a report to board in October 2018. The encompassed;

- Delivery of four work-streams identified through our staff retention programme
- Triangulation of staffing levels with harm

A full bi-annual strategic staffing review provides the required assurance that Stockport NHS Foundation Trust plans safe nurse, theatre practitioner and midwifery staffing levels and that there are appropriate systems in place to manage the demand for nursing, theatre practitioners and midwifery staff. This includes all areas within the Surgery, GI and Critical Care, Medicine, Integrated Care, Diagnostics, Women and Children's business groups.

In order to provide greater transparency current and previous details of the Strategic Staffing Reviews undertaken, in line with the National Quality Boards requirements, from December 2017 and June 2018 as well as the current review. Comparisons incorporate reviews of nurse, theatre practitioner and midwifery staffing as a quality and performance measure and details the patient acuity data from December 2018 and three re-audits in February 2019.

From May 2018 the Board of Directors have received data and analysis relating to safe staffing within the Integrated Performance Report. This includes triangulation with indicators from the monthly point of prevalence indicators within the Safety Thermometer data.

The 'Hard Truths Commitments Regarding the Publishing of Staffing Data' (Care Quality Commission, March 2014) states 'data alone cannot assure anyone that safe care is being delivered. However research demonstrates that staffing levels are linked to the safety of care and that fewer staff increases the risks of patient safety incidents occurring.' In order to assure the Board of safe staffing on wards this report takes into consideration a range of information including in the acute sector:

- Acuity and dependency data
- Skill mix
- Nurse to bed ratio
- Incidence of pressure ulcers
- Incidence of falls
- Incidence of medication incidents
- Incidence of complaints relating to nursing care
- The Friends & Family Test results

And in the community setting:

- Safety Thermometer
- ANTT compliance
- Friends and Family Test results
- Annual Patient Experience survey
- Bi annual KPI dementia carers satisfaction survey
- Community sector audits such as caseload management, nursing bag content audit.
- Controlled drugs audits
- Record keeping / Nursing documentation and core care plans audit.

The vacancy rate decreased to 158 WTE from 174 WTE as of February 2019. Nurse Associates have joined wards to assist with safe staffing as of March 2019.



It is recognised nationally that there is a shortage of registered nurses and that many care organisations are facing the same challenges in filling registered nursing vacancies. To help address this the Trust has a number of on-going long and short term initiatives, which have demonstrated a reduction in registered nurse turnover of 0.9% in the 12 months. Initiatives to support improved retention and reduce turnover, include:

1. Career crossroads – supporting our staff when they feel they have ‘Itchy Feet’
2. Turnover rates – a reduction of turnover in the top ten reported departments
3. Graduate Nurse programme – retaining our newly registered nurses
4. Retire and Return

Other initiatives include:

- Development of the associate nurse role in identified areas
- Ward specific adverts on NHS Jobs, newspapers and social media, including Facebook and Twitter.
- Planned recruitment drives, specific to business groups partnering with an external company to boost UK recruitment.
- Closer working with the partner universities to improve our profile with potential recruits.
- Flexible working arrangements, where possible
- Trust attendance at job fairs and school career fairs
- Recent attendance at universities open days other than Manchester to widen our pool of potential students
- Overseas recruitment
- Offering alternative career pathways to registered staff to encourage retention, such as specialist nurse and advanced nurse practitioner posts
- Review of alternative professions to provide support to wards, such as physiotherapists and pharmacists

## **Inpatient Survey**

We aimed to achieve an improvement in the top five worst performing questions from the inpatient survey by 5% measured in the 2018 in-patient survey

The national survey is being monitored on a monthly basis via comparable questions from the inpatient survey. Progress in quarter three has shown all questions are on target to achieve the five per cent improvement. The questions which will be targeted and monitored are:

1. **Hospital:** Not always offered a choice of food
2. **Nurses:** Sometimes, rarely or never on duty
3. **Nurses:** Did not always know which nurse was in charge of care
4. **Care:** Could not always find a staff member to discuss concerns with
5. **Discharge:** Did not definitely know what would happen next with care after leaving hospital

## **Always Events**

We aimed to introduce a suite of Always Events in Q1 (metrics to be determined by 30 June 2018) with 100% achievement by March 2019

We have been invited to be part of an Always Event cohort, with NHS England, starting in January 2019. This cohort provides an opportunity to learn from a number of other trusts and to help achieve the 100% compliance in a sustainable manner.

As part of this cohort Always Events will be introduced to smaller areas before implementing on a wider scale. This approach changes the focus slightly from the initial objective defined within the Quality Improvement Priorities.

The Always Events are:

- I will always have access to fresh water
- I will always have a call bell within reach
- I will always have my skin checked
- I will always have my pain managed
- I will always have my mental well-being assessed

## Experience

### Discharge Planning

We aimed to undertake a review of discharge planning process and establish a baseline and target for improvement by March 2019.

SAFER continues to be embedded in Medicine, Surgery and Integrated Care. A SAFER Board has been established which is chaired by the Delivery Director and has Deputy Chief Nurse and Associate Medical Director on the panel. The Business Group Divisional Triumvirates are required to attend, present their current performance and action plans for achieving the standards. Behind the bed boards have commenced rollout and include EDDs to assist with planning for discharge.

The scope of the safe discharge element has been established as: District Nursing, Active Recovery and Crisis Response areas. A dashboard is in the process of being created in DATIX which will include, number of incidents per month, with the category and qualitative information which will be used to establish the baseline and objective for improvement

### Ward Accreditation

Following a successful pilot we aimed to launch our ACE Ward Accreditation programme. We will undertake 6 ward accreditations per quarter with quarterly reports provided. By March 2019 we will have scoped and piloted the ACE programme for community, maternity and paediatrics.

- ACE was launched successfully in April 2018
- Six new ward accreditations were completed in all quarters
- Scoping for community, maternity, paediatrics and Theatres accreditation has been completed. Pilots for theatres maternity and paediatrics were completed by end of March 2019, with the community pilot planned for April 2019.

### Deteriorating Patient & NEWS2

We aimed to achieve 5% improvement in number of cardiac arrests and 5% improvement in days between cardiac arrests and introduce NEWS2 by March 2019.

- NEWS2 Implementation plan approved at QGG 18/10/2018
- Educational resources produced, including presentations, pocket cards, microsite. Database to track training compliance developed and each Business Group reported progress at Quality & Safety Leadership Group x3 weekly
- NEWS2 implemented on track 4th December 2018
- NEWS2 Dashboard developed and distributed weekly via auto-generated email.

Cardiac Arrests 2017/18	Reduction Target (5%)	Cardiac Arrests 2018/19	Overall Position
103	97	85	17.5% Reduction
Average Days Between Cardiac Arrests 2017/18	Improvement Target (5%)	Average Days Between Cardiac Arrests 2018/19	Overall Position
3.48 days	3.65%	4.15 days	19.2% Improvement

# Performance Indicators & Thresholds

The table below provides data against relevant indicators and performance thresholds which form part of appendices 1 and 3 of the Single Oversight Framework (SOF).

Indicator	Target	Q1	Q2	Q3	Q4	18/19	17/18
<b>18 week referrals</b>							
<i>Maximum time of 18 weeks from point of referral to treatment in aggregate – patients on an incomplete pathway</i>	<b>92%</b>	88%	85%	84%	83%	<b>85%</b>	<b>92%</b>
<b>A&amp;E waiting times</b>							
<i>A&amp;E: maximum waiting time of four hours from arrival to admission/ transfer/ discharge</i>	<b>95%</b>	85%	77%	71%	74%	<b>77%</b>	<b>79%</b>
<b>All cancers: 62-day wait for first treatment from post breach re-allocation:</b>							
<i>Urgent GP referral</i>	<b>85%</b>	80%	81%	76%	76.2%	<b>78.3%</b>	<b>86%</b>
<i>NHS cancer screening service referral</i>	<b>90%</b>	100%	80%	86%	57.1%	<b>78.3%</b>	<b>100%</b>
<b>Clostridium difficile (C. diff):</b>							
<i>C. diff due to lapses in care (Cumulative)</i>	<b>&lt;17</b>	0	2	3	4	<b>4</b>	<b>4</b>
<i>Total C. diff (Cumulative)</i>	<b>&lt;39</b>	1	10	23	31	<b>31</b>	<b>21</b>
<b>Maximum 6-week wait for diagnostic procedures</b>							
<i>Proportion of patients referred for diagnostic tests who have been waiting for less than six weeks</i>	<b>99%</b>	99%	100%	99%	99%	<b>99%</b>	<b>100%</b>
<b>Venous thromboembolism (VTE) risk assessment:</b>							
<i>% of patients admitted who have a VTE risk assessment/</i>	<b>95%</b>	97%	97%	97%	97%	<b>97%</b>	<b>96%</b>

# Learning from Deaths

**In March 2017, the National Quality Board published National Guidance of Learning from Deaths: A framework for NHS trusts and NHS Foundation Trusts on Identifying, Reporting, Investigating and Learning from Deaths in Care.**

The guidance stated that, from Quarter 3 of the fiscal year 2017/2018, Trusts should publish quarterly information on deaths. The data should include the total number of inpatient deaths, and the number of deaths the Trust has subjected to a case note review. Of these deaths, subject to review, the Trust should provide estimates of whether the death was judged, more likely than not to be due to problems in care.

In July 2017 the Department of Health and Social Care published the NHS Quality Accounts Amendment Regulations 2017. Mandatory reporting requirements relating to 'Learning from Deaths' which came into force for 2017/18 quality accounts continue to apply to 2018/19 reporting.

During 2018/19 1460 of Stockport NHS FT patients died. This comprised the following number of deaths which occurred in each quarter of that reporting period:

- **335** in the first quarter;
- **305** in the second quarter;
- **423** in the third quarter;
- **397** in the fourth quarter.

By 31 March 2018, 571 case record reviews and 14 investigations have been carried out in relation to 571 of the deaths included in item 27.1.

In 8 cases a death was subjected to both a case record review and an investigation. The number of deaths in each quarter for which a case record review or an investigation was carried out was:

- **69** in the first quarter;
- **106** in the second quarter;
- **191** in the third quarter;
- **210** in the fourth quarter.

8 representing number as percentage of number in item 27.1% of the patient deaths during the reporting period are judged to be more likely than not to have been due to problems in the care provided to the patient.

In relation to each quarter, this consisted of:

- **2** representing 0.6% for the first quarter;
- **1** representing 0.3% for the second quarter;
- **5** representing 1.12% for the third quarter;
- **0** representing 0% for the fourth quarter.



The primary goal of the 'learning from deaths' process is to facilitate learning and assist with improving the care of future patients. In addition to discussion at departmental M&M meetings, a summary of pertinent cases is shared in a quarterly 'learning from deaths' newsletter.

Key themes identified include;

- **Sepsis query cause is an unsatisfactory diagnosis.**

A deteriorating patient group has been set up to drive the improvements for sepsis

- **Opportunities for a palliation and a good death should not be unduly delayed**

Work continues with medical teams to ensure appropriate use of DNAR CPR forms are completed in a timely manner.

We are working closely with our community colleagues to support the implementation of a document that will cover both community and acute trust.

- **High EWS scores must be actioned by appropriate timely medical review and involvement of a consultant.**

High EWS scores must be actioned. NEWS 2 has been implemented and the effectiveness of escalation associated with this is audited weekly.

- **Missed diagnosis due to difficult /rare diagnosis, unusual/ atypical presentation can occur**

Missed diagnosis due to difficult /rare diagnosis, unusual/ atypical presentation. Sharing the lessons learned is important, along with in-depth clinical discussions with peers to identify processes that could be used to safety net patients. These discussions are held in specialty morbidity and mortality meetings.

- **Deteriorating patient group**

The implementation of NEWS2 has seen a significant drop in the failure to rescue incidents reported.

7 case record reviews and 2 investigations completed after 1st April 2018 which related to deaths which took place before the start of the reporting period.

2 representing 0.4% of the patient deaths before the reporting period, are judged to be more likely than not to have been due to problems in the care provided to the patient.

17 representing 1.3% of the patient deaths during the previous reporting period are judged to be more likely than not to have been due to problems in the care provided to the patient.

# Freedom to Speak Up

**The Trust has well-established Freedom to Speak Up arrangements which provide staff with the means of raising concerns relating to quality of care or patient safety.**

The arrangements are based on the availability of a Freedom to Speak Up Guardian (FTSUG), reporting directly to the Executive Director-lead for Freedom to Speak Up, who has direct access to both the Chief Executive and Chair.

All staff are able to access the FTSUG for independent advice and support, and awareness-raising of the role and service provided is via Trust-wide communications, such as posters and screensavers.

In the event of concerns being raised, the FTSUG agrees with the individual raising concerns appropriate levels of escalation, awareness and oversight and provides individuals with assurance on protection from detriment.

The FTSUG ensures that individuals are provided with feedback on actions taken in response to concerns that are raised. The FTSUG collates information on feedback relating to concerns and any protection from detriment matters and reports themes and trends to the People Performance Committee on a quarterly basis. These reports are supplemented by six-monthly reports to the Board of Directors - which are in the public domain and can be accessed via the Trust's website.

Staff are by no means restricted to use of the FTSUG to raise concerns and are encouraged to adopt an open culture of reporting incidents or concerns relating to service quality and patient safety.

Staff are able to raise concerns through line management arrangements and also have access to the Trust's network of Cultural Ambassadors. Robust policy and procedures are in place for the raising of any concerns relating to bullying or harassment.





# Seven Day Hospital Services

**Seven day services (7DS) delivery is part of the Quality Improvement Plan for the trust under the domain of “Reducing Unwarranted Variation in Clinical Practice”.**

Considerable focus has been given to this quality improvement initiative through 7DS implementation team, which meets bi-monthly with senior clinical and managerial representatives. Incremental improvement has been achieved with our compliance against the four clinical priority standards.

National Seven Day Services Audit and Survey results for 2018 showed compliance against three of the four priority standards. We were in the upper quartile of national results and were commended on our performance by the NW Service Improvement Manager for Seven Day Services Improvement Programme (SDSIP).

It has been acknowledged that for full assurance and sustained compliance with regards to the four priority standards would require significant work force investment, and the phased delivery requirements are being considered alongside other trust investment priorities for incorporation into the 2019/20 Planning Framework & Operational Plan.

We are committed to implementing the nationally recommended new Board assurance framework for self-assessment of 7DS performance and we are in the process of collating the required information for the first submission in February 2019.





## Other Quality Initiatives

Throughout the past 12 months there have been a number of significant quality improvements, particularly in relation to the infrastructure relating to governance redesign. Whilst some quality initiatives have been presented in earlier sections of this report; this section of the report describes the improvements made to the infrastructure supporting quality governance. In this section of the report we describe some of them.

### *NHS 70th birthday celebrations!*

*On 5 July 2018 the National Health Service celebrated its 70th Birthday. Like many Trusts around the nation, Stockport NHS Foundation Trust celebrated with a number of events to mark this occasion.*

*Our stroke unit held a garden party for the public which featured clarinet playing from the trust's chief nurse Alison Lynch. The Tree House children's unit also hosted a child friendly garden party, which featured music, clowns, face painting and a visit from some friendly therapy donkeys.*

*Several staff members travelled to the set of Coronation Street to take part in the Big NHS Singalong, aiming for the biggest ever live singalong to The Beatles' 'I Get By With A Little Help From My Friends'. Other staff from the trust were represented at national celebrations at Westminster Abbey in London and York Minster.*

*Individual wards and departments also had their own celebrations for staff, patients and visitors which included displays with features on the NHS, past and present.*

*Students from Aquinas College created an amazing collage photo of Florence Nightingale, made up of hundreds of images of Stockport hospital and community NHS staff.*

*The image was created by the students as part of the celebrations, and now hangs permanently in the surgical and medical entrance of the hospital.*



*The Florence Nightingale mural is unveiled at our Stepping Hill site.*



*Louby Lou entertaining children at the Tree House children's unit garden party.*



*Staff taking part in the Big NHS Singalong to honor the 70th anniversary.*

## Trust's First Safety Conference

Stockport NHS Foundation Trust's first Safety Conference took place on Wednesday 07 November 2018 at Manchester United Football Club. It was a hugely successful event and attended by over 110 staff from the Trust.

The focus of the day was 'Learning from Experience', with a main theme of Sepsis running throughout. The day showcased the work on-going across the Trust in the market stalls and had energetic and productive group sessions.



# Statements from stakeholder organisations

## *Statement from Stockport Clinical Commissioning Group (CCG)*

Subsequent to receipt and review of the Annual Quality Accounts Report 2018-19, 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 2018-2019.

We acknowledge the trust's commitment to achieving these objectives in a particularly challenging and pressured time.

SFT have continued to demonstrate commitment to the quality improvement programme of CQUINs and shown definite motivation in achieving these improvement objectives. There has been a continued enthusiasm to improving patient experience, however the results of the patient surveyed and who said they would be likely or extremely likely to recommend the trust has fallen this year. We are assured that work will continue around patient experience to bring these figures back in line with National figures. It is noted that the Trust has an action plan to improve the figures, and includes a number of initiatives around staff and patient engagement, implementing culture change and a robust communication strategy.

The Trust has continued to see challenges throughout the year, particularly around emergency department (ED) waiting times, recruitment and retention of staff across the Trust and staffing and acuity in maternity. CQC has maintained the overall Trust rating of 'requires improvement', however the 12 points of improvement highlighted by the CQC, and the care core services having been assessed as 'good' for being well led, have demonstrated that improvements continue and SCCG envisage that this will inform the continued progress over the coming year. The High Quality Safe Care Plan outlines the progress against the CQC recommended actions, with oversight and scrutiny from the executive directors and business group directors and will inform this continued progress.

The learning from the reported 12 hour breaches and the number of maternity diverts reported during the year and examined as Serious Incidents in 2018-19 needs to be embedded thoroughly across the

organisation in 2019-20, given the high numbers reported over the 2018/19 year.

Failure to achieve the performance indicators around ED has been frustrating, but SCCG acknowledge the Trusts' commitment to ensure that processes are in place to improve and maintain quality and safety and to alleviate some of the issues identified in this particularly challenging environment. SCCG have continued to work with the Trust on a variety of initiatives to enhance the pace of improvements needed and a renewed focus needs to be applied in 2019/20 particularly around winter planning to facilitate the improvements required. There has been progress in relation to the reduction in Delayed Transfers of Care and Stranded Patients, however there is still further work to do to reduce length of stay for older people.

It has been encouraging to learn that the year has seen a fall in the overall numbers of new pressure ulcers in comparison to 2018/19, with a 50% reduction in pressure ulcers reported in the community setting. SCCG acknowledge the continued work implemented around the standardised PU care pathway implemented as part of the Trusts optimising capacity work stream 'Wound Care - Development Improvement Plan', the PU strategy - 'Delivering Safe Effective Care' PU prevention action plan and the introduction of the Purpose T assessment tool. This work has been strengthened with the work of the Patient Safety Summit and the PU Safety Collaborative, which have continued to focus on improving staff knowledge and skills, and has demonstrated improvements around reporting and investigation.

The performance around C diff rates demonstrates a clear improvement around infection prevention and control, with the Trust remaining well below trajectory for identified lapses in care. SCCG recognise that there has been a significant work programme around falls reduction, and The Trust has exceeded the target for the number of falls with a 20% reduction for total falls across the year and a 29% reduction in falls with moderate harm or above. The safety thermometer highlights the marked



improvement in 'recorded falls with harm' which remains lower than the National average. SCCG have also noted the work in progress including the weekly harm free care summit, 'STEADY' in Stockport and bay tagging initiatives to further enhance the work around the falls agenda, and the staff are commended for their continued commitment to reducing falls and associated harm, and improving outcomes for patients.

SCCG note the clear commitment to harm free care and the continued improvement plans around falls and pressure ulcers, and are assured that the weekly harm free care meetings, patient safety summit meetings and the weekly senior nurse walk rounds have continued to enhance the patient quality and safety agenda. This is further demonstrated by the introduction of NEWS2 in March 2019 which is still being monitored and evaluated, and MUST compliance at 93% against a target of 100%.

It is noted that the Trust has continued to experience staffing and recruitment/retention issues, and SCCG note the ongoing initiatives around the ongoing recruitment programme, retention programme and improving efficiencies in e-rostering, and the development of measures with NHS Professionals to address some of these staffing issues.

SCCG recognise that service delivery issues and staffing difficulties around recruitment of key staff for cancer services including cancer specialist nurses, pathologists and radiographers, has been particularly challenging and this has been demonstrated in the failures to achieve the 18 week target across some cancer pathways during 2018/19. SCCG will continue to work with and support the Trust to improve the 18 week targets and access to cancer service pathways over the coming year

The Trust have continued to demonstrate encouraging results from their highly rated stroke unit, officially ranked best in the country by an SSNAP audit. It has also been noted that the Trust have some of the best results in the country for bowel cancer care.

From April 2018 the approach to responding to complainants altered to provide a more rigorous investigation that would provide a more timely resolution. Staff have been trained to ensure that a more holistic response to the issues raised has been embedded. This has led to a reduction in timeliness to

response rates as staff have adjusted to the improved approach, however the response rate started to improve in Quarter 4 and we will continue to monitor complaint responses across the coming year.

The Trust have been working with SCCG on the LeDeR agenda (Learning Disability Mortality Review) actively participating in the process, with notification of deaths where the patients are known to have a learning disability. The Trust provide 2 reviewers and a member to SCCG partnership steering group which will support the dissemination of any learning back to The Trust to implement. They also support other reviewers to understand health information held by the hospital.

The continued efforts of the Business Groups in relation to reporting serious incidents and completing and submitting reports for review has continued to improve during the year. The Trust has demonstrated a clear commitment to improving the SI reporting process and the teams will continue to support the STEIS reporting and SI process over the coming year.

There have been some substantial improvements reported this year that SCCG wish to commend, and some good examples of collaborative working across the health and social care economy, and a dedication to patient safety and incident reporting.

SCCG support the response of the Trust to address the CQC outcomes through its Improvement Plan. SCCG will continue to seek assurance on completion of the actions, and 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 ahead.

SCCG recognise the achievements made over the last year and look forward to working with SFT to further improve patient experience, patient safety and clinical effectiveness for all patients accessing SFT services.



## *Statement from Adult Social Care & Health Scrutiny Committee*

Unfortunately, the Scrutiny Committee was unable to consider the Quality Report formally this year due to difficulties with scheduling an appropriate opportunity. Nevertheless, members of the Scrutiny Committee have all received a copy of the draft Report. Any questions raised by members will be feed back to the Trust.

The Scrutiny Committee was aware that 2018/19 was a year of change for the Trust with the arrival of a new permanent Chief Executive. It is hoped that she will consolidate the improvements the Trust has been making over recent years and the Scrutiny Committee looks forward to discussing her plans for the future of the Trust at a future Scrutiny Committee meeting.

## Statement from Healthwatch Stockport

Healthwatch Stockport welcomes the opportunity to feedback on Stockport NHS Foundation Trust Quality Account 2018-19.

We would like to begin by paying tribute to the dedicated and committed NHS Staff who work for the Trust, particularly in its 70th birthday year. Healthwatch Stockport hosted a 'Birthday Tea Party' to celebrate the NHS, we heard stories from staff past and present about their journey through the NHS.

Members of the public were invited to share their thoughts and feelings about why they loved their NHS, it was a truly moving afternoon, reminiscing of years gone by but also a celebration of the advances made through its 70 year history.

We continue to invite feedback from the public about their health and social care experiences and it is often related to the Trust and/or community services.

More often than not the feedback about staff is positive and there is a real empathy from the public about the considerable pressure the NHS is under. Moreover it is often the processes and systems in place that haven't quite worked as they should, or haven't even been adhered to, which has let the organisation down and this has caused some patients to experience services in a negative way.

We expect that with the new changes happening in the Trust that we will be involved in supporting the Trust to help people have a positive experience when using its services.

It is encouraging to read that the Trust's focus on Quality Improvement is making great strides to improve areas of patient safety. All this in times of what has been and will continue to be challenging times, particularly in terms of recruitment and retention of staff and in current financial circumstances.

We are also pleased to hear about the triangulation of data and the use of learning sessions from incidents which could occur in any setting.

However, we still remain worried about a number of issues concerning 18 week waits, A&E waiting times, Urgent GP referrals and access to British Sign Language Interpreters for those who are deaf, and other issues that we hope to work with the Trust to resolve.

We did not have sight of all information available in this version of the Quality Account and so, are disappointed not to be able to comment more fully on its content. Again we hope this can address for next year.

We can confirm we have been given assurance that quality of patient experience will improve.

From an engagement perspective we are pleased that we are on the patient experience group and hope to build on ensuring a positive experience for all who use the Trusts services.

We hope that for next year we can build upon relationships with the Trust Governors, the senior leadership team and ward managers, which will see greater involvement in planning and developing services for patients.

Healthwatch Stockport, through its involvement with commissioners, providers, patients and the public, continues to help, challenge and encourage the achievement of quality improvement and the pledges to patients set out in the NHS Constitution.

***This Statement was prepared by Healthwatch Stockport Members May 2019***  
**REF: HWS120**

**healthwatch**  
**Stockport**

## Statement from Trust Governors

Stockport NHS Foundation Trust is very much part of the local community and as Governors who represent local patients and staff we are pleased to have this opportunity to comment on the organisation's Annual Quality Report for 2018-19.

The challenges that have faced the Trust and its services in recent years are well documented, but in common with the Care Quality Commission we have seen "significant improvements" in the quality and safety of services across the organisation in the last year.

As Governors we are regularly out and about in the Trust, including taking part in Patient Safety Walkabouts, giving patients and staff the opportunity to provide us with feedback about the organisation and its services. Over the last 12 months we have seen a major improvement in staff engagement in a range of patient safety and quality initiatives that have undoubtedly had a positive impact on the care they are providing to patients, whether that's ACE accreditation for wards, the development of Always Events, or the Dressed is Best campaign.

This focus on improving quality and patient safety has undoubtedly had a positive impact on staff morale, and has encouraged greater openness when things go wrong, so that staff and the wider organisation can learn from incidents and make further improvements to services.

There are now more opportunities than ever before for patients to share their views on services, including the Care Opinion scheme and the Friends and Family Test. By being open to patient and carer feedback the organisation is able to implement changes that make a real difference to the care that staff provide and the experience of patients. The Trust has a clear vision of how it wants to improve the quality and safety of services, as well as develop the organisation going forward. It is this vision, coupled with the drive and enthusiasm of staff in both hospital and community services, that have resulted in real improvements in avoidable harm, not least a 50% reduction in pressure ulcers in the community.

