Annual Report and Accounts 2018 to 2019

Salisbury NHS Foundation Trust

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TRUST VALUES AND BEHAVIOURS

The Trust's vision is to provide an outstanding experience for every patient. This is delivered through three strategic priorities of Local Services, Specialist Services and Innovation. There are three enabling objectives of Care, People and Resources. The effective operation of our organisation is underpinned by a number of values and behaviours, which were developed with our staff. They describe the characteristics we want Salisbury Foundation Trust to be known for and represent the foundations on which we seek to deliver our vision and strategic priorities. There are four core values each of which describes behaviours that demonstrate those values and are what our staff, our patients and the Trust as a whole, would expect to see in practice:

Patient Centred and Safe – Our focus here is on patient safety, team work and continuous improvement.

Professional – Our focus is on being open and honest, efficient and acting as a good role model.

Responsive - Our expectation is that staff will be action orientated, with a 'can do' attitude and that they innovate, take personal responsibility and listen and learn.

Friendly - We expect our staff to be welcoming, treat people with respect and dignity and value others as individuals.

PERFORMANCE REPORT

Overview of Performance

This overview aims to give a short summary of the organisation and its activities, key risks around the delivery of its objectives and how it has performed during the year. A more detailed summary of performance will follow in the Performance Analysis further on in this report.

Chief Executive's Statement

Salisbury NHS Foundation Trust is proud to share our achievements and reflect on the financial year 2018/19. This Annual Report is a chance to consider what we have accomplished and thank all those who have contributed to our process.

Once again, it has been a busy and eventful twelve months. Patient safety remained our first priority in care; in 2018/19 there was significant work undertaken to improve levels of safety and respond to the feedback we had received over previous years.

Similarly, over the last year steps have been taken to support the achievement of the core cancer standards (two week wait, 31 day and 62 day), with a particular focus on pathway redesign and making transformational change rather than managing issues on a small scale.

Our approach has reaped results. I was delighted that the Care Quality Commission (CQC) gave us an overall rating of 'Good' following their inspections in 2018/19. The Trust had an unannounced inspection of four core services in November 2018; urgent and emergency services, surgery, critical care and spinal services. This was followed by an inspection of 'use of resources' and a 'well-led' review in December 2018.

My personal commitment to the Board is to continue my work at Salisbury Trust, as I firmly believe that this hospital is an exemplar within the NHS and, hopefully, next time the CQC inspection takes place it will be formally recognised as 'outstanding'.

Although there is much to celebrate, it has not all been plain sailing; we have had our challenges. Later in this report there are references to the Trust's response to a well-publicised major incident that started in the previous financial year and continued in 2018/19. For our staff it was business as usual, whatever area of the Trust they worked in – doing their best to provide an outstanding experience for every patient. I am proud to be able to report that despite being at the centre of the longest running major incident in the 70 year history of the NHS, our doors stayed open through-out.

Later in this report there is information about some of the national awards we have won or been shortlisted for; this reflects our staff's innovative approach to solving problems. In some instances this has involved fairly simple but highly effective actions.

My personal favourite example was the response by our End of Life team to requests from ward nurses for flowers to be placed with a patient following their death. Preparing a deceased patient for the mortuary is the last time staff can demonstrate compassion.

However, the demands of modern healthcare can leave staff at risk of compassion fatigue or feeling rushed. Our nurses in Salisbury can use handmade, cream, paper 'Compassion Roses', made by staff who give up their time between shifts and other volunteers. This is one of countless examples of how our corporate values are made real by the hospital's incredible and diverse workforce.

Indeed, the Board of Salisbury NHS Foundation Trust takes serious our responsibilities to ensure that respect, equality, diversity and human rights are embedded into our activities, in line with the Equality Act 2010, the Human Rights Act 1998, the NHS Constitution and our corporate values. For example, the hospital is working towards removing or minimising disadvantages potentially suffered by people because their protected characteristics and working to take steps to meet the needs of people from protected groups, such as those people with learning disabilities, where these are different from the needs of other people.

The Trust has an important role to play in our local community, not just providing healthcare services but also demonstrating leadership.

Finally, as always, we are hugely appreciative of all those who support the Trust, in all sorts of ways - whether that's the Council of Governors, our members, the Stars Appeal or League Friends, the brilliant gardeners in Horatio's Garden and the Hospice volunteers - each play a vital part in the life of the hospital. We are also fortunate to be supported by a wide range of individuals, local businesses and charitable groups.

Perhaps you are one of the generous people who knitted a baby blanket for the maternity and neonatal units, or maybe have taken on a challenge or arranged an event to raise money for the hospital. In these and so many other areas, whatever your contribution to the hospital, I am grateful.

Cara Charles-Barks
Chief Executive

Purpose and Activities of the Trust

Salisbury NHS Foundation Trust delivers a broad range of clinical care to approximately 225,000 people in Wiltshire, Dorset and Hampshire. Specialist services, such as burns, plastic surgery, cleft lip and palate, genetics and rehabilitation, extend to a much wider population of more than three million people.

The Duke of Cornwall Spinal Treatment Centre at Salisbury District Hospital covers southern England, with a population of approximately 11 million people. In the financial year 2018-2019, the Trust treated 70,641 inpatients and 219,264 outpatients. The hospital employed 4,623 staff (as of end of February 2019), this includes 3,689 permanent employees and 934 people working for the Nursing and Administration bank; 1,867 members of the Trust's permanent staff worked full-time, while the remaining 2,807 worked part-time.

The Trust's services are organised into clinical and non-clinical directorates. Non-clinical directorates are led by Executive members of the Trust Board. Clinical directorates are led by directorate management teams, with a clinical director, all of whom are currently practicing doctors, supported by a directorate manager and directorate senior nurse or allied health professional. This means that the hospital's clinically trained staff have direct responsibility for budgets and patient services, within their directorate. The clinical directorates have a clear line to the board reporting to the Chief Operating Officer who in turn reports to the Chief Executive.

The Trust Board, chaired by Nick Marsden, is the statutory authority which sets the overall strategy for the Trust. The Trust's Board comprises five Executive Directors and six Non-Executive Directors.

As an NHS Foundation Trust, the Trust has a Council of Governors. The Trust Board is accountable to the Council of Governors. In addition, Governors have a wider role which includes ensuring that the local community and staff have a say in how services are developed and delivered by the Trust.

The Trust has two subsidiary companies, Odstock Medical Ltd and Salisbury Trading Limited. Odstock Medical Ltd (OML) was set up in 2005 to market worldwide its experience and knowledge of functional electrical stimulation and its own pioneering electrical devices for patients who have had a stroke or other neurological disorders. Income generated is used for research and for new initiatives.

Salisbury Trading Limited provides a laundry service to Salisbury District Hospital and other NHS organisations. The Trust also works with other organisations in joint ventures. For instance, it works with the Great Western Hospitals NHS Foundation Trust and the Royal United Hospitals Bath NHS Foundation Trust to provide adult community services across Wiltshire through Wiltshire Health and Care. It also works with Sterile Supplies Ltd to provide sterilisation and disinfection services to Salisbury District Hospital and other NHS organisations.

The Trust provides services for patients through contractual arrangements with Clinical Commissioning Groups and specialised commissioners. Patient care and treatment is based on a national tariff (PbR), which determines the amount the Trust is paid for the work that it carries out.

All NHS organisations and local authorities are working in partnership within geographical areas to develop Sustainability and Transformation Plans (STP), with the aim of transforming health and care services within available resources over the next five years. Across the country there are 44 Sustainability and Transformation Partnerships. Salisbury NHS Foundation Trust works with our partners including: Wiltshire Council; hospital Trusts in Bath, Swindon and the Avon and Wiltshire Mental Health Partnership; Bath and North East Somerset, Wiltshire and Swindon CCGs; South West Ambulance Service and providers of community services.

Key issues and risks that could affect the Trust in delivering its objectives

Financial risks

In 2019/20, the Trust faces a number of financial risks which are listed below and then described in further detail on page 82:

- Achieving the required efficiency savings for 2019/20
- Failure to deliver our control total and secure Provider Sustainability Fund income
- The ability of our commissioners to afford increases in activity required to deliver national waiting times
- The Trust's capacity to deliver activity to the required standards and activity levels
- Challenges in local authority funding and subsequent funding of services.

Operational risks

A number of operational risks, in addition to the financial risks above, which are described more fully in the annual governance statement, have also been identified.
These include:

- Our ability to deliver required activity levels given the sustained increase in demand for our services
- Our ability to deliver access standards, particularly the accident and emergency four hour wait and the cancer 62 day standard.

Quality Risks

Key risks in relation to our strategic aim of delivering an outstanding experience for every patient include:

- The ability to recruit and retain sufficient numbers of trained and qualified staff given current workforce pressures
- Rising demand for acute and emergency care impacting on the availability of resources to deliver elective services
- For those services in partnership with other organisations, the ability of those organisations to continue to provide sustainable and effective services across multiple sites.

Going Concern

The Trust has submitted a financial plan for 2019/2020 to NHS Improvement which delivers a breakeven position after delivery of a £10m savings programme, which has been agreed by the Trust Board and is embedded in the budget. The Trust Board have recognised that this is a highly demanding plan, which is subject to a high degree of risk,

and dependent upon the full delivery of cost reduction targets, realisation of recurrent savings, and the adherence to agreed budgets.

The Board of Directors have discussed the appropriateness of continuing operations on a 'going concern' basis. Having reviewed the Financial Reporting Manual, and discussed the available evidence, the Board of Directors are content for the accounts to be prepared on a 'going concern basis, although there remains significant risk to delivery of the financial plan, and the subsequent cash position of the Trust.

Performance Analysis

The Trust's performance is monitored against key national standards. In addition, our Board of Directors review progress against a range of internal and external metrics through our Integrated Performance Report.

The key indicators relate to waiting times and access to treatment, which are monitored monthly by the Trust Board. During 2018/19 the Trust still performed well against its main targets. For every month of the 2018/19 year the Trust has met the target for patients waiting less than 18 weeks from the point of referral from GP.

Despite some challenges in capacity for endoscopy the Trust delivered the diagnostic standard of 6 weeks in 8 out of 12 months and finished the year delivering the standard.

The Trust ended the year delivering the 2 week wait and 31 day cancer standards. Due to some challenges around capacity in Head and Neck and Urology cancer pathways the Trust has not delivered the 62 day standard, with 82% of patients being treated within 62 days of GP referral against a standard of 85%.

Throughout the year emergency attendances to the hospital have been high and the south Wiltshire system continues to struggle with capacity to discharge patient in a timely way. Despite this the Trust has continued to perform well when compared nationally, with 91% of patients being admitted or discharged within 4 hours against a standard of 95%.

Local Services

One of our principle services to the local population is the provision of an emergency service – this was put to the test in 2018 when the Trust responded to a number of significant major incidents. Despite responding to the longest ever major incident in the NHS's history, we are extremely proud that not only did we treat all those involved, we also never closed any other services; ensuring that all of our services were unaffected and continued to run as normal.

Following the significant reconfiguration of our capacity to treat medical and surgical emergency patients in the previous two years, the Trust has continued to improve the environment for treating emergency patients in ambulatory areas with rapid access to tests and treatment. We have also improved the environment for paediatric patients in our emergency department.

A key improvement work stream in 2018/19 has been to improve the flow of patients within the hospital and to work with partners to improve the discharge pathway for patients. This has seen a reduction in Trust-wide non-elective average length of stay by 27% and a 31%

increase in the number of non-elective medicine patients seen, treated and discharged in less than 24 hours (April 2019 compared to April 2017). The Trust is continuing the SAFER improvements which look to ensure that there is never a day when something is not happening for a patient, for example, treatment, diagnostic or active monitoring. This work will be built on in 2019/20 with a program of improvements to enhance the experience for patients in the hospital and improved discharge from the hospital.

HIGHLIGHT OF THE YEAR – we are extremely proud that the Trust has improved its performance in seeing emergency patients attending our Emergency Department quicker and decreasing the waiting time for patients waiting for elective surgery

Specialist Services

The Trust has continued to maintain its well established reputation for good quality specialist services. The specialist services are an essential element in the range of services provided in Salisbury and the Trust has remained committed to building on these as part of its long term vision. The level of expertise remains nationally recognised with outstanding microsurgical techniques, management of patients with burns, cancer care, reconstructive surgery, services for patients with a spinal cord injury and a nationally acclaimed genetics laboratory service.

The Trust has progressed collaborations with University Hospitals Southampton (UHS) in a number of areas. A real focus this year has been in supporting UHS's role as a major trauma centre in providing specialist trauma care and rehabilitation across the region. Salisbury's plastic surgery department successfully provides the plastic reconstructive element, providing the only regional re-implantation surgery for traumatic amputations, treatment for severe open fractures needing skin or soft tissue coverage, and a Burns Unit for moderate and severe burns patients. During the year the Trust looked to strengthen the support it provides to UHS and other Trusts by establishing and leading the Wessex Plastic Surgery Network. Formalising this group has allowed a transparent and collaborative forum for identifying and implementing solutions to inter-trust and network wide challenges. This includes additional support to UHS for patients with complex skin cancer.

The transition of inpatient care and treatment of children with burn injuries to the children's ward continues to work well with good outcomes and ensures that children are treated in the most suitable environment. This continues to evolve with paediatric nursing staff gaining greater experience and ability in providing specialist plastic surgery and burns care to children.

While the Trust's ongoing response to the Care Quality Commission (CQC) report will be covered in detail in the Care section later in this performance report, it is important to note that the Spinal Treatment Centre has continued to make excellent progress in sustaining its outpatient service waiting times. The centre has developed and piloted a new clinical pathway involving progression beds which aims to allow flow of patients through the centre to a facility designed to facilitate a timely transition of rehabilitation from hospital to home. This approach has been supported by NHS England and is being considered more widely across the spinal centres.

HIGHLIGHT OF THE YEAR – SUCCESSFUL BID TO PROVIDE NATIONAL GENOMICS SERVICE
Salisbury Trust key partner in Wessex and West Midlands Genomic Laboratory Hub

Over a number of years, scientists in the specialist Wessex Regional Genetics Laboratory at Salisbury District Hospital have received national and international recognition for high quality research. In 2018, the Director of the Service was awarded the International CML Foundation (iCMLf) Rowley Prize in recognition of his outstanding contribution to scientific discovery, research and development of genetic testing to enable personalised medicine for leukaemia patients. During the year specialist expertise and skills within the team enabled it to translate research findings into expanded testing services to improve patient outcomes.

In 2018, NHS England commissioned seven new genomic laboratory hubs to provide equity of access to genomic testing across the country. The Trust, Birmingham Women's and Children's, University Hospital Birmingham, Oxford University Hospital, and University Hospital Southampton Trusts have joined forces as the largest genomic testing service in the country. A range of core and specialised tests will be delivered in Salisbury including for rare lung diseases such as, primary ciliary dyskinesia (PCD) in which early diagnosis and treatment can help prevent lung damage. Genomic testing will continue to advance and will play an important role in improving outcomes for patients with rare diseases and cancer.

Innovation

We will promote new and better ways of working, always looking to achieve excellence and sustainability in how our services are delivered.

The Trust set out to deliver an increased range of high quality research which directly benefits patient care and optimises the level of research income earned. The Trust is one of the top performing research active small acute Trusts in the country. Based on the latest available figures, 1581 people took part in 91 National Institute for Health Research (NIHR) and Clinical Research Network studies across 23 specialities in the Trust in 2018/19.

The Trust offered more studies to our patients than any other small acute Trust in the country, and was the top recruiting small acute Trust for the following specialties: Ageing, Cancer, Children, Ear Nose and Throat and Haematology. Participation in clinical research forms part of the NHS constitution and the NHS operating framework, and enables the NHS to develop new treatments and shape services in the future.

HIGHLIGHT OF THE YEAR – TOP QUALITY RESEARCH RECOGNISED
Salisbury staff recognised nationally and regionally

Staff were also recognised in national and regional awards; including Professor Nick Cross for his work on leukaemia, Staff Nurse Sarah Diment was a Nursing Times Awards 2018 finalist in the Clinical Research Nursing category and Dr Chris Anderson by the Wessex Clinical Research Network for his work on diabetes in children and young people.