This focus on improving services has been recognised by NHS Improvement and the Stockport Improvement Board, which we very much welcome, and we are sure it is playing a part in helping the Trust to attract new clinical and nursing staff, who are crucial to the future success of the organisation.

Wherever we go in the organisation we see first class care, and our members also tell us about the compassionate way they and their families are cared for in the Trust. Over the last year this has been recognised more widely by a number of regional and national awards, including the stroke service being again rated as one of the best in the country.

Like many NHS organisations the Trust has had a challenging financial position for a considerable period of time, but we were pleased to see investment in electric beds and other ward equipment as well as estate developments, such as the extension to A&E. These not only enable services to operate more effectively, but they also help to make the Trust a better place to be for both patients and staff.

While the improvements we have seen in the last year are welcomed by the whole Council of Governors we know that the Trust is not complacent. There is still more to do to improve the flow of patients through the hospital to alleviate some of the pressure on urgent care services, and we look forward to seeing a major focus on reducing the rates of Sepsis infection.

We are pleased about the opportunities we have had over the last year to question Board members about the performance of the Trust and, in the coming year we will continue to get out and about in the Trust, seeking the views of patients, staff and members about local services, and sharing those with the Board of Directors.

We have a number of Governor committees that are able to look in detail at key quality and safety issues, and over the coming year we will be reviewing those committees to ensure that all members of the Council of Governors understand their roles and can bring greater oversight to ensuring the Trust continues to meet the terms of its authorisation as an NHS Foundation Trust.

Finally, we would like to pay tribute to all the staff working in our hospital and community services. We know from our work as Governors just what a positive difference their skills, dedication and enthusiasm have made to the lives of the people who need their care over the last year. They should be congratulated for their commitment to making the improvements that are detailed in the Quality Report, at a time when Stockport NHS Foundation Trust – and the rest of the NHS – is facing increasing demands for care.

We know that with such dedicated staff, and a clear vision for the future of the Trust, we can look forward with renewed confidence to further improvements to the quality and safety of local services in 2019-20.

# Statement of directors' responsibilities

The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations to prepare Quality Accounts for each financial year. NHS Improvement has issued guidance to NHS foundation trust boards on the form and content of annual quality reports and on the arrangements that NHS foundation trust boards should put in place to support the data quality for the preparation of the quality report.

In preparing the Quality Report, directors are required to take steps to satisfy themselves that the content of the Quality Report meets the requirements set out in the NHS foundation trust annual reporting manual 2018/19 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 2018 to March 2019
- papers relating to quality reported to the board over the period April 2018 to March 2019
- feedback from commissioners dated May 2019
- feedback from governors dated April 2019
- feedback from local Healthwatch organisations dated May 2019
- feedback from Overview and Scrutiny Committee dated May 2019
- the trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated May 2019
- the latest national patient survey 2017
- the latest national staff survey 2018
- the Head of Internal Audit's annual opinion of the trust's control environment dated May 2019
- CQC inspection report dated October 2018
- the Quality Report presents a balanced picture of the NHS foundation trust's performance over the period covered
- the performance information reported in the Quality Report is reliable and accurate
- there are proper internal controls over the collection and reporting of the measures of performance included in the Quality Report, and these controls are subject to review to confirm that they are working effectively in practice
- the data underpinning the measures of performance reported in the Quality Report is robust and reliable, conforms to specified data quality standards and prescribed definitions, is subject to appropriate scrutiny and review
- the Quality Report has been prepared in accordance with NHS Improvement's annual reporting manual and supporting guidance (which incorporates the Quality Accounts regulations) as well as the standards to support data quality for the preparation of the Quality Report.

The directors confirm to the best of their knowledge and belief they have complied with the above requirements in preparing the Quality Report.

By order of the board,



A handwritten signature in black ink, appearing to read 'Adrian Belton'.

**Adrian Belton**  
Chair



A handwritten signature in black ink, appearing to be a stylized 'L Robson'.

**Louise Robson**  
Chief Executive



# Glossary of Terms and Abbreviations

**A&E** – Accident and Emergency (also known as emergency department) is a hospital department that deals with genuine life-threatening emergencies.

**ACE** – Accreditation for Continued Excellence is the locally developed ward accreditation scheme at Stockport NHS Foundation Trust aimed to promote safer patient care by motivating staff and sharing best practice between ward areas through regular assessments across a wide range of core healthcare subjects.

**Acute** - Acute care is a branch of secondary health care where a patient receives active but short-term treatment for a severe injury or episode of illness, an urgent medical condition, or during recovery from surgery.

**AQuA** - Advancing Quality Alliance is an NHS health and care quality improvement organisation established in 2010 and supports its members in the North West to deliver the best health, wellbeing and quality of care.

**CDI** - Clostridium difficile, also known as C. difficile or C. diff, is bacteria that can infect the bowel and cause diarrhoea. The infection most commonly affects people who have recently been treated with antibiotics. It can spread easily to others.

**CQC** - Care Quality Commission is an independent regulator of all health and social care services in England.

**CQUIN** - Commissioning for Quality and Innovation is a system introduced in 2009 to make a proportion of healthcare providers' income conditional on demonstrating improvements in quality and innovation in specified areas of care.

**DoH** - Department of Health is a department of Her Majesty's Government, responsible for government policy on health and adult social care matters in England

**DoLS** - Deprivation of Liberty Safeguards are an amendment to the Mental Capacity Act 2005. The Mental Capacity Act allows restraint and restrictions to be used – but only if they are in a person's best interests. Extra safeguards are needed if the restrictions and restraint used will deprive a person of their liberty.

**Duty of Candour** - Every healthcare professional must be open and honest with patients when something that goes wrong with their treatment or care causes, or has the potential to cause, harm or distress.

**ECDS** - Emergency Care Data Set is the national data set for urgent and emergency care. It replaces the Accident & Emergency Commissioning Data Set. Using ECDS for emergency departments provides data that better supports healthcare planning and better informed decision making on improvements to services.

**ED** – Emergency Department (also known as Accident and Emergency) is a hospital department that deals with genuine life-threatening emergencies.

**EDD** - Expected Date of Discharge

**EoL** - End of Life

**ePMA** - Electronic Prescribing And Medicines Administration

**Foundation Trust** - NHS Foundation Trusts are part of and committed to the NHS, but have more freedom in how they run their hospital and how they meet the demands on them.

**GIRFT** - The Getting It Right First Time programme is designed to improve clinical quality and efficiency within the NHS by reducing unwarranted variations

**GP** - General practice or General practitioners treat all common medical conditions and refer patients to hospitals and other medical services for urgent and specialist treatment.

**HES** - Hospital Episode Statistics is a data warehouse containing details of all admissions, outpatient appointments and A and E attendances at NHS hospitals in England.

**MUST** - Malnutrition Universal Screening Tool is a 5 step nationally recognised and validated screening tool to identify ADULTS who are malnourished or at risk of malnutrition.

**NEWS2** - The latest version of the National Early Warning Score (NEWS), first produced in 2012 and updated in December 2017, which advocates a system to standardise the assessment and response to acute illness.

**NHS** - National Health Service is the publicly funded national healthcare system for England and one of the four National Health Services for each constituent country of the United Kingdom.

**NHSE** - NHS England is an executive non-departmental public body of the Department of Health and Social Care. NHS England oversees the budget, planning, delivery and day-to-day operation of the commissioning side of the NHS in England as set out in the Health and Social Care Act 2012.

**NHSP** - NHS Professionals is an organisation in the United Kingdom that supplies temporary staff to the National Health Service. It manages temporary staff banks on behalf of more than 55 NHS Trusts across England.

**PROMS** - Patient Reported Outcome Measures Scores measure health gain in patients undergoing hip replacement, knee replacement and up to September 2017, varicose vein and groin hernia surgery in England, based on responses to questionnaires before and after surgery.

**QI** - Quality Improvement

**SUS** - The Secondary Uses Service is the single, comprehensive repository for healthcare data in England which enables a range of reporting and analyses to support the NHS in the delivery of healthcare services.

**7DS** - The seven day services programme is designed to ensure patients that are admitted as an emergency, receive high quality consistent care, whatever day they enter hospital.

**SHMI** - Summary Hospital-Level Mortality Indicator is the ratio between the actual number of patients who die following hospitalisation at the trust and the number that would be expected to die on the basis of average England figures, given the characteristics of the patients treated there.

**VTE** - Venous thromboembolism is a condition in which a blood clot forms most often in the deep veins of the leg, groin or arm (known as deep vein thrombosis, DVT) and travels in the circulation, lodging in the lungs (known as pulmonary embolism, PE).

**WTE** - Full-time equivalent (FTE) or whole time equivalent (WTE) is a unit that indicates the workload of an employed person in a way that makes workloads or class loads comparable across various contexts.



## **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 2019 (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 2019, 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 2019 subject to limited assurance consist of the national priority indicators as mandated by NHS Improvement:

- Percentage of patients with a total discharge time in A&E of 4 hours or less from arrival to admission, transfer or discharge.
- Maximum waiting time of 62 days from urgent GP referral to first treatment for all cancers, reported in accordance with official performance statistics based on 50:50 breach allocation rules

We refer to these national priority indicators collectively as the 'indicators'.

### **Respective responsibilities of the directors and auditors**

The directors are responsible for the content and the preparation of the quality report in accordance with the criteria set out in the 'NHS Foundation Trust Annual Reporting Manual' issued by NHS Improvement.

Our responsibility is to form a conclusion, based on limited assurance procedures, on whether anything has come to our attention that causes us to believe that:

- the quality report is not prepared in all material respects in line with the criteria set out in the 'NHS Foundation Trust Annual Reporting Manual' and supporting guidance;
- the quality report is not consistent in all material respects with the sources specified in section 2.1 of the NHS Improvement 2018/19 Detailed guidance for external assurance on quality reports; 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 supporting guidance, and consider the implications for our report if we become aware of any material omissions.

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

- board minutes for the period April 2018 to March 2019;
- papers relating to quality reported to the board over the period April 2018 to March 2019;
- feedback from Commissioners, dated May 2019;
- feedback from governors, dated April 2019;
- feedback from local Healthwatch organisations, dated May 2019;
- feedback from Overview and Scrutiny Committee, dated May 2019;
- the trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated May 2019;
- the latest national patient survey 2017;
- the 2018 national staff survey 2018;
- Care Quality Commission inspection report, dated October 2018; and
- the Head of Internal Audit's annual opinion over the trust's control environment, dated May 2018.

We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with those documents (collectively the 'documents'). Our responsibilities do not extend to any other information.

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.

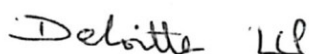
The absence of a significant body of established practice on which to draw allows for the selection of different, but acceptable measurement techniques which can result in materially different measurements and can affect comparability. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision of these criteria, may change over time. It is important to read the quality report in the context of the criteria set out in the 'NHS Foundation Trust Annual Reporting Manual' and supporting guidance.

The scope of our assurance work has not included testing of indicators other than the two selected mandated indicators, or consideration of quality governance.

### **Conclusion**

Based on the results of our procedures, nothing has come to our attention that causes us to believe that, for the year ended 31 March 2019:

- the quality report is not prepared in all material respects in line with the criteria set out in the 'NHS Foundation Trust Annual Reporting Manual' and supporting guidance;
- the quality report is not consistent in all material respects with the sources specified in the NHS Foundation Trust Annual Reporting Manual; 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 and supporting guidance.



Deloitte LLP  
Leeds  
29 May 2019

## INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF GOVERNORS AND BOARD OF DIRECTORS OF STOCKPORT NHS FOUNDATION TRUST

### Report on the audit of the financial statements

#### Opinion

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**In our opinion the financial statements of Stockport NHS Foundation Trust (the 'foundation trust') and its subsidiaries (the 'group'):**

- **give a true and fair view of the state of the group's and foundation trust's affairs as at 31<sup>st</sup> March 2019 and of the group's and foundation trust's income and expenditure for the year then ended;**
- **have been properly prepared in accordance with the accounting policies directed by NHS Improvement (NHSI) – Independent Regulator of NHS Foundation Trusts; and**
- **have been prepared in accordance with the requirements of the National Health Service Act 2006.**

We have audited the financial statements which comprise:

- the group and foundation trust statements of comprehensive income;
- the group and foundation trust statements of financial position;
- the group and foundation trust statements of changes in equity;
- the group and foundation trust statement of cash flows;
- the related notes 1 to 44.

The financial reporting framework that has been applied in their preparation is applicable law and the accounting policies directed by NHS Improvement – Independent Regulator of NHS Foundation Trusts.

#### Basis for opinion

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We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group and the foundation trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Material uncertainty relating to going concern

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We draw attention to note 1.2 in the financial statements, which indicates that there is continued uncertainty that may cast doubt on the Trust's ability to continue as a going concern. The group incurred a net deficit of £30.8 million during the year ended 31 March 2019 (£21.64m deficit at 31 March 2018), and is projecting a further £3.6m deficit for 2019/20 before impairments and revaluations. The achievement of this reduced deficit is dependent on the receipt of £24.5m of Provider Sustainability Funding (PSF) and Financial Recovery Funding (FRF), which in turn are dependent on achieving a control total of £3.6m deficit. Therefore, any negative variance in actual performance could result in a loss of some of this funding and therefore a significant deterioration against plan. The Trust also expects to be reliant on additional funding from NHSI in 2019/20 which can only be agreed 3 months in advance and therefore cannot be confirmed for the full period of the going concern assessment.



In response to this, we:

- reviewed management's controls in place over the forecasting of their financial position and cash requirements into 2019/20, including the Board paper prepared and reviewed confirming the intention to prepare accounts under the going concern assumption;

- reviewed the Trust's 2019/20 plan including cash-flow forecasts and the planned Cost Improvement Plan (CIP) for 2019/20, including the profile of these savings. We have considered assumptions driving this forecast for 2019/20 and have reviewed management's sensitivity analysis to understand the level of risk in the forecast position; and
- reviewed the potential funding arrangements available to maintain the minimum cash balance proposed by the Trust and the timing of when these would be required.

As stated in note 1.2, these events or conditions, along with the other matters as set forth in note 1.2 to the financial statements, indicate that a material uncertainty exists that may cast significant doubt on the group's and the foundation trust's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### Summary of our audit approach

<b>Key audit matters</b>	<p>The key audit matters that we identified in the current year were:</p> <ul style="list-style-type: none"> <li>• NHS Revenue Recognition</li> <li>• Going concern (see material uncertainty relating to going concern section)</li> <li>• Arrangements to secure value for money (see 'matters on which we are required to report by exception – use of resources' section)</li> </ul> <p>Within this report, any new key audit matters are identified with  and any key audit matters which are the same as the prior year identified with .</p>
<b>Materiality</b>	The materiality that we used for the group financial statements was £5.92m which was determined on the basis of 2% of total income.
<b>Scoping</b>	All audit work for the Group was performed directly by the group audit engagement team and accounts for 96% of the Group's net assets and 99% of the Group's deficit for the year.
<b>Significant changes in our approach</b>	There have been no significant changes in our approach in 2018/19. In 2017/18 we qualified our VfM opinion in respect of CQC ratings, NHSI enforcement action and financial sustainability. In 2018/19 we qualify our VfM opinion in respect of NHSI enforcement action and financial sustainability.

### Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matters described in the 'material uncertainty relating to going concern' section and 'matters on which we are required to report by exception – use of resources' section, we have determined the matters described below to be the key audit matters to be communicated in our audit report.

## NHS Revenue Recognition

### Key audit matter description



As described in note 1.4, Revenue from contracts with customers and note 1.24, Critical judgements in applying accounting policies there are significant judgements in recognition of revenue from care of NHS patients and in provisioning for disputes with commissioners due to:

- The complexity of the Payment by Results regime, in particular in determining the level of over-performance revenue to recognise; and
- the judgemental nature of accounting for disputes, including in respect of outstanding over-performance income for quarters 3 and 4.

Details of the Group's income, including £249.0m (2017/18 £242.6m) of income from CCGs and NHS England are shown in note 3.2 to the financial statements. £8.5m of contract receivables (2017/18 £4.8m trade receivables and £1.3m accrued income) are shown in note 22.1 to the financial statements.

The Group earns revenue from a wide range of commissioners, increasing the complexity of agreeing a final year-end position. The settlement of income with Clinical Commissioning Groups continues to present challenges, leading to disputes and delays in the agreement of year end positions.

### How the scope of our audit responded to the key audit matter



We evaluated the design and implementation of controls over recognition of Payment by Results income.

We performed detailed substantive testing on a sample basis of the recoverability of over-performance income and adequacy of provision for underperformance through the year, and evaluated the results of the agreement of balances exercise.

We challenged key judgements around specific areas of dispute and actual or potential challenge from commissioners and the rationale for the accounting treatments adopted. In doing so, we considered the historical accuracy of provisions for disputes and reviewed correspondence with commissioners.

We reviewed the key changes and any open areas in setting 2019/20 contracts, and considered whether, taken together with the settlement of current year disputes, there were any indicators of inappropriate adjustments in revenue recognised between periods.

### Key observations



We are satisfied that the NHS revenue has been appropriately recognised.

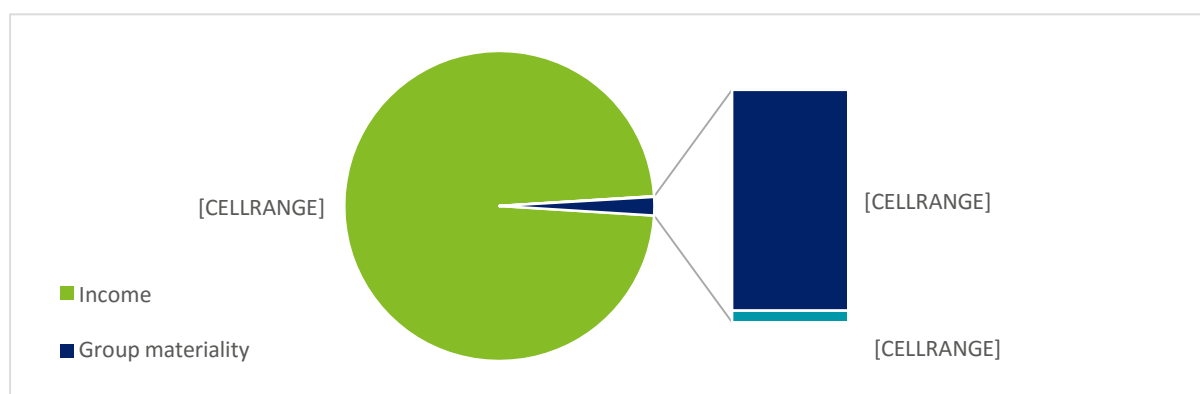
## Our application of materiality

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.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:



	Group financial statements	Foundation trust financial statements
<b>Materiality</b>	£5.92m (2017/18: £5.72m)	£5.91m (2017/18: £5.71m)
<b>Basis for determining materiality</b>	2% of total income (2017/18: 2% of total income)	2% of total income (2017/18: 2% of total income)
<b>Rationale for the benchmark applied</b>	Total income was chosen as a benchmark as the foundation trust is a non-profit organisation, and revenue is a key measure of financial performance for users of the financial statements.	Total foundation trust income was chosen as a benchmark as the foundation trust is a non-profit organisation, and revenue is a key measure of financial performance for users of the financial statements.



We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of £295k (2017/18: £285k), 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 internal controls, and assessing the risks of material misstatement at the Group level.

The focus of our audit work was on the foundation trust, with work performed at the foundation trust's head offices in Stockport directly by the audit engagement team, led by the audit partner.

Stockport NHS Foundation Trust is consolidated with its pharmacy shop subsidiary, Stepping Hill Healthcare Enterprises Limited, and its charity, Stockport NHS Foundation Trust General Fund. Stepping Hill Healthcare Enterprises Limited and Stockport NHS Foundation Trust General Fund are subject to separate external audits performed by the group audit team.

Our audit covered the primary foundation trust entity within the Group, which accounts for 97% (2017/18 98%) of the Group's net assets and 99% (2017/18 99%) of the deficit for the year. We also audited those balances within other components that we deemed to be qualitatively material, being cash and investments.

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 in the aggregated financial information of the remaining components that are not subject to audit or audit of specified account balances.

## Other information

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The accounting officer is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon.

***We have nothing to report in respect of these matters.***

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

## Responsibilities of accounting officer

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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, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the accounting officer is responsible for assessing the group's and the foundation trust's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the accounting officer either intends to liquidate the group or the foundation trust or to cease operations, or has no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

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Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## Report on other legal and regulatory requirements

### Opinion on other matters prescribed by the National Health Service Act 2006

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In our opinion:

- the parts of the Directors' Remuneration Report and Staff Report to be audited have been properly prepared in accordance with the National Health Service Act 2006; and
- the information given in the Performance Report and the Accountability 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

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#### *Use of resources*

We are required to report to you if, in our opinion the NHS Foundation Trust has not made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

#### *Basis for qualified conclusion*

We consider the following matters to be relevant to the foundation trust's arrangements to secure economy, efficiency and effectiveness:

- The foundation trust was subject to enforcement action by NHSI throughout 2018/19 in relation to its breach of the A&E 4 hour maximum waiting time target. More detail on this can be found in the Regulatory Ratings section of the Annual Report on page 96, and the Quality Report on page 109. Urgent care continues to be an area of focus for the foundation trust.  
This is evidence of weakness against the 'value for money' criteria of planning, organising and developing the workforce effectively to deliver strategic priorities.
- Whilst the trust exceeded its financial plan for the period, it reported a deficit of £31.52m in 2018/19. In addition the trust was unable to agree a control total for 2018/19. It has not been able to achieve the planned level of CIPs, and the proportion of these CIPs delivered recurrently is also below plan. More detail of this can be found in the Financial Review on page 27.  
This is evidence of weakness against the 'value for money' criteria of planning finances effectively to support the sustainable delivery of strategic priorities and maintain statutory functions.

#### *Qualified conclusion*

On the basis of our work, having regard to the guidance issued by the Comptroller & Auditor General in December 2017, with the exception of the matters reported in the basis for qualified conclusion paragraph above, we are satisfied that, in all significant respects, Stockport NHS Foundation Trust put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2019.

#### *Annual Governance Statement and compilation of financial statements*

Under the Code of Audit Practice, 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 information of which we are aware from our audit; 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.

### **Reports in the public interest or to the regulator**

Under the Code of Audit Practice, we are also required to report to you if:

- any matters have been reported in the public interest under Schedule 10(3) of the National Health Service Act 2006 in the course of, or at the end of the audit; or
- any reports to the regulator have been made under Schedule 10(6) of the National Health Service Act 2006 because we have reason to believe that the foundation trust, or a director or officer of the foundation trust, is about to make, or has made, a decision involving unlawful expenditure, or is about to take, or has taken, unlawful action likely to cause a loss or deficiency.

***We have nothing to report in respect of these matters.***

### **Certificate**

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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 Code of Audit Practice.

### **Use of our report**

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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 foundation trust and the Boards as a body, for our audit work, for this report, or for the opinions we have formed.



Paul Thomson ACA (Senior statutory auditor)

For and on behalf of Deloitte LLP

Statutory Auditor  
Leeds  
29 May 2019

Stockport NHS Foundation Trust

Annual accounts for the year ended 31 March 2019

**Foreword to the accounts**

**Stockport NHS Foundation Trust**

These accounts, for the year ended 31 March 2019, have been prepared by Stockport NHS Foundation Trust in accordance with paragraphs 24 & 25 of Schedule 7 within the National Health Service Act 2006.



**Signed** .....

<b>Name</b>	<b>Mrs L Robson</b>
<b>Job title</b>	<b>Chief Executive</b>
<b>Date</b>	<b>28 May 2019</b>

## Statement of Comprehensive Income

	Note	Group		Trust	
		2018/19	2017/18	2018/19	2017/18
		£000	£000		
Operating income from patient care activities	3	260,352	250,843	260,352	250,843
Other operating income	4	35,525	35,250	34,956	34,639
Operating expenses	7, 9	(323,455)	(304,095)	(323,063)	(303,765)
<b>Operating (deficit) from continuing operations</b>		<b>(27,578)</b>	<b>(18,002)</b>	<b>(27,755)</b>	<b>(18,283)</b>
Finance income	12	166	108	119	64
Finance expenses	13	(1,038)	(872)	(1,038)	(872)
PDC dividends payable		(2,434)	(2,841)	(2,434)	(2,841)
<b>Net finance costs</b>		<b>(3,306)</b>	<b>(3,605)</b>	<b>(3,353)</b>	<b>(3,649)</b>
Other gains / (losses)	14	101	1	4	(21)
Corporation tax expense		(31)	(32)		
<b>Deficit for the year from continuing operations</b>		<b>(30,814)</b>	<b>(21,638)</b>	<b>(31,104)</b>	<b>(21,953)</b>
<b>Other comprehensive income</b>					
<b>Will not be reclassified to income and expenditure:</b>					
Impairments	8	-	(3,321)	-	(3,321)
Revaluations	18	3,668	6,034	3,668	6,034
<b>Total comprehensive income / (expense) for the period</b>		<b>(27,146)</b>	<b>(18,925)</b>	<b>(27,436)</b>	<b>(19,240)</b>
<b>Deficit for the period attributable to:</b>					
Stockport NHS Foundation Trust		(30,814)	(21,638)	(31,104)	(21,953)
<b>TOTAL</b>		<b>(30,814)</b>	<b>(21,638)</b>	<b>(31,104)</b>	<b>(21,953)</b>
<b>Total comprehensive loss for the period attributable to:</b>					
Stockport NHS Foundation Trust		(27,146)	(18,925)	(27,436)	(19,240)
<b>TOTAL</b>		<b>(27,146)</b>	<b>(18,925)</b>	<b>(27,436)</b>	<b>(19,240)</b>

The Group Accounts include the consolidated financial results of Stockport NHS Foundation Trust, its associated Charity, Stockport NHS Foundation Trust General Fund (Charity Commission Number 1048661) and Stepping Hill Healthcare Enterprises Limited (trading as the Pharmacy Shop).

The Group Accounts reflect the outturn of the Trust of £31.1 million deficit in 2018/2019 (£22 million deficit in 2017/2018) and subsidiaries' profit of £127k for Stepping Hill Healthcare Enterprises Limited (£59k profit in 2017/2018). The Trust Charity has net movement in funds of £163k incoming in 2018/2019 compared to net movement in funds of £256k outgoing resources in 2017/2018. The Trust's consolidated subsidiaries results are further explained at notes 42 to 44.

# Statement of Financial Position

		Group		Trust	
		31 March 2019 £000	31 March 2018 £000	31 March 2019 £000	31 March 2018 £000
Note					
<b>Non-current assets</b>					
Intangible assets	15	1,186	3,161	1,186	3,161
Property, plant and equipment	16	147,046	144,456	147,046	144,456
Other investments / financial assets	19	1,332	1,235		
Receivables	22	471	652	471	652
<b>Total non-current assets</b>		<b>150,035</b>	<b>149,504</b>	<b>148,703</b>	<b>148,269</b>
<b>Current assets</b>					
Inventories	21	1,692	1,574	1,413	1,391
Receivables	22	11,249	7,811	12,721	9,133
Non-current assets for sale and assets in disposal	23	-	315	-	315
Cash and cash equivalents	24	7,027	17,098	4,868	15,523
<b>Total current assets</b>		<b>19,968</b>	<b>26,798</b>	<b>19,002</b>	<b>26,362</b>
<b>Current liabilities</b>					
Trade and other payables	25	(30,174)	(33,356)	(30,087)	(33,605)
Borrowings	27	(2,050)	(1,664)	(2,050)	(1,664)
Provisions	29	(5,646)	(6,055)	(5,646)	(6,055)
Other liabilities	26	(1,279)	(926)	(1,279)	(926)
<b>Total current liabilities</b>		<b>(39,149)</b>	<b>(42,001)</b>	<b>(39,062)</b>	<b>(42,250)</b>
<b>Total assets less current liabilities</b>		<b>130,854</b>	<b>134,301</b>	<b>128,643</b>	<b>132,381</b>
<b>Non-current liabilities</b>					
Borrowings	27	(46,417)	(23,637)	(46,417)	(23,637)
Provisions	29	(2,012)	(2,153)	(2,012)	(2,153)
Other liabilities	26	(330)	(333)	(330)	(333)
<b>Total non-current liabilities</b>		<b>(48,759)</b>	<b>(26,123)</b>	<b>(48,759)</b>	<b>(26,123)</b>
<b>Total assets employed</b>		<b>82,095</b>	<b>108,179</b>	<b>79,884</b>	<b>106,258</b>
<b>Financed by</b>					
Public dividend capital		85,452	84,390	85,452	84,390
Revaluation reserve		47,279	43,778	47,279	43,778
Income and expenditure reserve		(52,761)	(21,951)	(52,847)	(21,909)
Charitable fund reserves	20	2,125	1,962	-	-
<b>Total taxpayers' equity</b>		<b>82,095</b>	<b>108,179</b>	<b>79,884</b>	<b>106,258</b>

The notes on pages 6 to 52 form part of these accounts.

Name : **Mrs L Robson**  
Position: **Chief Executive**  
Date **28 May 2019**



**Statement of Changes in Equity for the year ended 31 March 2019**

Group		Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Charitable fund reserves £000	Total £000
<b>Taxpayers' and others' equity at 1 April 2018 - brought forward</b>		<b>84,390</b>	<b>43,778</b>	<b>(21,951)</b>	<b>1,962</b>	<b>108,179</b>
(Deficit)/Surplus for the year		-	-	(31,119)	305	(30,814)
Other transfers between reserves	18	-	(167)	167	-	-
Revaluations		-	3,668	-	-	3,668
Public dividend capital received		1,062	-	-	-	1,062
Other reserve movements		-	-	142	(142)	-
<b>Taxpayers' and others' equity at 31 March 2019</b>		<b>85,452</b>	<b>47,279</b>	<b>(52,761)</b>	<b>2,125</b>	<b>82,095</b>

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

Group		Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Charitable fund reserves £000	Total £000
<b>Taxpayers' and others' equity at 1 April 2017 - brought forward</b>		<b>83,390</b>	<b>41,065</b>	<b>(57)</b>	<b>1,706</b>	<b>126,104</b>
(Deficit)/Surplus for the year		-	-	(21,980)	342	(21,638)
Impairments	7	-	(3,321)	-	-	(3,321)
Revaluations	19	-	6,034	-	-	6,034
Public dividend capital received		1,000	-	-	-	1,000
Other reserve movements		-	-	86	(86)	-
<b>Taxpayers' and others' equity at 31 March 2018</b>		<b>84,390</b>	<b>43,778</b>	<b>(21,951)</b>	<b>1,962</b>	<b>108,179</b>

**Information on reserves****Charitable Fund Reserves**

This balance represents the ring-fenced funds held by the NHS charitable fund consolidated within these Accounts. These reserves are classified as restricted or unrestricted. A breakdown is provided at note 20.

**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.

**Statement of Changes in Equity for the year ended 31 March 2019**

Trust	Public dividend capital £000	Revaluatio n reserve £000	Income and expenditure reserve £000	Total £000
<b>Taxpayers' and others' equity at 1 April 2018 - brought forward</b>	<b>84,390</b>	<b>43,778</b>	<b>(21,909)</b>	<b>106,258</b>
(Deficit) for the year			(31,104)	(31,104)
Revaluations		3,668		3,668
Public dividend capital received	1,062			1,062
Other reserve movements	18	(167)	167	-
<b>Taxpayers' and others' equity at 31 March 2019</b>	<b>85,452</b>	<b>47,279</b>	<b>(52,847)</b>	<b>79,884</b>

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

Trust	Public dividend capital £000	Revaluatio n reserve £000	Income and expenditure reserve £000	Total £000
<b>Taxpayers' and others' equity at 1 April 2017 - brought forward</b>	<b>83,390</b>	<b>41,065</b>	<b>45</b>	<b>124,500</b>
(Deficit) for the year			(21,953)	(21,953)
Impairments	7	(3,321)		(3,321)
Revaluations	19	6,034		6,034
Public dividend capital received	1,000			1,000
<b>Taxpayers' and others' equity at 31 March 2018</b>	<b>84,390</b>	<b>43,778</b>	<b>(21,909)</b>	<b>106,258</b>

# Statement of Cash Flows

	Note	Group		Trust	
		2018/19 £000	2017/18 £000	2018/19 £000	2017/18 £000
<b>Cash flows from operating activities</b>					
Operating (deficit)		(27,578)	(18,002)	(27,755)	(18,283)
<b>Non-cash income and expense:</b>					
Depreciation and amortisation	7.1	9,274	8,655	9,274	8,655
Net impairments	8	1,823	(4,107)	1,823	(4,107)
(Increase) / decrease in receivables and other assets		(3,275)	8,009	(3,409)	7,696
(Increase) / decrease in inventories		(117)	-	(25)	(19)
Decrease / (increase) in payables and other liabilities		(1,238)	5,879	(1,584)	5,945
(Decrease) / Increase in provisions		(552)	872	(550)	872
Movements in charitable fund working capital		5	41	-	-
Tax (paid) / received		(31)	(8)	-	-
<b>Net cash flows (used in) / from operating activities</b>		<b>(21,689)</b>	<b>1,339</b>	<b>(22,226)</b>	<b>759</b>
<b>Cash flows from investing activities</b>					
Interest received		114	59	114	59
Purchase of intangible assets		(459)	(448)	(459)	(448)
Purchase of PPE and investment property		(8,850)	(5,042)	(8,850)	(5,042)
Sales of PPE and investment property		188	21	188	21
Net cash flows from charitable fund investing activities		47	44	-	-
<b>Net cash flows (used in) investing activities</b>		<b>(8,960)</b>	<b>(5,366)</b>	<b>(9,007)</b>	<b>(5,410)</b>
<b>Cash flows from financing activities</b>					
Public dividend capital received		1,062	1,000	1,062	1,000
Movement on loans from DHSC		22,894	(1,551)	22,894	(1,551)
Capital element of finance lease rental payments		(84)	(70)	(84)	(70)
Capital element of PFI, LIFT and other service concession payments		(29)	(28)	(29)	(28)
Interest on loans		(852)	(869)	(852)	(869)
Interest paid on PFI, LIFT and other service concession obligations		(11)	(12)	(11)	(12)
PDC dividend (paid) / refunded		(2,402)	(2,022)	(2,402)	(2,022)
<b>Net cash flows from / (used in) financing activities</b>		<b>20,578</b>	<b>(3,552)</b>	<b>20,578</b>	<b>(3,552)</b>
<b>Decrease in cash and cash equivalents</b>		<b>(10,071)</b>	<b>(7,579)</b>	<b>(10,655)</b>	<b>(8,203)</b>
<b>Cash and cash equivalents at 1 April - b/f</b>		<b>17,098</b>	<b>24,677</b>	<b>15,523</b>	<b>23,726</b>
<b>Cash and cash equivalents at 31 March</b>	24	<b>7,027</b>	<b>17,098</b>	<b>4,868</b>	<b>15,523</b>

## Notes to the Accounts

### Note 1 Accounting policies and other information

#### Note 1.1 Basis of preparation

NHS Improvement, in exercising the statutory functions conferred on Monitor, has directed that the financial statements of the Trust shall meet the accounting requirements of the Department of Health and Social Care Group Accounting Manual (GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the GAM 2018/19 issued by the Department of Health and Social Care. The accounting policies contained in the GAM follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the GAM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the Trust for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. These have been applied consistently in dealing with items considered material in relation to the accounts

##### Note 1.1.1 Accounting convention

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

#### Note 1.2 Going concern

IAS 1 requires the Board of Directors to assess, as part of the accounts preparation process, the Trust's ability to continue as a going concern. As a non-trading entity in the public sector the anticipated continuation of the provision of a service in the future is normally sufficient evidence of going concern. The financial statements should be prepared on a going concern basis unless there are plans for, or no realistic alternative other than, the dissolution of the Trust without the transfer of its services to another entity.

There is material uncertainty that may cast doubt on the Trust's ability to continue as a going concern and this is addressed further in the Annual Report. The Directors consider the future provision of service evidenced by the signed contracts and agreements with commissioning bodies and ongoing dialogue with the Independent Trust Financing Facility for revenue support is sufficient evidence that the Trust will continue as a going concern for the foreseeable future.

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."

#### Note 1.3 Consolidation

Stockport NHS Foundation Trust is the Corporate Trustee to Stockport NHS Foundation Trust General Fund, registered in England with the Charity Commission: Registration Number 1048661. The Trust has assessed its relationship to the charitable fund and determined it to be a subsidiary because the 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 Financial Reporting Standard (FRS) 102. On consolidation, necessary adjustments are made to the charity's assets, liabilities and transactions to:

- Recognise 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. The capital and reserves attributable to minority interests are included as a separate item in the Statement of Financial Position.

The amounts consolidated are drawn from the published financial statements of the subsidiaries for the year except where a subsidiary's financial year end is before 1 January or after 1 July in which case the actual amounts for each month of the trust's financial year are obtained from the subsidiary and consolidated.

## **Other subsidiaries continued**

Where subsidiaries' accounting policies are not aligned with those of the Trust (including where they report under UK FRS 102) then amounts are adjusted during consolidation where the differences are material. Inter-entity balances, transactions and gains/losses are eliminated in full on consolidation.

### **Stepping Hill Healthcare Enterprises Limited**

Stepping Hill Healthcare Enterprises Limited is a limited company, incorporated on the 16th September 2014. Its principal activities are to dispense drugs to the outpatients of Stockport NHS Foundation Trust. It also operates as a pharmacy shop to staff and visitors to the Trust. The Company is wholly owned by Stockport NHS Foundation Trust.

The company's latest accounting period to the 31st March 2018 have been prepared, audited and submitted to Companies House on the 18th December 2018 with estimated financial results for 2018/2019 consolidated into the Group Accounts.

## **Note 1.4 Revenue from contracts with customers**

Where income is derived from contracts with customers, it is accounted for under IFRS 15. The GAM expands the definition of a contract to include legislation and regulations which enables an entity to receive cash or another financial asset that is not classified as a tax by the Office of National Statistics (ONS). As directed by the GAM, the transition to IFRS 15 in 2018/19 has been completed in accordance with paragraph C3 (b) of the Standard: applying the Standard retrospectively but recognising the cumulative effects at the date of initial application (1 April 2018).

Revenue in respect of goods/services provided is recognised when (or as) performance obligations are satisfied by transferring promised goods/services to the customer and is measured at the amount of the transaction price allocated to those performance obligations. At the year end, the Trust accrues income relating to performance obligations satisfied in that year. Where the Trust's entitlement to consideration for those goods or services is unconditional a contract receivable will be recognised. Where entitlement to consideration is conditional on a further factor other than the passage of time, a contract asset will be recognised. Where consideration received or receivable relates to a performance obligation that is to be satisfied in a future period, the income is deferred and recognised as a contract liability.

The Trust agrees a schedule of payments with clinical commissioning groups based on the agreed contract at the start of the financial year. Payment is made in equal instalments with a quarterly reconciliation for additional income earned or credit note issued for underperformance. Payments for goods and services from other NHS and non-NHS bodies is upon receipt of invoices with payment terms set at 30 days unless otherwise agreed.

### **Revenue from NHS contracts**

The main source of income for the Trust is contracts with commissioners for health care services. A performance obligation relating to delivery of a spell of health care is generally satisfied over time as healthcare is received and consumed simultaneously by the customer as the Trust performs it. The customer in such a contract is the commissioner, but the customer benefits as services are provided to their patient. Even where a contract could be broken down into separate performance obligations, healthcare generally aligns with paragraph 22(b) of the Standard entailing a delivery of a series of goods or services that are substantially the same and have a similar pattern of transfer. At the year end, and if material, the Trust accrues income relating to activity delivered in that year, where a patient care spell is incomplete.

Revenue is recognised to the extent that collection of consideration is probable. Where contract challenges from commissioners are expected to be upheld, the Trust reflects this in the transaction price and derecognises the relevant portion of income.

Where the Trust is aware of a penalty based on contractual performance, the Trust reflects this in the transaction price for its recognition of revenue. Revenue is reduced by the value of the penalty.

The Trust receives income from commissioners under Commissioning for Quality and Innovation (CQUIN) schemes. The Trust agrees schemes with its commissioner but they affect how care is provided to patients. That is, the CQUIN payments are not considered distinct performance obligations in their own right; instead they form part of the transaction price for performance obligations under the contract.

### **Revenue from research contracts**

Where research contracts fall under IFRS 15, revenue is recognised as and when performance obligations are satisfied. For some contracts, it is assessed that the revenue project constitutes one performance obligation over the course of the multi-year contract. In these cases it is assessed that the Trust's interim performance does not create an asset with alternative use for the Trust, and the Trust has an enforceable right to payment for the performance completed to date. It is therefore considered that the performance obligation is satisfied over time, and the Trust recognises revenue each year over the course of the contract.

### **NHS Injury Cost Recovery Scheme**

The Trust receives income under the NHS injury cost recovery scheme, designed to reclaim the cost of treating injured individuals to whom personal injury compensation has subsequently been paid, for instance by an insurer. The Trust recognises the income when it receives notification from the Department of Work and Pension's Compensation Recovery Unit, has completed the NHS2 form and confirmed there are no discrepancies with the treatment. The income is measured at the agreed tariff for the treatments provided to the injured individual, less an allowance for unsuccessful compensation claims and doubtful debts in line with IFRS 9 requirements of measuring expected credit losses over the lifetime of the asset.

### **Trading Activities**

The Trust has assessed other sources of operating income for inclusion under IFRS 15. For example the Trust generates income under commercial contracts for its Pharmaceuticals Manufacturing Service, Aseptics Unit and Quality Control. Income under these contracts is recognised for the development, manufacture and ongoing supply of products. Income is generated through invoices under which payment terms are agreed at 30 days unless otherwise negotiated.

### **Note 1.4.1 Revenue grants and other contributions to expenditure**

Grant income is outside the scope of IFRS 15 and is recognised in line with IAS 20. Government grants are grants from government bodies other than income from commissioners or trusts for the provision of services. Where a grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure.

The value of the benefit received when accessing funds from the the Government's apprenticeship service is recognised as income at the point of receipt of the training service. Where these funds are paid directly to an accredited training provider, the corresponding notional expense is also recognised at the point of recognition for the benefit.

### **Note 1.4.2 Other income**

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.

Other income recognised under IFRS 15 includes catering and car parking income where cash revenue streams are recognised at the point of sale where an oral contract is implied.

### **Note 1.5 Expenditure on employee benefits**

#### **Short-term employee benefits**

Salaries, wages and employment-related payments such as social security costs and the apprenticeship levy are recognised in the period in which the service is received from employees. The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry-forward leave into the following period.

#### **Pension costs**

##### **NHS Pension Scheme**

Past and present employees are covered by the provisions of the NHS Pension Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, general practices and other bodies, allowed under the direction of Secretary of State, in England and Wales. The scheme is not designed in a way that would enable employers to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as though it is a defined contribution scheme. Further details can be found at note 10.

## **Note 1.5 Expenditure on employee benefits continued**

### **Pension costs**

#### **NHS Pension Scheme**

Employer's pension cost contributions are charged to operating expenses as and when they become due.

Additional pension liabilities arising from early retirements are not funded by the scheme except where the retirement is due to ill-health. The full amount of the liability for the additional costs is charged to the operating expenses at the time the trust commits itself to the retirement, regardless of the method of payment.

The Group offers an additional defined contribution workplace pension scheme, the National Employment Savings Scheme (NEST), to employees of the Foundation Trust. It also offers a similar scheme to its subsidiary, Stepping Hill Healthcare Enterprises Limited. The Trust has paid £51k (£20k in 2017/2018) to NEST in employer contributions and £3k (£3k in 2017/2018) for the subsidiary.

## **Note 1.6 Expenditure on other goods and services**

Expenditure on goods and services is recognised when, and to the extent that they have been received, and is measured at the fair value of those goods and services. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment.

## **Note 1.7 Property, plant and equipment**

### **Note 1.7.1 Recognition**

Property, plant and equipment is capitalised where:

- it is held for use in delivering services or for administrative purposes
- it is probable that future economic benefits will flow to, or service potential be provided to, the trust
- it is expected to be used for more than one financial year
- the cost of the item can be measured reliably
- the item has cost of at least £5,000, or
- collectively, a number of items have a cost of at least £5,000 and individually have cost of more than £250, where the assets are functionally interdependent, had broadly simultaneous purchase dates, are anticipated to have similar disposal dates and are under single managerial control or
- forms part of the initial equipping and setting-up cost of a new building or refurbishment of a ward or unit irrespective of their individual or collective cost.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, eg, plant and equipment, then these components are treated as separate assets and depreciated over their own useful lives.

### **Note 1.7.2 Measurement**

#### **Valuation**

All property, plant and equipment assets are measured initially at cost, representing the costs directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management.

All assets are measured subsequently at valuation. Assets which are held for their service potential and are in use (ie operational assets used to deliver either front line services or back office functions) are measured at their current value in existing use. Assets that were most recently held for their service potential but are surplus with no plan to bring them back into use are measured at fair value where there are no restrictions on sale at the reporting date and where they do not meet the definitions of investment properties or assets held for sale in line with IFRS 13.

Revaluations of property, plant and equipment are performed with sufficient regularity to ensure that carrying values are not materially different from those that would be determined at the end of the reporting period. Current values in existing use are determined as follows:

## **Note 1.7 Property, plant and equipment continued**

- Land and non-specialised buildings – market value for existing use
- Specialised buildings – depreciated replacement cost on a modern equivalent asset basis.

Assets held at depreciated replacement cost have been valued on an alternative site basis where this would meet the location requirements of the services being provided.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees and, where capitalised in accordance with IAS 23, borrowings costs. Assets are revalued and depreciation commences when the assets are brought into use.

IT equipment, transport equipment, furniture and fittings, and plant and machinery that are held for operational use are valued at depreciated historic cost where these assets have short useful lives or low values or both, as this is not considered to be materially different from current value in existing use.

### **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 lives in a manner consistent with the consumption of economic or service delivery benefits. Depreciation is charged using the straight life method. Freehold land is considered to have an infinite life and is not depreciated.

Property, plant and equipment which has been reclassified as 'held for sale' cease 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.

Plant and Equipment are depreciated evenly over the estimated life of the asset, as follows:

Medical equipment, engineering plant and equipment : 5 to 10 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 GAM, impairments that arise from a clear consumption of economic benefits or of service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of (i) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before the impairment.



### Impairments continued

An impairment that arises from a clear consumption of economic benefit or of service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss is reversed. Reversals are recognised in operating expenditure to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised.

Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains in line with IFRS 13.

#### Note 1.7.3 De-recognition

Assets intended for disposal are reclassified as 'held for sale' once all of the following criteria are met:

- the asset is available for immediate sale in its present condition subject only to terms which are usual and customary for such sales;
- the sale must be highly probable ie:
  - management are committed to a plan to sell the asset;
  - an active programme has begun to find a buyer and complete the sale;
  - the asset is being actively marketed at a reasonable price;
  - the sale is expected to be completed within 12 months of the date of classification as 'held for sale'; and
  - the actions needed to complete the plan indicate it is unlikely that the plan will be abandoned 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 useful life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

#### Note 1.7.4 Donated and grant funded assets

Donated and grant funded property, plant and equipment assets are capitalised at their fair value on receipt. The donation/grant is credited to income at the same time, unless the donor has imposed a condition that the future economic benefits embodied in the grant are to be consumed in a manner specified by the donor, in which case, the donation/grant is deferred within liabilities and is carried forward to future financial years to the extent that the condition has not yet been met.

The donated and grant funded assets are subsequently accounted for in the same manner as other items of property, plant and equipment.

#### Note 1.7.5 Private Finance Initiative (PFI) and Local Improvement Finance Trust (LIFT) transactions

PFI and LIFT transactions which meet the IFRIC 12 definition of a service concession, as interpreted in HM Treasury's *FReM*, are accounted for as 'on-Statement of Financial Position' by the Trust. In accordance with IAS 17, the underlying assets are recognised as property, plant and equipment, together with an equivalent finance lease liability. Subsequently, the assets are accounted for as property, plant and equipment and/or intangible assets as appropriate.

The annual contract payments are apportioned between the repayment of the liability, a finance cost, the charges for services and lifecycle replacement of components of the asset. The element of the annual unitary payment increase due to cumulative indexation is treated as contingent rent and is expensed as incurred.

The service charge is recognised in operating expenses and the finance cost is charged to finance costs in the Statement of Comprehensive Income.

### Note 1.7.6 Useful lives of property, plant and equipment

Useful lives reflect the total life of an asset and not the remaining life of an asset. The range of useful lives are shown in the table below:

	Min life Years	Max life Years
Land	-	-
Buildings, excluding dwellings	3	55
Dwellings	20	40
Plant & machinery	5	10
Transport equipment	7	7
Information technology	5	5
Furniture & fittings	7	10

Finance-leased assets (including land) are depreciated over the shorter of the useful life or the lease term, unless the trust expects to acquire the asset at the end of the lease term in which case the assets are depreciated in the same manner as owned assets above.

### Note 1.8 Intangible assets

#### Note 1.8.1 Recognition

Intangible assets are non-monetary assets without physical substance which are capable of being sold separately from the rest of the Trust's business or which arise from contractual or other legal rights. They are recognised only where it is probable that future economic benefits will flow to, or service potential be provided to, the Trust and where the cost of the asset can be measured reliably.

#### Internally generated intangible assets

Internally generated goodwill, brands, mastheads, publishing titles, customer lists and similar items are not capitalised as intangible assets.

Expenditure on research is not capitalised.

Expenditure on development is capitalised only where all of the following can be demonstrated:

- the project is technically feasible to the point of completion and will result in an intangible asset for sale or use;
- the Trust intends to complete the asset and sell or use it;
- the Trust has the ability to sell or use the asset;
- how the intangible asset will generate probable future economic or service delivery benefits, eg, the presence of a market for it or its output, or where it is to be used for internal use, the usefulness of the asset;
- adequate financial, technical and other resources are available to the Trust to complete the development and sell or use the asset and
- the Trust can measure reliably the expenses attributable to the asset during development.

#### Software

Software which is integral to the operation of hardware, 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.

#### Note 1.8.2 Useful economic life of intangible assets

Useful lives reflect the total life of an asset and not the remaining life of an asset. The range of useful lives are shown in the table below:

	Min Life Years	Max life Years
Software licences	4	10

### **Note 1.8.3 Measurement**

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management.

Subsequently intangible assets are measured at current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluations gains and losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value under IFRS 13, if it does not meet the requirements of IAS 40 or IFRS 5.

Intangible assets held for sale are measured at the lower of their carrying amount or "fair value less costs to sell".

### **Amortisation**

Intangible assets are amortised over their expected useful lives in a manner consistent with the consumption of economic or service delivery benefits.

### **Note 1.9 Inventories**

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured using the first in, first out (FIFO) method and the weighted average cost method for Pharmacy drugs.

### **Note 1.10 Cash and cash equivalents**

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the Trust's cash management. Cash, bank and overdraft balances are recorded at current values. 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.

In 2018/2019 Stockport NHS Foundation Trust has repaid £2.4 million in principle and interests on its' capital loans and £2.4 million in PDC Dividend to the Department of Health and Social Care. It has received £1.1 million in PDC financing for capital projects.

### **Note 1.11 Carbon Reduction Commitment scheme (CRC)**

The CRC scheme is a mandatory cap and trade scheme for non-transport CO<sub>2</sub> emissions. The Trust is registered with the CRC scheme, and is therefore required to surrender to the Government an allowance for every tonne of CO<sub>2</sub> it emits during the financial year. A liability and related expense is recognised in respect of this obligation as CO<sub>2</sub> emissions are made.

The carrying amount of the liability at the financial year end will therefore reflect the CO<sub>2</sub> emissions that have been made during that financial year, less the allowances (if any) surrendered voluntarily during the financial year in respect of that financial year.

The liability will be measured at the amount expected to be incurred in settling the obligation. This will be the cost of the number of allowances required to settle the obligation.

Allowances acquired under the scheme are recognised as intangible assets.

### **Note 1.12 Financial assets and financial liabilities**

#### **Note 1.12.1 Recognition**

Financial assets and financial liabilities arise where the Trust is party to the contractual provisions of a financial instrument, and as a result has a legal right to receive or a legal obligation to pay cash or another financial instrument. The GAM expands the definition of a contract to include legislation and regulations which give rise to arrangements that in all other respects would be a financial instrument and do not give rise to transactions classified as a tax by ONS.