Funding was also secured for two medical research fellows, one in ophthalmology, and one in urology. This facilitated an increase in research supported by those departments. The two fellows join the nurse research fellow in the spinal unit. A monthly research

performance report is now produced and widely distributed throughout the Trust. The report is reviewed monthly by the Directorate Management Teams and quarterly by the Clinical Governance Committee. In 2019, the report will be available on the Trust's intranet. A Research Annual Report is also produced every year and is available: *http://www.salisbury.nhs.uk/AboutUs/TrustReportsAndReviews/Pages/landing.aspx*

Staff have worked hard to streamline the setting up of research studies and use of our research clinical management system EDGE, to track recruitment and record research appointments. This enables all departments across the Trust involved in the study to know when the patients will be seen and, for example, pharmacy are prepared to dispense trial medication.

Trust staff also work closely with both the Research Design Service and patients to develop grant applications for Trust led research studies. Burns patients were involved in a recent grant application, advising the study team on the research question, the treatment and the assessments to be used. This ensures that the Trust research is designed for maximum patient benefit.

It is essential that we learn from clinical evidence and best practice, and use national initiatives and clinical research to provide a broad range of innovative services that continue to meet the needs of patients.

A key component of innovation is the development of a culture of continuous quality improvement. The Trust has 25 Quality Improvement coaches and nine trainers recruited and trained.

In 2018, 11 of our staff were successful in their Health Foundation application to become a Q fellow. The fellows are able to facilitate and support other staff with continuous and sustainable improvement in health and care. We also have 82 Save7 champions who helped each service to save a pound a day by making small changes.

Next year, we plan to develop a team of improvement facilitators to support staff with quality improvement. This training will also form part of our clinical and general leadership programmes as part of everyone's job every day throughout the Trust.

We are establishing a quality improvement steering group which will oversee quality improvement work in the Trust and develop the resources and training available for our staff. This will provide an opportunity to bring our quality improvement work into one place and enhance its profile across the organisation.

We have continued to support our clinical teams in developing and implementing new procedures at the Trust. This is a key component of innovation and improving the effectiveness of our services.

Our Urology team have remained at the forefront of developing services to modern, less invasive alternatives to traditional surgery for prostate problems. In 2018, surgeons reported on outcomes of Urolift, a minimally invasive treatment introduced for male urinary symptoms due to an enlarged prostate. Urolift is an implant inserted into the prostate to hold open the urethra to improve urinary flow. 33 procedures have been performed so far, and 28 patients followed up. 19 patients said their symptoms had improved and were

discharged. Nine patients did not notice any significant improvement and of these, six have had or are booked for further surgery.

In November 2018, Rezum was introduced, which is a procedure, to inject steam into the prostate causing some of the prostate to shrink. Ten procedures have been undertaken to date but it is too early to assess the outcomes of the procedure until at least three months after the procedure.

Technology will be central to our work in the future and as such, the Trust has undertaken a review of the digital strategy during 2018/19, seeking feedback from across the organisation to help inform our future direction and meet the strategy objectives. The refreshed digital strategy includes a focus of going paper light across clinical and corporate areas, with two services already working paper light. We will also review opportunities to collaborate further with peer organisations across our local geography. This will help improve communication and secure sharing of information between clinicians where appropriate to support patient care in line with General Data Protection Regulations (GDPR) guidelines.

During 2018/19 we have implemented advice and guidance and the electronic referral service allowing referrals from GPs into the Trust to be made electronically. This will be embedded further in 2019/20 and we will look to extend the use of technology in outpatients, for example through virtual appointments.

Skype is available for some meetings with patients where it is more convenient for them to have their consultation at home and staff interviews, particularly for those overseas. Video conferencing for multidisciplinary team meetings with specialists from other hospitals is used by relevant specialist cancer teams on a regular basis.

Care

We will treat our patients, and their families, with care, kindness and compassion and keep them safe from avoidable harm

Good access to high quality treatment plays an important part in our patients experience and during the year staff worked hard to provide the very best care for their patients throughout its general and specialist services.

During 2018/19, we were delighted that the Care Quality Commission (CQC) declared that the Trust had an overall rating of ‘Good’, following the regulator’s inspections.

The Trust had an unannounced inspection of four core services in November 2018; urgent and emergency services, surgery, critical care and spinal services. This was followed by an inspection of ‘use of resources’ and a ‘well-led’ review in December 2018. The inspection processes ran smoothly and were well organised.

The CQC inspection report was published on 1 March 2019 and the Trust received an overall rating of good. The outcome of the inspection showed improvement in all four core services as shown below:

- Urgent and emergency services improved from requires improvement to good
- Surgery improved from requires improvement to good

- Critical care improved from requires improvement to outstanding
- Spinal services improved in the responsive domain from inadequate to good and also improved in the well-led domain from requires improvement to good. Overall the service remains at requires improvement.

Ratings for the whole trust for each of the domains are shown below:

- Safe remained the same at requires improvement
- Effective and caring remained the same at good
- Responsive and well-led moved from requires improvement to good

More detailed information on the outcome of the CQC inspection can be found in the quality account section of the annual report.

Patient Safety

Patient safety remains our first priority in care and during 2018/19 there was significant work undertaken across a number of areas. Further information is detailed within our Quality Account.

Key highlights include:

- Implementation of the National 'Saving Babies Lives' care bundle
- The Trust joined the National Maternity Collaborative in February 2019 with the aim of improving safety and outcomes of maternity and neonatal care. This is a national programme of work and the Trust is involved in wave three of a 3 year programme.

We have also continued to focus on the sickest patients in the Trust through our work on improving the recognition and management of sepsis. We continue to work collaboratively with the Wessex Academic Health Science Network to evaluate and improve our processes.

In February 2019, we implemented the latest National Early Warning Score system (NEWS2) across our adult inpatient wards and departments. This tool is a track and trigger scoring system that is used to monitor changes in a patient's physiology. Patients with established or impending critical illness have their respiratory and cardiovascular observations converted into a score; the higher the score the more abnormal the physiology. The aim of this is to identify our sickest patients, including those with sepsis, as early as possible and get the right review and treatment.

Patient falls continue to be our highest reported incident. The Trust aimed to achieve a 10% reduction in falls that resulted in serious harm over a one year period, however we have not seen a reduction. Further detail is provided in the Quality Account. It is acknowledged nationally that there will always be a risk of patient falls in hospital, as we attempt to maintain patient re-enablement and rehabilitation, whilst recognising a patient's falls history prior to admission. However, we will always endeavour to decrease the number of falls and increase the learning when a fall occurs. All falls with significant harm are reviewed as part of the Trust 'Share and Learn' monthly meetings to facilitate a discussion about the underlying causes, share learning and plan improvements.

A multi-professional team have been involved with the Falls Improvement Collaborative during 2018. This is a national programme of service and safety improvement to reduce patient falls in hospital. We have continued to work to reduce the number of high harm

falls, as well as understand in more detail the wider impact of falls that result in no or minor harm.

The Falls Improvement Collaborative has tested a new programme of education aimed at ward based healthcare staff. The therapy teams have led this work in two of our wards, where patients are at high risk of falls, due to the range of clinical conditions. Questionnaires before and after the education session have shown an increase in staff knowledge about falls prevention and management. The aim of the Trust Falls Group is to extend the education programme across the wards during 2019 with a dedicated falls campaign to raise awareness of the impact of a fall for patients, carers and staff.

We have maintained our focus on reducing rates of infection. Our annual work plan demonstrates our commitment to reducing the risk of healthcare associated infections and improving safety for our patients. Unfortunately, there have been three unrelated 'hospital onset' MRSA bloodstream infection cases since April 2018, which has been taken very seriously by the Trust. The cases have been fully investigated and an improvement action plan is in place. For C.Difficile cases, we are performing well within the region with the lowest rates benchmarked across the South West, and will continue to ensure staff remain vigilant and follow best practice guidelines and policies.

We have continued to focus on gram negative bloodstream infections which are a common cause for needing hospital treatment or admission. We are working with colleagues in the area on reducing these infections and have seen a fall in the number of these infections in hospital over the last year.

Antimicrobial resistance is a growing global concern and so we use every opportunity to educate staff and patients on the dangers of misusing antibiotics. This is subject to regular audit and more detail is provided in the Quality Account.

Learning from deaths

In March 2017, the National Quality Board published guidance on Learning from Deaths on identifying, reporting, investigating and learning from deaths in care. In September 2017, the Trust published a Mortality Review Policy on how we respond to, and learn from deaths of patients who die under our care. The policy provides guidance on how to engage with bereaved families and carers, giving them the opportunity to raise questions or share concerns about the quality of care received by their loved one.

The policy describes a two stage review process:

1) All deaths are screened to ascertain whether there were any concerns about the quality of care or avoidability of death.

2) If the quality of care was poor or the death was possibly or definitely avoidable, a case record review, using a recognised tool (Hogan scale), is undertaken by a senior doctor who is independent of the case. A case record review is also undertaken of all patients with a learning disability or mental health need, a stillbirth, an infant or child death, maternal death or patients who have died following a planned admission. Improvement actions are identified and the learning shared through a quarterly 'Mortality Matters' bulletin, educational events and staff meetings.

Dealing respectfully, sensitively and compassionately with families and carers of dying or deceased patients is crucial. It is also essential to listen to their views and any concerns they may have about the quality of care provided to their loved one. In September 2017, we introduced a 'Your Views Matter' survey. A questionnaire is offered to all bereaved families and carers to ask them about the care of their loved one during their last admission and the support given to families leading up to, and around the time of death. Families are invited to make contact if they have any concerns, so that the case can be reviewed by a senior doctor or nurse, explanations given and improvement actions taken where needed. A bereavement support service is also available for families and carers of patients who have died in the Critical Care Unit, Acute Medical Unit, Hospice and Maternity Service.

The National Quality Board required Trusts to publish quarterly data and learning points. Since January 2018, the Medical Director has presented a report to a public Board meeting every quarter. The report sets out the Trust's policy and approach and data, learning points, and improvement actions. The data includes the total number of inpatient deaths and those deaths subject to a case record review with a judgement about whether deaths were avoidable due to problems in care. The dashboard is published in the Quality Account 2018/2019.

Patient Experience

Patient experience has been identified as a key element of patient care across the NHS. It enables those who use our services to direct us through feedback, involvement and engagement to provide care that is not only clinically outstanding but provides a holistic approach to our patients' wellbeing whilst they are in our care.

We have continued to work with our patients to plan and improve services we provide to ensure the care delivered meets patients' needs. Our patients are at the heart of everything that we do, and an outstanding experience for every patient is our main priority. To ensure we do this we are building on existing good practice to design our services around our patients' needs.

Patients' experience of care, clinical effectiveness and patient safety together make the three key components of quality in the NHS. Good care is linked to positive outcomes for patients and is also associated with high levels of staff satisfaction.

A patient and public engagement strategy has been written with the help of patients and the general public and progress against the strategy will be reported to the Clinical Management Board in 2019.

Patients were involved in the redesign of the Acute Medical Unit when it moved to its new purpose built unit. The Unit benefitted from an expanded ambulatory care bay so that more patients could be assessed, treated and managed by a senior doctor within a few hours of arrival. 25% of patients were able to go home the same day. Patients worked with Artcare on the design and layout of the rooms and areas, such as the quiet room, to ensure they were set out as patients would expect to see them. Patients were also involved in the design of the new Pembroke Ward and Suite and worked with ArtCare on the décor of the unit including lighting and pictures.

Patients and a governor were involved in 'Letter panel' meetings to change the style and layout of outpatient appointment letters to make them clearer and easier to understand. All outpatient appointment letters have now been reworded and a map and clear directions added at the end of the letter, to help patients find their way round the hospital site. We are planning to make the same changes to operation date appointment letters to make them clearer.

Patients were involved in 23 projects this year, using many different methods including patient stories, focus groups, local campaigns and questionnaires. Patients were also consulted in five national surveys.

Completed projects include:

- 'Living, not Existing: Social Groups for Older People'. This was a pilot project that has received funding from the Royal College of Occupational Therapists; Innovation Award and was funded for six weeks. The participants were older people who had recently had a hospital admission and had been subsequently supported back to independence in their own homes. The aim of the project was two-fold: to provide longer-term therapy goals for people to remain motivated to engage with occupations, and to facilitate an integrated approach between community and acute teams. Overall, the project demonstrated that there were positive effects of social group attendance on the loneliness, well-being and occupational participation of the participants. Collaborating with Age UK and a social prescriber has given future scope for a more joined-up approach between acute and community services. This project further reinforces the benefits of focussing on a collaborative and preventative approach to care for older people.

- #End PJ Paralysis. Research shows that patients who stay in their pyjamas or gowns longer than they need are likely to lose mobility, fitness and muscle strength, making it harder for them to regain independence. They also tend to stay in hospital longer. Getting dressed is something we do every day, but for hospital patients it can mean the difference between going home to live independently or with support. This project will be revitalised again for 2019 to ensure momentum continues. Patients are regularly being asked through real time feedback whether or not they are getting dressed and if not, why not.

- Patient stories have become a regular agenda item at the Trust Board and are being well received, covering topics including HIV, care received on wards and bowel cancer.

- A public consultation on the proposal to change the maternity services across the Bath and North East Somerset, Swindon and Wiltshire Local Maternity System. More than 1,000 people across the region shared their views through an online survey. We are now collating the feedback which will be independently analysed and the results used to help the Governing Bodies of Bath and North East Somerset, Swindon and Wiltshire CCGs make a final decision.

- Patient experience of the Holton Lee Spinal Centre step-down project. The aim of the facility is to offer opportunities for "real time rehabilitation" in a less clinical environment for patients who are medically stable and do not require the high level of specialist input provided at the Spinal Centre, but are not yet ready for discharge. In general, the questionnaire reported a very positive experience overall. This feedback has been shared with the Spinal Centre and Holton Lee decision-makers. An extension to the

pilot has been agreed and a further survey of patient experience would be appropriate at a later date, depending on the outcome of ongoing plans.

National Patient Survey Programme

The Trust participates in the national patient survey programme required by the Care Quality Commission. Action plans are drawn up from the results which also take into account other forms of patient feedback received through real-time feedback, Friends and Family Test, complaints and concerns. Progress against the actions is monitored by the Trust's Matrons Group and overseen by the Clinical Governance Committee on behalf of the Board.

Results from patient surveys were published by the Care Quality Commission for the following surveys during 2018/19:

Inpatient survey 2017

The results were published by the Care Quality Commission on 13 June 2018 and are available at: https://www.cqc.org.uk/provider/RNZ/survey/3. They are in line with the results across most other Trusts in England.

Maternity Services 2018

The results were published by the Care Quality Commission on 29 January 2019 and are available at: https://www.cqc.org.uk/provider/RNZ/survey/5. The Trust achieved excellent results and areas where scores have improved reflect the targeted work undertaken by Maternity Services in Salisbury since the last survey in 2017.

Veteran Aware Status

The Trust was one of 25 trusts across the UK to be awarded 'Veteran Aware' status, in November 2018, by the Veterans Covenant Hospital Alliance (VCHA), who strive to improve NHS care and support for members of the armed forces community.

Under the VCHA, staff are trained to improve their awareness of a veteran's needs, as well as advising veterans about facilities available to them, including mental health services, financial claims and the relevant charities.

People

We will make Salisbury Foundation Trust an outstanding place to work where everyone feels valued, supported and engaged and are able to develop as individuals and as teams

In order to remain a successful organisation the Trust must continue to attract, retain, and deploy the right staff with the right skills at the right time. Innovation, reputation, top quality training, support and recognition are key factors if the Trust is to ensure that it has an excellent workforce that continues to provide the very best care that it can to local people and the wider community.

National Apprenticeship Week

This year, as part of National Apprenticeship week, the Trust held its first awards ceremony to recognise the achievements of our Apprentices who started on programmes following the introduction of the Apprenticeship levy and new style apprenticeship standards. The apprenticeship offer for staff is growing month on month offering new and exciting opportunities to upskill our existing workforce.

Continuing Professional Development (CPD) Awards

The Trust also held its first Continuing Professional Development Awards. These awards celebrate the success of members of staff who the Trust supported with post graduate professional development. Each award winner shared their experiences of their study, reflections on managing study whilst working and the benefits that this additional study had on their practice.

HIGHLIGHT OF THE YEAR - NEW NURSES FROM OVERSEAS JOIN SALISBURY TEAM

Recruitment exercise brings in nurses from India, the United Arab Emirates, Australia and other countries

Focus continued on the recruitment of nursing assistants by holding recruitment events specifically designed to attract new recruits. During 2018 the Trust continued international recruitment for registered nurses, with qualified nurses arriving from India, Australia, the Philippines, the United Arab Emirates and Africa. Our continued work overseas has now achieved an ongoing pipeline of new starters which will continue for at least a year.