This includes the purchase or sale of non-financial items (such as goods or services), which are entered into in accordance with the Trust's normal purchase, sale or usage requirements and are recognised when, and to the extent which, performance occurs, ie, when receipt or delivery of the goods or services is made.

#### **Note 1.12.2 Classification and measurement**

Financial assets and financial liabilities are initially measured at fair value plus or minus directly attributable transaction costs except where the asset or liability is not measured at fair value through income and expenditure. Fair value is taken as the transaction price, or otherwise determined by reference to quoted market prices or valuation techniques.

Financial assets or financial liabilities in respect of assets acquired or disposed of through finance leases are recognised and measured in accordance with the accounting policy for leases described below.

Financial assets are classified as subsequently measured at amortised cost, fair value through income and expenditure or fair value through other comprehensive income.

Financial liabilities classified as subsequently measured at amortised cost or fair value through income and expenditure.

#### **Financial assets and financial liabilities at amortised cost**

Financial assets and financial liabilities at amortised cost are those held with the objective of collecting contractual cash flows and where cash flows are solely payments of principal and interest. This includes cash equivalents, contract and other receivables, trade and other payables, rights and obligations under lease arrangements and loans receivable and payable.

After initial recognition, these financial assets and financial liabilities are measured at amortised cost using the effective interest method less any impairment (for financial assets). The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

Interest revenue or expense is calculated by applying the effective interest rate to the gross carrying amount of a financial asset or amortised cost of a financial liability and recognised in the Statement of Comprehensive Income and a financing income or expense. In the case of loans held from the Department of Health and Social Care, the effective interest rate is the nominal rate of interest charged on the loan.

#### **Financial assets measured at fair value through other comprehensive income**

A financial asset is measured at fair value through other comprehensive income where business model objectives are met by both collecting contractual cash flows and selling financial assets and where the cash flows are solely payments of principal and interest. Movements in the fair value of financial assets in this category are recognised as gains or losses in other comprehensive income except for impairment losses. On derecognition, cumulative gains and losses previously recognised in other comprehensive income are reclassified from equity to income and expenditure, except where the Trust elected to measure an equity instrument in this category on initial recognition.

#### **Financial assets and financial liabilities at fair value through income and expenditure**

Financial assets measured at fair value through profit or loss are those that are not otherwise measured at amortised cost or at fair value through other comprehensive income. This category also includes financial assets and liabilities acquired principally for the purpose of selling in the short term (held for trading) and derivatives. Derivatives which are embedded in other contracts, but which are separable from the host contract are measured within this category. Movements in the fair value of financial assets and liabilities in this category are recognised as gains or losses in the Statement of Comprehensive income.

#### **Impairment of financial assets**

For all financial assets measured at amortised cost including lease receivables, contract receivables and contract assets or assets measured at fair value through other comprehensive income, the Trust recognises an allowance for expected credit losses.

The Trust adopts the simplified approach to impairment for contract and other receivables, contract assets and lease receivables, measuring expected losses as at an amount equal to lifetime expected losses. For other financial assets, the loss allowance is initially measured at an amount equal to 12-month expected credit losses (stage 1) and subsequently at an amount equal to lifetime expected credit losses if the credit risk assessed for the financial asset significantly increases (stage 2).

The Trust has assessed its receivables on an individual basis for expected credit losses and provided for these where judged to be necessary. The Trust Injury Cost Recovery Scheme income is reduced by a nationally agreed expected credit loss percentage. The Trust does not normally recognise expected credit losses for other NHS bodies except for circumstances of genuine dispute.

For financial assets that have become credit impaired since initial recognition (stage 3), expected credit losses at the reporting date are measured as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate.

Expected losses are charged to operating expenditure within the Statement of Comprehensive Income and reduce the net carrying value of the financial asset in the Statement of Financial Position.

### **Note 1.12.3 Derecognition**

Financial assets are de-recognised when the contractual rights to receive cash flows from the assets have expired or the Trust has transferred substantially all the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

### **Note 1.13 Leases**

Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

#### **Note 1.13.1 The trust as lessee**

##### **Finance leases**

Where substantially all risks and rewards of ownership of a leased asset are borne by the Trust, the asset is recorded as property, plant and equipment and a corresponding liability is recorded. The value at which both are recognised is the lower of the fair value of the asset or the present value of the minimum lease payments, discounted using the interest rate implicit in the lease.

The asset and liability are recognised at the commencement of the lease. Thereafter the asset is accounted for as an item of property plant and equipment.

The annual rental charge is split between the repayment of the liability and a finance cost so as to achieve a constant rate of finance over the life of the lease. The annual finance cost is charged to Finance Costs in the Statement of Comprehensive Income. The lease liability, is de-recognised when the liability is discharged, cancelled or expires.

##### **Operating leases**

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially as a liability and subsequently as a reduction of rentals on a straight-line basis over the lease term.

Contingent rentals are recognised as an expense in the period in which they are incurred.

##### **Leases of land and buildings**

Where a lease is for land and buildings, the land component is separated from the building component and the classification for each is assessed separately.

### **Note 1.13.2 The trust as lessor**

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Trust's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the trust's net investment outstanding in respect of the leases.

### **Operating leases**

Rental income from operating leases is recognised on a straight-line basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

### **Note 1.14 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. Post-employment benefits provisions such as injury benefit provisions use HM Treasury's pension discount rate of 0.29% (0.10% in 2017/2018) in real terms.

### **Clinical negligence costs**

NHS Resolution operates a risk pooling scheme under which the Trust pays an annual premium contribution to NHS Resolution, which, in return, settles all clinical negligence claims. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the Trust is disclosed at note 29.2 but is not recognised in the Trust's accounts.

### **Non-clinical risk pooling**

The Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the Trust pays an annual contribution to NHS Resolution and in return receives assistance with the costs of claims arising. The annual membership contributions, and any "excesses" payable in respect of particular claims are charged to operating expenses when the liability arises.

### **Note 1.15 Contingencies**

Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the Trust's control) are not recognised as assets, but are disclosed in note 30 where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in note 30, 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 entity's control; or
- present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

### **Note 1.16 Public dividend capital**

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

At any time, the Secretary of State can issue new PDC to, and require repayments of PDC from, the trust. PDC is recorded at the value received.

A charge, reflecting the cost of capital utilised by the Trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for

**Note 1.16 Public dividend capital**

- (i) donated assets (including lottery funded assets),
- (ii) average daily cash balances held with the Government Banking Services (GBS) and National Loans Fund (NLF) deposits, excluding cash balances held in GBS accounts that relate to a short-term working capital facility, and
- (iii) any PDC dividend balance receivable or payable.

In accordance with the requirements laid down by the Department of Health and Social Care (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the "pre-audit" version of the annual accounts. The dividend thus calculated is not revised should any adjustment to net assets occur as a result the audit of the annual accounts.

**Note 1.17 Value added tax**

Most of the activities of the trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

**Note 1.18 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 therefrom exceed £50,000 per annum.

The Trust incurs corporation tax through its wholly owned subsidiary 'Stepping Hill Healthcare Enterprises Limited.

**Note 1.19 Foreign exchange**

The functional and presentational currency of the Trust is sterling.

A transaction which is denominated in a foreign currency is translated into the functional currency at the spot exchange rate on the date of the transaction.

Where the Trust has assets or liabilities denominated in a foreign currency at the Statement of Financial Position date:

- monetary items 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 at the Statement of Financial Position date) are recognised in income or expense in the period in which they arise.

Exchange gains or losses on non-monetary assets and liabilities are recognised in the same manner as other gains and losses on these items.

**Note 1.20 Third party assets**

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the Trust has no beneficial interest in them. However, they are disclosed in a separate note to the accounts in accordance with the requirements of HM Treasury's *FReM*.

**Note 1.21 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.

#### **Note 1.21 Losses and special payments continued**

Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had the Trust not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure).

However the losses and special payments note is compiled directly from the losses and compensations register which reports on an accrual basis with the exception of provisions for future losses.

#### **Note 1.22 Gifts**

Gifts are items that are voluntarily donated, with no preconditions and without the expectation of any return. Gifts include all transactions economically equivalent to free and unremunerated transfers, such as the loan of an asset for its expected useful life, and the sale or lease of assets at below market value.

#### **Note 1.23 Transfers of functions to / from [other NHS bodies / local government bodies]**

For functions that have been transferred to the Trust from another NHS or local government body, the assets and liabilities transferred are recognised in the accounts as at the date of transfer. The assets and liabilities are not adjusted to fair value prior to recognition.

For property, plant and equipment assets and intangible assets, the cost and accumulated depreciation / amortisation balances from the transferring entity's accounts are preserved on recognition in the Trust's accounts. Where the transferring body recognised revaluation reserve balances attributable to the assets, the Trust makes a transfer from its income and expenditure reserve to its revaluation reserve to maintain transparency within public sector accounts.

For functions that the Trust has transferred to another NHS or local government body, the assets and liabilities transferred are de-recognised from the accounts as at the date of transfer. The net loss / gain corresponding to the net assets/ liabilities transferred is recognised within expenses or income, but not within operating activities. Any revaluation reserve balances attributable to assets de-recognised are transferred to the income and expenditure reserve.

#### **Note 1.24 Critical judgements in applying accounting policies**

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

The Trust uses the District Valuer service to provide revalued amounts for its land, buildings and dwellings. These valuations are carried out in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual. In 2018/2019 the Trust has undertaken a review exercise of its alternative site valuation of land and buildings. The valuation at the 31st March 2019 has been judged as material to update and the subsequent increase to assets has been enacted through the revaluation reserve.

In applying IRFS 15 the Trust has reviewed its policy around the recognition of partially completed spells and maternity pathway income. The Trust is entitled to recognise income for partially completed spells of activity at the 31st March 2019. 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 2018/19 the Trust has a block contract in place for non elective activity for which no entitlement to partially completed spells is included. For other income 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. This principle will be reviewed on an annual basis.

##### **Note 1.24.1 Sources of estimation uncertainty**

The following are assumptions about the future and other major sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

The Provision for Restructurings and Redundancy includes estimated costs associated with the workforce elements of the Trust's future plans. The provision has been updated from the previous financial year to take account of current circumstances with the previous year's provision reversed into the Statement of Comprehensive Income.

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.



### **Note 1.25 Early adoption of standards, amendments and interpretations**

No new accounting standards or revisions to existing standards have been early adopted in 2018/19.

### **Note 1.26 Standards, amendments and interpretations in issue but not yet effective or adopted**

As required by IAS 8 the Trust can disclose that the following standards have been issued or amended but have not yet been adopted by the HM Treasury FReM and are therefore not applicable to DH group accounts in 2018/19. The impact of IFRS 16 is still under assessment. The transition to IFRS 17 and IFRIC 23 is considered to be immaterial.

IFRS 16 Leases – application required for accounting periods beginning on or after 1<sup>st</sup> January 2019, but not yet adopted by the FReM: early adoption is therefore not permitted.

IFRS 17 - Insurance Contracts - application required for accounting periods beginning on or after 1 January 2021.

IFRIC 23 Uncertainty over Income Tax treatments - application required for accounting periods beginning on or after 1 January 2019.

### **Note 1.27 Relevant International Financial 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 9 Financial Instruments  
 IFRS 10 Consolidated Financial Statements  
 IFRS 11 Joint Arrangements  
 IFRS 12 Disclosure of Interests in Other Entities  
 IFRS 13 Fair value measurement  
 IFRS 15 Revenue from Contracts with Customers  
 Annual Improvements to IFRS 2009-13

#### **International Accounting Standards**

IAS 1 Presentation of Financial Statements  
 IAS 2 Inventories  
 IAS 7 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 19 Employee benefits  
 IAS 20 Accounting for Government grants and disclosure 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 and Joint Ventures (Revised 2011)  
 IAS 32 Financial instruments: Presentation  
 IAS 36 Impairment of assets  
 IAS 37 Provisions, contingent liabilities and contingent assets  
 IAS 38 Intangible Assets  
 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 12 Service concession arrangements  
 IFRIC 14 IAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction.

**IFRIC Interpretations continued**

IFRIC 17 Distribution of non-cash assets to owners

IRIC 21 Levies

IFRIC 22 Foreign Currency Transactions and Advance Consideration

**SIC Interpretations**

SIC 10 Government Assistance

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 32 Intangible Assets – Web Site Costs

**Note 2 Operating Segments**

In line with IFRS 8 on Operating Segments, the Board of Directors, as Chief Operating Decision Maker (CODM), 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.

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; namely through contracts with NHS Commissioners. 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. In applying the aggregation criteria the CODM also recognises that the Trust's business groups operate under one common regulatory framework.

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.

The Trust's view on segmental reporting remains unchanged from its financial statements in 2017/2018. The Board, as Chief Operating Decision Maker, does not receive separate information routinely to evaluate how to allocate resources and assess performance 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.

**Note 3 Operating income from patient care activities (Group)**

All income from patient care activities relates to contract income recognised in line with accounting policy 1.4

<b>Note 3.1 Income from patient care activities (by nature)</b>	<b>Foundation Trust and Group</b>	
	<b>2018/19</b>	<b>2017/18</b>
	<b>£000</b>	<b>£000</b>
<b>Acute services</b>		
Elective income	41,136	39,509
Non elective income	81,724	79,870
First outpatient income	16,891	16,159
Follow up outpatient income	15,787	15,313
A & E income	14,287	13,530
High cost drugs income from commissioners (excluding pass-through costs)	10,227	9,535
Other NHS clinical income	46,998	46,357
<b>Community services</b>		
Community services income from CCGs and NHS England	22,633	22,928
Income from other sources (e.g. local authorities)	5,755	6,690
<b>All services</b>		
Private patient income	381	233
Agenda for Change pay award central funding	3,622	-
Other clinical income	911	719
<b>Total income from activities</b>	<b>260,352</b>	<b>250,843</b>

<b>Note 3.2 Income from patient care activities (by source)</b>	<b>Foundation Trust and Group</b>	
	<b>2018/19</b>	<b>2017/18</b>
	<b>£000</b>	<b>£000</b>
<b>Income from patient care activities received from:</b>		
NHS England	14,488	13,617
Clinical commissioning groups	234,539	228,952
Department of Health and Social Care	3,622	17
Other NHS providers	582	514
NHS other	74	101
Local authorities	5,755	6,690
Non-NHS: private patients	370	243
Non-NHS: overseas patients (chargeable to patient)	11	23
Injury cost recover scheme	911	686
<b>Total income from activities</b>	<b>260,352</b>	<b>250,843</b>
<b>Of which:</b>		
Related to continuing operations	260,352	250,843

**Note 3.3 Overseas visitors (relating to patients charged directly by the provider)**

	<b>Foundation Trust and Group</b>	
	<b>2018/19</b>	<b>2017/18</b>
	<b>£000</b>	<b>£000</b>
Income recognised this year	11	23
Cash payments received in-year	-	13
Amounts added to provision for impairment of receivables	7	10
Amounts written off in-year	-	-

**Note 4 Other operating income (Group)**

	<b>2018/19</b>	<b>2017/18</b>
	<b>£000</b>	<b>£000</b>
<b>Other operating income from contracts with customers:</b>		
Research and development (contract)	638	511
Education and training (excluding notional apprenticeship levy income)	7,685	8,088
Provider sustainability / sustainability and transformation fund income (PSF / STF)	616	390
Other contract income	496	210
<b>Other non-contract operating income:</b>		
Education and training - notional income from apprenticeship fund	272	53
Stockport Pharmaceuticals and Quality Control	5,510	5,430
Stockport Healthcare Enterprises Ltd income	3,848	3,425
Local Authorities	2,878	3,614
NHS and WGA Bodies	8,945	9,001
Non-NHS Bodies	2,267	2,109
Rents and car parking income	1,853	2,130
Catering sales	356	13
Charitable fund incoming resources	161	276
<b>Total other operating income</b>	<b>35,525</b>	<b>35,250</b>
<b>Of which:</b>		
Related to continuing operations	35,525	35,250

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 Other operating income (Trust)**

	<b>2018/19</b>	<b>2017/18</b>
	<b>£000</b>	<b>£000</b>
Research and development	638	511
Education and training	7,685	8,088
Education and training - notional income from apprenticeship fund	272	53
Stockport Pharmaceuticals and Quality Control	5,510	5,430
Pharmacy Sales	3,779	3,660
Local Authorities	2,878	3,110
Charitable and other contributions to expenditure	129	86
Sustainability and transformation fund income	616	390
NHS and WGA Bodies	8,945	9,001
Non-NHS Bodies	2,267	2,093
Rents and car parking income	1,853	2,130
Catering sales	356	13
Clinical Excellence awards	28	74
<b>Total other operating income</b>	<b>34,956</b>	<b>34,639</b>
<b>Of which:</b>		
Related to continuing operations	34,956	34,639

	Foundation Trust and Group 2018/19 £000
<b>Note 5.1 Additional information on contract revenue (IFRS 15) recognised in the period</b>	
Revenue recognised in the reporting period that was included in within contract liabilities at the previous period end	526

**Note 5.2 Transaction price allocated to remaining performance obligations**

The Trust has exercised the practical expedients permitted by IFRS 15 paragraph 121 in preparing this disclosure. Revenue from (i) contracts with an expected duration of one year or less and (ii) contracts where the Trust recognises revenue directly corresponding to work done to date, is not disclosed.

**Note 5.3 Income from activities arising from commissioner requested services**

Under the terms of its provider licence, the Trust is required to analyse the level of income from activities that has arisen from commissioner requested and non-commissioner requested services. Commissioner requested services are defined in the provider licence and are services that commissioners believe would need to be protected in the event of provider failure. This information is provided in the table below:

	Foundation Trust and Group	
	2018/19	2017/18
	£000	£000
Income from services designated as commissioner requested services	259,060	249,891
Income from services not designated as commissioner requested services	1,292	952
<b>Total</b>	<b>260,352</b>	<b>250,843</b>

**Note 5.4 Profits and losses on disposal of property, plant and equipment**

In 2018/2019 the Trust has disposed of property, plant, equipment and transport with a net book value of £184,000 and proceeds of £188,000 less costs, therefore giving a total profit on disposal of £4,000.

**Note 6.1 Fees and charges (Group)**

HM Treasury requires disclosure of fees and charges income. The following disclosure is of income from charges to service users where income from that service exceeds £1 million and is presented as the aggregate of such income. The cost associated with the service that generated the income is also disclosed.

	Foundation Trust and Group	
	2018/19	2017/18
	£000	£000
Income	5,512	5,386
Full cost	(5,231)	(4,787)
<b>Surplus / (deficit)</b>	<b>281</b>	<b>599</b>

The above note identifies the costs associated with significant trading and income generating activities. This notes discloses the income and costs associated with the trading activities of Stockport Pharmaceuticals and Quality Control. Income includes amounts assigned to education and training and other categories within note 4.

# Stockport NHS Foundation Trust Annual Accounts 2018/2019

## Note 7.1 Operating expenses (Group)

	Group	
	2018/19	2017/18
	£000	£000
Purchase of healthcare from NHS and DHSC bodies	6,233	3,901
Purchase of healthcare from non-NHS and non-DHSC bodies	2,402	2,143
Staff and executive directors costs	223,459	212,468
Remuneration of non-executive directors	149	158
Supplies and services - clinical (excluding drugs costs)	23,974	21,607
Supplies and services - general	2,449	2,824
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	20,874	19,452
Inventories written down	-	50
Consultancy costs	478	1,231
Establishment	1,705	2,004
Premises	10,946	13,137
Transport (including patient travel)	1,162	1,095
Depreciation on property, plant and equipment	8,663	7,994
Amortisation on intangible assets	611	661
Net impairments	1,823	(4,107)
Movement in credit loss allowance: contract receivables / contract assets	(226)	-
Movement in credit loss allowance: all other receivables and investments	(6)	292
Increase/(decrease) in other provisions	(250)	1,488
Change in provisions discount rate(s)	(38)	31
Audit fees payable to the external auditor		
audit services- statutory audit	48	48
other auditor remuneration (external auditor only)	22	16
Internal audit costs	95	96
Clinical negligence	10,433	9,418
Legal fees	238	465
Insurance	266	242
Research and development	539	468
Education and training	1,012	741
Rentals under operating leases	2,556	2,382
Charges to operating expenditure for on-SoFP IFRIC 12 schemes (e.g. PFI / LIFT)	1,325	1,177
asset under construction and agreed to impair costs incurred to date. Within the	309	181
Losses, ex gratia & special payments	106	42
Other	2,098	2,390
<b>Total</b>	<b>323,455</b>	<b>304,095</b>
<b>Of which:</b>		
Related to continuing operations	323,455	304,095

# Stockport NHS Foundation Trust Annual Accounts 2018/2019

## Note 7.2 Operating expenses (Trust)

	Trust	
	2018/19	2017/18
	£000	£000
Purchase of healthcare from NHS and DHSC bodies	6,233	3,901
Purchase of healthcare from non-NHS and non-DHSC bodies	2,402	2,143
Staff and executive directors costs	223,206	212,468
Remuneration of non-executive directors	149	158
Supplies and services - clinical (excluding drugs costs)	23,974	21,607
Supplies and services - general	2,449	2,824
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	20,735	19,452
Inventories written down	-	50
Consultancy costs	478	1,231
Establishment	1,705	2,004
Premises	10,946	13,137
Transport (including patient travel)	1,162	1,095
Depreciation on property, plant and equipment	8,663	7,994
Amortisation on intangible assets	611	661
Net impairments	1,823	(4,107)
Movement in credit loss allowance: contract receivables / contract assets	(226)	-
Movement in credit loss allowance: all other receivables and investments	(6)	292
Increase/(decrease) in other provisions	(250)	1,488
Change in provisions discount rate(s)	(38)	31
Audit fees payable to the external auditor		
audit services- statutory audit	48	48
other auditor remuneration (external auditor only)	22	16
Internal audit costs	95	96
Clinical negligence	10,433	9,418
Legal fees	238	465
Insurance	266	242
Research and development	539	468
Education and training	1,012	741
Rentals under operating leases	2,556	2,382
Charges to operating expenditure for on-SoFP IFRIC 12 schemes (e.g. PFI / LIFT)	1,325	1,177
asset under construction and agreed to impair costs incurred to date. Within the	309	181
Losses, ex gratia & special payments	106	42
Other	2,098	2,060
<b>Total</b>	<b>323,063</b>	<b>303,765</b>
<b>Of which:</b>		
Related to continuing operations	323,063	303,765

**Note 7.3 Other auditor remuneration (Group)**

	<b>Group</b>	
	<b>2018/19</b>	<b>2017/18</b>
	<b>£000</b>	<b>£000</b>
<b>Other auditor remuneration paid to the external auditor:</b>		
1. Audit of accounts of any associate of the trust	10	4
2. Audit-related assurance services	12	12
<b>Total</b>	<b>22</b>	<b>16</b>

**Note 7.4 Limitation on auditor's liability (Group)**

There is no limitation on auditor's liability for external audit work carried out for the financial years 2018/19 or 2017/18.

**Note 8 Impairment of assets (Group)**

	<b>Foundation Trust and Group</b>	
	<b>2018/19</b>	<b>2017/18</b>
	<b>£000</b>	<b>£000</b>
<b>Net impairments charged to operating surplus / deficit resulting from:</b>		
Abandonment of assets in course of construction	1,823	-
Changes in market price	-	(4,107)
<b>Total net impairments charged to operating surplus / deficit</b>	<b>1,823</b>	<b>(4,107)</b>
Impairments charged to the revaluation reserve	-	3,321
<b>Total net impairments</b>	<b>1,823</b>	<b>(786)</b>

In 2018/2019 the Board has approved the suspension of work on an intangible asset under construction and agreed to impair costs incurred to date. Within the SoCi the Trust has also benefitted from a reversal of capital creditor of £718,000 for obligations no longer due. In 2017/2018 the Trust undertook a revaluation exercise of its land, buildings and dwellings on an alternate site basis which resulted in reversal of impairment of £4.1 million to the Statement of Comprehensive Income (SoCi). Reversals of impairments reflect the increase in value of property where previous charges have been made to income and expenditure.

**Note 9 Employee benefits (Group)**

	<b>Group</b>	
	<b>2018/19</b>	<b>2017/18</b>
	<b>Total</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>
Salaries and wages	169,646	158,243
Social security costs	13,945	13,512
Apprenticeship levy	751	791
Employer's contributions to NHS pensions	18,931	18,144
Pension cost - other	54	23
Temporary staff (including agency)	20,671	22,465
<b>Total gross staff costs</b>	<b>223,998</b>	<b>213,178</b>
Recoveries in respect of seconded staff	-	-
<b>Total staff costs</b>	<b>223,998</b>	<b>213,178</b>
<b>Of which</b>		
Costs capitalised as part of assets	43	259

Staff costs for the Group include staff employed by the Trust subsidiary, Stepping Hill Healthcare Enterprises Limited.



**Note 9.1 Employee benefits (Trust)**

	<b>Trust</b>	
	<b>2018/19</b>	<b>2017/18</b>
	<b>Total</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>
Salaries and wages	169,393	158,028
Social security costs	13,945	13,512
Apprenticeship levy	751	791
Employer's contributions to NHS pensions	18,931	18,144
Pension cost - other	54	20
Temporary staff (including agency)	20,671	22,465
<b>Total gross staff costs</b>	<b>223,745</b>	<b>212,960</b>
Recoveries in respect of seconded staff	-	-
<b>Total staff costs</b>	<b>223,745</b>	<b>212,960</b>
<b>Of which</b>		
Costs capitalised as part of assets	43	259

**Note 9.2 Retirements due to ill-health (Group)**

During 2018/19 there were 5 early retirements from the Trust agreed on the grounds of ill-health (11 in the year ended 31 March 2018). The estimated additional pension liabilities of these ill-health retirements is £196k (£38k in 2017/18).

The cost of these ill-health retirements will be borne by the NHS Business Services Authority - Pensions Division.

**Note 10 Pension costs**

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at [www.nhsbsa.nhs.uk/pensions](http://www.nhsbsa.nhs.uk/pensions). Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at [www.nhsbsa.nhs.uk/pensions](http://www.nhsbsa.nhs.uk/pensions). Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

**a) Accounting valuation**

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2019, is based on valuation data as 31 March 2018, updated to 31 March 2019 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.

## Note 10 Pension costs continued

### a) Accounting valuation

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

### b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019. The Department of Health and Social Care have recently laid Scheme Regulations confirming that the employer contribution rate will increase to 20.6% of pensionable pay from this date.

The 2016 funding valuation was also expected to test the cost of the Scheme relative to the employer cost cap set following the 2012 valuation. Following a judgment from the Court of Appeal in December 2018 Government announced a pause to that part of the valuation process pending conclusion of the continuing legal process.

## Note 11 Operating leases (Group)

### Note 11.1 Stockport NHS Foundation Trust as a lessor

There are no arrangements where income generated in operating lease agreements where Stockport NHS Foundation Trust is the lessor.

### Note 11.2 Stockport NHS Foundation Trust as a lessee

This note discloses costs and commitments incurred in operating lease arrangements where Stockport NHS Foundation Trust is the lessee.

In 2017/2018 the Trust has leasing arrangements for its community buildings with NHS Property Services Ltd for community services provided in the Stockport area. 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.

	<b>Foundation Trust and Group</b>	
	<b>2018/19</b>	<b>2017/18</b>
	<b>£000</b>	<b>£000</b>
<b>Operating lease expense</b>		
Minimum lease payments	2,556	2,382
<b>Total</b>	<b>2,556</b>	<b>2,382</b>
	<b>31 March</b>	<b>31 March</b>
	<b>2019</b>	<b>2018</b>
	<b>£000</b>	<b>£000</b>
<b>Future minimum lease payments due:</b>		
- not later than one year;	2,556	2,382
- later than one year and not later than five years;	99	141
- later than five years.	-	62
<b>Total</b>	<b>2,655</b>	<b>2,585</b>

**Note 12 Finance income (Group)**

Finance income represents interest received on assets and investments in the period.

	<b>Group</b>	
	<b>2018/19</b>	<b>2017/18</b>
	<b>£000</b>	<b>£000</b>
Interest on bank accounts	119	64
NHS charitable fund investment income	47	44
<b>Total finance income</b>	<b>166</b>	<b>108</b>

**Note 12.1 Finance income (Trust)**

	<b>Trust</b>	
	<b>2018/19</b>	<b>2017/18</b>
	<b>£000</b>	<b>£000</b>
Interest on bank accounts	119	64
<b>Total finance income</b>	<b>119</b>	<b>64</b>

**Note 13.1 Finance expenditure (Group)**

Finance expenditure represents interest and other charges involved in the borrowing of money.

	<b>Foundation Trust and Group</b>	
	<b>2018/19</b>	<b>2017/18</b>
	<b>£000</b>	<b>£000</b>
<b>Interest expense:</b>		
Loans from the Department of Health and Social Care	1,025	855
Main finance costs on PFI and LIFT schemes obligations	11	12
<b>Total interest expense</b>	<b>1,036</b>	<b>867</b>
Unwinding of discount on provisions	2	5
<b>Total finance costs</b>	<b>1,038</b>	<b>872</b>

**Note 13.2 The late payment of commercial debts (interest) Act 1998 / Public Contract Regulations 2015 (Group)**

The Trust and Group has no late payment of commercial debts to report in 2018/2019.

**Note 14 Other gains / (losses) (Group)**

	<b>Group</b>	
	<b>2018/19</b>	<b>2017/18</b>
	<b>£000</b>	<b>£000</b>
Gains on disposal of assets	30	20
Losses on disposal of assets	(26)	(41)
<b>Total gains / (losses) on disposal of assets</b>	<b>4</b>	<b>(21)</b>
Fair value gains / (losses) on charitable fund investments & investment properties	97	22
<b>Total other gains / (losses)</b>	<b>101</b>	<b>1</b>

In 2018/2019 the Charity continues to invest in the CCLA Equity Common Investment Fund and this has made an unrealised gain of £97,000 (£22,000 in 2017/2018). There were no disposals in 2018/2019.

In 2018/2019 the Trust had a gain on disposal of assets of £4k (loss of £21k in 2017/2018) comprising of cash proceeds of £192k offset by the costs of disposal of £4k and the write off of net book value of £184k. The cash proceeds relate to the sale of a house formerly used for accommodation and the trade-in prices achieved for items of medical equipment, vehicles and fittings as they were replaced.

**Note 15.1 Intangible assets - 2018/19**

Foundation Trust and Group	Software licences £000	Intangible assets under construction £000	Total £000
<b>Valuation / gross cost at 1 April 2018 - brought forward</b>	<b>7,691</b>	<b>1,879</b>	<b>9,570</b>
Additions	413	46	459
Impairments	-	(1,823)	(1,823)
Reclassifications	102	(102)	-
Disposals / derecognition	(8)	-	(8)
<b>Valuation / gross cost at 31 March 2019</b>	<b>8,198</b>	<b>-</b>	<b>8,198</b>
<b>Amortisation at 1 April 2018 - brought forward</b>	<b>6,409</b>	<b>-</b>	<b>6,409</b>
Provided during the year	611	-	611
Disposals / derecognition	(8)	-	(8)
<b>Amortisation at 31 March 2019</b>	<b>7,012</b>	<b>-</b>	<b>7,012</b>
<b>Net book value at 31 March 2019</b>	<b>1,186</b>	<b>-</b>	<b>1,186</b>
<b>Net book value at 1 April 2018</b>	<b>1,282</b>	<b>1,879</b>	<b>3,161</b>

**Note 15.2 Intangible assets - 2017/18**

Foundation Trust and Group	Software licences £000	Intangible assets under construction £000	Total £000
<b>Valuation / gross cost at 1 April 2017 - as previously stated</b>	<b>7,476</b>	<b>1,646</b>	<b>9,122</b>
Additions	182	266	448
Reclassifications	33	(33)	-
<b>Valuation / gross cost at 31 March 2018</b>	<b>7,691</b>	<b>1,879</b>	<b>9,570</b>
<b>Amortisation at 1 April 2017 - as previously stated</b>	<b>5,748</b>	<b>-</b>	<b>5,748</b>
Prior period adjustments	-	-	-
<b>Amortisation at 1 April 2017 - restated</b>	<b>5,748</b>	<b>-</b>	<b>5,748</b>
Provided during the year	661	-	661
<b>Amortisation at 31 March 2018</b>	<b>6,409</b>	<b>-</b>	<b>6,409</b>
<b>Net book value at 31 March 2018</b>	<b>1,282</b>	<b>1,879</b>	<b>3,161</b>
<b>Net book value at 1 April 2017</b>	<b>1,728</b>	<b>1,646</b>	<b>3,374</b>

**Note 16.1 Property, plant and equipment - 2018/19**

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
<b>Valuation/gross cost at 1 April 2018 - brought forward</b>	<b>8,180</b>	<b>118,595</b>	<b>1,595</b>	<b>1,544</b>	<b>44,309</b>	<b>211</b>	<b>14,647</b>	<b>588</b>	<b>189,669</b>
Additions	-	1,253	48	2,552	1,974	18	1,558	51	7,454
Impairments	-	-	-	-	-	-	-	-	-
Reversals of impairments	-	-	-	-	-	-	-	-	-
Revaluations	(95)	(742)	(263)	-	-	-	-	-	(1,100)
Reclassifications	-	111	-	(1,298)	842	-	345	-	-
Transfers from assets held for sale	28	-	137	-	-	-	-	-	165
Disposals / derecognition	-	-	-	-	(824)	(82)	-	-	(906)
<b>Valuation/gross cost at 31 March 2019</b>	<b>8,113</b>	<b>119,217</b>	<b>1,517</b>	<b>2,798</b>	<b>46,301</b>	<b>147</b>	<b>16,550</b>	<b>639</b>	<b>195,282</b>
<b>Accumulated depreciation at 1 April 2018 - brought forward</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>33,140</b>	<b>127</b>	<b>11,572</b>	<b>374</b>	<b>45,213</b>
Provided during the year	-	4,716	49	-	2,774	20	1,056	48	8,663
Revaluations	-	(4,716)	(52)	-	-	-	-	-	(4,768)
Transfers to / from assets held for sale	-	-	3	-	-	-	-	-	3
Disposals / derecognition	-	-	-	-	(798)	(77)	-	-	(875)
<b>Accumulated depreciation at 31 March 2019</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>35,116</b>	<b>70</b>	<b>12,628</b>	<b>422</b>	<b>48,236</b>
<b>Net book value at 31 March 2019</b>	<b>8,113</b>	<b>119,217</b>	<b>1,517</b>	<b>2,798</b>	<b>11,185</b>	<b>77</b>	<b>3,922</b>	<b>217</b>	<b>147,046</b>
<b>Net book value at 1 April 2018</b>	<b>8,180</b>	<b>118,595</b>	<b>1,595</b>	<b>1,544</b>	<b>11,169</b>	<b>84</b>	<b>3,075</b>	<b>214</b>	<b>144,456</b>

**Note 16.2 Property, plant and equipment - 2017/18**

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Valuation / gross cost at 1 April 2017 - as previously stated</b>	<b>11,030</b>	<b>111,760</b>	<b>1,605</b>	<b>1,405</b>	<b>42,262</b>	<b>203</b>	<b>12,768</b>	<b>553</b>	<b>181,586</b>
Additions	-	1,163	33	1,532	2,421	16	1,022	35	6,222
Impairments	(2,850)	(654)	(25)	-	-	-	-	-	(3,529)
Reversals of impairments	-	4,288	27	-	-	-	-	-	4,315
Revaluations	-	1,795	(45)	-	-	-	-	-	1,750
Reclassifications	-	243	-	(1,393)	293	-	857	-	-
Disposals / derecognition	-	-	-	-	(667)	(8)	-	-	(675)
<b>Valuation/gross cost at 31 March 2018</b>	<b>8,180</b>	<b>118,595</b>	<b>1,595</b>	<b>1,544</b>	<b>44,309</b>	<b>211</b>	<b>14,647</b>	<b>588</b>	<b>189,669</b>
<b>Accumulated depreciation at 1 April 2017 - as previously stated</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>31,179</b>	<b>114</b>	<b>10,515</b>	<b>328</b>	<b>42,136</b>
Provided during the year	-	4,239	45	-	2,587	20	1,057	46	7,994
Revaluations	-	(4,239)	(45)	-	-	-	-	-	(4,284)
Disposals / derecognition	-	-	-	-	(626)	(7)	-	-	(633)
<b>Accumulated depreciation at 31 March 2018</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>33,140</b>	<b>127</b>	<b>11,572</b>	<b>374</b>	<b>45,213</b>
<b>Net book value at 31 March 2018</b>	<b>8,180</b>	<b>118,595</b>	<b>1,595</b>	<b>1,544</b>	<b>11,169</b>	<b>84</b>	<b>3,075</b>	<b>214</b>	<b>144,456</b>
<b>Net book value at 1 April 2017</b>	<b>11,030</b>	<b>111,760</b>	<b>1,605</b>	<b>1,405</b>	<b>11,083</b>	<b>89</b>	<b>2,253</b>	<b>225</b>	<b>139,450</b>

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**Note 16.3 Property, plant and equipment financing - 2018/19**

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
<b>Net book value at 31 March 2019</b>									
Owned - purchased	8,113	118,022	1,469	2,798	10,315	77	3,922	217	<b>144,933</b>
Finance leased	-	-	-	-	95	-	-	-	<b>95</b>
On-SoFP PFI contracts and other service concession arrangements	-	794	-	-	-	-	-	-	<b>794</b>
Owned - donated	-	401	48	-	775	-	-	-	<b>1,224</b>
<b>NBV total at 31 March 2019</b>	<b>8,113</b>	<b>119,217</b>	<b>1,517</b>	<b>2,798</b>	<b>11,185</b>	<b>77</b>	<b>3,922</b>	<b>217</b>	<b>147,046</b>

**Note 16.4 Property, plant and equipment financing - 2017/18**

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
<b>Net book value at 31 March 2018</b>									
Owned - purchased	8,180	117,350	1,545	1,544	10,122	84	3,075	214	<b>142,114</b>
Finance leased	-	-	-	-	112	-	-	-	<b>112</b>
On-SoFP PFI contracts and other service concession arrangements	-	827	-	-	-	-	-	-	<b>827</b>
Owned - donated	-	418	50	-	935	-	-	-	<b>1,403</b>
<b>NBV total at 31 March 2018</b>	<b>8,180</b>	<b>118,595</b>	<b>1,595</b>	<b>1,544</b>	<b>11,169</b>	<b>84</b>	<b>3,075</b>	<b>214</b>	<b>144,456</b>

# **Note 17 Donations of property, plant and equipment**

In 2018/2019 the Group Property, Plant and Equipment note discloses the net book value of assets previously provided by donations on cash income. In 2018/2019 charitable funding has contributed to smaller revenue items for patient and staff welfare (see note 42).

# **Note 18 Revaluations of property, plant and equipment**

In 2017/2018 the Trust undertook a valuation of land and buildings by the District Valuer in compliance with International Accounting Standards, the Royal Institute of Chartered Surveyors, the Treasury Financial Reporting Manual and the Department of Health Group Accounts Manual. The valuation was undertaken at the 31st March 2018 prepared on an alternative site basis. The valuation was based on land on its existing site but on a much smaller footprint and buildings based on a Modern Equivalent Basis. In 2018/2019 the Trust has commissioned an updated valuation at the 31st March 2019 prepared and enacted on the same basis. The movements on the revaluation reserve are shown below.

In 2018/2019 the Trust carried forward two dwellings as assets held for sale. One residence has been sold and an accompanying transfer to the income and expenditure account of £167,000 made once disposed. The second residence has been removed from assets held for sale and reinstated to property, plant and equipment. The revaluation reserve balance for this asset has also been reinstated.

## **Revaluation Reserve Movements**

	<b>Property, Plant and Equipment</b>	<b>Assets Held for Sale</b>	<b>Total Revaluation Reserve</b>
<b>At 1 April 2018</b>	<b>43,434</b>	<b>344</b>	<b>43,778</b>
Impairment			-
Revaluations	3,668		3,668
Transfer to other reserves	-	(167)	(167)
Other reserve movements	177	(177)	-
<b>Revaluation Reserve at 31 March 2019</b>	<b>47,279</b>	<b>-</b>	<b>47,279</b>
<b>At 1 April 2017</b>	<b>40,721</b>	<b>344</b>	<b>41,065</b>
Impairment	(3,321)	-	(3,321)
Revaluations	6,034	-	6,034
<b>Revaluation Reserve at 31 March 2018</b>	<b>43,434</b>	<b>344</b>	<b>43,778</b>

## **Note 19 Other investments / financial assets (non-current)**

	<b>Group</b>	
	<b>£000</b>	<b>£000</b>
	<b>31 March</b>	<b>31 March</b>
	<b>2019</b>	<b>2018</b>
<b>Carrying value at 1 April - restated</b>	<b>1,235</b>	<b>1,213</b>
Movement in fair value through OCI	97	22
<b>Carrying value at 31 March</b>	<b>1,332</b>	<b>1,235</b>

The above note details the investments held by the Trust Charity consolidated in Group numbers only.

For the Consolidated Group the Charity held investments in equity common investment funds. In 2018/2019 the Group reported £47,000 (£44,000 in 2017/2018) in interest receivable on these investments and a gain on valuation of £97,000 at the 31st March 2019 (£22,000 in 2017/2018).

## **Note 20 Analysis of charitable fund reserves**

The Trust has consolidated its charitable fund, Stockport NHS Foundation Trust General Fund - Charity Commission Number Registration Number 1048661, within the Group Accounts.



**Note 20 Analysis of charitable fund reserves continued**

	<b>Group</b>	
	<b>31 March 2019 £000</b>	<b>31 March 2018 £000</b>
<b>Unrestricted funds:</b>		
Unrestricted income funds	284	277
<b>Restricted funds:</b>		
Endowment funds	10	10
Other restricted income funds	1,831	1,675
	<b>2,125</b>	<b>1,962</b>

Unrestricted income funds are accumulated income funds that are expendable at the discretion of the trustees in furtherance of the charity's objects. Unrestricted funds may be earmarked or designated for specific future purposes which reduces the amount that is readily available to the charity.

Restricted funds are accumulated income funds which are expendable at the Trustee's discretion only in furtherance of the specified conditions of the donor and the objects of the Charity. For Stockport NHS Foundation General Fund these funds relate to specified business groups and departments at the Trust. There is one permanent endowment fund where the monies are retained for use rather than expended.

**Note 21 Inventories**

	<b>Group</b>		<b>Trust</b>	
	<b>31 March 2019 £000</b>	<b>31 March 2018 £000</b>	<b>31 March 2019 £000</b>	<b>31 March 2018 £000</b>
Drugs	687	608	408	425
Work In progress	-	-		
Consumables	928	885	928	885
Energy	77	81	77	81
Other	-	-		
Charitable fund inventory	-	-		
<b>Total inventories</b>	<b>1,692</b>	<b>1,574</b>	<b>1,413</b>	<b>1,391</b>

Inventories recognised in expenses for the year were £15,084k (2017/18: £15,826k). Write-down of inventories recognised as expenses for the year were £0k (2017/18: £50k).

**Note 22.1 Receivables**

	<b>Group</b>		<b>Trust</b>	
	<b>31 March 2019 £000</b>	<b>31 March 2018 £000</b>	<b>31 March 2019 £000</b>	<b>31 March 2018 £000</b>
<b>Current</b>				
Contract receivables*	8,650		10,301	
Trade receivables*		4,754		6,011
Accrued income*		1,273		1,273
Allowance for impaired contract receivables / assets*	(1,038)	-	(1,038)	-
Allowance for other impaired receivables	-	(1,303)		(1,303)
Prepayments (non-PFI)	2,354	713	2,349	713
Interest receivable	14	9	14	9
PDC dividend receivable	-	18		18
VAT receivable	1,269	668	956	668
Other receivables	-	1,674	139	1,744
NHS charitable funds: trade and other receivables	-	5		-
<b>Total current receivables</b>	<b>11,249</b>	<b>7,811</b>	<b>12,721</b>	<b>9,133</b>
<b>Non-current</b>				
Contract receivables*	395		395	
Allowance for other impaired receivables	(126)	(132)	(126)	(132)
Prepayments (non-PFI)	202	207	202	207
Other receivables	-	577		577
<b>Total non-current receivables</b>	<b>471</b>	<b>652</b>	<b>471</b>	<b>652</b>
<b>Of which receivable from NHS and DHSC group bodies:</b>				
Current	4,679	2,795	4,679	2,795
Non-current	-	-		

\*Following the application of IFRS 15 from 1 April 2018, the Trust's entitlements to consideration for work performed under contracts with customers are shown separately as contract receivables and contract assets. This replaces the previous analysis into trade receivables and accrued income. IFRS 15 is applied without restatement therefore the comparative analysis of receivables has not been restated under IFRS 15.

Consolidation adjustments within the Group have removed the £139k Trust Receivable from its charitable fund subsidiary to settle its grants expensed in 2018/2019 (£70k in 2017/2018).

Consolidation adjustment within the Group have removed intra group receivables between the Trust and its subsidiary Stepping Hill Healthcare Enterprises Limited. The Group Accounts includes £319k receivables for its Pharmacy Shop subsidiary; £313k of this being due from HMRC (£259k in 2017/2018).

**Note 22.2 Allowances for credit losses - 2018/19**

	Group		Trust	
	Contract receivables and contract assets £000	All other receivables £000	Contract receivables and contract assets £000	All other receivables £000
<b>Allowances as at 1 Apr 2018 - brought forward</b>		<b>1,435</b>		<b>1,435</b>
Impact of implementing IFRS 9 (and IFRS 15) on 1 April 2018	1,303	(1,303)	1,303	(1,303)
New allowances arising	243	-	243	-
Changes in existing allowances	-	(6)	-	(6)
Reversals of allowances	(469)	-	(469)	-
Utilisation of allowances (write offs)	(39)	-	(39)	-
<b>Allowances as at 31 Mar 2019</b>	<b>1,038</b>	<b>126</b>	<b>1,038</b>	<b>126</b>

**Note 22.3 Allowances for credit losses - 2017/18**

IFRS 9 and IFRS 15 are adopted without restatement therefore this analysis is prepared in line with the requirements of IFRS 7 prior to IFRS 9 adoption. As a result it differs in format to the current period disclosure.

	Group All receivables £000	Trust All receivables £000
<b>Allowances as at 1 Apr 2017 - as previously stated</b>	<b>1,359</b>	<b>1,359</b>
Increase in provision	392	392
Amounts utilised	(216)	(216)
Unused amounts reversed	(100)	(100)
<b>Allowances as at 31 Mar 2018</b>	<b>1,435</b>	<b>1,435</b>

**Note 22.4 Exposure to credit risk**

In assessing its exposure to credit risk the Trust reviews its aged receivables report on an individual invoice and debtor basis. It has assessed its lifetime expected losses as detailed in the provisions matrix. The percentage applied for the NHS Injury Recovery Scheme on its current balance is a nationally agreed percentage provided annually by the DHSC. All other receivables are recognised at their gross carrying amount.

**Provision Matrix for Expected Credit Losses**

	Foundation Trust and Group		
	Current	360 days past due date	£000
<b>Lifetime expected credit loss</b>			
NHS Injury Recovery Scheme	21.89%		730
CCGs & Other WGA bodies (excluding specific assessments below)	-	100%	191
Foundation Trusts	-	100%	43
Non NHS Customers	-	100%	65
Salary Overpayments	-	100%	54
Trust - Maternity Pathways	55%		25
CCGs - Non Contract Activity	10%		25
Private Patients and Overseas Visitors	-	100%	31
			<b>1,164</b>

**Note 23.1 Non-current assets held for sale and assets in disposal groups**

	Group		Trust	
	31 March 2019 £000	31 March 2018 £000	31 March 2019 £000	31 March 2018 £000
<b>NBV of non-current assets for sale and assets in disposal groups at 1 April</b>	<b>315</b>	<b>315</b>	<b>315</b>	<b>315</b>
Assets sold in year	(153)	-	(153)	-
Assets no longer classified as held for sale, for reasons other than disposal by sale	(162)	-	(162)	-
<b>NBV of non-current assets for sale and assets in disposal groups at 31 March</b>	<b>-</b>	<b>315</b>	<b>-</b>	<b>315</b>

In August 2016 the Trust put on the market for sale two residential properties as part of the financial improvement programme in 2016/2017. The value of land and buildings of these properties is detailed in the note above. The sale of one property completed in 2018/2019 with the other property reinstated to property, plant and equipment. This has increased land value by £28k and property by £134k as shown in note 16.1.

**Note 24.1 Cash and cash equivalents movements**

Cash and cash equivalents comprise cash at bank, in hand and cash equivalents. Cash equivalents are readily convertible investments of known value which are subject to an insignificant risk of change in value.

	Group		Trust	
	2018/19 £000	2017/18 £000	2018/19 £000	2017/18 £000
<b>At 1 April</b>	<b>17,098</b>	<b>24,677</b>	<b>15,523</b>	<b>23,726</b>
Prior period adjustments		-		
<b>At 1 April (restated)</b>	<b>17,098</b>	<b>24,677</b>	<b>15,523</b>	<b>23,726</b>
Net change in year	(10,071)	(7,579)	(10,655)	(8,203)
<b>At 31 March</b>	<b>7,027</b>	<b>17,098</b>	<b>4,868</b>	<b>15,523</b>
<b>Broken down into:</b>				
Cash at commercial banks and in hand	1,688	973	156	181
Cash with the Government Banking Service	4,712	15,342	4,712	15,342
Other current investments	627	783		
<b>Total cash and cash equivalents as in SoFP</b>	<b>7,027</b>	<b>17,098</b>	<b>4,868</b>	<b>15,523</b>

**Analysis of Group Cash and Cash Equivalents**

	2018/19 £000	2017/18 £000
Stockport NHS Foundation Trust	4,868	15,523
Stockport NHS Foundation Trust Charitable Funds	932	792
Stepping Hill Healthcare Enterprises Limited	1,227	783
	<b>7,027</b>	<b>17,098</b>

**Note 24.2 Third party assets held by the 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 25.1 Trade and other payables**

	<b>Group</b>		<b>Trust</b>	
	<b>31 March 2019 £000</b>	<b>31 March 2018 £000</b>	<b>31 March 2019 £000</b>	<b>31 March 2018 £000</b>
<b>Current</b>				
Trade payables	7,546	5,713	7,489	5,955
Capital payables	943	2,339	943	2,339
Accruals	18,652	18,741	18,652	18,741
Social security costs	22	1,996	22	1,996
Other taxes payable	36	1,595	6	1,595
PDC dividend payable	14	-	14	
Accrued interest on loans*	-	212		212
Other payables	2,961	2,760	2,961	2,767
<b>Total current trade and other payables</b>	<b>30,174</b>	<b>33,356</b>	<b>30,087</b>	<b>33,605</b>

**Of which payables from NHS and DHSC group bodies:**

Current	8,681	4,592	8,681	4,592
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\*Following adoption of IFRS 9 on 1 April 2018, loans are measured at amortised cost. Any accrued interest is now included in the carrying value of the loan within note 27. IFRS 9 is applied without restatement therefore comparatives have not been restated.

Consolidation adjustments by the Group have removed payables between the Trust, Charitable Fund and the Stepping Hill Healthcare Enterprises Limited subsidiaries.

<b>Foundation Trust and Group</b>	<b>31 March 2019 £000</b>	<b>31 March 2018 £000</b>
- outstanding pension contributions	2,583	2,489

Pension contributions outstanding at 31st March 2019 of £2,583k have been settled in April 2019 in accordance with the NHS Pensions payment dates.

**Note 25.2 Early retirements in NHS payables above**

There are no early retirement payables in the note above. The payables note above does include amounts in relation to outstanding pension contributions.