Since we cannot rely solely on this as a source, and in order to ensure a greater stream of trained nurses in the future the Trust is now supporting a number of apprenticeships to help create our own pathways into nursing both for existing staff and those who want to join the Trust. It is hoped that in the next few years the Trust will start to see the benefit of this initiative and new and innovative recruitment campaigns.

KEY PERFORMANCE INDICATOR APRIL 2018 – MARCH 2019

The Trust has a target of around 10% turnover to maintain a healthy balance between staff leaving and new staff joining bringing in new skills, knowledge and experience. The turnover rate at 31 March 2019 was below target at 9.3%, which was also a slight decrease from last year.

In terms of mandatory training and appraisals, whilst compliance does fluctuate from month to month, the Trust again saw improvement in both areas over the previous year. This area will constantly be a challenge, however, and work continues to focus on management capacity and capability to achieve both the coverage and quality of appraisals for staff that they manage. Whilst our sickness absence rate is one of the lowest in the region, at 3.38%, we value our staff and want to ensure that they have the support that they need.

During 2018/19 we reviewed our Attendance Management policy, to ensure that it continues to meet the needs of our staff and managers. We also continued to provide additional support to departments with high sickness absence rates, as well as rolling out a toolkit for managers to use to help them manage sickness within their areas. We are currently revising our Occupational Health support and focussing on prevention and proactive intervention in our developing health and wellbeing strategy. Reducing our reliance on agency staff, attracting staff to work permanently at the Trust and ensuring that existing staff have the support that they need are key priorities for the executive team. Staff sickness information for 2018/19 can also be found in the staff section of this Annual Report.

KEY PERFORMANCE INDICATOR APRIL 2018 – MARCH 2019

At 31 March 2019, overall staff mandatory training compliance was 92.0% (compared to last year's 85.4%) against a target of 85%.
At 31 March 2019, the number of medical staff who had an appraisal in the last 12 months was 93% from 91% last year (target 90%), non-medical was 86.0%; a slight improvement from last year (target 85%).

Resources

We will make best use of our resources to achieve a financially sustainable future, securing the best outcomes within available resources

This has been a challenging year; however the Trust finished the end of the year achieving its control total as agreed with the regulator, NHS Improvement (NHSI), reporting a deficit of £6 million after the inclusion of the national funding for provider sustainability (PSF). Like many NHS organisations the Trust has been facing financial challenges over several years and had been working hard to improve its financial performance, but more recently found it hard to maintain the year-on-year level of efficiency savings needed in order to meet its end of year financial targets.

Recruitment and retention continues to be a significant issue for all hospitals and is a significant risk for the Trust from both an operational and financial perspective. The Trust is formulating more plans to improve retention and make Salisbury a destination of choice; however in the context of a national shortage of skilled staff, this remains a challenge.

The main focus is nursing and we are looking at roles, career progression and development. The Trust has partnered with other organisations such as Wiltshire College to make some roles more interesting and we are looking to make it easier for staff to move around the hospital from ward to ward so that they can pick up new skills. We are also working with other organisations within our STP area to make it easier for staff to move between organisations to provide new experiences.

The Trust delivered £10.2 million of savings and income generation. Savings targets are linked to the Trust's cross organisational Cost Improvement Programmes (CIPs), which cover patient flow, outpatient productivity, theatre transformation, diagnostics, non-pay and drugs, the nursing and medical workforce and transformation in therapy services. These are all part of the Trust's Transformation Plan supported by the Programme Management Office (PMO).

The main aim during 2018/19 has been to focus on seeing and treating more patients within the existing resources, making our theatres, clinics and wards as productive as possible. This includes building a sustainable workforce and reducing agency spend and expanding our use of digital and clinical technology. Delivery of this plan has been overseen by the Outstanding Every Time Transformation Programme (OET), which is clinically led with executive level support. As part of this we have expanded capacity in our main diagnostic services with increased appointments in cardiology. There has been a focus on outpatient appointments, reducing unnecessary appointments and more advice and guidance for GPs to avoid unnecessary hospital visits. We have also improved booking processes with the aim of reducing do not attends (DNA) for outpatient appointments and theatre lists.

It is clear that in recognising the financial challenge in 2019/20 and beyond, the Trust is undertaking a significant amount of work to ensure that it is providing good quality care alongside delivering efficient services; this is likely to focus on working with our health and social care partners reducing boundaries between services.

Efficiency and Use of Resources - Good levels of efficiency maintained

Each year the NHS carries out a benchmarking exercise to produce a national average for the cost of treatment. For the last published year (2017/18) the Trust was 10% lower than the national average, reflecting the efficiency of the organisation.

The Trust has consistently performed well in this exercise, due to a number of factors including ongoing review of working practices, its relationship with suppliers and staffing costs. In addition, the Trust received a **Good** in the CQC and NHSI Use of Resources.

In terms of the number of patients seen this year, there was an overall increase in the number of people needing inpatient urgent or emergency treatment. There was an increase in day cases and a significant rise in Accident and Emergency attendances, reflecting the pressures experienced throughout the year.

Patients Treated			
	2018/19	**2017/18**	**2016/17**
Elective inpatient (spells)	**5,583**	5,191	5,328
Day cases	**23,894**	22,112	21,560
Non elective (spells)	**31,824**	31,095	29,583
Regular day attendees	**9,340**	9,309	9,404
Outpatients (consultant led)	**149,032**	129,650	160,464
New attendances	**53,288**	46,575	62,594
Follow up	**95,744**	83,075	97,870
Accident and Emergency	**70,232**	59,505	50,087
Spells are the main way in which hospital activity is recorded. A spell is the period of time from Admission to Discharge.			

In the current climate, it is important that the Trust builds on its reputation for innovation and uses every opportunity to bring in new technology that adds value to the organisation. The Trust has refreshed its digital strategy which will be published early in 2019/20. This is the roadmap to ensuring services can be delivered more efficiently and reflect how technology can really improve patients experience.

It is also important that the Trust looks to generate more income from its own commercial activities. Activities that generate income for Salisbury can also have a benefit for the wider health service, increasing expertise and keeping money within the NHS. Income generated by Odstock Medical Ltd (OML), is used to further research and create new technology that helps patients walk after a stroke or those with multiple sclerosis. The Trust has another subsidiary company Salisbury Trading Limited, which provides a laundry service to Salisbury District Hospital and other NHS organisations. The Trust also provides payroll services to a growing number of other Trusts, Clinical Commissioning Groups and other organisations. Customers appreciate the responsiveness and competitive pricing and the Trust benefits from savings.

There are a number of factors that are crucial to the Trust's performance and key financial assurances include control over income levels from the provision of services and treatment, the achievement of budgetary targets and cost savings, and the achievement of contractual targets. The Trust also has a risk rating from the regulator covering liquidity and the ability to service debt. At the end of the financial year the Trust had an overall Financial Sustainability Risk Rating of 3. While cash flow has come under significant pressure and has necessitated external borrowing from the Department of Health, the Trust continued to pay its staff and its bills promptly. This is reflected in the Trust's performance against the Better Payments Practice Code (See Accountability Report). It is important to point out that performance in this area can fluctuate as it reflects all invoices paid from the invoice date and does not take into account invoices that are in dispute or need further investigation. The Trust does not exclude these from the figures.

Key financial indicators centre on liquidity - the Trust's ability to convert assets to cash quickly - and the servicing or return on assets. Key financial indicators are monitored monthly by the Trust Board.

Capital Expenditure

Capital expenditure of over £10 million was overseen by the Group in 2018/2019 and was spent on a range of service developments. Projects included:

Medical equipment replacement	£2.4m
Digital and technology projects	£5.2m
Building and maintenance	£1.6m

Investment in facilities and equipment has benefited patients in a number of ways and these can be viewed throughout this report.

Sources of Income (Group)		
	1 April 2018 to 31 March 2019	1 April 2017 to 31 March 2018
	£M	£M
Wiltshire CCG	109.199	99.828
Dorset CCG	21.785	21.853
West Hampshire CCG	15.764	15.800
NHS England South West Specialised Commissioning Hub	31.741	30.583
NHS England South West (North)	9.257	0
NHS England South Central Local Office	0	8.964
NHS England South West (Hampshire, Isle of Wight, Thames Valley)	0.878	0
NHS England Wessex Commissioning Hub	0	0.588
NHS England Wessex Local Office	0	0.882
Department of Health and Social Care	2.638	0.810
Health Education England	7.591	6.631
Other NHS	15.140	13.769
Other Non NHS	15.567	12.228
Subsidiaries	9.235	6.678
Charitable funds	3.860	2.767
NHS England Core: Provide Sustainability Fund	5.355	0
Total	£248,010	£221.381

During the year the Trust took steps to ensure that staff are fully aware of the financial issues facing the Trust now and the future, and staff continued to receive regular updates, with key operational and financial information cascaded throughout the organisation, as well as the day to day communications that takes place at different levels of the Trust.

The Chief Executive regularly sends out a personal message to all staff as part of the Trust's planned corporate communications and held ad-hoc open sessions for staff on the current Trust priorities, the financial challenges faced by the NHS and the Trust's strategy. This was followed by wider staff engagement on the Trust's Outstanding Every Time Programme. Staff are able to raise any issues during the Trust Board led safety and quality walk rounds. Operational and financial information is presented in public Board meetings and placed in the public domain. The Trust's financial position is also assessed quarterly by the regulator, NHS Improvement.

This Trust is committed to reducing the level of fraud and corruption within the NHS to an absolute minimum and keeping it at that level, freeing up public resources for better patient care. Trust employs a specialist counter-fraud service to undertake a comprehensive programme against fraud, bribery and corruption which is overseen and monitored by the

Trust's Audit Committee. All anti-fraud and corruption legislation is complied with, and a recent development, the Bribery Act 2010, has added to the Trust's duties in this respect. It is a criminal offence to give, promise or offer a bribe, and to request, agree to receive, or accept a bribe. A bribe may take the form of any financial or other advantage to another person in order to induce a person to perform improperly. The Trust's Fraud, Bribery and Corruption Policy is a guide for all employees on counter fraud work within the Trust. It advises staff on how to report suspicions of fraud, bribery or corruption.

The Trust is committed to the environment and has a Sustainability and Carbon Reduction Strategy. As part of this, it continues to work with stakeholders to ensure that, where possible, the Trust uses renewable sources of energy and looks to reduce its impact on the environment. More detailed information can be found in the Trust's Sustainability and Development Plan which follows this section of the performance analysis.

SUSTAINABILITY DEVELOPMENT PLAN

Introduction

As an NHS organisation we recognise that 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 in the immediate and long term, even in the context of the rising cost of natural resource. Demonstrating that we consider the social and environmental impacts ensures that the legal requirements in the Public Services (Social Value) Act (2012) are met. We acknowledge this responsibility to our patients, local communities and the environment by working hard to minimise our footprint.

As part of the NHS, public health and social care system, it is our duty to contribute towards the level of ambition set in 2014 of reducing the carbon footprint of the NHS, public health and social care system by 34% from a 1990 (baseline) equivalent to a 28% reduction from a 2013 baseline, by 2020.

Trust Strategy on Sustainability

Sustainability Development is an important objective for society and represents an opportunity to reduce costs at the Trust. For example, expenditure on energy, waste and water was around £2.8m in 2018/19.

The Trust measures a number of key indicators to help with the monitoring of environmental performance such as utility usage and waste generation. Key indicators are measured and reported regularly within the Trust and to the Department of Health through Estates Return Information Collection (ERIC); a mandatory data collection for NHS Trusts.

The size of the Trust also means that it participates in the National Carbon Reduction Commitment (CRC) scheme. The reports generated for this scheme allow the Environment Agency (EA) to monitor the absolute carbon generated by the organisation and the change year on year to a "footprint" year. The Trust has achieved previous Carbon Reduction targets and is continuing to work towards a more challenging target of a 28% reduction by 2020, from the 2013 baseline.

The Trust will continue to develop more accurate key performance indicators with the progression of environmental management and improved sustainability initiatives.

The Trust continues to ensure compliance with the Building Performance Directive and ensure that updated Display Energy Certificates (DEC) are in place.

Policies

The Trust uses information from the Sustainability Unit to inform its current policy, reporting of performance and objectives around sustainability. The Trust continues to promote sustainability through its corporate documents (Annual Report and Annual Review) and individual initiatives as they arise. The Trust has also actively promoted the Trust's Asset Recycling Centre, which recycles unused or unwanted office equipment and furniture through a scheme run by volunteers.

Currently the social and environmental impacts are not assessed but the Trust has developed a community engagement action plan with clear social, economic and environmental objectives. In terms of the Modern Slavery Act, the Trust as a publicly funded organisation does not engage in profit–making activities that generate income in excess of £36 million. It does not, therefore, have activities that require it to be treated as a commercial organisation for the purpose of the Act.

The Trust acknowledges that one of the ways it can embed sustainability is through the use of a sustainable development management plan and policy which was reviewed in 2018. This forms the basis of the Trust's management plan to deliver sustainability targets for the main areas it can influence. It has to be viewed in the light of what is achievable based on the current financial position and will be a working document that will develop over time.

Partnerships

The NHS policy framework already sets the scene for commissioners and providers to operate in a sustainable manner. The Trust has not currently established strategic partnerships with commissioners and this will be considered by the Trust's Sustainable Development Management Group (SDMG) and in any future policy development. The trust does work in partnership with other bodies and links in with local government and climate change adaptation teams where required to ensure a coordinated approach to environmental management.

Performance

Projects and Initiatives in 2018/2019

Investment has been made where possible in capital schemes (ward refurbishments), to include improved environmental controls, LED lighting and upgrading of ventilations systems.

The Trust's 'Save 7' campaign, which was set up to engage staff in the current financial challenges and provide ideas on how the Trust can save money, has also resulted in staff identifying issues and examples of waste that are included in Trust's plans around sustainability. The Trust has also made good progress on reducing emissions and efficient use of its resources. See summary performance below.

Summary Performance

Area		Non-Financial data	Non-Financial data		Financial data	Financial data
		2017/2018	2018/2019		2017/2018	2018/2019
Greenhouse Gas Emissions	Scope 1 (Direct) GHG Emissions	Gas: 7,295 Tonnes CO_{2e} 46,582,335 kWhs Transport; 40 tonnes CO_{2e}	Gas: 8,412 Tonnes CO_{2e} 45,606,486 kWhs Transport; 41 tonnes CO_{2e}		*Gas; £1,009,803 Transport; £22,239	**Gas; £1,360,014 Transport; £23,052
	Scope 2 (Indirect) GHG Emissions	2,958 tonnes CO_{2e} 7,030,314 kWhs	2,366 tonnes CO_{2e} 7,780,145 kWhs		£772,000	£1,103,376
	Scope 3 Official Business Travel Emissions	142 tonnes CO_{2e}	143 tonnes CO_{2e}		£272,551	£235,663
Waste minimisation and management	Absolute values for total amount of waste produced by the Trust Methods of disposal	1,185 tonnes High Temperature. Non Burn Treatment. Landfill. Recovery /Recycling	1,115 tonnes High Temperature. Non Burn Treatment. Landfill. Recovery /Recycling	Expenditure on waste disposal	£335,508	£401,788
Finite Resources	Water & Sewerage	229,503 m3	246,232m3	Water & Sewerage	£444,676	£465,710

Note:- Data in the above table relates to the actual use / cost of these utilities supplied to the SFT site, it does though align to the Trust annual ERIC return which will remove such utilities provided to the Laundry, WHC etc.

*Includes £1,290 annual CRC subsistence fee, and £182,600 CRC allowances in 2017/18
**Includes £1,290 annual CRC subsistence fee but excludes £23,045 CRC allowances in 2018/19
** Please note that Scope 3 reporting includes business mileage rates but not public transport travel

Current performance and ongoing priorities and targets

The Trust is working towards the achievement of the NHS Sustainable Development Unit (SDU) targets of carbon reduction which, in line with the Climate Change Act 2008, gives an ambitious aspiration for the health and care system to achieve a 28% reduction by 2020 in carbon dioxide equivalent emissions from building energy use and the travel and procurement of goods and services.