**Note 26 Other liabilities**

	<b>Group</b>		<b>Trust</b>	
	<b>2019 £000</b>	<b>2018 £000</b>	<b>2019 £000</b>	<b>2018 £000</b>
<b>Current</b>				
Deferred income: contract liabilities	1,279	926	1,279	926
<b>Total other current liabilities</b>	<b>1,279</b>	<b>926</b>	<b>1,279</b>	<b>926</b>
<b>Non-current</b>				
Deferred income: contract liabilities	330	333	330	333
<b>Total other non-current liabilities</b>	<b>330</b>	<b>333</b>	<b>330</b>	<b>333</b>

**Note 27 Borrowings**

	<b>Group</b>		<b>Trust</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Current</b>				
Loans from DHSC	1,936	1,551	1,936	1,551
Obligations under finance leases	84	84	84	84
Obligations under PFI, LIFT or other service concession contracts (excl. lifecycle)	30	29	30	29
<b>Total current borrowings</b>	<b>2,050</b>	<b>1,664</b>	<b>2,050</b>	<b>1,664</b>
<b>Non-current</b>				
Loans from DHSC	45,977	23,083	45,977	23,083
Obligations under finance leases	145	229	145	229
Obligations under PFI, LIFT or other service concession contracts	295	325	295	325
<b>Total non-current borrowings</b>	<b>46,417</b>	<b>23,637</b>	<b>46,417</b>	<b>23,637</b>

**Note 27.1 Reconciliation of liabilities arising from financing activities**

	<b>Foundation Trust and Group</b>			
	<b>Loans from DHSC</b>	<b>Finance leases</b>	<b>PFI and LIFT schemes</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Carrying value at 1 April 2018</b>	<b>24,634</b>	<b>313</b>	<b>354</b>	<b>25,301</b>
<b>Cash movements:</b>				<b>-</b>
Financing cash flows - payments and receipts of principal	22,894	(84)	(29)	22,781
Financing cash flows - payments of interest	(852)	-	(11)	(863)
<b>Non-cash movements:</b>				
Impact of implementing IFRS 9 on 1 April 2018	212	-	-	212
Application of effective interest rate	1,025	-	11	1,036
<b>Carrying value at 31 March 2019</b>	<b>47,913</b>	<b>229</b>	<b>325</b>	<b>48,467</b>

**Note 28.1 Finance leases**

The Trust had no future lease receipts due under finance lease agreements where Stockport NHS Foundation Trust is the lessor:

**Note 28.2 Stockport NHS Foundation Trust as a lessee**

	<b>Group</b>		<b>Trust</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Gross lease liabilities</b>	<b>229</b>	<b>313</b>	<b>229</b>	<b>313</b>
of which liabilities are due:				
- not later than one year;	84	84	84	84
- later than one year and not later than five years;	135	202	135	202
- later than five years.	10	27	10	27
<b>Net lease liabilities</b>	<b>229</b>	<b>313</b>	<b>229</b>	<b>313</b>
of which payable:				
- not later than one year;	84	84	84	84
- later than one year and not later than five years;	135	202	135	202
- later than five years.	10	27	10	27

This note gives details of two finance leases for the community EPR EMIS patient record system and an agreement for Point of Care testing. Costs relating to the blood gas analysers have been capitalised as a finance lease.

**Note 29.1 Provisions for liabilities and charges analysis (Group)**

Foundation Trust and Group	Current 2018/2019	Current 2017/18	Non - Current 2018/19	Non - Current 2017/18
Pensions: injury benefits	169	164	2,012	2153
Other legal claims	138	132		
Restructurings	121	123		
Redundancy	4,377	2,579		
Other	841	3,057		
<b>Total</b>	<b>5,646</b>	<b>6,055</b>	<b>2,012</b>	<b>2,153</b>

Foundation Trust and Group	Pensions: injury benefits* £000	Legal claims £000	Re- structuring £000	Redundancy £000	Other £000	Total £000
<b>At 1 April 2018</b>	<b>2,317</b>	<b>132</b>	<b>123</b>	<b>2,579</b>	<b>3,057</b>	<b>8,208</b>
Change in the discount rate	(38)	-	-	-	-	(38)
Arising during the year	69	66	121	4,377	495	5,128
Utilised during the year	(169)	(60)	(28)	-	(7)	(264)
Reversed unused	-	-	(95)	(2,579)	(2,704)	(5,378)
Unwinding of discount	2	-	-	-	-	2
<b>At 31 March 2019</b>	<b>2,181</b>	<b>138</b>	<b>121</b>	<b>4,377</b>	<b>841</b>	<b>7,658</b>
<b>Expected timing of cash flows:</b>						
- not later than one year;	169	138	121	4,377	841	5,646
than five years;	672	-	-	-	-	672
- later than five years.	1,340	-	-	-	-	1,340
<b>Total</b>	<b>2,181</b>	<b>138</b>	<b>121</b>	<b>4,377</b>	<b>841</b>	<b>7,658</b>

\* In 2018/19 the analysis of provisions has been revised to separately identify provisions for injury benefit liabilities. In previous periods, these provisions were included within other provisions.

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 contingent liability at note 30 also relates to this scheme. Both figures are supplied by NHS Resolution and revised annually by NHS Resolution based on up to date information at the 31st March.

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 protected pay following service restructuring. It has also provided for the future costs of service restructuring for Stockport Together.

Within other provisions the Trust has provided for costs for legal fees.

**Note 29.2 Clinical negligence liabilities**

At 31 March 2019, £170,205k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of Stockport NHS Foundation Trust (31 March 2018: £129,355k).

**Note 30 Contingent assets and liabilities**

	Foundation Trust and Group 31 March 2019 31 March 2018	
Value of contingent liabilities	£000	£000
NHS Resolution legal claims	(103)	(91)
<b>Gross and net value of contingent liabilities</b>	<b>(103)</b>	<b>(91)</b>

**Note 31 Contractual capital commitments**

	Foundation Trust and Group	
	31 March	31 March
	2019	2018
	£000	£000
Property, plant and equipment	440	594
Intangible assets	22	3,970
<b>Total</b>	<b>462</b>	<b>4,564</b>

The Trust has a small number of capital commitments at the financial year end for projects still ongoing at the 31st March 2019. This includes work to upgrade the Emergency department and to expand Hospital Sterilisation and Disinfection Unit. Both schemes are expected to be complete in early 2019/2020.

**Note 32 Defined benefit pension schemes**

Neither the Trust nor the Group held any on-Statement of Financial Position Defined Benefit Pension Schemes during 2018/2019 or 2017/2018.

**Note 33 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 33.1 Imputed finance lease obligations**

The following are obligations in respect of the finance lease element of on-Statement of Financial Position PFI and LIFT schemes:

	Group		Trust	
	31 March	31 March	31 March	31 March
	2019	2018	2019	2018
	£000	£000	£000	£000
<b>Gross PFI, LIFT or other service concession liabilities</b>	<b>382</b>	<b>422</b>	<b>382</b>	<b>422</b>
<b>Of which liabilities are due</b>				
- not later than one year;	40	40	40	40
- later than one year and not later than five years;	161	161	161	161
- later than five years.	181	221	181	221
Finance charges allocated to future periods	(57)	(68)	(57)	(68)
<b>Net PFI, LIFT or other service concession arrangement obligation</b>	<b>325</b>	<b>354</b>	<b>325</b>	<b>354</b>
- not later than one year;	30	29	30	29
- later than one year and not later than five years;	129	125	129	125
- later than five years.	166	200	166	166



### Note 33.2 Total on-SoFP PFI, LIFT and other service concession arrangement commitments

Total future obligations under these on-SoFP schemes are as follows:

	Group		Trust	
	31 March 2019 £000	31 March 2018 £000	31 March 2019 £000	31 March 2018 £000
<b>Total future payments committed in respect of the PFI, LIFT or other service concession arrangements</b>	<b>12,200</b>	<b>13,332</b>	<b>12,200</b>	<b>13,332</b>
<b>Of which liabilities are due:</b>				
- not later than one year;	1,220	1,212	1,220	1,212
- later than one year and not later than five years;	4,880	4,848	4,880	4,848
- later than five years.	6,100	7,272	6,100	7,272

### Note 33.3 Analysis of amounts payable to service concession operator

This note provides an analysis of the unitary payments made to the service concession operator:

	Group		Trust	
	2018/19 £000	2017/18 £000	2018/19 £000	2017/18 £000
<b>Unitary payment payable to service concession operator</b>	<b>1,365</b>	<b>1,217</b>	<b>1,365</b>	<b>1,217</b>
<b>Consisting of:</b>				
- Interest charge	11	12	11	12
- Repayment of finance lease liability	29	28	29	28
- Service element and other charges to operating expenditure	1,325	1,177	1,325	1,177
<b>Total amount paid to service concession operator</b>	<b>1,365</b>	<b>1,217</b>	<b>1,365</b>	<b>1,217</b>

### Note 34 Financial instruments

#### Note 34.1 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. For the Group the Charity does hold investments and is, therefore, exposed to a degree of financial risk. This risk is carefully managed by pursuing a low risk investment strategy. The Charity holds its investments within common investment funds with a market leader provider of Charity Investments, CCLA Management Ltd.

#### Liquidity Risk

The Trust's income is largely received under annual service contracts with local Clinical Commissioning Groups. The Trust agrees an annual contract value with cash payments paid each month based on the profiling of the contract value. The Trust's financial plan and budgets are based on these contract values. If there are periods of expenditure overspend to income or under-achievement of planned activity levels these can produce a significant cash flow impact. As the Trust also has had and will continue in 2019/2020 to have a deficit financial plan, it is also necessary to rely on revenue financing loans from the Department of Health to provide cash to support its obligations.

In 2018/2019 the Trust has received £24.5 million in revenue financing loans. It is required to repay interest at 3.5 % on these loans every six months, with the principal to be repaid three years from the initial loan date.

The Trust's treasury management operations are carried out by the Finance department, within parameters defined formally within the Trust's Standing Financial Instructions and policies agreed by the Board of Directors. Similarly treasury management for the Trust Charity and subsidiary, Stepping Hill Healthcare Enterprises Ltd, are also carried out by the Finance department. All treasury activity is subject to review by Internal Audit.

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 in previous years. There have been no capital loans drawn in 2018/2019.

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 to earn interest receivable within the Government Banking Service.

### **Note 34.1 Financial risk management continued**

At the 31 March 2019 the Trust's cash balances were held solely in its Government Banking Services bank accounts and Barclays current accounts as per note 24.1. Further consideration of the Trust's liquidity has been looked at as part of the going concern declaration. Stockport NHS Foundation Trust is, therefore, not exposed to significant liquidity risk.

### **Market and Interest Rate Risk**

At the 31 March 2018 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 the Royal Bank of Scotland. 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. Non NHS customers do not make up a large proportion of income with the majority coming from other public sector bodies which are considered low risk. 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 also invests monies of £1.9 million for longer term investment with CCLA Investment Management Ltd. It holds one common investment fund in equity funds of £1.3 million and one cash deposit account holding £0.6 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.

### **Stepping Hill Healthcare Enterprises Limited**

The Group accounts include the financial statements of its trading subsidiary, Stepping Hill Healthcare Enterprises Limited. The subsidiary holds its cash with the Trust commercial banker, Barclays PLC, in a separate bank account. Its income is predominantly with the parent and it currently purchases drugs for its dispensing services using the Trust Pharmacy as its wholesale supplier. It is not considered, therefore, to have market or liquidity risks.

**Note 35.1 Carrying values of financial assets**

IFRS 9 Financial Instruments is applied retrospectively from 1 April 2018 without restatement of comparatives. As such, comparative disclosures have been prepared under IAS 39 and the measurement categories differ to those in the current year analyses.

<b>Group</b>	<b>Held at amortised cost £000</b>	<b>Held at fair value through OCI £000</b>	<b>Total book value £000</b>
<b>Carrying values of financial assets as at 31 March 2019 under IFRS 9</b>			
Trade and other receivables excluding non financial assets	7,895	-	<b>7,895</b>
Cash and cash equivalents	6,095	-	<b>6,095</b>
Consolidated NHS Charitable fund financial assets	932	1,332	<b>2,264</b>
<b>Total at 31 March 2019</b>	<b>14,922</b>	<b>1,332</b>	<b>16,254</b>

The Group Charity only holds financial assets that qualify as basic financial instruments. These are recognised initially at transaction value and subsequently measured at fair value through the Statement of Financial Activities

<b>Group</b>	<b>Loans and receivables £000</b>	<b>Total book value £000</b>
<b>Carrying values of financial assets as at 31 March 2018 under IAS 39</b>		
Trade and other receivables excluding non financial assets	4,691	<b>4,691</b>
Cash and cash equivalents	16,306	<b>16,306</b>
Consolidated NHS Charitable fund financial assets	2,032	<b>2,032</b>
<b>Total at 31 March 2018</b>	<b>23,029</b>	<b>23,029</b>

<b>Trust</b>	<b>Held at amortised cost £000</b>	<b>Total book value £000</b>
<b>Carrying values of financial assets as at 31 March 2019 under IFRS 9</b>		
Trade and other receivables excluding non financial assets	9,685	<b>9,685</b>
Cash and cash equivalents	4,868	<b>4,868</b>
<b>Total at 31 March 2019</b>	<b>14,553</b>	<b>14,553</b>

<b>Trust</b>	<b>Loans and receivables £000</b>	<b>Total book value £000</b>
<b>Carrying values of financial assets as at 31 March 2018 under IAS 39</b>		
Trade and other receivables excluding non financial assets	4,752	<b>4,752</b>
Other investments / financial assets	-	<b>-</b>
Cash and cash equivalents	15,523	<b>15,523</b>
<b>Total at 31 March 2018</b>	<b>20,275</b>	<b>20,275</b>

# Note 35.2 Carrying values of financial liabilities

IFRS 9 Financial Instruments is applied retrospectively from 1 April 2018 without restatement of comparatives. As such, comparative disclosures have been prepared under IAS 39 and the measurement categories differ to those in the current year analyses.

Group	Held at amortised cost £000	Held at fair value through I&E £000	Total book value £000
<b>Carrying values of financial liabilities as at 31 March 2019 under IFRS 9</b>			
Loans from the Department of Health and Social Care	47,913	-	47,913
Obligations under finance leases	229	-	229
Obligations under PFI, LIFT and other service concession contracts	325	-	325
Other borrowings	-	-	-
Trade and other payables excluding non financial liabilities	30,102	-	30,102
Other financial liabilities	-	-	-
Provisions under contract	2,439	-	2,439
Consolidated NHS charitable fund financial liabilities	-	-	-
<b>Total at 31 March 2019</b>	<b>81,008</b>	<b>-</b>	<b>81,008</b>

Group	Held at amortised cost £000	Held at fair value through I&E £000	Total book value £000
<b>Carrying values of financial liabilities as at 31 March 2018 under IAS 39</b>			
Loans from the Department of Health and Social Care	24,634	-	24,634
Obligations under finance leases	313	-	313
Obligations under PFI, LIFT and other service concession contracts	354	-	354
Trade and other payables excluding non financial liabilities	29,735	-	29,735
Provisions under contract	1,233	-	1,233
<b>Total at 31 March 2018</b>	<b>56,269</b>	<b>-</b>	<b>56,269</b>

Trust	Held at amortised cost £000	Held at fair value through I&E £000	Total book value £000
<b>Carrying values of financial liabilities as at 31 March 2019 under IFRS 9</b>			
Loans from the Department of Health and Social Care	47,913	-	47,913
Obligations under finance leases	229	-	229
Obligations under PFI, LIFT and other service concession contracts	325	-	325
Trade and other payables excluding non financial liabilities	30,048	-	30,048
Provisions under contract	2,439	-	2,439
<b>Total at 31 March 2019</b>	<b>80,954</b>	<b>-</b>	<b>80,954</b>

**Note 35.2 Carrying values of financial liabilities continued**

<b>Trust</b>	<b>Held at amortised cost £000</b>	<b>Held at fair value through I&amp;E £000</b>	<b>Total book value £000</b>
<b>Carrying values of financial liabilities as at 31 March 2018 under IAS 39</b>			
Loans from the Department of Health and Social Care	24,634	-	<b>24,634</b>
Obligations under finance leases	313	-	<b>313</b>
Obligations under PFI, LIFT and other service concession contracts	354	-	<b>354</b>
Trade and other payables excluding non financial liabilities	30,014	-	<b>30,014</b>
Provisions under contract	1,233	-	<b>1,233</b>
<b>Total at 31 March 2018</b>	<b>56,548</b>	<b>-</b>	<b>56,548</b>

**Note 35.3 Fair values of financial assets and liabilities**

Other than the investments held by the Group Charity all financial assets and liabilities are held at carrying value at the 31st March 2019 as book value is considered to be a reasonable approximation of fair value.

**Note 35.4 Maturity of financial liabilities**

	<b>Group</b>		<b>Trust</b>	
	<b>31 March 2019 £000</b>	<b>31 March 2018 £000</b>	<b>31 March 2019 £000</b>	<b>31 March 2018 £000</b>
In one year or less	34,591	29,735	34,537	30,014
In more than one year but not more than two years	1,666	1,664	1,666	1,664
In more than two years but not more than five years	29,249	6,656	29,249	6,656
In more than five years	15,502	18,214	15,502	18,214
<b>Total</b>	<b>81,008</b>	<b>56,269</b>	<b>80,954</b>	<b>56,548</b>

### Note 36 Losses and special payments

Group and trust	2018/19		2017/18	
	Total	Total value	Total	Total value
	number of	of cases	number of	of cases
	Number	£000	Number	£000
<b>Losses</b>				
Cash losses including overpayment of salaries	18	2	3	1
Fruitless payments	-	-	-	-
Bad debts and claims abandoned	31	91	77	167
<b>Total losses</b>	<b>49</b>	<b>93</b>	<b>80</b>	<b>168</b>
<b>Special payments</b>				
Ex-gratia payments	38	14	37	104
<b>Total special payments</b>	<b>38</b>	<b>14</b>	<b>37</b>	<b>104</b>
<b>Total losses and special payments</b>	<b>87</b>	<b>107</b>	<b>117</b>	<b>272</b>

In 2018/2019 there were 49 cases of bad debts abandoned including overpayment of salaries and private patients approved at Audit Committee. Each bad debt case is assessed individually for recovery and referred to a debt recovery agency where appropriate before the final decision to abandon is taken. Bad debts include payments from NHS bodies for disputed activity payments and private patients. Other ex gratia payments include the reimbursement of patients' effects and negotiated legal settlements.

### Note 37 Gifts

Neither the Trust or Group made gifts of any value in 2018/2019 or 2017/2018.

### Note 38 Related parties

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. The Department of Health and Social Care is the parent body of all Foundation Trusts.

The Trust has 26 members of the Council of Governors; 24 representing public and staff and a further 2 appointed by partner organisations. None of the Council of Governors or parties related to them has undertaken any material transactions with Stockport NHS Foundation Trust.

The Trust and Group's related parties include all Whole of Government bodies as defined by the Treasury. The key transactions are with the following bodies:

	Income		Expenditure	
	31 March	31 March	31 March	31 March
	2019	2018	2019	2018
	£000	£000	£000	£000
Stockport CCG	184,123	174,971	(2,118)	(118)
North Derbyshire CCG	22,376	22,294	-	-
Eastern Cheshire CCG	12,720	13,805	-	-
Tameside & Glossop CCG	9,543	10,495	-	-
Stockport MBC	8,633	12,396	(348)	(342)
NHS England	15,626	16,214	(68)	(37)
NHS Resolution	5	-	(10,648)	(9,418)
Health Education England	7,684	7,933	(5)	(10)
	<b>260,710</b>	<b>258,108</b>	<b>(13,187)</b>	<b>(9,925)</b>

### Note 39 Prior period adjustments

The Trust and Group made no prior period adjustments in 2018/2019 or 2017/2018.

**Note 40.1 Initial application of IFRS 9**

IFRS 9 Financial Instruments as interpreted and adapted by the GAM has been applied by the Trust from 1 April 2018. The standard is applied retrospectively with the cumulative effect of initial application recognised as an adjustment to reserves on 1 April 2018.

IFRS 9 replaces IAS 39 and introduces a revised approach to classification and measurement of financial assets and financial liabilities, a new forward-looking 'expected loss' impairment model and a revised approach to hedge accounting.

Under IFRS 9, borrowings from the Department of Health and Social Care, which were previously held at historic cost, are measured on an amortised cost basis. Consequently, on 1 April 2018 borrowings increased by £212k, and trade payables correspondingly reduced.

Reassessment of allowances for credit losses under the expected loss model resulted in a £0k decrease in the carrying value of receivables.

The GAM expands the definition of a contract in the context of financial instruments to include legislation and regulations, except where this gives rise to a tax. Implementation of this adaptation on 1 April 2018 has led to the classification of receivables relating to Injury Cost Recovery as a financial asset measured at amortised cost. The carrying value of these receivables at 1 April 2018 was £2,775k.

**Note 40.2 Initial application of IFRS 15**

IFRS 15 Revenue from Contracts with Customers as interpreted and adapted by the GAM has been applied by the Trust from 1 April 2018. The standard is applied retrospectively with the cumulative effect of initial application recognised as an adjustment to the income and expenditure reserve on 1 April 2018.

IFRS 15 introduces a new model for the recognition of revenue from contracts with customers replacing the previous standards IAS 11, IAS 18 and related Interpretations. The core principle of IFRS 15 is that an entity recognises revenue when it satisfies performance obligations through the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled to in exchange for those goods or services.

As directed by the GAM, the Trust has applied the practical expedient offered in C7A of the standard removing the need to retrospectively restate any contract modifications that occurred before the date of implementation (1 April 2018).

The standard has had no material impact on the financial statements for the Trust.

**Note 41 Events after the reporting date**

The Trust has no events to report after the 31st March 2019.

# **Note 42 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 General 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 the Charities SORP 2015 and FRS 102 before consolidation adjustments and are due for submission to the Charity Commission by the 31<sup>st</sup> January 2020. The following Statement of Financial Activities and Balance Sheet for 2018/2019 are estimated at the 31<sup>st</sup> March 2019 to be consolidated into Group numbers.

## **Note 42.1 Stockport NHS Charitable Fund Statement of Financial Activities for the year ended 31st March 2019**

### **Charity SOFA**

	2018/19 £000	2017/18 £000
Incoming Resources	161	276
<b>Sub-total voluntary income</b>	<b>161</b>	<b>276</b>
Investment Income	47	44
<b>Total incoming resources</b>	<b>208</b>	<b>320</b>
Resources Expended	(142)	(86)
<b>Total resources expended</b>	<b>(142)</b>	<b>(86)</b>
<b>Net incoming/(outgoing) resources before other recognised gains and losses</b>	<b>66</b>	<b>234</b>
Unrealised Gains on investments assets	97	22
<b>Net Movement in Funds</b>	<b>163</b>	<b>256</b>



**Note 43 Stockport NHS Charitable Funds Balance Sheet at the 31st March 2019**

**Balance Sheet for the year ended 31 March 2019**

	31st March 2019 £000	31st March 2018 £000
<b>Fixed Assets</b>		
Investments	1,332	1,235
<b>Total Fixed Assets</b>	<u>1,332</u>	<u>1,235</u>
<b>Current Assets</b>		
Debtors	0	5
Short term investments and deposits	627	580
Cast at bank and in hand	305	212
<b>Total Current Assets</b>	<u>932</u>	<u>797</u>
Creditors falling due within one year	(139)	(70)
<b>Total Net Assets</b>	<u>2,125</u>	<u>1,962</u>
<b>Funds of the Charity</b>		
Endowment Fund	10	10
Unrestricted Fund	284	277
Restricted Fund	1,831	1,675
<b>Total Funds</b>	<u>2,125</u>	<u>1,962</u>

**Note 44 Disclosure of Interests in other entities**

**Note 44.1 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 October 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 accounting period end is twelve months to the 31st March 2019 of which twelve months for 2018/2019 are consolidated in line with the accounting period of the Trust and its other subsidiary, Stockport NHS Foundation Trust General Fund. The Group Financial Statements have been prepared with estimated financial results for Stepping Hill Healthcare Enterprises Limited.

In 2018/2019 the operating surplus includes a post consolidation audited accounts adjustment of £8k to corporation tax for 2017/2018 financial results finalised upon submission of the accounts to Companies House on the 18th December 2018.

<b>Profit and Loss Account for the year ended 31st March 2019</b>	<b>31st March 2019 £000</b>	<b>31st March 2018 £000</b>
Operating Income	3,848	3,425
Operating expenses	(3,721)	(3,366)
<b>Operating Surplus</b>	<b>127</b>	<b>59</b>
<b>Statement of Financial Position for the year ended 31 March 2019</b>	<b>31st March 2019 £000</b>	<b>31st March 2018 £000</b>
<b>Current Assets</b>		
Inventories	279	181
Receivables	320	571
Cast at bank and in hand	1227	783
<b>Total Current Assets</b>	<b>1,826</b>	<b>1,535</b>
Creditors falling due within one year	(1,740)	(1,579)
<b>Total assets less current liabilities</b>	<b>86</b>	<b>(44)</b>
<b>Total assets employed</b>	<b>86</b>	<b>(44)</b>
<b>Share Capital</b>	<b>1</b>	<b>1</b>
<b>Income and Expenditure Reserve</b>	<b>85</b>	<b>(44)</b>
	<b>86</b>	<b>(44)</b>





# STOCKPORT NHS FOUNDATION TRUST

## OPERATIONAL PLAN 2019/20 – FINAL SUBMISSION

### 1. EXECUTIVE SUMMARY

During 2018/19 the Trust embedded its new Quality Improvement Plan and made significant progress in quality and patient experience. The CQC report published in December 2018 saw improvement across the core services inspected during the unannounced visit in September 2018. In all, there were twelve areas of improvement across services in community settings, Medicine, Maternity and Emergency Care, and no deterioration in any ratings from the previous report.

Since submission of our draft plan, we've received notification that the National Joint Strategic Oversight Group has agreed to remove Stockport from the Challenged Provider for Quality Programme. This is a significant achievement and testament to our staff working tirelessly to improve the position in pursuit of improving patient care.

However there are still significant challenges moving into 2019/20 regarding Urgent Care and moving towards financial balance. In addition, it is a major year for the delivery of elective activity to deliver the necessary reductions in the waiting list size and achieving core performance standards.

In summary, the Trust:

- Will continue to focus on delivery against the seven key areas of our Quality Improvement as we build on improvements already made on our journey to achieve a 'good' rating from the CQC
- Has accepted the control total offer which will result in increased focus on clinical leadership in service and quality improvement in order to deliver improved financial management and recurrent cost improvements
- Aims to embark upon the delivery of the Healthier Together Capital schemes in 2019/20 as it moves towards becoming a fully operational hub site for the South East Sector.
- Recognises it needs to work with our staff to develop and deliver high quality services through the introduction of new models of care and new roles.
- Needs to ensure that the benefits of the Stockport Together Programme are realised and will take the lead with its partners in ensuring the new models of care are put in place.
- Will continue to work with partners across GM and East Cheshire to develop options for improving specialist and secondary care linked to the GM Theme 3 & 4 programmes and the East Cheshire sustainability review.
- Is committed to developing our clinical services in the context of the Trust's recently refreshed strategy and aligned to the priorities set out in the recent publication of the NHS Long Term Plan

The 2019/20 Control Target is accepted by the Board, and the Trust's Final Operational Plan is prepared on the basis of:

- The agreed position on finance, contracts and activity which has been reached with Commissioners
- Contracts can be delivered without the need to plan for premium rate labour over and above levels currently experienced
- Steps taken to avoid penalties relating to Essential National Standards and CQUIN targets
- No adverse financial impact is experienced in relation to strategic partnership working
- Availability of staffing across key disciplines and staff groups
- Financial Pressures are successfully managed to within 0.5% of total Trust expenditure
- Safe delivery of CIP amounting to four times the national efficiency requirement during 2019/20
- Investment in only critical infrastructure can be managed within the constraints imposed by loan repayments as an on-going legacy of the 2018/19 financial deficit

The Trust is committed to delivery of a financially sustainable future for Stockport NHS Foundation Trust, however there remains a significant challenge to delivery of our plans. Key risks to delivery of the plan for 2019/20 are:

- Our capacity and capability to build upon improvements in quality and patient safety to achieve a 'good' and ultimately 'outstanding' overall CQC inspection rating
- Workforce supply issues affecting our ability to attract and retain staff in certain professions
- Our ability to reduce vacancies within our nursing workforce and middle grade doctors and reduce a reliance on temporary staffing
- The inability to improve the ED 4hr standard due to flow issues across the Health & Care system and the level of emergency demand
- The inability to reduce the level of stranded (7+ los) patients or the super-stranded (21+ day los) patients affecting flow
- The failure to deliver recurrent CIP and efficiency gains in order to meet the agreed control total
- The stretch upon management capacity due to the high volume of transformational changes underway; and
- Recent correspondence from the local Council which could increase the risk to fully delivering benefits from the Stockport Together programme.

Delivery of each aspect of our operational plan will be subject to regular review and appraisal of on-going risks throughout the year.

## 2. ACTIVITY PLANNING

The Trust Activity Plans for the financial year 2019/20 have been produced following an extensive exercise in capacity and demand modelling undertaken across each service in the organisation lead by the Performance Team. The Activity Plans are based on our core capacity and, understanding demand by Point of Delivery and the requirements of achieving access targets. The plans are then overlaid with the impact of known service developments and changes. These include:

- The change in use of Warfarin in the **Anticoagulation Service** and the adoption of Apixaban has meant there will be a material reduction in the need for patients to be followed up as Outpatients by the consultant team. Early indications of the impact of this change suggest there will be an approximately 10% reduction in outpatient follow-up activity.
- Successful recruitment in the **Ophthalmology** medical workforce, particularly at a middle grade level, will mean that activity levels will increase over 2018/19 at all points of delivery.
- The development of the **Urgent Treatment Centre** model and the growth in attendances to the Emergency Department over months 1 to 8 of 2018/19 has been reflected in the activity plan. The full Urgent Treatment Centre is due to be commissioned in 2019/20 however it is currently operating in a “shadow model” to allow the team to further refine the service offer, in particular the streaming model and the management Health Care Provider referrals.
- Work undertaken to ensure 90% of patients are receiving treatment within the 18-week standard has been reflected in the Activity Plans. This additional activity is the forecast product of the work described later associated with the Outpatient Efficiency Programme and the Theatre Improvement Programme. In addition to more activity due to the improved efficiency of traditional outpatients, there will also be an increase in “non-face to face” activity and initiatives such as Advice and Guidance through the E-Referral System or Consultant Connect.
- A change in the model for **Paediatric Ward Attenders** has been agreed with the Clinical Commissioning Group. This change means they will be coded as admissions rather than outpatients in the new financial year.

The Trust activity plan submission is predicated on the following:

- Contracts can be delivered without the need to plan for premium rate labour over and above levels currently experienced
- Elective activity profile reflects seasonal demand;
  - April-Nov our focus is to maximise ordinary elective cases
  - Dec-Mar focus on day cases to maintain elective activity throughout winter
  - This enables a consistent volume of elective activity throughout the year
- Bed modelling incorporates planned changes in line with efficiency schemes and service developments
- Trajectories submitted are realistic with planned levels of activity and expected performance against national standards.
- Elective plans take into account RTT expectations of achieving a minimum of 90%, and have been built based on speciality level performance

We enacted a robust planning cycle for Winter 2018/19 and will use this as a blueprint for our plans in 2019/20. This includes mobilising extra capacity across the system as part of our winter resilience.

However, as experienced throughout winter 2018/19 difficulty lies in recruiting trained nursing and medical staff to safely open this additional capacity. This again will be the most significant risk to enacting plans for 2019/20.

### Activity alignment with commissioners

Since our draft submission we have worked hard together as a locality and made significant progress in determining an agreed finance schedule with Stockport CCG linked to achievable performance. A number of locality meetings held with GM and NHSI throughout March have provided assurance throughout this process.

We have reached agreement on our main contract with Stockport CCG, however there are a number of small areas where resolution will be reached in the first quarter of 2019/20.

The table below shows activity changes from our draft plan.

ACTIVITY	POINT OF DELIVERY	DRAFT SUBMISSION	FINAL SUBMISSION	CHANGE (n.)
ELECTIVE	Day case & Ordinary	39,622	39,319	-303
	Outpatient	285,651	283,468	-2,183
NON-ELECTIVE	ED attendances	101,174	100,678	-496
	0 day LOS	20,343	20,579	+236
	1+ day LOS	28,622	28,387	-235

These changes are as follows:

#### Elective

- Based on achieving a minimum of 90% of patients receiving treatment within the 18 week standard
- Ensures the total waiting list size by March 2020 to be lower than it was in March 2018
- Ensures no patient waits for more than 52 weeks
- The reduction in elective and outpatient activity are cases/attendances which would have required additional recruitment, outsourcing or WLIs to deliver

#### Non-elective

- Reflects agreement on growth levels between ourselves and Stockport CCG
- The Trust has agreed a blended approach for urgent care with Stockport CCG and North Derbyshire CCG

#### Activity Profile

- Analysis shows that day case admissions as a percentage of total elective admissions is consistent across all months at 83% (with the exception of April, July and August where it is at 84%)
- Whilst our percentage split of activity is consistent, our activity plan delivers a higher volume of elective activity throughout winter than last year (202 cases for Jan-Mar). Our ability to maintain ordinary elective activity is due to ring-fenced orthopaedic beds.

POINT OF DELIVERY – 2019/20 ACTIVITY COMPARED WITH 2018/19 ACTIVITY	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR
Day Case	76	85	37	259	146	294	88	-221	57	163	-120	85
Ordinary Elective	-11	-71	-14	13	-24	54	27	-28	38	12	23	39
Total	65	14	23	272	122	348	115	-249	95	175	-97	124



## Performance Trajectories

Since our draft submission, we've changed performance trajectories for RTT and ED 4 hour standard.

- RTT - This reflects the expectation of achieving 90% of patients receiving treatment within the 18 week standard and returning to the March 2018 baseline position for waiting list size by end of Q3 2019/20.
- ED - Following careful consideration we are proposing a revised trajectory, which whilst improving performance compared with our February submission, does not fully meet NHSI expectations. This is due to:
  - Anticipated pressure from the de-escalation of winter beds at end of Mar 19, meaning Apr 19 will not achieve 80%
  - A realistic performance achievement for Q4 based on historic performance
  - On-going volatility of the Stockport system means the Board do not have sufficient assurance of achieving higher performance set out by GM and NHSI
- Cancer - There have been no revisions to our trajectory since the February submission however, due to the on-going fragility of our breast service our position could deteriorate from the current forecast.
  - An amendment has been required to the proportion of expected cancer activity. This is in line with the CCGs expected increase in cancer referrals of 12.5% and therefore a similar increase in the incidence of cancer diagnosis. This is a change to the priority type of activity as opposed to an increase of any totals.
  - In terms of cancer 62 day, improvement won't be seen until the changes are implemented to the colorectal, lung and prostate pathways. This is being supported by GM Transformational monies for additional roles, which are still awaited.

## Bed Profile

Following our February submission we have been in on-going discussion with NHSI in relation to bed capacity. In our 2018/19 plans we included day case beds in our bed numbers and did this again for the February submission.

We have since received confirmation that day case beds should be removed from the total. Our final submission also includes confirmed efficiency schemes and planning assumptions for winter. The summary table below shows the change in position.

	DRAFT SUBMISSION	FINAL SUBMISSION	RATIONALE
1 April starting point (core general & acute beds)	659	619	Impact of removing day case beds
Efficiency schemes	0	-29	Confirmed efficiency schemes
Average winter escalation beds	46	33	Reduced availability of parts of our estate

The changes are due to:

- Removal of day case beds from our numbers – reduction of 40 (Apr 19-Mar 20)
- Confirmation of efficiency schemes – reduction of 29 beds phased over the year
- Reduced availability of annexes for winter escalation beds (Dec 19-Mar 20)

The assessment tool on the template indicates the Trust will have a shortfall of 23-29 general and acute overnight beds. There is a difficult task of delivering efficiencies in order to meet our financial position balanced with retaining sufficient numbers of beds to provide safe and quality care for our patients.

Our assurance that this can be safely managed and will not compromise delivery of our activity plan is as follows:

- the full impact of bed closures doesn't come into effect until the end of the year (Mar 20)
- continued improvements to reduce stranded and medically optimised patients resulting in improved productivity and utilisation of our bed capacity
- planned changes to the model at Bluebell to manage patients differently and better utilisation of beds
- full impact of early supported discharge for stroke services

### **Winter Resilience**

The inclusion of 33 escalation beds is on the planning assumption of opening two wards (B2 & B5) to provide resilience for winter. Included within the plan is system resilience funding from Stockport CCG; however this does not cover the full costs of winter and this will be resolved through the Stockport Urgent Care Delivery Board.

A number of ward annexes used for previous winter escalation will not be available (which explains the variance of 13 beds from our draft plan). This is due to the beds becoming part of normal capacity linked to efficiency schemes and planned changes in the use of our estate.

A full 12 month profile of beds with supporting rationale has been shared with our regional NHSI team.

## **QUALITY IMPROVEMENT & PLANNING**

### **3.1 Quality Improvement Approaches**

The Trust named Executive Leads for Quality Improvement are the Chief Nurse & Director of Quality Governance and the Medical Director. The primary focus of the Trust is to provide safe, high quality care to patients and their families. The Trust Strategy places achievement of sustainable services at the heart of its purpose. During 2018/19 the Trust embedded its new Quality Improvement Plan 2018-2020. The Quality Improvement Plan, consisting of seven key areas to quality improvement has been the vehicle by which the Trust has achieved significant improvement in quality and safety. The seven areas of the plan are:

- Safe High Quality Care Improvement Plan
- Reducing Unwarranted Variation in Clinical Practice
- Urgent Care Delivery
- Safety Collaborative
- Quality Improvement Initiatives
- Safe Staffing
- Quality Faculty

The plan will continue to be the main tenet of our Quality Improvement journey and will be refreshed during Q4 2018/19, ready for delivery of its second year. As a result of the CQC findings in March 2017 which had not improved by the time of their June 17 visit the Trust was identified as a 'challenged provider' by NHSI in relation to quality.

### **3.2 Quality Assurance Overview**

Having challenged provider status meant that the Trust had a National Improvement Director appointed in addition to support from the NHSI Regional Quality Team. With this support the Trust developed and delivered its Quality Governance Framework (QGF) throughout 2018/19. In Q4 2018/19 the Trust intends to refresh the QGF, incorporating an approach to Corporate Governance.

The CQC report published in December 2018 saw significant improvement across the core services inspected during the unannounced visit in September 2018. In all, there were twelve areas of improvement across services in community settings, Medicine, Maternity and Emergency Care, and no deterioration in any ratings from the previous report.

Therefore the approach to Quality Improvement must be focused on sustaining where we have got to as well as defining further improvements toward our aim, as stated in the Quality Improvement Plan, to be rated 'good' at our next inspection.

### **2.3 Measures to demonstrate and evidence the impact of quality improvement**

During 2018/19 the Trust identified the following quality indicators that will be reported through the Quality Account:

#### **3.3.1 Experience**

- A 5% improvement in each of the five worse performing questions from the 2017 in-patient survey  
Current position – at as January 2019, the Trust is on target to achieve the planned improvements as measured by the surveys led by the patient experience matron
- Development of a suite of Always events  
Current position – as at January 2019, the Trust has developed Five always events, which will be measured by 31<sup>st</sup> March 2019. The five always events:

- ✓ I will always have access to fresh water
- ✓ I will always have a call bell within reach
- ✓ I will always have my skin checked
- ✓ I will always have my pain managed
- ✓ I will always have my mental well-being assessed
- Strategic staffing review to be undertaken, and delivery of work streams including triangulation of staffing levels against harm

As at January 2019, we have delivered a strategic staffing report to the Board of Directors and presented a monthly report to the Board of Directors relating to staffing levels and harms as measured by the safety thermometer.

### **3.3.2 Effectiveness**

- Undertake a review of discharge processes and establish improvement targets by March 2019  
Current position – as at January 2019, we are on target to achieve

Current position – as at January 2019 we have delivered a total of 6 wards per quarter in line with our plans, and expect to deliver the plan fully by March 2019.

- Improve on a range of metrics relating to the deteriorating patient and National Early Warning score introduction by March 2019

As at January 2019 we have made significant progress in this area, and have delivered our target of introducing the National Early Warning Scores 2 (NEWS2) systems. We have developed a series of metrics, and during Q4 2018/19 will develop the deteriorating patient metrics to be delivered through a soon to be launched Deteriorating Patient Group to be led by the Medical Director and Chief Nurse.

### **3.3.3 Safety**

- A 50% reduction in avoidable category 2, 3 and 4 pressure ulcers in both community and adults by March 2019  
Current progress- as at January 2019, the delivery of the metric is currently being assessed through the Harm Free Care Panels led by the Deputy Chief Nurse
- A 10% reduction in patient falls, with 25% reduction in falls with moderate and above harm by March 2019  
Current position – as at January 2019 we have achieved a 32% reduction in in-patient falls, and a 41% reduction in falls with moderate or above harm. In relation to falls with harm, the threshold is 31 falls, and to date there have been 24 falls, meaning that the achievement of the target is extremely challenging
- 100% compliance with the Malnutrition Universal Screening Tool (MUST) by March 2019

As at January 2019 this metric is currently being assessed.

## **3.4 Identification of actions required to improve**

Along with the planned refreshing of the Quality Improvement Plan and Quality Governance Framework, the Trust has planned a stakeholder workshop to help refine and identify further actions toward overall improvement. Additionally the Quality Faculty, which intends to mature during Q4 2018/19, will support the identification of projects to be delivered by quality improvement methodology in line with both service and quality requirements.

## **3.5 Summary of the quality improvement plan**

Our main areas of quality focus are:

**Safeguarding:** In December 2018 the CQC recognised improvements we had made in this area which followed investing considerable effort and focus upon our safeguarding process and procedures since our 2017 CQC

inspection raised concerns. In August 2018 we appointed a temporary Safeguarding lead. We have developed a 'building blocks' action plan, and are currently undertaking a formal review of our safeguarding team. A comprehensive update on our progress in this area was presented to our board of directors in January 2019, offering an update relating to:

- a. Adult safeguarding activity
- b. Assurance to address those areas of development and improvement in line with the CQC report.
- c. Compliance with legislation and guidance in protecting vulnerable persons in the care of the trust.
- d. Adoption of best practice and continued positive development of the safeguarding provision toward delivering shared care and partnership working.
- e. Assurance, reporting and adherence to local safeguarding agreements.

**Management of the deteriorating patient:** In December 2018, we rolled out NEWS2 monitoring of in-patients. As part of this, we developed an improved capability for summarising the consistency of monitoring, and response times to those patients with scores suggestive of deterioration. In addition, we received increasingly rich feedback from our 'learning from deaths' program, offering considerable insight and learning relating to how we manage deteriorating patients. In response to these two sources of data, we have now introduced a 'deteriorating patient group' chaired by the Medical Director and Chief Nurse, who will oversee our response to this feedback.

**Sepsis:** We have been disappointed with our consistent delivery of sepsis screening for those patients with high early warning scores. The introduction of NEWS2 has seen a doubling of the numbers of patients who trigger an automatic sepsis screen. With this roll out, we have introduced a simplified sepsis screening tool, and developed our Sepsis steering group, with enhanced senior leadership. We will be closely monitoring our progress with this area throughout 2019/20.

**Referral to treatment (RTT):** Consistent delivery of our RTT standards in 2019/20 will be an area of considerable focus. We have introduced mandatory training of all staff involved.

**Length of stay:** Reduction in our 'stranded patients (>7 day stay) has been an area of considerable focus, but will remain so over the coming year. Our delivery of the ED 4 hour target has been inadequate in 2018/19, and the greatest impact will be with a reduction in length of stay. A number of projects are underway to ensure continued scrutiny and challenge as well as system and process improvements. These processes have been further augmented by a comprehensive winter plan, with which we anticipate mitigating much of the risk associated with the surge in demand over the winter months.

**Consistent delivery of our cancer targets:** The addition of the 28 day cancer target presents a considerable challenge this year. Consistent delivery of this, alongside our existing standards will be a key priority over 2019/20.

**Further development of consistent Quality Improvement methodology into all aspects of clinical practice:** The use of the AQUA QI methodology will be further cascaded through active participation of staff across the organisation.

**Learning from national investigations:** Significant national investigations are presented at our public board, and a plan for local response agreed. Where national investigations suggest specific recommendations, a formal gap analysis will be produced, for others such as the Gosport inquiry, oversight of the issues and the local implications will be presented.

### **Learning from Experience**

The Trust is committed to learning from experience as we recognise that this is how we will improve the quality of people's experience; improve safety, effectiveness and outcomes. Throughout 2019/20 we aim to further develop and promote a learning culture within the Trust. We recognise that learning can come from a variety of sources and understand how useful it is to routinely review all types of learning to ensure that any recommendations are

embedded into local practice and to prevent recurrence of events. For these reasons, learning from experience will be a key focus area during 2019/20.

### **Gram negative bloodstream infections**

The Trust has a shared action plan in place with the CCG and Health Protection Team to reduce gram negative bloodstream-infections in line with national expectations. Investment was made in the Infection Prevention team in 2018/19 adding nursing capacity to support delivery of national standards and improve infection prevention control. The recruitment of substantive consultant microbiologists has been a challenge for our medical workforce in 2018/19; however we continue to explore all possibilities including alternative staffing models with increased pharmacy input. Successful recruitment in this area will be key to achieving progress in all areas of the action plan.

### **Guidance on Learning from Deaths**

The Trust has in place a mortality review group to oversee the learning from deaths process as defined from key requirements outlined in National Guidance. This group is chaired by the Medical Director. Progress of the group has focused on:

- Development of a Clinical Governance and Learning from Deaths policy. This policy outlines the process for all learning from death reviews including criteria of deaths that should be reviewed.
- Establishment of Morbidity and Mortality meetings for specialities to discuss cases as defined in policy
- Establishment of a learning from deaths newsletter for Trust wide distribution to communicate areas of learning
- Using LFD reviews to investigate areas of excess mortality

Areas of focus for 2019/20 include; improved family involvement and senior nursing LFD reviews to be established

### **Seven Day Services (7DS)**

Considerable focus has been given to this quality improvement initiative through the 7DS implementation team which meets bimonthly with senior clinical and managerial representation. Incremental improvement has been achieved with the trust compliance against the four clinical priority standards.

National Seven Day Services Audit and Survey results for 2018 has showed compliance against 3 of the 4 priority standards and the Trust being in the upper quartile of National results and has been commended on its performance by the NW Service Improvement Manager for Seven Day Services Improvement Programme (SDSIP). It has been acknowledged that for full assurance and sustained compliance with regards to the 4 priority standards would require significant work force investment and the phased delivery requirements are being considered alongside other trust investment priorities. We are committed to implement the nationally recommended new Board assurance framework for self-assessment of 7DS performance and the Trust is in the process of collating the required information for the first submission in Feb 2019.

## **3.6 Quality Impact Assessment Process**

Project Initiation Documents (PIDs) are produced for all Cost Improvement Programme (CIP) schemes. The QIA is included within the Project Initiation Documents (PIDs) which are each reviewed and approved by the Medical Director and the Chief Nurse & Director of Quality Governance. The project documentation template has been reviewed and now includes, in addition to the QIA, an Equality Impact Assessment (EIA) and Data Privacy Impact Assessment (DPIA). The QIA is based on the three core quality domains; Safety, Effectiveness & Experience and the impact on staff is considered within this.

For 2019/20, in addition to the desktop review and approval of QIAs, our governance structure will enable direct challenge by the Medical Director and Chief Nurse to a project lead on significant schemes or regarding any risks that require significant assurance.

Many significant operational changes are driven by the desire to improve quality. Projects and programmes associated to delivery of our operational plan will be subject to the QIA process outlined above. This will ensure that quality improvement plans are triangulated with finance, activity and workforce planning.

### **3.7 Triangulation of Indicators**

The Board of Directors receives a comprehensive Integrated Performance Report (IPR) each month which provides a high level summary of Key Performance Indicators (KPIs). The KPIs are grouped by the Care Quality themes of Safe, Caring, Responsive, Effective and Efficient. The IPR has a summary page that allows the Board to see performance against the Single Oversight Framework indicators as monitored by NHS Improvement. Each theme of the IPR is presented at the Trust Board by the responsible Executive Director.

The system used to generate the IPR was developed by an in-house team and has the functionality to replicate the same reporting approach and format at the sub-Board Assurance Committees, the Operational Performance Group and at each of the Clinical Business Group Performance reviews. This functionality ensures there is thread running from the Board through the tiers of organisational assurance and that the performance priorities at Board-level are replicated through the Trust.

The Trust Finance & Performance Committee (board sub-committee) provides oversight of the Clinical Service Efficiency and Cost Improvement Programme. Reports are provided on a monthly basis. Matters of significant transformational change and service redesign will be presented to F&P Committee and highlighted to the board via key issues reports or on an individual basis. As previously referenced, all efficiency schemes go through QIA processes which are approved by Chief Nurse & Director of Quality Governance and Medical Director.

### 3. WORKFORCE PLANNING

A comprehensive workforce plan ensures the Trust's workforce is the right size with the correct skill set to enable us to deliver high quality patient care. Effective workforce planning is an important tool to support the Trust in maximising resources and building capacity in a structured and planned way. The time taken to train staff, the challenging, changing landscape and the scale of the exercise, mean that workforce planning for the Trust is a complex issue.

The Trust is in the process of refreshing its strategy and aligned with this a new people strategy has been developed. This describes:

- How the Trust will attract, retain and develop the workforce it needs to deliver safe, high quality hospital and community services
- Sets out our strategic workforce priorities and the approach we will take to deliver them; and
- Builds on our culture of innovation and continuous improvement, of openness and transparency, and of collaborative, compassionate leadership, grounded in our values.

The Trust workforce plan is signed off each year by the People and Performance Committee, a sub-committee of the Board. This committee regularly reviews the workforce plan, which is an iterative document responding to changes driven by strategic drivers, activity changes and other service developments. Along with the workforce plan the committee:

- Measures and monitors the effectiveness and efficiency of the Trust's workforce on a monthly basis,
- Focuses on key performance indicators to establish workforce themes and challenges; and
- Safe staffing and agency usage are key topics discussed in the context of the workforce plan

The Trust has a dedicated workforce system and information team which provide workforce planning support to each Business Group to ensure their plans are integrated with financial plans, service activity/demand and strategic visioning. This year workforce planning has been further embedded with the operational, activity and financial planning processes to ensure there is full alignment between the different plans.

#### Current workforce challenges

Description of workforce challenge	Impact on workforce	Initiatives in place
Shortage of nurses	Difficulty in recruiting to the nursing establishment; gaps in rotas and a reliance on bank and agency workers	<ul style="list-style-type: none"><li>• Innovative recruitment campaigns are undertaken using social media and other tools, the most recent event in January recruited to 34 registered nursing posts.</li><li>• The nurse associate role has been introduced. The first cohort is due to qualify in March 2019. There are 3 further cohorts in training and a fourth due to start.</li><li>• Corporate nurses now complete a clinical shift a week during the winter.</li><li>• Career progression opportunities are being developed across the specialities with band 5-6 link grades.</li><li>• Enhanced NHSP rates for nursing staff are being considered to encourage better bank take up from our own nurses.</li><li>• A robust recruitment and retention strategy is in place and participating in cohort 2 of the NHSI retention programme. This includes exit interviews, regular keep in touch sessions, buddy and mentor programme, relocating staff where possible and developing career opportunities</li></ul>
Shortage of doctors	Difficulty in recruiting to certain grades and specialities which impacts significantly on agency spend	<ul style="list-style-type: none"><li>• There is a limited supply in some specialties, which is consistent with national shortage specialties. The main drivers of this being historical reductions in training numbers, visa changes that have reduced non EU applications and Brexit.</li><li>• Local and international recruitment is continuing and the Trust has been successful in making substantive appointment in long standing, hard to fill vacancies, such as Microbiology and Gastroenterology.</li></ul>



		<ul style="list-style-type: none"> <li>Alternative roles are being implemented which form part of the multi-disciplinary team e.g. Physician Associates, Pharmacists, Housekeepers and Advanced Clinical Practitioners</li> <li>The Trust has an established CESR processes to support senior doctors to become consultants.</li> </ul>
Advanced Clinical Practitioner role	Difficulty in recruiting to the qualified ACP role. ACP expansion takes generally trained professionals out of the workforce where there are already significant gaps.	<ul style="list-style-type: none"> <li>Limited number of training places has hindered supply to these roles.</li> <li>Where possible the Trust 'grows its own' using HEE funding and local learning and development funding.</li> <li>The Trust is signed up to the NHSI and HEE Acute and Emergency care ACP Fast track programme to further develop this role within the organisation.</li> </ul>
Health professional training places	The number of student places is limited	Higher Education Institutions will provide additional places on nursing, midwifery and AHP courses to meet expressed demand from potential students. This will improve the supply of qualified healthcare graduates and thus reduce the health system's reliance on agency workers and overseas staff
Health and Wellbeing	Staffing gaps can be detrimental to the health and wellbeing of the overall workforce.	Stress, anxiety and depression are one of the main reasons given by staff for sickness absence. The Trust cannot deliver care without having a healthy and productive workforce. The Trust has a Health and Wellbeing group to ensure services to support staff health are publicised within the organisation. The Trust has a proactive Occupational Health service which provides counselling services, fast track physiotherapy, flu vaccinations etc. to improve the health and wellbeing of our staff. We also run resilience and mindfulness courses. We have supportive policies (flexible working etc.) to enable staff to continue to work when they have caring responsibilities and have signed up to the Carer's charter.