The Trust will drive this goal through the Sustainable Development Management Group (SDMG), formerly the Environmental Management Group, which will have an agreed action plan (Sustainable Management Plan) in line with the guidance from the SDU.

The Trust's 'Sustainable Management Plan' will address the themes set by the NHS Sustainable Development Unit. The guidance suggests setting 'outcome' / 'performance' targets for: energy and carbon management, water, and waste. It also identifies areas such as procurement and food, low carbon travel, transport and access.

Travel

Policies and performance: the Trust set itself an objective to reduce the carbon that it is responsible for from its vehicle fleet. In line with this objective, new vehicles that have been leased for the courier fleet have Euro five engines, which have the lowest emissions in their class. In addition, a vehicle review ensured that the correct sized vehicle appropriate for the workload was leased, this contributed to further savings. Hybrid vehicles will replace the diesel vehicles currently used by the Trust for courier and pool journeys.

Active Travel: the Trust had a vision to engage with staff and the local community and develop a plan to encourage active travel with supporting facilities. The Trust ran cycle to work schemes for staff and introduced cost effective schemes for staff to buy bicycles should they wish. This will continue in 2018/19.

Traffic management: the Trust has plans to reduce traffic impact and promote public transport and active travel which is supported by information and incentive schemes. On-site car parking is managed through the use of enforcement measures by the Trust and this will continue in 2018/19.

Procurement

Policies and performance: a sustainable Trust procurement policy has been approved that supports local community and minimizes environmental impacts.

Procurement skills: work is ongoing to provide staff with accessible information on sustainable procurement, provide training and review the learning and development needs of staff against key sustainable development objectives.

Engaging suppliers: work is ongoing to assess the impact of key suppliers on our sustainable development objectives, create an understanding of our objectives and help improve their understanding of sustainable development.

Sustainable procurement: Sustainable development clauses are included in tendering documents and contracts. When bids are evaluated, we now include a Carbon Reduction Strategy and Sustainability weighting.

Facilities Management

Minimising waste: the Trust has implemented a managed service for the disposal of sharps (Biosystems) in clinical areas. This reduces the waste that has historically gone for incineration, the new containers are recycled (washed and de-contaminated for re-use).

Since February 2018 the majority (>90%) of black bag waste is diverted from landfill and is processed for use as an alternative fuel source.

The Trust has a dedicated facility (Asset Recycling Centre) that recycles unused or unwanted office equipment and furniture through a scheme run by volunteers. This has proved very popular with staff and has directly reduced the level of waste from the site that goes to landfill. The Trust has avoided the cost of buying new equipment, by sorting waste and using suitable recycling operators.

Energy and water usage: this is a key area where the Trust has plans to invest in technical staff to manage and monitor these utilities. The sites Building Management system, is a vital tool to monitor and control utilities and their impact on the environment. The development of staff within the Trust to manage these areas is key to success in this area, and specialist training continues to be undertaken to support this.

Workforce

Healthy workplace: the trust objective is to provide incentives and facilities to promote active low carbon travel, healthy and sustainable food choices and regular exercise. The Trust has an on-site fully equipped leisure facility, which promotes fitness programmes and healthy activities. This was upgraded to increase the number of staff who can benefit from this.

Community Engagement

Policy and performance: the Trust has developed a community engagement action plan with clear social, economic and environmental objectives. The Trust continues to work in partnership with other bodies and links in with local government and climate change adaptation teams where required to ensure a coordinated approach to environmental management.

Community participation: the Trust has gathered views on sustainable development. In addition, local volunteers have been very successful with a ground-breaking initiative for the NHS, by forming a voluntary equipment recycling and reclamation project. This initiative links in with the site waste management group to reuse and recycle as much equipment as we can.

Healthy and sustainable food choices: plans for healthy and sustainable food choices, a system to track sourcing, transportation, consumption and disposal of food and drink products is ongoing, together with targets to increase healthy and sustainable food choices.

Social, community and human rights issues

The Trust recognises the need to forge strong links with the communities it serves in order to fulfil its responsibilities for healthcare provision. Through its Council of Governors and through its Membership Strategy, the Trust endeavours to engage members of the local community in the affairs of the hospital by developing initiatives in which members are able to get involved (if they wish), dependent on their particular interests.

Human rights legislation sets out universal minimum standards about treating everyone equally with fairness, dignity and respect. The Trust is committed to meeting its obligations in respect of the human rights of our staff and patients; this is closely aligned both to the NHS constitution and to the Trust's values.

Preparation of accounts

The accounts have been prepared under a direction issued by NHS Improvement (NHSI) under the National Health Service Act 2006.

The Performance Report has been approved by the Trust Board.

Cara Charles-Barks
Chief Executive (Accounting Officer)
23 May 2019 (on behalf of the Trust Board)

ACCOUNTABILITY REPORT

DIRECTORS' REPORT

The Directors present their annual report, together with the audited financial statements for Salisbury Hospital NHS Foundation Trust (the Trust), for the period 1 April 2018 to 31 March 2019.

Board of Directors

Directors of Salisbury NHS Foundation Trust during 2018/2019

Dr Nick Marsden	Chairman
Cara Charles-Barks	Chief Executive
Dr Christine Blanshard	Medical Director
Paul Hargreaves	Director of Organisational Development and People
Andy Hyett	Chief Operating Officer
Lorna Wilkinson	Director of Nursing
Lisa Thomas	Director of Finance
Michael von Bertele CB, OBE	Non-Executive Director
Rachel Credidio	Non-Executive Director
Tania Baker	Non-Executive Director (Senior Independent Director)
Paul Kemp	Non-Executive Director
Dr Michael Marsh	Non-Executive Director (until 31 December 2018)
Paul Miller	Non-Executive Director
Professor Jane Reid	Non-Executive Director

Register of Directors' Interests

A register of Directors' interests is held in the Trust Offices. Information regarding the Directors' interests and whether they have undertaken any material transactions with Salisbury NHS Foundation Trust can be obtained by contacting the Director of Corporate Governance, Trust Offices, Salisbury NHS Foundation Trust, Salisbury District Hospital, Salisbury, SP2 8BJ.

Fit and Proper Persons Test

The Trust has put in place processes to ensure appointments to the Board meet the regulatory standards for the Fit and Proper Persons Requirements of Directors. All of our Board of Directors meet the current standards.

Performance evaluation of the Board

The annual appraisal of the Chairman is undertaken by the Senior Independent Director and includes consideration of the views of Governors, Non-Executive and Executive Directors. The performance of Non-Executive Directors is evaluated annually by the Chairman and includes consideration of the views of Governors, Non-Executive and Executive Directors. The Nominations and Remuneration Committee receives assurance annually that the performance evaluation process for Non-Executive Directors and the Chairman has been completed appropriately.

Executive Directors have an annual performance appraisal with the Chief Executive. The Chief Executive's annual appraisal is conducted by the Chairman and includes

consideration of the views of Non-Executive and Executive Directors and key external stakeholders.

The Remuneration Committee receives annual assurance that the performance evaluation process for the Executive Directors has been completed appropriately.

Annual objectives are set for all Executive Directors, taking into account strategic and corporate objectives. Annual performance appraisal takes account of the extent to which each of these objectives has been met. Performance appraisals are used as the basis for determining individual and collective professional development programmes for all Directors relevant to their duties as Board members.

Details of how the effectiveness of the Board's governance processes is assessed can be found within the Annual Governance Statement.

NHS Improvement's Well Led Framework

The Trust has had regard to NHS Improvement's well-led framework in arriving at its overall evaluation of the organisation's performance and in developing its approach to internal control, board assurance framework and the governance of quality. Further details are provided in the Annual Governance Statement and Quality Report.

The Care Quality Commission undertook an inspection of the well-led question on 4 and 5 December 2018 and rated the Trust as 'Good'. The CQC stated that 'There was effective, experienced and skilled leadership, a strong vision for the organisation and embedded values. The leadership had the capacity and capability to deliver high-quality sustainable care. Leaders understood the challenges to quality and sustainability and they were visible and approachable. There was a clear vision for the trust and strong values.'

Quality Governance

Service quality is governed through the Board's Clinical Governance Committee. The Quality Account sets out the Trust's plans in relation to improving quality governance.

Emergency Preparedness, Resilience and Response (EPRR) Assurance

Based on the national RAG status for EPRR compliance Salisbury NHS Foundation Trust has completed the annual EPRR self-assessment. Subsequently Wiltshire Clinical Commissioning Group (CCG) conducted a confirm and challenge process and we have been rated by Wiltshire Clinical Commissioning Group and NHS England as achieving 'Full' compliance; this has been attained for the second consecutive year.

NHSE were assured by the quality of the process that has been established in conjunction with the Wiltshire Clinical Commissioning Group.

As a category one responder, we are meeting our civil protection duties under the Civil Contingencies Act (2004). Full compliance means that arrangements are in place to appropriately address the core standards that the organisation is expected to achieve.

PROMOTING BETTER HEALTH AND SUPPORT FOR OUR PATIENTS

Recognising staff who are also carers themselves

We have joined forces with Wiltshire council health trainers to run a carers' café, on the first Tuesday of each month, which is aimed at supporting our staff who are also carers.

The council trainers are ideally placed to signpost to community support and develop those support networks, and this activity will also link in with the work they are already doing for the Trust on general wellbeing sessions for staff.

Making Every Contact Count (MECC)

MECC is an initiative which aims to ensure that every conversation with a patient is as useful as possible, and is not repeated with different health professionals, i.e. the patient does not have conversations with four different individuals, when one would do.

The Trust is proud to be part of an STP wide programme to develop MECC trainers, and this initiative, and we are about to embark on a train the trainer programme. Once we have our own trainers, we will then be in a position to roll the programme out internally.

A growing band of volunteers

There are currently 728 registered volunteers working across the whole of the Trust providing valuable support to patients, visitors and staff. The Trust has this year been recognised for its approach to engaging with volunteers, and has been accepted onto the Helpforce Learning Network. This is a National Network for volunteering which raises the profile of their work and provides funding to support projects. Not every Trust is accepted into the Network and it is a testament to our Voluntary Services Manager, Jo Jarvis, that Salisbury was accepted. During 2018/19, 56 volunteers were recognised for their long service, of over 10 years, with their own award ceremony. At this first event, the awards were presented by the Chairman and the Volunteer Staff Governor.

SUPPORTING OUR STAFF TO PROVIDE BEST CARE

Health Coaching

Health Coaching is an approach that guides and prompts people to be active participants in behavioural change through a transformation in their relationships with their clinicians. Health coaching is an umbrella term for multiple applications of a coaching approach:

- In health improvement, it is 'a behavioural intervention that facilitates participants in establishing and attaining health-promoting goals in order to change lifestyle-related behaviours, with the intent of reducing health risks, improving self-management of chronic conditions, and increasing health-quality of life' (Van Ryn & Heaney, 1997)

- As an aid in decision-making it 'is based on strong provider communication and negotiation skills, informed, patient-defined goals, conscious patient choices, exploration of the consequences of decisions, and patient acceptance of accountability for decisions made'.

- 'In long-term conditions it is the application of executive coaching skills, specific psychological interventions and clinical skills to enable patients to change their relationship with their health, by tapping into their potential to self-manage, raising their awareness and responsibility, and increasing their confidence and motivation to act to achieve their goals' (McDowell, 2013).

During 2018 we have started to build our capacity to develop a health coaching culture. More staff have now been trained as trainers to deliver health coaching and sessions have been run with different staff groups ranging from the executive team to all our new students. Our facilitators have delivered both internal and external training to the wider healthcare community.

Student Mentors

All students on placement need a suitably qualified mentor. In the past year, compliance with mentorship training has increased, thus increasing the availability of suitable mentors. With the introduction of new NMC Standards and the subsequent change from the role of mentor to that of Supervisor and Assessor from September 2019, the Education Team are currently providing training to ensure all staff will be appropriately trained to function as Supervisors and adequate numbers of Assessors will also be available.

Mental Health First Aid

We are taking up a place on an upcoming Mental Health First Aid 'Train the Trainer' course, with a reserved place on a second course later in the year, with the intention of rolling out Mental Health First Aid. This aims to train people to identify signs of stress/anxiety in themselves and others, and to be able to adopt or advise coping mechanisms which will avoid issues developing further.

Mental Health Awareness Week

Mental Health awareness week in 2019 ran from 13 -19 May and our Occupational Health Team held a stand in the Trust's Springs Restaurant, with support from the council health trainers. The Head of Equality, Diversity and Inclusion (EDI) was also involved to ensure stigma and diversity issues were considered.

Fit Testing

During the course of the annual flu campaign, normally September through to February, we carry out fit testing which tests the ability for individuals to wear a face mask for their own protection whilst treating infected patients. This can be challenging as we need sufficient numbers of people able to carry out the tests, as well as good numbers passing. Alternative provision is made available where individuals are unable to wear the standard mask.

Staff Wellbeing

Wiltshire Council Health Advisor clinics are now established on the first Tuesday of each month offering general health advice. They provide booked 1:1 sessions offering support with stopping to smoke, alcohol reduction, weight management, healthy eating, getting active, and emotional wellbeing. A dedicated health trainer can assist every step of the way in supporting individuals in achieving and maintaining their goals. The sessions happen onsite, with follow up sessions available onsite or within the community.

Occupational Health (OH) advisors are now able to make a referral to Odstock onsite gym for support in becoming active, rehab classes etc. We are in the processes of agreeing a process/pathway for referral to offer so many free activity sessions with an option to go on to take up membership. A new Health and Wellbeing Strategy has been drafted and is progressing through Committee and Board stages for approval prior to implementation.

LISTENING AND LEARNING FROM OUR STAFF

Staff Engagement Group

With the aim of gaining a better understanding of the hopes and aspirations of the wider workforce, a new staff engagement group has embarked on a number of exercises designed to improve the working lives of all Trust employees. Such activities have led to the creation of a walking map, the development of a staff benefits booklet and through collaborative work with both the catering and estates departments, improvement to a number of daily processes.

Ongoing activities are focused on feedback linked to both the staff survey results and the Trust's Health and Wellbeing offering. Input from the group is felt to be imperative in relation to both of these topics especially if meaningful initiatives are to be developed.

Real opportunities exist in the upcoming year and a number of activities to further promote the hopes and aspirations of the group are planned. Through such events and regular meetings we hope to improve awareness of the needs of the workforce and create a staff voice that truly helps to shape the future direction of Salisbury NHS Foundation Trust.

WORKING WITH OUR STAKEHOLDERS, PARTNERS AND LOCAL COMMUNITY

Multi-agency discharge events (MADE)

The Trust organised two MADE Events (December 18 and January 19) working in partnership with organisations and services from across south Wiltshire to support improved patient flow across the local providers, by identifying themes to improve and simplify the discharge processes and unblock any internal or external delays.

Older People and Frailty

The Trust is working as part of the local STP to deliver improved health for older people through strengths based working, prevention, early intervention and rapid reablement. The Trust ran a workshop in 2018, inviting key stakeholders from primary care and the voluntary sector to hear about the current services on offer for older people in South Wiltshire and identify the gaps in service provision. The Trust is engaging with local GP's and community partners to develop services at a neighbourhood level and based on the needs of the local population.

Carers' cafe

The Carers' Café, funded by the League of Friends, continues to be held on a weekly basis, in the Springs Restaurant. This continues to provide support for carers and raises awareness of the challenges that all carers face. The Trust has enhanced this support by running a dedicated carers' café for staff members who have a caring responsibility outside of work, giving staff opportunity to benefit from the support provided by this café.

Partnership working

The Trust continues to work in partnership with other statutory, non-statutory and voluntary sector organisations to develop and enhance existing services to support patients and relatives in hospital and on discharge. Key areas of focus have been with AgeUK to provide service for patients, aged over 65 on discharge who require low level, non-clinical support, in their home for a maximum of four weeks post discharge.

In addition we have established close links and attend regular meetings with the Cathedral Project, whose aim is to build on successful local and national initiatives in order to promote and enable safe and effective care for care home residents, through a person centred approach.

Nursing Homes

The Head of the Integrated Discharge Bureau regularly visited local nursing homes to encourage and promote improved communication with the Trust and identify opportunities to streamline the discharge process for the benefit of the patient. We continue to work closely with those nursing homes by attending the care home forum bi-monthly. In addition, we have supported the roll out of the 'Red Bag' Scheme within Dorset and are now working with Wiltshire CCG to roll out the use of the 'Red Bag' for appropriate patients, following the success of this concept nationally. The red bag scheme has proven to help provide a better care experience for care home residents by improving communication between care homes and hospitals.

Appointments

The Clinical Commissioning Group in conjunction with the Hospital, appointed a Winter Director for six months from December 2018. The Winter Director was responsible for working with all local providers to support delivery of the urgent care pathway. The role reports jointly to the Accountable Officer at Wiltshire Clinical Commissioning Group and the Chief Executive at Salisbury Hospital in their capacity as 'Emergency local delivery board' Chair.

Early supported discharge scheme (ESD)

The Trust has invested in extending the ESD provision for patients. Work continues with our community partners in supporting patients to receive their rehabilitation at home with the same intensity and expertise that they would have received in hospital. ESD services have now been established for those with hip fractures, stroke and has now been extended into elderly care wards, due to the success and positive patient outcomes, for those on early supported discharge (ESD) schemes.

Older Persons Assessment and Liaison (OPAL)

The Trust invested in extending the OPAL service, to seven days a week and for extended hours. The team work within the Emergency Department and Acute Medical Unit to identify those people living with frailty, supporting that discharge through liaison with the GP, Frailty Lead or care co-ordinator. The team have extended their support to provide in-reach to wards to increase the number of older people discharged home safely and timely and within 72 hours through close working with integrated community services.

Declarations

Statement on disclosure to the auditors

As far as the Directors are aware there is no relevant audit information of which the auditors are unaware. Each individual director that has approved this Annual Report has taken all steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of the information. Each Director has also made enquiries of their fellow directors and the

auditors to ensure that they are aware of any relevant audit information and exercised reasonable, care, skill and diligence in doing so.

Statement on compliance with cost allocation and charging guidance Issued by HM Treasury

Salisbury NHS Foundation Trust has complied with the cost allocation and charging requirements set out in HM Treasury and Office of Public Sector Information Guidance.

Political Donations

The Trust has made no political donations of its own.

Better Payment Practice Code

The Trust conforms to the principles of the Better Payment Practice Code and aims to pay its bills promptly. Performance against the code can be viewed below. No interest was paid under the late Payment of Commercial Debts (Interest) Act 1998.

Better Payment Practice Code

	Number	£000s/Amount
Total Non-NHS trade invoices paid in the period	75,538	122,338
Total Non-NHS trade invoices paid within target	64,830	106,748
Percentage of Non-NHS trade invoices paid within target	85.8%	87.3%
Total NHS trade invoices paid in the period	1,925	5,535
Total NHS trade invoices paid within target	1,414	4,315
Percentage of NHS trade invoices paid within target	73.5%	79.4%

The Better Payment Practice Code requires the Trust to aim to pay 95% of undisputed invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later.

Information on fees and charges

Please see table below which provides an aggregate of all schemes that, individually, have cost exceeding £1million.

		2018/2019	***2017/2018***
	Expected sign		
Income	+	*13,439*	*10,695*
Full cost	-	*(9,928)*	*(7,845)*
Surplus/Deficit	+/-	***3,511***	***2,850***

Income Disclosure

The Trust can confirm that income from the provision of goods and services for the purposes of the health service in England is greater than its income from the provision of goods and services for any other purposes.

Other Income and Impact on Provision of Services

The Trust provides a variety of services to patients, visitors, staff and external bodies that generate income which cover the cost of the service and makes a contribution towards funding patient care. Services that generate income include: payroll services, accommodation, catering, car parking, private patient treatment, pharmacy products and sterile supplies. The total income from all of these areas amounted to around £8 million. The other areas contributed surpluses, which have been applied to meeting patient care expenditure. In addition, the Trust received £7.2 million from Salisbury Trading Ltd (excluding laundry undertaken for the Trust) and £2.1 million from Odstock Medical Ltd.

ADDITIONAL DIRECTORS' REPORT DISCLOSURES

Consultation with local groups and organisations

As part of the development of the Trust's Quality Account, the quality priorities were identified by listening to patient stories at the Board, speaking to patients, families and carers, the public, our staff and governors, Warminster Health, Wellbeing and Social Care Forum, our community partners, local GPs and our commissioners through face to face meetings.

Accounting policies for pensions and other retirement benefits

These are set out in note ten to the accounts and details of senior employees' remuneration can be found in the Remuneration Report.

Directors' Report Accompanying Note

The Trust has only disclosed information under the Companies Act that is relevant to its operations. Companies Act disclosures relating to political donations, future developments, provision for staff communication on matters of concern and financial risk management are included in the Trust's Performance analysis section. This section also includes detailed information about the Trust's performance against key national and commissioner led targets and arrangements for monitoring them.

The Accountability Report has been approved by the Trust Board.

Cara Charles-Barks
Chief Executive (Accounting Officer)
23 May 2019 (on behalf of the Trust Board)

REMUNERATION REPORT

Chairman of the Remuneration Committee's Annual Statement on Remuneration

As the Chairman of the Remuneration Committee, I am pleased to present our remuneration report for 2018/19.

There were no changes to the Trust's remuneration policy for very senior managers in 2018/19.

Senior managers have the authority or responsibility for directing and controlling the major activities of the Trust and for Salisbury NHS Foundation Trust this covers the Chairman, the Executive and Non-Executive Directors. It is important to note that the Remuneration Committee of the Board has responsibility for setting the terms and conditions for the Executive Directors, while responsibility for setting the terms and conditions for the Chairman and Non-Executive Directors lies with the Council of Governors, which is advised by the Performance Committee.

The Remuneration Committee reviewed the salaries and the individual reward packages of the Executive Directors for 2018/2019. Salaries are set in comparison with those given to holders of equivalent posts within the NHS. Advancement within the individual salary scales of Executive Directors is based on successful appraisal outcomes and this is the only performance-related element of the Executive Director's remuneration. The Remuneration Committee works closely with the Chief Executive in reviewing each Executive Director's performance and the Chairman advises the committee on the performance of the Chief Executive.

There were no changes to the Trust's Executive team during 2018/19. Michael Marsh, Non-Executive Director left the Trust on 31 December 2018.

Nick Marsden
Remuneration Committee Chairman
23 May 2019

Remuneration Report

The following report details how the remuneration of senior managers is determined. A 'senior manager' is defined as 'those persons in senior positions having authority or responsibility for directing or controlling the major activities of the NHS Foundation Trust'. The Trust deems this to be the Executive and Non-Executive members of the Board of Directors.

Senior Managers' Remuneration Policy

The remuneration of the Chief Executive and Executive Directors (with the exception of the Medical Director*) is determined by the Board of Directors' Remuneration Committee taking into account market levels, key skills, performance and responsibilities. In reviewing remuneration, including making decisions about whether to pay the Chief Executive and any of the individual Executive Directors more than £150,000 per annum, as outlined in the guidance issued by the Cabinet Office, the Committee has regard to the Trust's overall performance, delivery of agreed objectives, remuneration benchmarking data in relation to similar NHS Foundation Trusts and the wider NHS and the individual Director's level of experience and development of the role.

*The pay, terms and conditions for the Medical Director are determined by the national Consultant Contract and the associated Medical Terms and Conditions. An additional payment is made which reflects the additional responsibilities for the role of Medical Director. The Medical Director is eligible to apply for discretionary performance-related pay under Medical Terms and Conditions.

The Trust's overarching approach to remuneration is designed to ensure that senior managers' remuneration supports its strategy and business objectives. The approach has been developed to support the provision of high quality services for patients through its strategic aim of delivering an outstanding experience for every patient, financial stability and improved service performance. The Trust is mindful of a broad range of factors in setting this policy.

The Trust's remuneration principles are that rewards to senior managers should enable the Trust to:

- Attract, motivate and retain senior managers with the necessary abilities to manage and develop the Trust's activities fully for the benefit of patients
- Align remuneration with objectives that match the long term interests of the Trust
- Drive appropriate behaviours in line with the Trust's values
- Focus senior managers on the business aims and appraise them against challenging objectives

Remuneration of Senior Managers

Element of pay (Component)	How component supports short and long term strategic objective/goal of the Trust	Operation of the component	Performance metric used and time period
Basic salary	Provides a stable basis for recruitment and retention, taking into account the Trust's position in the labour market and a need for a consistent approach to leadership. Stability, experience, reputation and widespread knowledge of local needs and requirements supports the Trust's short term strategic objectives outlined in its annual priorities and its long term strategic goals of: Local Services - meeting the needs of the local population by developing new and improved ways of working which always put patients at the centre of all we do Specialist Services - providing innovative, high quality specialist care delivering outstanding outcomes for a wider population Innovation - promoting new and better ways of working, always looking to achieve excellence and sustainability in how our services are delivered making a positive contribution to the financial position of the Trust Care - treating our patients, and their families, with care, kindness and compassion and keep them safe from avoidable harm People - making the Trust an outstanding place to work where everyone feels valued, supported and engaged and are able to	Individual pay point is set within a pre designed pay band which has a minimum and maximum limit. (See salary scales at the end of the Future Policies table which sets out the rates payable. Please note that this does not include additional payments over and above the role such as clinical duties, Clinical Excellence Awards. Total remuneration can be found in the Remuneration tables in the Annual Report on Remuneration. Initial positioning on this pay band is based on experience and benchmarked against the NHSI Guidance for pay for very senior managers.	Pay is reviewed annually in relation to individual performance based on agreed objectives set out prior to the start of that financial year which runs between 1 April and 31 March.

	develop as individuals and as teams Resources - making best use of our resources to achieve a financially sustainable future, securing the best outcomes within available resources		
Benefits	Benefits in kind relate to either the provision of a car, training or additional pension contributions. Salary for executive Directors includes any amount received (See Basic salary on how this component supports short and long term strategic objective/goal of the Trust)	(See above)	(see above)
Pension	Provides a solid basis for recruitment and retention of top leaders in sector. Supports the Trust's short term strategic objectives outlined in its annual priorities and its long term strategic goals stated in the basic salary component.	Contributions within the relevant NHS pension scheme	Contribution rates are set by the NHS Pension Scheme
Bonus	N/A	N/A	N/A
Fees	N/A	N/A	N/A

The components above apply generally to all Executives and there are no particular arrangements that are specific to an individual Executive Director. The Remuneration Committee adopts the principles of the Agenda for Change framework when considering Executive Director's pay. However, unlike Agenda for Change, there is no automatic salary progression within the salary scale, even if individual directors meet their annual objectives.

The performance measures were chosen to reflect the Trust's adopted values and its strategic goals form the basis for Directors' objectives. Objectives for each Executive is set at the start of the financial year in order to deliver the strategic intentions (longer term) and the operational plans (short to medium term). These SMART objectives are the performance measures for the individual Executives. The objectives / performance measures are reviewed during the year and progress recorded.

There is no specific minimum level of performance that affects the payment and no further levels of performance which would result in additional amounts being paid. There is no specific provision for the recovery of sums paid to directors or for withholding the payment of sums to senior managers that relate to their basic salary. However, the Remuneration Committee in respect of the Executive Directors and the Council of Governors for the Non-Executive Directors does have the authority to decide on whether any pay increase should be awarded each year based on performance.

No Executive Directors have been released to undertake other paid work elsewhere.

Where an individual Director is paid more than the Prime Minister, the Trust has taken steps to assure itself that remuneration is set at a competitive rate in relation to other similar NHS Foundation Trusts and that this rate enables the Trust to attract, motivate and retain senior managers with the necessary abilities to manage and develop the Trust's activities fully for the benefit of patients. This has been benchmarked against the NHSI guidance for pay for very senior managers.

Remuneration of Non-Executive Directors

The Trust has an established Remuneration Committee. This Committee is responsible for the appointment, remuneration and appraisal of the Trust Chairman and Non-Executive Directors. The Committee reviewed national NHS Trust Chairman and Non-Executive Directors' remuneration benchmarking data and agreed to recommend to the Council of Governors that the level of remuneration for the Trust Chairman and the Non-Executive Directors should be in line with similar-sized NHS Foundation Trusts in the South West region. The Committee recommended the following remuneration for Non-Executive Directors outlined below:

Element of pay (Component)	How component supports short and long term strategic objective of the Trust	Operation of the component	Performance metric used and time period
Basic salary	The pay level reflects the part time nature of the role. It is set at a level that gives recognition for the post holder's commitment and responsibility of the role. Supports the Trust's short and long term strategic objectives outlined in its annual priorities and its long term strategic goals of: Local Services - meeting the needs of the local population by developing new and improved ways of working which always put patients at the centre of all we do Specialist Services - providing innovative, high quality specialist care delivering outstanding outcomes for a wider population Innovation - promoting new and better ways of working, always looking to achieve excellence and sustainability in how our services are delivered making a positive	It is one single pay point based on research of NHS pay for Non-Executive Directors in other NHS Foundation Trusts	The pay level is reviewed annually by the Council of Governors, advised by the Performance Committee

	contribution to the financial position of the Trust Care - treating our patients, and their families, with care, kindness and compassion and keep them safe from avoidable harm People - making the Trust an outstanding place to work where everyone feels valued, supported and engaged and are able to develop as individuals and as teams Resources - making best use of our resources to achieve a financially sustainable future, securing the best outcomes within available resources		
Benefits	N/A	N/A	N/A
Pension	N/A	N/A	N/A
Bonus	N/A	N/A	N/A
*Fees	N/A	N/A	N/A

*Non-Executive Directors Fees: Responsibility for setting the terms and conditions for the Chairman and Non-Executive Directors lies with the Council of Governors. The policy on remuneration is that the Non-Executive Directors are paid a basic salary (see Salary Scales). No additional duties which require a fee are carried out by the Non-Executive Directors.

Statement of consideration of employment conditions elsewhere in the Trust

While the Trust did not consult with employees on the remuneration policy regarding senior managers, it did take into account the national pay and conditions on NHS employees.

Responsibility for setting the terms and conditions of appointment for Non-Executive Directors rests with the Council of Governors, which is advised by the Performance Committee and takes into account remuneration in other NHS organisations by reviewing available national comparisons in NHS Employers information. This was determined when the Trust was authorised, on the basis of independent advice. Please note that no additional fees are paid to the Chairman and the Non Executives Directors, other than travel and subsistence costs incurred.

Annual Report on Remuneration

Service contracts obligations

None of the current substantive Executive Directors are subject to an employment contract that stipulates a length of appointment. The appointment of the Chief Executive is made by the Non- Executive Directors and approved by the Council of Governors. The Chief Executive and Executive Directors have a permanent employment contract and the

contract can be terminated by either party with six months' notice. The contract is subject to normal employment legislation. Executive Directors are appointed by a committee consisting of the Chairman, Chief Executive and Non-Executive Directors.

There are no specific obligations on Salisbury NHS Foundation Trust that impact on remuneration payments or payments for loss of office that are not disclosed elsewhere within the Remuneration Report.

The Service Contract for Non-Executive Directors is not an employment contract. Non-Executive Directors are appointed for an initial term of up to four years and are eligible for a further term of up to four years. The Council of Governors is responsible for appointing, suspending and dismissing the Chairman and Non-Executive Directors as set out in the Trust's Constitution.

Name	Role	Current term of office	Notice Period
Nick Marsden	Chairman	Commenced December 2016	3 months
Tania Baker	Non-Executive Director	Commenced June 2016	3 months
Michael von Bertele	Non-Executive Director	Commenced November 2016	3 months
Paul Kemp	Non-Executive Director	Commenced February 2018	3 months
Michael Marsh	Non-Executive Director	Commenced November 2016	(Left Dec 2018)
Rachel Credidio	Non-Executive Director	Commenced March 2018	3 months
Paul Miller	Non-Executive Director	Commenced March 2018	3 months
Jane Reid	Non-Executive Director	Commenced September 2016	3 months
Cara Charles-Barks	Chief Executive	Commenced February 2017	6 months
Christine Blanshard	Medical Director		6 months
Paul Hargreaves	Director of OD & People	Commenced July 2017	6 months
Andy Hyett	Chief Operating Officer		6 months
Lisa Thomas	Director of Finance	Commenced September 2017	6 months
Lorna Wilkinson	Director of Nursing	Commenced August 2014	6 months

The remuneration and expenses for the Trust Chairman and non-executive directors are determined by the Council of Governors, taking account of any National guidance.

Remuneration Committee

The Remuneration Committee decides the pay, allowances and other terms and conditions of the executive directors. The Trust's Chairman is chair of the Remuneration Committee and all non-executive directors are members of the committee.