### Current workforce risks

Description of workforce risk	Impact of risk (high, medium, low)	Risk response strategy	Timescales and progress to date
Medical and nursing vacancies and high agency usage	High	Use of bank and agency staff as a temporary solution to cover gaps.	Robust Director led process for challenging agency requests to ensure all possible alternatives are exhausted. Process to challenge high costs and approval processes in place for high cost agency workers. Increased recruitment to medical and nursing banks to reduce agency use as much as possible. Exploring a collaborative bank arrangement across Greater Manchester.
Nursing turnover amongst:  Band 5 nurses  Emergency Care nurses  Graduate nurses	High	Using bank staff as a temporary solution to cover gaps to maintain safe staffing levels.	Robust recruitment and retention strategy in place. Exit interview feedback analysed and identified the main reason for leaving was limited career development. Over the last 9 months 34 staff has remained in work due to the retention/career progression conversations, with opportunities to work in different areas being given or resolution to issues raised in their current work areas. 17wte band 6 progression posts were created to introduce career progression opportunities. The Trusts has introduced roles to support staff in Medicine and ED to ensure issues are proactively managed. Regular keep in touch sessions have been developed for graduate nurses to ensure the right level of support in given in the first year of employment. A survival guide for new graduates has been developed and the preceptorship programme is being reviewed.
Brexit	High	Reduction of applicants from European countries and substantive colleagues returning to their home countries	The Trust participated in the pilot EU settlement scheme which was very successful in take up. The Trust has undertaken international recruitment, particularly in India as an alternative country to recruit from. The Trust is concentrating on retention of staff and is part of cohort 2 of the NHSI retention initiative

			<p>The outcome for Brexit is currently unknown, if there is no deal there could be a risk of legislative /employment law changes</p> <p>Risk of increased sickness in the workforce due to medicine supply issues</p>
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### Long-term vacancies (hard-to-fill posts over six months)

Description of long-term vacancy, including the time this has been a vacancy post	Whole-time equivalent (WTE) impact	Impact on service delivery	Initiatives in place, along with timescales
<p>Long standing problems recruiting to Junior Clinical Fellow/Trust grade posts in several specialties including:</p> <ul style="list-style-type: none"> <li>ED (10 wte)</li> <li>Acute Medicine (3 wte)</li> <li>Medicine (15wte)</li> </ul>	28.00	Impact on quality, continuity, resilience and patient safety. Impact on locum and bank costs	<p>The introduction of the EWTD regulations led to an increase in JCF posts to ensure compliant rotas. These posts have been consistently hard to recruit to and vacancies have been covered by agency doctors.</p> <p>The Trust has introduced Physician Associates as an alternative to carrying vacancies. We have 3 in post, 3 due to start before the end of March 2019 and plans to take this number to 20 over the next 12 months.</p> <p>ACP growth is also being used to overcome this medical supply challenge.</p> <p>A significant rota review is currently underway to attempt to make certain rotas more desirable to potential candidates.</p>
<p>Recruitment to consultant posts to include:</p> <ul style="list-style-type: none"> <li>Gastroenterology (2 wte)</li> <li>Cardiology (2 wte)</li> <li>Emergency/Acute Medicine (5 wte)</li> <li>Radiology/neuro/breast (2 wte)</li> <li>Pathology (2 wte)</li> </ul>	13.00	Impact on quality, continuity, resilience and patient safety. Impact on locum and bank costs	<p>The Trust has an agreed recruitment and retention framework to use for hard to fill medical vacancies. This has helped secure appointments to posts that have previously been unattractive.</p> <p>Local and international recruitment continues.</p> <p>The Trust has grown its medical bank to provide temporary staffing at more affordable rates.</p> <p>The job planning process is robust and implementation of electronic rostering is near completion for medical staff to ensure efficient allocation of resources and planning.</p>
Radiology Band 5	9.00	Impact on quality, continuity, resilience and patient safety. Impact on locum and bank costs	The Trusts has a planned approach to over establish these posts to maintain staffing levels as the turnover at this grade is high. As part of the retention strategy a link grade career post band 5 -6 is in development.
Biomedical scientists 4 vacancies, 2 since March 18 and 2 since August 18.	4.00	Impact on quality, continuity, resilience and patient safety. Impact on locum and bank costs	Recruitment is active but unsuccessful. The Trust is investigating ways of 'growing our own', e.g. supporting 'A' level qualified staff to undertake the appropriate degree course.

As a provider operating in a complex environment the success of our service improvements and future sustainability depends on ensuring that we work closely with our partners. Stockport Neighbourhood Care (SNC) will deliver seamless care services between primary, secondary, mental health and social care to the local population of Stockport. We actively engage with partners and staff side colleagues in our locality workforce group and engagement forum. The Trust has worked with SNC partners using workforce planning tools (WRAPT) to understand the workforce vision over the next 5 years and ensure we have a motivated workforce integrated across health and social care with the right skills and experience and attitude to deliver this new model of care.

The Trust is working collaboratively across Greater Manchester and other local partners to transform and improve services for our local population. These programmes include Urology Cancer, Neuro rehabilitation and Healthier Together. The Trust has also engaged with primary care colleagues to introduce an ambulatory ill stream within the Emergency Department to provide a better urgent care response.

New models of care and new roles are essential to the Trust maintaining quality services when supply issues affect our ability to attract and retain staff in certain professions, examples include:

- The new roles introduced include Trainee Nurse Associate, Physician Associate, Ward Housekeeper and Advanced Clinical Practitioners
- We have also converted a proportion of nursing roles to AHP roles, where appropriate, to improve the overall skill set of the multidisciplinary team and effectively fill gaps caused by the shortage of appropriately trained nursing staff

The Trust is represented on the Greater Manchester Health and Social Care Strategic Workforce Collaborative Board. Through these collaborations we have been involved in projects such as the Greater Manchester charter, the continuous service commitment, streamlining induction, the working carer toolkit, nurse recruitment campaigns and workforce race equality.

The Trust's People Strategy links closely to the NHS Long Term Plan and outlines how it will support current staff, with more flexible rostering, continuing professional development and supporting diversity and a culture of respect and fair treatment. Examples of how this is being implemented include:

- Supporting growth in clinical placements and training and development for our staff including leadership development
- Continually promoting the apprenticeship role for new posts and for the development of our permanent staff.
- The Trust has signed up to the Armed Forces Covenant and the Disability confident scheme to encourage access to employment from as many routes as possible
- Developing a volunteer strategy to fully recognise the impact of this sector
- Piloting and development of Agile working to better manage technology and the estate whilst offering staff more flexible employment models

Balancing the workforce in terms of substantive staff and bank and agency workers engaged at premium rates is a particular challenge for the Trust. Safe staffing levels are essential but affordable staffing is also vital. Reducing agency spend has been a priority for a number of years. The agency expenditure ceiling for 2019/20 has been issued to the Trust by NHS Improvement at £10,455m and is profiled in our plan.

The Trust has a robust work programme in place to continue to help reduce medical and nursing agency usage, which includes a Director led process for challenging all agency requests to ensure all possible alternatives are exhausted. Recruitment to substantive vacancies is the key to driving down agency spend and we continue to recruit domestically and internationally to long standing hard to fill vacancies. Our internal banks for medical and nursing workers have grown significantly to give the flexibility of a temporary workforce at more affordable prices and another way of limiting the hold that the medical agencies have within the organisation. We are also currently exploring a collaborative bank with other Trusts across Greater Manchester. Finally the Trust undertook a procurement led exercise to implement discounted commission rates for the agencies based on a tier provider service.

A key element to the People Strategy is the continued use and development of our electronic workforce deployment tools which cover rostering, job planning and employee and management self-service to enable easy analysis of

workforce data. All these systems are important for monitoring and using our workforce resources effectively and reducing locum and agency spend where possible and support the Trust's commitment to the principles of the Carter review including Model Hospital.

## 5. FINANCIAL PLANNING

### 5.1 Financial Performance 2018/19

In February 2018, the Board of Directors considered the Enhanced Provider Sustainability Fund (PSF) offer from NHSI and endorsed the view that to deliver a £8.7m deficit in 2018/19 in exchange for £10.7m PSF would be extremely challenging. The Trust would have had to deliver a CIP of £42.3m (c15%) in 2018/19 and therefore the Directors felt that on the balance of risk on delivery, the challenge was considered to be too great.

The Trust opted to seek efficiencies on a more sustainable basis over a longer period with a recurrent CIP target of £15m (c5%). The planned deficit for 2018/19 was £34m.

The Trust was forecasting a significant shortfall on the delivery of the 2017/18 financial plan predominantly related to:

- Underperformance in elective activity predominantly related to changes in the patient pathway, restrictions on activity due to IR35 and a shortfall in theatre staff to meet the requirements; and
- Shortfall on the delivery of the in-year CIP target of £15m predominantly in bed and outpatient reconfigurations

The Trust was placed under Enhanced Oversight in October 2017 for both financial performance and the operational performance of Urgent Care. Since meeting with NHSI on a monthly basis to recover the financial performance, the Trust has implemented a number of recovery actions to provide a significant assurance that the plan will be delivered. The financial metrics between plan and forecasted is presented in the table below.

#### *Financial performance 2018/19*

2018/19	Plan £m	Forecast out-turn £m	Variance £m
Income	281.0	292.8	11.8
Expenditure	(300.7)	(314.1)	(13.4)
EBITDA	(19.8)	(21.3)	(1.5)
Non-Operating Expenditure	(14.2)	(12.7)	1.5
Surplus / (Deficit)	(34.0)	(34.0)	0.0

### 5.2 Financial Planning 2019/20

The Trust operates a two year model within its finance ledger and all financial reporting is driven from this one source to maintain financial integrity. The budget model has therefore been used extensively to model planning assumptions on areas such as pay inflation, which represents 70% of the Trust costs, and this has been done on a post by post basis. Therefore, the Trust has a high degree of confidence in its workforce planning numbers and pay costs contained within the plan. The plan takes account of where CIP has been delivered on a non-recurrent basis.

One of the key challenges facing the Trust continues to be the recruitment of key medical and nursing posts. Despite local and international recruitment programmes there are still some vacancies which are being covered at agency rates. The 2019/20 Plan therefore reflects a continued reliance on agency staff.

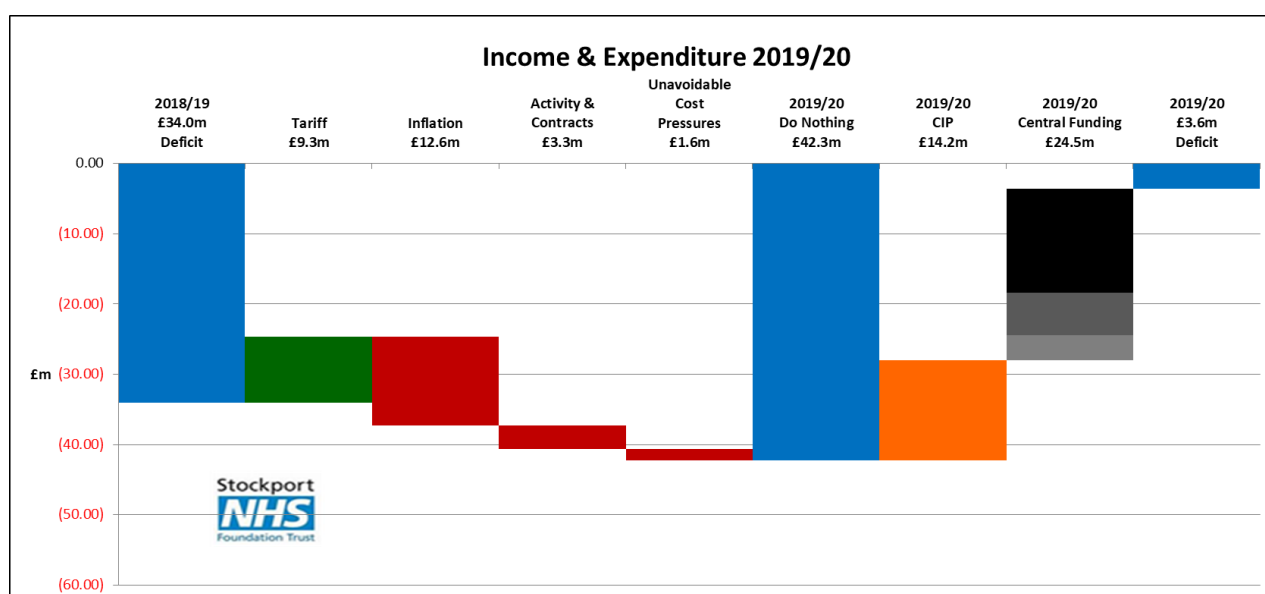
Following discussions with NHSI as part of the Enhanced Financial Oversight Meetings, the Trust was originally planning on the delivery of £29.5m deficit including the delivery of £14.2m Cost Improvement (CIP). In January 2019, the Trust received a control total communication from NHSI offering the Trust a total of £24.5m in return for the delivery of £28.1m deficit. The £24.5m is made up of the following:

- a) Marginal Rate Emergency Tariff (MRET) - £3.499m recurrently;
- b) Provider Sustainability Funding (PSF) - £6.060m non-recurrently; and
- c) Financial Recovery Funding (FRF) - £14.807m non-recurrently.

In January 2019, the Board of Directors considered the offer, the delivery risks and positive impact it would have in the Trust and therefore agreed to accept the control total. To maintain the £14.2m Cost improvement requirement, the Trust agreed to actively manage pressures and developments to deliver the required deficit.

The 2019/20 Plan sets out a £3.591m deficit with the main movements illustrated in the bridge below.

### Headline financial planning 2019/20



The 2019/20 financial plan has been produced in accordance with national planning guidance, and details set out in the Control Total letter received on 15<sup>th</sup> January. Key movements from the 2018/19 forecast outturn are set out below.

#### 5.2.1 Tariff

The Trust has assessed the impact of the draft tariff currently being consulted upon, which indicates a net uplift of £9.3m for 2019/20. This includes the impact of changes to CQUIN and inclusion of the PSF in the emergency tariff. It is assumed that final tariffs do not materially alter aggregate income from that set out in the draft tariff.

#### 5.2.2 Inflation

Uplifts have been applied in line with national guidance, which broadly accounts for the impact of the 2018/19 Agenda for Change pay award and anticipated rates of non-pay inflation. It acknowledges the change to the CNST tariff however, any additional costs associated with changes to the pension scheme in 2019/20 are assumed to be resourced separately from additional central funding, and is therefore excluded. In addition, any price volatility relating to Brexit has not been factored into plans.

### 5.2.3 Activity & Contracts

To ensure that the Trust can deliver activity levels in line with national access standards, capacity and demand reviews have been undertaken across all service portfolios.

For elective activity within the 2019/20 financial plan is predominantly based upon 2018/19 planned levels, plus a further stretch in order to ensure delivery of a reduction in the waiting list and achievement of 90% RTT.

As a partner to the Stockport Together Programme, the Trust is assuming that it will have to continue to contribute towards the new primary and community services across Stockport. The Trust is a major recipient of the new investment funding.

### 5.2.4 Unavoidable Cost Pressures

The Trust will be required to robustly manage financial pressures to within £1.6m (0.5% of total expenditure).

A risk based approach is being adopted in order to ensure the most critical risks e.g. relating to quality and safety and compliance with national standards and initiatives are addressed. It should be noted that this reflects a dramatic reduction on 2018/19 funded pressures of £6.7m.

The 2019/20 Operational Plan will require a CIP programme that delivers £14.2m (4.4% of operating expenses) of cost efficiency gains. Key drivers of this target in excess of the national efficiency requirement are:

- the necessity to bring the underlying forecast deficit to within 10% of Total Expenditure
- £1.2m baseline adjustment outlined in the 2019/20 NHSI Control Total offer
- £1.5m (0.5%) stretch target as outlined in the 2019/20 NHSI Control Total offer

The CIP programme will not, on its own, close the financial gap and there will be a requirement for continued financial Grip & Control initiatives launched during 2018/19.

## 5.3 Efficiency Savings for 2019/20

The *Clinical Services Efficiency Programme* (CSEP) is aligned to the development of the Trust Strategy, intended to meet the need for sustainability of services and driven by use of benchmarking and best practice data. The CSEP has the Model Hospital metrics at its heart meaning we are directly linking our improvement actions to our Use of Resources assessment and aligning the metrics to our Business As Usual performance.



The CSEP builds on work already underway with AQUA to embed the use of the Quality Improvement methodology across the organisation. This is essential to the long term sustainability of our services and the clinical engagement required in maintaining them. The Programme will be supported by the introduction of the QI Faculty, working to build the Quality Improvement capacity and capability across the Trust. In addition, the programme will be supported by the improved co-ordination and collaboration of existing Corporate Support Functions.

#### **5.3.1 Key Transformational programmes/ Service Changes**

One of the key changes brought about by the implementation of the Clinical Services Efficiency Programme is in putting the Business Group Directors as Senior Responsible Officer (SRO) for the delivery of changes within their Business Group. This means that in previous years the accountability for delivery of cross-cutting thematic programmes such as Workforce and Outpatients has sat with the corporate leads rather than the Business Groups themselves. This year the Business Group Directors are accountable for ensuring the benefits of the cross-cutting programmes is maximised within their Business Groups – this change in approach has already made a difference with progress being made in both Outpatients and Theatres.

#### **5.3.2 Improving Patient Flow**

Work is being undertaken across the Trust to improve patient flow as it is recognised how pivotal effective patient flow is to Urgent Care and how heavily it influences the quality and safety of the care our patients receive and the experience they have while in the hospital. Some of the key interventions in improving patient flow are as follows:

- The on-going implementation of the SAFER principles
- Reviewing the model and function of the Integrated Transfer Team
- The expansion of the Trusted Assessor model
- Creation of a Transfer to Assess Unit
- Improved antibiotic stewardship

#### **5.3.3 Outpatient Efficiency Programme**

The Outpatient Efficiency Programme is based on 3 key design principles each with a series of projects and initiatives that will enable the change:

- Reduce unnecessary referrals
- Reduce unnecessary or wasted appointments
- Optimise the efficiency of our clinics

Each of the projects has a roll-out plan and the Business Management Teams, working alongside the Clinical Directors and wider clinical teams are leading on implementation in their respective specialties.

#### **5.3.4 Theatre Improvement Programme**

The Theatre Improvement Programme spans three Business Groups; Surgery, GI & Critical Care, Women, Children and Diagnostics and Medicine and Clinical Support. The key aims and areas of focus of the Theatre Improvement Programme are:

- Improve overall Theatre utilisation:
- Improve cancellation rates overall and reduce cancellations on the day



## **5.4 Agency Rules**

The Trust expects there to be a requirement to use agency staff in areas and staff groups where there are national shortages. The Trust will continue to take all steps to minimise agency spending and adhere to national guidance. As a result the Trust is planning to be within its agency financial cap for 2019/20.

## **5.5 Balance sheet / Cash**

The sustained deficit means that the Trust will require further cash support during 2019/20. This is in addition to a total £24.4m forecast to be drawn down by the end of 2018/19.

Careful consideration has been given to the profiling of financial plans, in ensuring robust cash projections are reflected in the context of: the I&E profile, CIP delivery, timing of capital investment, maintaining stable levels of working capital.

## **5.6 Capital Planning**

The Trust's on-going capital plan remains restricted in light of the deficit position and requirement for finance support. Plans for 2019/20 are for critical items only. Trust funded capital spend is within annual depreciation levels less loan repayments.

A risk based approach has been taken to prioritisation of capital expenditure. All services have adopted the existing Trust risk methodology to assess each scheme/equipment put forward with a process of review undertaken by the Capital Programme Development Group and Executive Team.

Capital is heavily constrained with planned expenditure prioritised on core infrastructure maintenance and upgrades, mandatory and statutory compliance and essential equipment replacement. Any small developments are directly linked to addressing quality or compliance issues.

The impact of the Trust borrowing through the revenue finance agreement means we are not in a position to seek alternative forms of capital via loans or PFI arrangements. The impact of loan repayments also reduces internally generated depreciation.

At present we have no service development schemes or aspirational upgrades funded within the draft capital programme linked to transforming our estate which is set out in our Estates strategy. Plans are focused on addressing critical and high risk backlog and maintenance only.

Planning for the long term transformation of our estate will however continue, linked to development of our clinical services strategy and changes in the external environment. We are receiving support from GM to develop a strategic outline case linked to our estates strategy. Access to external PDC funding or national capital will be critical to transforming the environment and upgrading equipment to deliver improved facilities and better patient care.

We continue with planning for the release of capital associated to Healthier Together – the release of capital funds will allow for enabling schemes to deliver the required changes to our estate to support the transfer of elective and non-elective patients from Tameside will commence.



## 6. LINK TO THE LOCAL SUSTAINABILITY & TRANSFORMATION PLAN

Greater Manchester is recognised as a mature Integrated Care System and is the largest devolved health and social care region in the country.

2019/20 represents the fourth year of delivery of GM's health and care transformation strategy *Taking Charge*. It will be the first annual plan we have developed in the light of the new GM Health and Social Care Prospectus – which will form the basis of the scaled implementation of the NHS Long Term Plan in GM.

The GM Health and Social Care Partnership is the body made up of all the health and social care organisations in Greater Manchester. It also includes representation from local authority, VCSE and other public service organisations in the city region.

The Partnership will pursue a single Greater Manchester approach to planning for 2019/20 in line with expectations for Integrated Care Systems. This includes alignment of NHS England and NHS Improvement processes and of commissioner and provider plans. In the production of an aligned GM system plan for 2019/20, and given our status as a mature ICS, we will test alignment within the GM Partnership itself and collectively seek to provide this assurance to the national bodies.

Priority areas at a local level within Stockport are as follows:

- Delivery of Stockport Together integrated care models and ways of working
- Transformation programme for outpatient care delivered closer to home
- Involvement in Right Care programme in collaboration with CCG and system partners
- Developing a single service for general surgery with Tameside & Glossop ICFT as part of the south east sector arrangements for Healthier Together (HT).
  - This will start with a colorectal joint Multi-Disciplinary Team meeting (MDT) but will lead to further clinical pathways being established for ambulatory care
  - If capital is released, enabling schemes to deliver the required changes to our estate to support the transfer of elective and non-elective patients from Tameside will commence.

### 6.1 East Cheshire Sustainability Review

A major area of focus for the Trust relates to the East Cheshire plan and our involvement in looking at options for future collaboration with East Cheshire NHS Trust (Macclesfield Hospital) for the provision of acute services.

Specific focus of emerging plans to be reviewed and consulted on in 2019/20 are within women and children's services and acute general surgery linked to the introduction of the HT south east sector pathways

Any future collaboration provides an opportunity for existing day case work provided by SFT for Cheshire residents to be repatriated to the Macclesfield site where clinically appropriate. This provides an opportunity to deliver integration with joint service models and pathways

### 6.2 Greater Manchester Programme

The Trust will continue to work with various partners across GM to develop options for secondary care service reconfiguration linked to the Theme 3 and Them 4 programmes of work. This will be informed by the outputs of the modelling work currently being undertaken by McKinsey.

The Board has also affirmed its commitment to develop opportunities for collaboration within our clinical support services; pathology, radiology and pharmacy, with potential commercial opportunities for pharmacy collaboration linked to the existing production unit and quality control units provided from the Trust offering a service to the wider GM region.

### **6.3 Trust Strategy development linked**

The external environment and possible changes to acute service provision has the potential to impact upon a significant proportion of our current acute services. The GM programmes will play a key role in the development and influence on our clinical services strategy. This is due to be refreshed in early 2019/20 following a revised Trust strategy approved by the Board in 2018/19. The external operating environment, set within the context of our financial and operational performance challenges, will be key drivers for the development of clinical service strategies at a local level.

We are also committed to incorporating delivery of the priorities within the recently published NHS Long Term Plan (LTP). Much of our focus continues to be on improving our emergency and urgent care performance, with an improvement trajectory towards the 4 hour emergency standard. Other alignment includes:

- Outpatient reform and moving to more digitally enabled care forms a key part of intentions set out in the planning and delivery of our outpatient programme.
- Both emergency and urgent care and outpatients are already established as priorities for the Trust in our refreshed strategy and the original Stockport Together business cases.
- Other improvement areas set out in the LTP already form part of the Greater Manchester plan and initial priorities that have been set for 2019/20; specifically tackling major health conditions (e.g. cancer, stroke, cardiovascular), delivery of public health programmes (smoking, alcohol, obesity) and delivery of the theme 3 and 4 programme (including Healthier Together).

## 7. MEMBERSHIP & ELECTIONS

Periodic refresh of membership of the Council of Governors is achieved by means of an election cycle which results in a proportion of Council seats being subject to election on an annual basis. Any unscheduled vacancies that arise are also incorporated in the annual elections. Elections during 2018/19 were held in the following constituencies:

- Staff - 4 staff governors
- Tame Valley & Werneth - 4 public governors
- High Peak & Tameside - 3 public governors
- Outer Region - 1 public governor

The elections took place during the period July – October 2018 and all seats were filled with the exception of the High Peak & Tameside constituency where a vacancy remains from the Tameside area. The election in the High Peak was uncontested.

Elections are scheduled to be held in the following constituencies during 2019/20:

- Bramhall & Cheadle - 4 public governors
- Marple & Stepping Hill - 4 public governors

Our aim is to ensure that all elections to the Council of Governors are contested through a programme of awareness raising, publicity on the opportunities for members to become governors and delivery of prospective Governor workshops. These activities will enable us to develop a cohort of prospective Governors to mitigate the risk of future uncontested elections.

The Trust runs a programme of health talks and tours, which provide Governors with the opportunity to engage with both members and members of the public, which culminates in the Annual Members' Meeting in October each year. Governors also have the opportunity for member and public engagement through participation in member recruitment activities. Training and development is primarily provided in-house, although Governors do have the opportunity to participate in both the North West Governor Forum and learning events facilitated by Mersey Internal Audit Agency.

Our Membership Strategy is based on improving member engagement, through increasing the number of email addresses we hold, and ensuring that all members still wish to be involved with our organisation. We plan to continue targeted recruitment in 2019/20 amongst the 35 – 55 year old age group, where we know that current membership levels are not representative of the local population.

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