The Remuneration Committee reviews the salaries and where relevant, the individual reward packages of the Executive Directors. Most other staff within the NHS have contracts based on Agenda for Change national terms and conditions, which is the single pay system in operation in the NHS. Doctors, dentists, very senior managers and directors have separate terms and conditions. Pay circulars inform of changes to pay and terms and conditions for medical and dental staff, doctors in public health medicine and the

community health service, along with staff covered by Agenda for Change. The Trust follows these nationally set pay polices in negotiating with Trade Unions on areas of local discretion.

Name	Role	Attendance from two meetings
Nick Marsden	Chairman	2
Tania Baker	Non-Executive Director	2
Michael von Bertele	Non-Executive Director	2
Paul Kemp	Non-Executive Director	2
Michael Marsh	Non-Executive Director	2
Rachel Credidio	Non-Executive Director	2
Paul Miller	Non-Executive Director	2
Jane Reid	Non-Executive Director	2

External advice is not routinely provided to the Remuneration Committee. However, the Chief Executive, Director of People and Organisational Development and the Director of Corporate Governance attend and provide internal advice to the committee.

Disclosures in accordance with the Health and Social Care Act

Expenses for Senior Managers and Governors

Year	Number of Directors in Office	Number of Directors Reimbursed	Amount Reimbursed to Directors	Number of Elected Governors in Office	Number of Elected Governors Reimbursed	Amount Reimbursed to Elected Governors
2017/2018	18	11	£9,500	21	5	£1,284
2018/2019	14	7	£5,500	21	5	£2,775
Expenses incurred during the course of their duties relate to travel, accommodation and subsistence. Directors include those who were in post in an interim capacity during the year						

Salary and Pension Entitlement

Remuneration 1 April 2018 – 31 March 2019						
	Salary and fees (Bands of £5,000) £000	**Taxable Benefits Rounded to the nearest £100**	**Annual Performance Related Bonus (Bands of £5,000) £000**	**Long term Performance Related Bonus (Bands of £5,000) £000**	**Pension Related Benefits (Bands of £2,500) £000**	**Total (Bands of £5,000) £000**
Cara Charles-Barks Chief Executive	175-180	0	0	0	77.5-80	255-260
Tania Baker Non-Executive	15-20	0	0	0	0	10-15
Michael von Bertele Non-Executive	10-15	0	0	0	0	10-15
Christine Blanshard Medical Director	170-175	0	0	0	0	170-175
Rachel Credidio Non-Executive	10-15	0	0	0	0	10-15
Paul Hargreaves Director of OD & People	95-100	0	0	0	20-22.5	115-120
Andy Hyett Chief Operating Officer	115-120	0	0	0	35-37.5	155-160
Paul Kemp	10-15	0	0	0	0	10-15

Non-Executive						
Michael Marsh Non-Executive	10-15	0	0	0	0	10-15
Nick Marsden Chairman	40-45	0	0	0	0	40-45
Paul Miller Non-Executive	10-15	0	0	0	0	10-15
Jane Reid Non-Executive	10-15	0	0	0	0	10-15
Lisa Thomas Director of Finance	120-125	0	0	0	47.5-50	165-170
Lorna Wilkinson Director of Nursing	110-115	0	0	0	67.5-70	180-185

The amount shown above for Christine Blanshard, Medical Director, represents her total salary and any remuneration received from her clinical role. No other member above received remuneration for additional duties. No remuneration was received from another body and no severance payments were made within the year.

There were no taxable benefits paid to Directors in the year. Salary for Executive Directors includes any amount received for car allowance.

Michael Marsh left his post as Non-Executive Director on 31 December 2018.

This table is subject to audit

Remuneration 1 April 2017 – 31 March 2018						
	Salary and fees **(Bands of £5,000)** **£000**	**Taxable Benefits Rounded to the nearest £100**	**Annual Performance Related Bonus** **(Bands of £5,000)** **£000**	**Long term Performance Related Bonus** **(Bands of £5,000)** **£000**	**Pension Related Benefits** **(Bands of £2,500)** **£000**	**Total** **(Bands of £5,000)** **£000**
Cara Charles-Barks Chief Executive	170-175	0	0	0	92.5-95	260-265
Tania Baker Non Executive	10-15	0	0	0	0	10-15
Michael von Bertele Non Executive	10-15	0	0	0	0	10-15
Christine Blanshard Medical Director	170-175	0	0	0	40-42.5	210-215
Malcolm Cassells Director of Finance	50-55	0	0	0	0	50-55
Andy Hyett Chief Operating Officer	110-115	0	0	0	55-57.5	170-175
Paul Kemp Non-Executive	10-15	0	0	0	0	10-15
Alison Kingscott Director of HR & Organisational Development	5-10	0	0	0	2.5-5	10-15
Michael Marsh Non-Executive	10-15	0	0	0	0	10-15
Nick Marsden Chairman	40-45	0	0	0	0	40-45
Kirsty Matthews Non-Executive	10-15	0	0	0	0	10-15
Jane Reid Non-Executive	10-15	0	0	0	0	10-15
Lorna Wilkinson Director of Nursing	95-100	0	0	0	37.5-40	125-130
Lisa Thomas Director of Finance	65-70	0	0	0	55-57.5	125-130
Paul Hargreaves Director of OD &	80-85	0	0	0	57.5-60	140-145

People						
Rachel Credidio Non-Executive	0-5	0	0	0	0	0-5
Paul Miller Non-Executive	0-5	0	0	0	0	0-5

The amount shown above for Christine Blanshard, Medical Director, represents her total salary and any remuneration received from her clinical role. No other member above received remuneration for additional duties. No remuneration was received from another body and no severance payments were made within the year.

There were no taxable benefits paid to Directors in the year. Salary for Executive Directors includes any amount received for car allowance.

Malcolm Cassells retired as Director of Finance and Procurement on 31 August 2017 and Lisa Thomas started as Director of Finance on 1 September 2018. Alison Kingscott retired as Director of Human Resources and Organisational Development on 30 April 2017. Paul Hargreaves took up his post as Director of Organisational Development and People on 19 June 2017. Kirsty Matthews left her post as Non-Executive Director on 31 December 2017 and Paul Miller and Rachel Credidio started as Non- Executive Directors on the 5 and 12 March 2018 respectively.

This table is subject to audit

Pension Benefits 1 April 2018 – 31 March 2019

	Real increase in pension at pension age (Bands of £2,500) £000	Real increase in pension lump sum at pension age (Bands of £2,500) £000	Total accrued pension and related lump sum at pension age at 31 March 2019 (Bands of £5,000) £000	Lump sum at pension age related to accrued pension at 31 March 2019 (Bands of £5,000) £000	Cash Equivalent Transfer Value at 31 March 2019 £000	Real increase in Cash equivalent Transfer Value £000	Cash Equivalent Transfer Value at 1 April 2018 £000	Employers contribution to Stakeholder pension To nearest £100
Cara Charles-Barks	2.5-5	2.5-5	70-75	45-50	417	90	293	0
Christine Blanshard	0	0	300-305	225-230	1,764	126	1,567	0
Paul Hargreaves	0-2.5	0	95-100	65-70	546	65	450	0
Andy Hyett	2.5-5	0-2.5	140-145	100-105	703	105	566	0
Lisa Thomas	2.5-5	2.5-5	95-100	65-70	448	77	344	0
Lorna Wilkinson	2.5-5	10-12.5	150-155	115-120	790	137	620	0

This table is subject to audit

Notes to Remuneration and Pension Tables

As Non-Executive directors do not receive pensionable remuneration, there are no entries in respect of any pensions.

Cash Equivalent Transfer Values

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

leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which the disclosure applies. The CETV figures and the other pension details, include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

Real Increase in CETV

This reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement).

Median Remuneration that Relates to the Workforce (Including Fair Pay Multiple) – these figures are subject to audit

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 the financial year 2018/19 was £175,000 (£170,000 in 2017/2018). This was 6.6 times (6.6 times (2017/18,) the median remuneration of the workforce, which was £26,600 (£25,600 in 2017/18).

In 2018/2019, two employees (two in 2017/18) received remuneration in excess of the highest paid director. Remuneration ranged from £13,100 to £202,000 (£12,710 to £185,000 in 2017/18). Total remuneration includes salary, non-consolidated performance-related pay and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

Payments for loss of office

There were no payments made to senior managers for loss of office in 2017/18 or 2018/19.

Payments to past senior managers

None to report in 2018/19.

The Remuneration Report has been approved by the Trust Board

Cara Charles-Barks
Chief Executive
23 May 2019

STAFF REPORT

Analysis of average staff costs

	Total 2018/2019 £000	Permanently employed Total £000	Other Total £000
Salaries and wages	**118,432**	114,517	3,915
Social security costs	**10,626**	10,626	0
Pension cost- defined contribution plans employer's contributions to NHS pensions	**13,866**	13,866	0
Pension cost - other	**20**	20	0
Temporary staff/agency contract staff	**8,431**	0	8,431
Apprenticeship levy	**573**	573	0
NHS Charitable funds	**317**	317	0
TOTAL STAFF COSTS	**152,265**	139,919	12,346
Less: Costs capitalised as part of assets	**(527)**	(527)	0
TOTAL STAFF COSTS IN OPERATING EXPENDITURE	**151,738**	139,392	12,346

Analysis of average staff numbers

	Total 2018/19 number	Permanently employed 2018/19 number	Other 2018/19 number	Restated Total 2017/18 number	Restated Permanently employed 2017/18 number	Other 2017/18 number
Medical and Dental	400	392	8	373	359	14
Administration and Estates	1,078	1,007	71	953	943	10
Healthcare assistants and other support staff	671	662	9	623	617	6
Nursing, midwifery & health visiting staff	885	834	51	877	812	65
Scientific, therapeutic and technical staff	435	419	16	416	402	14
Total	3,469	3,314	155	3,242	3,133	109

The figure shown under the other column relates to other staff engaged on the objectives of the organisation such as, short term contract staff, agency/temporary staff, locally engaged staff overseas and inward secondments where the organisation is paying the whole or the majority of their costs.

The comparative numbers have been restated to bring them in line with the occupation codes within the electronic staff record, the NHS human resource and payroll database system.

The number of male and female directors, senior managers and employees at 31 March 2019

Head Count	Female	Male	Total
Directors	7	6	13
***Senior managers**	5	4	9
All other staff	3,451	954	4,405

**Senior managers are defined as members of the Trust Management Committee which provides a forum for the Chief Executive, supported by the Executive Directors and Clinical Directors, to advise on the strategic direction of the Trust and the Trust's involvement in the wider health economy. Senior managers in this context includes members of the Trust Management Committee who are not included in the two remaining groups.*

The above 3 tables are subject to audit.

Sickness Absence

The table below compares the total sickness absence of 2017/18 with that of 2018/19. It shows that the total days lost have increased, with a corresponding increase in the total staff years, producing no change in the average of eight working days lost:

	1 Apr 2017 to 31 Mar 2018	1 Apr 2018 to 31 Mar 2019
Total Days Lost	23,750	23,812
Total Staff Years	2,890	2,978
Average Working Days Lost Per WTE	8	8

During the course of this year, we have reviewed our sickness absence management policy and created a managers' toolkit for practical use in continuing to improve our approach to both short and long term absences. Sickness absence is regularly reported at Directorate Performance reviews and Trust Board level.

Policies

All policies have a time-limited review date and are reviewed for compliance with current employment legislation, good employment practice and being 'fit for purpose'. In particular:

- The equality, diversity and inclusion policy, approved in January 2017 and due for review in February 2020, seeks to ensure that every member (or prospective member) of staff is treated fairly in relation to application for employment, training, and promotion, regardless of any protected characteristic including disability.
- Employees are systematically provided with information about the performance and operation of the Trust via monthly Chief Executive/Executive led briefings which are cascaded through the organisation via Cascade Brief and periodic newsletters.
- Consultation occurs regularly through the Joint Consultative Committee (JCC) for those covered by Agenda for Change terms and conditions and via the Joint Negotiating Group (JNG) for those employees covered by medical terms and conditions.
- Where there are specific changes limited to discrete areas of the Trust, separate consultations take place with the group/s of staff directly affected, according to the Organisational Change Policy.
- During the course of 2018/19, the Trust created a Staff Engagement Group, run by the staff for the staff, to provide the opportunity for employees to become more involved in the matters that affect them within their employment. Please see above describing the work of this group.
- A Health and Safety Committee, including staff representatives, meets regularly and disseminates policy and information to the wider Trust.
- The Trust is in the process of reviewing its OH provision and aligning this with the intentions expressed in the new Health and Wellbeing Strategy, which is moving towards prevention and proactive intervention, as a staff support mechanism.

- All policies, including those concerning counter fraud and corruption, are authorised via the Trust Management Committee and employees are signposted to them appropriately.

- A new requirement for reporting in 2018 was Trade Union Facility Time, which the Trust complied with by publishing details of this on our website. The detail as follows:

Number of employees who were union reps	19
FTE union reps	17.85

Percentage of time	
0%	9
0-50%	10
51-99%	0
100%	0
Percentage of paybill on Facility Time	**£**
Total cost of facility time	21,978
Total paybill	132,720,888
Percentage facility time	0.016%

Time spent on union activities as a percentage of total facility time hours was 0%. Trade Union activities at the Trust are all unpaid.

The Health and Safety Department facilitates an annual audit system that is conducted by clinical and non-clinical areas. This covers the full range of H&S topics at a corporate level and this year was completed by Catering, Medical Records, Speech and Language Therapy and the Spinal Unit.

The areas were determined by the Health and Safety Committee that is multi-disciplinary, including Health and Safety union representation, and is completed by a responsible person from each area. It consists of 25 health and safety topics, each populated with a number of questions (Yes, No or N/A) or fields to enter data. It is a mixture of subjective and objective questions but it does give clear indication to strengths and weaknesses whether that is for individual areas, subjects or questions. The audit also requires the management to complete a short safety tour of their area which is very objective and an accurate snapshot of what is in place. The full set of results for previous years is:

Clinical Area	***Corporate***	***Self***	***Date***
Sexual Health	*82.0*	*89.0*	*2016*
Endoscopy	*94.7*	*78.4*	*2016*
Laverstock	*81.0*	*84.1*	*2017*
Dermatology	*90.2*	*63.3*	*2017*
ED	*97.2*	*90.0*	*2018*
Breast & Gynae Facility	*88.6*	*88.5*	*2018*
Average	***88.95***	***82.2***	
Non-Clinical Area			
Staff Club	*77.5*	*84.2*	*2016*
Medical Engineering	*60.3*	*80.8*	*2016*
IT	*83.8*	*76.2*	*2017*
Wessex Workshops	*77.3*	*87.2*	*2017*
Staff Club	*97.9*	*100*	*2018*
Waste	*90.2*	*100*	*2018*
Average	***81.2***	***88.1***	

Health and safety maintains an electronic and hard copy records for evidence purposes. Four further areas for audit will be selected at the September 2019 health and safety committee meeting.

Consultancy Expenditure - Off Payroll Payments

Table 1: Off-payroll engagements longer than 6 months **For all off-payroll engagements as of 31 March 2019, for more than £245 per day and that last longer than six months:**	
	Number
Number of existing engagements as of 31 March 2019	**12**
Of which, the number that have existed:	
for less than one year at the time of reporting	**8**
for between one and two years at the time of reporting	**3**
for between 2 and 3 years at the time of reporting	**1**

for between 3 and 4 years at the time of reporting	**0**
for 4 or more years at the time of reporting	**0**

Table 2: New Off-payroll engagements

For all new off-payroll engagements, or those that reached six months in duration, between 1 April 2018 and March 2019, for more than £245 per day and that last for longer than six months:

	Number
No. of new engagements, or those that reached six months in duration, between 1 April 2018 and 31 March 2019	**19**
Of which...	
No. assessed as caught by IR35	**1**
No. assessed as not caught by IR35	**18**
No. engaged directly (via PSC contracted to the entity) and are on the entity's payroll	**3**
No. of engagements reassessed for consistency / assurance purposes during the year.	**0**
No. of engagements that saw a change to IR35 status following the consistency review	**0**

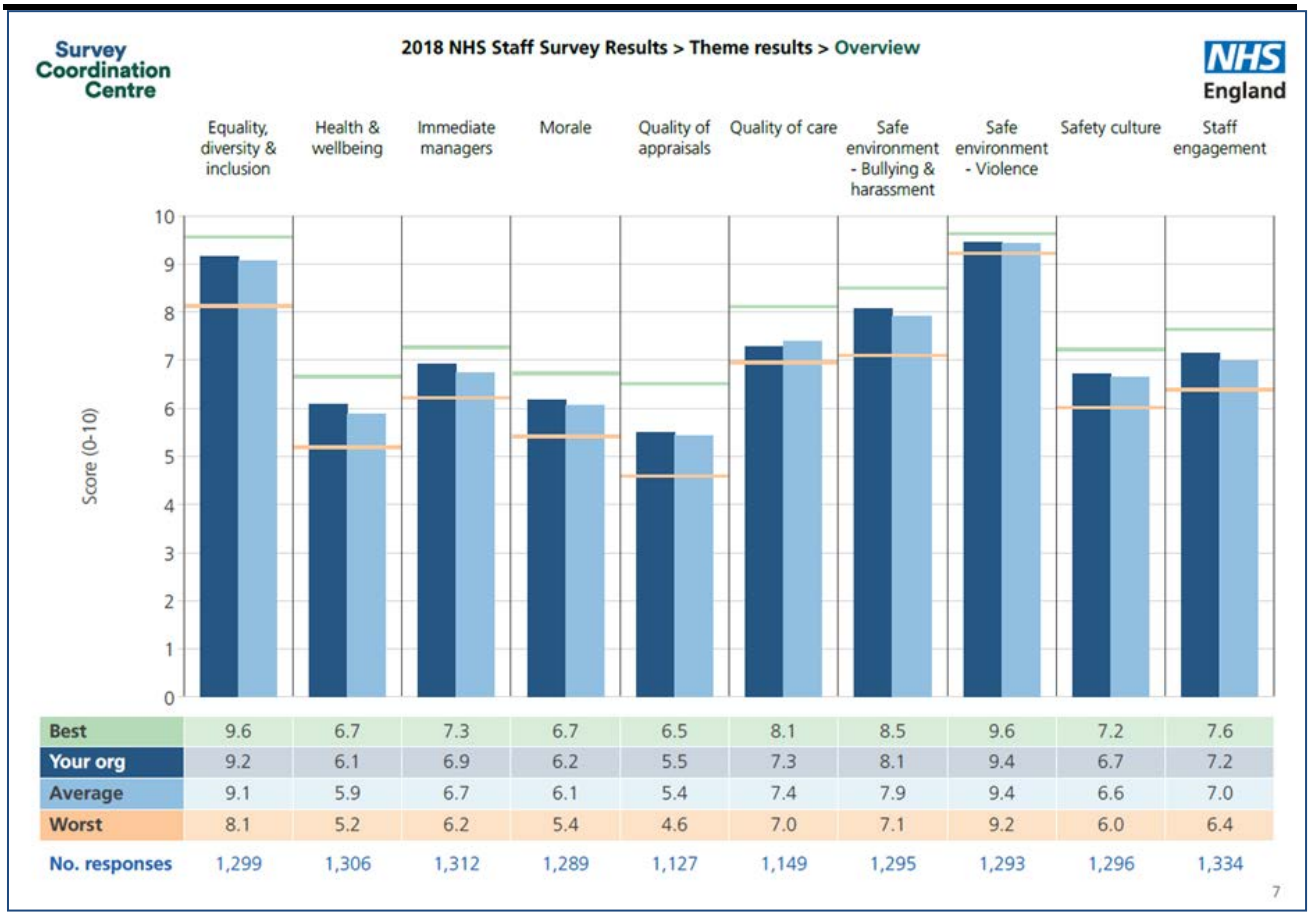
Table 3: Off-payroll board member/senior official engagements

For any off-payroll engagements of board members and/or senior officials with significant financial responsibility, between 1 April 2018 and 31 March 2019

Number of off-payroll engagements of board members and/or senior officers with significant financial responsibility, during the financial year (1)	**0**
Total number of individuals on payroll and off-payroll that have been deemed 'board members, and/or, senior officials with significant financial responsibility', during the financial year. This figure must include both on payroll and off-payroll engagements. (2)	**14**

Staff Survey

A total of 1,344 of our staff (39% of those eligible) took part in the 2018 NHS Staff Survey. By comparison, the response rate for the previous year's survey (2017) was 46%. The average response rate for Acute Trusts in 2018 was 44%. As in previous years, a combination of email and paper questionnaires was sent to staff. Paper questionnaires were sent to those staff groups who have traditionally experienced more difficulty accessing email (typically these are facilities staff and Nursing Assistants).



Compared to last year's survey, our score for the following key themes remained the same:

- Equality Diversity & Inclusion (0.1 point higher than average)
- Immediate Managers (0.2 points higher than average)
- Quality of appraisals (0.1 point higher than average, same score as last year)
- Safe Environment – violence (same as average, same score as last year)
- Safety Culture (0.1 point higher than average, same score as last year)
- Staff Engagement (0.2 points higher than average, same score as last year)

The Trust's score deteriorated in the following themes:

- Health and Wellbeing (0.2 points higher than average, 0.3 points lower than last year)
- Quality of Care (0.1 point lower than average, 0.1 point lower than last year)
- Safe Environment - Bullying and Harassment (0.2 points higher than average, 0.1 point lower than last year)

There was no comparison with previous years included for the 'Morale' theme. The Trust score was 0.1 point higher than average for this theme. We are in the process of presenting the survey results and requesting initial feedback from:

- Senior leaders Forum
- Staff Engagement Group
- All Diversity Groups
- Joint Consultative Committees
- Directorate Management Teams

We will create a plan, from the feedback, which is intended to be limited to two visible and tangible actions for each of the three areas of concern. This plan will then be sent out for consultation across all the above groups and Executive Directors with feedback by the 6 May 2019. The aim is to publish and implement the plan directly after the 23 May 2019 Trust Board meeting.

EQUALITY, DIVERSITY & INCLUSION (EDI) REPORT

Our Approach to Diversity and Inclusion

We respect and value the diversity of our patients, their relatives and carers, and our staff and are committed to meeting the needs and expectations of the diverse communities we serve, providing high quality care.

The Trust has undertaken a considerable amount of work on Diversity & Inclusion (D&I), which helps improve patient services and promote fairness and equality of opportunity for staff. The D&I Committee reports to the Workforce Committee and determines the strategic direction on D&I, based on current legislation and national initiatives.

Action to date - Equality, Diversity and Inclusion Q4 2018

In October 2018, The Trust appointed a new Head of EDI. Following a review, an overview of current equality statistics and proposed actions to drive the EDI agenda forward within the annual Equality Report was shared with both the Workforce Committee and the Trust Board in December 2018.

The report identified the need to re-establish staff support networks such as the BAME network and a 'Diversity Champions' programme. The BAME network will review and amend the draft Workplace Race Equality Standard (WRES) Action Plan, which was also included.

The Head of EDI attends the NHS Leadership Academy Inclusion Network for Wessex & Thames Valley and the South West Inclusion Network. Active participation in these networks will continue with the purpose of identifying and sharing best practice.

The Trust had previously identified a number of 'Diversity Champions' representing race and ethnicity, disability, gender and LGBT staff. These were originally related to relevant staff networks which had become inactive apart from the LGBT network, called the Rainbow Shed.

The Rainbow Shed is led by the Trust's Lesbian, Gay, Bi-Sexual and Transgender (LGBT) Diversity Champion. The group has been increasing its activities in raising awareness of LGBT issues. The Trust also runs an LGBT Allies scheme for non-LGBT staff members. Both groups are identified by rainbow lanyards, which signify a commitment to EDI and supporting LGBT staff and patients, and they are actively supported by the Trust's CEO, Cara Charles-Banks. The CEO regularly carries out a Hospital Round with the LGBT diversity champion to raise awareness, listen to any concerns and promote the Rainbow Shed.

The Trust has targeted the line managers of the Diversity Champions, with the purpose of ensuring that individuals have the support of their line managers to engage in the work of the staff networks. The Diversity Champions and the Head of EDI are working to re-establish relevant staff networks. In January 2019 the BAME staff network held its first (revived) group meeting and agreed to meet on a monthly basis.

The Trust has two EU Diversity Champions, who have been working since 2017 to raise awareness for EU staff and support them during the lead up to Brexit. During December these Champions, together with the support of the Trust and the Head of EDI, assisted our EU staff in taking part in the government settled status programme. Activities included advisory drop-in session and promotional display stands, to help people to register for settled status during the period of the Home Office's pilot registration project; approximately 75 members of staff took the opportunity to register. Following this success, both EU Diversity Champions are organising an EU staff network, with the purpose of identifying issues staff may have as the UK leaves the European Union. This will also provide a mechanism to offer appropriate support to individual members of staff.

EDI Committee

Prior to the appointment of the Head of EDI, a meeting took place to establish an EDI Committee across the Trust This committee will meet on a regular basis to direct work and act as a link between the Diversity Champions and Strategic leaders. The EDI Committee will be chaired by Tania Baker, one of the Trust's Non-Executive Directors. An annual schedule of meetings is currently being finalised.

Staff Side

The Head of EDI has been liaising with the Staff Side Lead to ensure that they are included in the development of the EDI strategy. A number of the representative bodies have equality leads and specific sections supporting people with protected characteristics. The aim is to ensure that staff side become fully involved with the staff networks to share expertise and resources.

'Freedom to Speak Up' Guardian

The Trust has a 'Freedom to Speak Up' (FTSU) Guardian; an independent role, which became full time in January 2019 as part of the Trust's recent moves to emphasise diversity and change the internal culture. The role has direct access to the CEO and is supported by a Non-Executive Director.

The FTSU Guardian (FTSUG) has reviewed and re-written the FTSU Policy in association with the Head of EDI. The FTSUG will present to the Workforce Committee and the Board, in March 2019. The FTSU will report to Board on a quarterly basis.

The Trusts' senior leaders are committed to ensuring that FTSU is given appropriate prominence within the Trust. FTSUG will work with the Trust's senior leaders to ensure that they can evidence that they robustly challenge themselves to improve patient safety, and develop a culture of continuous improvement, openness and honesty.

The FTSUG and the Head of EDI do a short presentation at all staff induction sessions, so every new member of staff is made aware of the FTSUG and Diversity and Inclusion

programme. The FTSUG and Head of EDI have implemented a Training programme, detailed below.

The Head of EDI is taking part in a self-assessment to become a FTSU Ambassador. This training will allow him to work closely with the FTSUG to achieve her duties. Together they are reviewing the informal networks staff use to raise issues and intend to use the information gathered to establish a network of FTSU Ambassadors to support the FTSUG in line with national guidance.

TRAINING

Equality, Diversity, Inclusion and Freedom to Speak Up Training

The Trust is currently reviewing its EDI training and assessing training requirements to further support the FTSU programme.

All staff are required to undertake the national NHS E-learning package for equality; this forms part of the initial induction programme. This package is being reviewed, but as it is a national product it may be difficult to amend. The Trust has developed an introductory session for EDI and the FTSU programme to be included as part of the mandatory new staff inductions.

Similarly, new, interactive workshops are being initiated as part of LGBT History Month. These workshops are open to all Trust staff, with the aim of increasing knowledge and understanding of:

- Equality, Diversity and Inclusion
- How EDI relates to Salisbury NHS Foundation Trust
- Diversity in the wider community related to Salisbury NHS Foundation Trust
- The dynamics of stereotyping and unconscious bias
- How to explore personal and organisational values
- The workings of the ‘Freedom to Speak Up’ Programme

The EDI and FTSU Training sessions will be run on a quarterly basis and open to all staff and volunteers within the Trust. The Trust Board will be attending a session in September 2019 to actively take part in this training.

As part of the Trust’s regular corporate governance activities the first of a series of reports on the EDI programme were presented to the Trust Governors in February 2019.

Future plans for 2019/20

The first meeting of the re-established BAME staff network took place in January 2019. The network will meet on a monthly basis and is tasked with encouraging other BAME staff to take part.

The BAME network has been tasked with developing the draft WRES action plan. This action plan will form the basis of action to address some of the issues of BAME progression and representation at a senior level within the organisation.

Arrangements are in place for other EDI networks to meet next month which includes reviewing the Dignity at Work Ambassadors programme. A Women’s network is in the early stages and will develop over the coming months.

Once set up, the networks will nominate Diversity Champions to represent them at the wider EDI Committee. They will attend that committee to report progress of the networks and raise any issues.

The FTSUG will recruit a number of FTSU Ambassadors in accordance with guidance from the national FTSUG's office. She will work with the Head of EDI to identify and select a range of individuals who will receive relevant training.

Equality Objectives 2019/2022

The Equality Act 2010 requires every Trust to set at least one Equality Objective. The EDI Committee, together with staff and patient groups, will be tasked with identifying a number of objectives by June 2019.

Communications to deliver culture change

The Head of EDI and the FTSUG are working closely with the Corporate Communications team to develop a delivery plan for the EDI and FTSU programmes.

It is recognised that it is important to embed equality and diversity principles into all our work. Equality and diversity will be integrated into our Corporate Communications and Engagement Strategy. Following Board level agreement of the strategy a five year rolling programme of work and associated business cases will be developed.

Broad base of stakeholders

EDI reaches across our workforce, our patients, our suppliers and the Trust's role within the local community. To this end, the Trust has introduced a more 'joined' up approach to ensure that diversity and inclusion is embedded throughout the Trust, in particular patient-facing teams, such as the Customer Care team.

Staff Exit Packages

Staff exit packages include those made under nationally agreed arrangements or local arrangements for which Treasury approval is required. This does not include retirements due to ill health. Figures for 2018/2019 are included in this table. The 2017/2018 figure is in brackets.

Exit package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
Under £10,000	1 (1)	1 (0)	2 (1)
£10,000 - £25,000	0 (1)	2 (0)	2 (1)
£25,001 – £50,000	0 (0)	0 (0)	0 (0)
£50,001 - £100,000	0 (0)	0 (0)	0 (0)
£100,001 - £150,000	0 (0)	0 (0)	0 (0)
£150,001 - £200,000	0 (0)	0 (0)	0 (0)
Total number of exit packages by type	1 (2)	3 (0)	4 (2)
Total resource cost	£3,000 (£22,000)	£34,000 (0)	£37,000 (£22,000)

This table is subject to audit.

The other departures shown above relate to contractual payments in lieu of notice.

NHS IMPROVEMENT'S SINGLE OVERSIGHT FRAMEWORK

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

- **Quality of care:** NHSI uses the Care Quality Commission's most recent assessments of whether a provider's care is safe, effective, caring and responsive. It also uses in-year information where available and how Trusts are delivering the four priority standards for 7-day hospital services
- **Finance and use of resources:** focuses on a provider's financial efficiency and progress in meeting its control total.
- **Operational performance:** centres on NHS constitutional and national standards
- **Strategic change:** covers how well Trusts are delivering the strategic changes set out in the Five Year Forward View with a particular focus on Sustainability and Transformation plans and new care models.
- **Leadership and improvement capability (well-led):** provides a shared system view of what good governance and leadership looks like, including ability to learn and improve.

Based on information from these themes, providers are segmented from 1 to 4, where '4' reflects providers receiving the most support, and '1' reflects providers with maximum autonomy. A Foundation Trust will only be in segments 3 or 4 where it has been found to be in breach or suspected breach of its licence. The Trust is currently segmented at 3 and was subject to enforcement undertakings due to the suspected breach of licence from January 2018 for the deteriorating financial position.

Finance and use of resources

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

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

NHS FOUNDATION TRUST CODE OF GOVERNANCE

Disclosure Statement

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

The Board considers that for the 2018/2019 year the Trust has been fully compliant with the provisions of the Code, with the exception of paragraph A5.12. Governors of Salisbury NHS Foundation Trust are not provided with copies of the minutes of private Board meetings due to the confidential nature of the business, however, the Lead Governor is invited to the Private Board meeting as an observer and provides a summary of discussion to the Council of Governors.

The Board is committed to the highest standards of good corporate governance and follows an approach that complies with this code through the arrangements that it puts in place for our governance structures, policies and processes and how it will keep them under review. These arrangements are set out in documents that include:

- The Constitution of the Trust
- Standing orders
- Standing financial instructions
- Integrated Governance Framework
- Accountability Framework
- Terms of reference for the Board of Directors, the Council of Governors and their committees
- Annual declarations of interest
- Annual Governance Statement

Council of Governors

Our governors continue to play a vital and active role in the work of the Trust advising us on how best to meet the needs of patients and the wider community. The Council has a number of statutory duties, including appointing the Chairman and Non-Executive Directors, deciding on their remuneration as well as ratifying the appointment of the Chief Executive.

The Council of Governors holds the Non-Executive Directors to account individually and collectively for the performance of the Board of Directors. The Council also receives the Trust's Annual Report and Accounts and the auditor's report, and contributes to the Trust's annual business planning process.

The Council have been placed into groups to consider various topics over which they can have an influence. In 2018/19 these covered:

- Communications and Membership
- Performance of the Chairman and Non-Executive Directors
- The Trust's Annual Plan for 2017/18 prior to submission to the regulator
- Patient experience
- Governor's self-assessment
- The strategic direction of the Trust
- Volunteers

The Governors review their work programme and the make-up of their working groups annually. They appreciate that, statutory roles apart, their principal duties are to monitor, advise and inform. Governors are also party to discussions about elements of the Trust's strategy, when items are taken at meetings of the Trust Board and Council of Governors.

The public and staff members of the Council are elected from and by the Foundation Trust membership to serve for three years. They may stand for re-election but they may not serve for more than nine years in total.

In addition, some of the organisations we work most closely with nominate stakeholder governors. An appointed governor may hold office for 3 years and can be re-appointed in line with elected governors.

The representatives of public constituencies must make up at least 51% of the total number of governors on the Council of Governors.

The Council of Governors hold four meetings a year, in addition to the Annual General Meeting (AGM), and a joint meeting with the Trust Board to review the Annual Plan.

The governors canvass opinions of the members and public through their constituency meetings and at the AGM.

Elected Governors – Public Constituency

Name	Constituency	Elected or Re-elected	Term of Office	Attendance from 4 meetings
Nick Alward	Salisbury City	Feb 2018	Three years	1 from 4
Lucinda Herklots	Salisbury City	May 2018	Three years	3 from 4
Jan Sanders	Salisbury City	May 2017	Three years	3 from 4
Sir Raymond Jack (Lead Governor)	South Wiltshire Rural	May 2018	Three years	4 from 4
Dr Alastair Lack	South Wiltshire Rural	May 2017	Three years	4 from 4
Jennifer Lisle	South Wiltshire Rural	May 2018	Three years	4 from 4
Beth Robertson	South Wiltshire Rural	May 2015	Three years	1 from 1
Lynn Taylor	South Wiltshire Rural	May 2017	Three years	1 from 1
William Holmes	South Wiltshire Rural	May 2018	Three years	2 from 3
John Parker	North Dorset	May 2018	Three years	4 from 4
Christine Wynne	North Dorset	May 2018	Three years	3 from 3
John Mangan	New Forest	Feb 2018	Three years	3 from 4
William Butterworth	Kennet	May 2018	Three years	1 from 3
Vacant	West Wiltshire	N/A	N/A	N/A
Ross Britton	East Dorset	May 2018	Three years	3 from 4
Mary Clunie	Rest of England	Feb 2018	Three years	4 from 4

Elected Governors - Staff Constituency

Jonathan Wright	Clerical, Administrative and Managerial	May 2018	Three years	3 from 4
Pearl James	Volunteers	May 2018	Three years	4 from 4
Shaun Fountain	Medical & Dental	May 2015	Three years	1 from 1
Colette Martindale	Nurses & Midwives	Nov 2015	Three years	1 from 1
Paul Straughair	Hotel & Property Services	May 2015	Three years	0 from 1
Jonathan Cullis	Medical & Dental	May 2018	Three years	2 from 3

Lee Phillips	Scientific, Technical & Therapeutic	May 2018	Three years	3 from 3
Jayne Sheppard	Nurses & Midwives	May 2018	Three years	2 from 3

Nominated Governors

Name	Constituency	Appointed or Re-appointed	Term of Office	Attendance up to 4 meetings
Cllr Richard Clewer	Wiltshire Council	June 2018	Three years	2 from 3
Chris Horwood	Wessex Community Action	April 2017	Three years	4 from 4
Vacant	Dorset CCG	N/A	N/A	N/A
Vacant	Wiltshire CCG	N/A	N/A	N/A
Jenny Erwin	West Hampshire CCG	June 2018	Three years	2 from 3
Col Robert Burley	Military	June 2018	Three years	0 from 3

During the year the Directors have used a variety of methods to ensure that they take account of, and understand, the views expressed by Governors and members. The Council of Governors is chaired by the Chairman and these meetings are attended by the Chief Executive, who presents a performance report and answers questions. This is an opportunity for governors to express their views and raise any other issues, so that the Chief Executive can respond.

There have been no formal requests for director attendance at the Council of Governors meetings but it has been standard practice for the Chief Executive and Director of Nursing to attend. The Chief Operating Officer also attends when operational queries have been raised. Dependent on the agenda, other Executives attend as required.

An informal meeting is held between the governors and the non-executive directors a week after a public board meeting. Executive and non-executive directors also attend some of the Governor committees.The Trust Board is aware of the work carried out by the governor committees and information is fed back to the directors. Relevant directors attend constituency meetings and the annual general meeting and answer members' questions.

In 2018/19, the Trust Board met regularly in public and, as part of its commitment to openness, governors and members are invited by the Chairman to comment or ask questions on any issues that they may wish to raise at the end of the public session. A response is provided by the appropriate member of the Trust Board.

Public Trust Board papers are made available on the website and governors alerted so that these can be viewed prior to the meetings.The Trust Board has invited a governor to attend as an observer the private meetings of the Board and has also invited governor observers to attend the meetings of the Boards' Finance and Performance Committee; its Clinical Governance Committee; its Workforce Committee and its Strategy Committee.

Register of Governor Interests

A register of interests is held in the Trust Offices. Information regarding the governors' interests and whether they have undertaken any material transactions with Salisbury NHS Foundation Trust can be obtained by contacting:

Director of Corporate Governance, Trust Offices,
Salisbury NHS Foundation Trust, Salisbury SP2 8BJ.

Dispute Resolution

There are a number of mechanisms in place that allow an issue or concern to be discussed and escalated. Informally, there are meetings between the Lead Governor and

the Chairman. There are bi-monthly meetings between the governors and the non-executive directors. Governors attend Trust Board and Directors attend the Council of Governors. If the range of informal approaches does not resolve a concern, a joint meeting of the board and the governors may be called.

Under the Trust's Constitution, the Board will consult the Council on the appointment of the Deputy Chairman. A process for formal dispute resolution is included in the Trust's constitution as follows:

In the event of a dispute arising between the Board of Directors and the Council, the Chairman shall take the advice of the Secretary and such other advice as he sees fit, and he shall confer with the Vice-Chairman and the Lead Governor and shall seek to resolve the dispute. If the Chairman is unable to do so, s/he shall appoint a committee consisting of an equal number of directors and governors to consider the matter and to make recommendations to the Board and Council with a view to resolving the dispute. If the dispute is not resolved, the Chairman may refer the dispute to an external mediator appointed by the Centre for Dispute Resolution, or by such other organisation as s/he considers appropriate.

The Board of Directors

The Board comprises the Chairman, Chief Executive, five other Executive Directors and six other Non-Executive Directors. There is a clear separation of the roles of the Chairman and the Chief Executive, which has been set out in writing and agreed by the Board. As Chairman, Nick Marsden has responsibility for the running of the Board, setting the agenda for the Trust and for ensuring that all Directors are fully informed of matters relevant to their roles. The Chief Executive has responsibility for implementing the strategies agreed by the Board and for managing the day to day business of the Trust.

All of the non-executive directors are considered to be independent in accordance with the NHS Foundation Trust Code of Governance. The Board considers that the non-executive directors bring a wide range of business, commercial and financial knowledge required for the successful direction of the Trust.

All directors are equally accountable for the proper management of the Trust's affairs. All directors are subject to an annual review of their performance and contribution to the management and leadership of the Trust.

There were no commissioned external reviews of the Board during the reporting year. The executive directors continued to oversee the implementation of recommendations throughout 2018/19 from the external review commissioned at the end of 2017 by Deloitte

The Trust has Board approved Standing Financial instructions and a Scheme of Delegation and Reservation of Powers, which outline the decisions that must be taken by the Board and the decisions that are delegated to the management of the hospital. These documents include, but are not limited to, instructions on budgetary control, contracts and tendering procedures, capital investment and security of the Trust's property, delegated approval limits, fraud and corruption and payroll.

The Board is satisfied as to its balance, completeness and appropriateness but will keep these matters under review.

Dr. Nick Marsden – Chairman (Independent)
Nick Marsden joined the Trust in January 2014. Before this he was an NHS non-executive director and vice chairman at Southampton. He has an engineering Ph.D and also commercial experience having held several senior executive roles at IBM, before becoming Senior Vice President for Service at Danka Europe.

Cara Charles–Barks – Chief Executive
Cara Charles-Barks has a wide range of clinical and management experience in both the NHS and Australian healthcare systems. She qualified as a registered nurse in Australia in 1991 and, having worked in London for three years, moved back to Australia where she became a nurse consultant, then clinical practice manager and subsequently Nursing Director. She was then Deputy Chief Operating Officer in Peterborough in the UK and, before coming to Salisbury, she was Deputy Chief Executive Officer and Chief Operating Officer at Hinchingbrooke Health Care NHS Trust.

Tania Baker - Non-Executive Director (Independent)
Tania Baker joined the Trust in June 2016 for a three year period. She was Chief Executive Officer at health analytics company, Dr Foster where she was involved in developing the business nationally and internationally. Before this Tania held senior appointments in private healthcare and was Commercial Director at Aviva Health insurance. Tania is the Senior Independent Director.

Michael von Bertele CB, OBE (Independent)
Michael joined the Trust in November 2016 for a three year period. As an army junior doctor, he trained in occupational and environmental medicine, and became a consultant in 1992. He has served in the UN Protection Force in Croatia, was chief medical planner in the Ministry of Defence and was Director General of the Army Medical Services. He retired in 2012 and worked for Save the Children International until 2015.

Dr. Christine Blanshard – Medical Director
Christine Blanshard graduated in Medicine from Cambridge University in 1986 and has over 25 years NHS experience. She trained in East Anglia and London, and became a consultant gastroenterologist and general physician in 1998. She has undertaken a variety of managerial roles alongside her clinical work and before joining the Trust was Director of Strategy and Associate Medical Director at Homerton University Hospital NHS Foundation Trust.

Rachel Credidio – Non Executive Director (Independent)
Rachel Credidio joined the Trust in March 2018 for a one year period. This term of office was extended for a further two years from March 2019. She started her career in housing in 1998 and has worked for the Aster Group since 2005. Her current role is Group People and Transformation Director, where her role includes people, IT and communications. Prior to this she was Group Strategic Change Director. She has been sponsor for the group's major change projects. Previous roles at Aster included Sales and Development Director.

Paul Hargreaves – Director of Organisation Development and People
Paul Hargreaves is a Fellow of the Chartered Institute of Personnel and Development (CIPD) and has a wide range of experience in senior HR roles in the NHS. He joined Salisbury in 2017 after working as Deputy Director of Human Resources at Kingston NHS Foundation Trust. Before that he worked at Bart's Health NHS Trust at the Royal London

Hospital, as Associate Director of HR and was in senior roles at the Royal Cornwall Hospitals NHS Trust for nine years, which included four years in the role of Associate Director of Human Resources.

Andy Hyett – Chief Operating Officer
Andy Hyett has a wide range of NHS experience. He started his career as a biomedical scientist at Dorset County Hospital in the 1990s and moved into NHS management in Winchester. He continued to progress through senior management positions in Portsmouth and then University Hospital Southampton NHS Foundation Trust where he was Deputy Chief Operating Officer. He joined the Trust in 2015.

Paul Kemp – Non Executive Director (Independent)
Paul Kemp joined the Trust in February 2015 and is currently on his second term of office, having completed 34 years in industry, initially as a development chemist before concentrating on finance, IT and business change leadership. Paul has worked for a number of large multinational companies, including British Airways and Cobham plc, the multinational aerospace and defence company.

Paul Miller – Non Executive Director (Independent)
Paul Miller joined the Trust in March 2018 for a three year period. His experience spans 23 years as an executive director in a wide variety of organisations. It includes five years as a Chief Executive in both Wales and England and 16 years as a Director of Finance in specialist regional, mental health and acute organisations. These roles covered finance, strategy, organisational leadership and successful working at a very senior level in a wide variety of health systems.

Professor Jane Reid - Non-Executive Director (Independent)
Jane Reid, who joined the Trust in September 2016 for a three year period, has a nursing background and extensive experience as an executive lead in the NHS and higher education. Having been President of the Association for Perioperative Practice, Nurse Advisor to the National Patient Safety Agency and the World Health Organisation, she has led a number of national and international patient safety initiatives.

Lisa Thomas – Director of Finance
Lisa has over 18 years finance experience in a number of NHS organisations having started her career in 1999 on the Graduate Financial Management Training scheme. She was previously Deputy Director of Finance at Royal United Hospitals Bath NHS Foundation Trust, and prior to that she spent time working in Basingstoke, Winchester and Gloucestershire NHS organisations in senior roles. Lisa joined Salisbury in 2017.

Lorna Wilkinson – Director of Nursing
Lorna qualified as a registered nurse at the Royal Free Hospital, London in 1989 and has over 30 years NHS experience. She progressed through a number of nursing roles in London before moving into quality improvement and clinical governance. She was Deputy Director of Nursing, firstly in Salisbury and then in Portsmouth, before returning to the Trust in August 2014 as Director of Nursing.

Directors that left the Trust during 2018/2019

Dr Michael Marsh- Non-Executive Director (Independent)

Michael Marsh is a leading paediatric consultant who joined the Trust in November 2016. Before this he was Medical Director for Specialised Commissioning for NHS England's London Region. He has held a number of senior positions in paediatric care and women and children's services in Southampton, and was their Medical Director for six years until 2015. Michael left the Trust 31 December 2018.

At the end of the first term of office, the Chairman and Non-Executive Directors are subject to an evaluation by the Governors Performance Committee, which will make a recommendation to the full Council as to their individual suitability to serve a second term. The removal of the Chairman or a Non-Executive Director of the Trust requires the approval of three-quarters of the members of the Council of Governors at a general meeting.

Appointment of the Vice Chairman and Senior Independent Director is reviewed annually. Employment terms for Executive Directors can be found in the Remuneration report earlier in this report. Directors and Governors can be contacted by members through the Membership Manager. Please note that no significant other commitments affecting the time that is required to devote to the role of Chairman were declared on appointment. This position has not changed in 2018/2019.

BOARD OF DIRECTORS' ATTENDANCE

	Trust Board (8 meetings)	Audit Committee (5 meetings)	Remuneration Committee (2 meetings)	Finance and Performance Committee (12 meetings)	Clinical Governance Committee (9 meetings)	Workforce Committee (6 meetings)	Strategy Committee (6 meetings)	Subsidiary Governance Committee (2 meetings)
Cara Charles-Barks Chief Executive	6 from 8	4 from 5	N/A	10 from 12	N/A	N/A	6 from 6	N/A
Tania Baker Non-Executive	7 from 8	4 from 5	2 from 2	10 from 12	N/A	N/A	5 from 6	N/A
Michael von Bertele Non-Executive	8 from 8	5 from 5	2 from 2	N/A	N/A	6 from 6	6 from 6	N/A
Christine Blanshard Medical Director	6 from 8	N/A	N/A	N/A	8 from 9	4 from 6	2 from 6	N/A
Rachel Credidio Non-Executive	6 from 8	N/A	2 from 2	9 from 12	N/A	4 from 6	N/A	N/A
Paul Hargreaves Director of OD & People	7 from 8	N/A	N/A	9 from11	N/A	5 from 6	N/A	2 from 2
Andy Hyett Chief Operating Officer	8 from 8	N/A	N/A	10 from 12	3 from 3	N/A	N/A	N/A
Paul Kemp Non-Executive	8 from 8	5 from 5	2 from 2	10 from 12	N/A	N/A	N/A	2 from 2
Michael Marsh Non-Executive (to 31 December 2018)	5 from 5	N/A	2 from 2	N/A	3 from 6	0 from 4	N/A	N/A
Paul Miller Non-Executive	6 from 8	4 from 5	2 from 2	10 from 12	7 from 9	N/A	N/A	2 from 2
Nick Marsden Chairman	8 from 8	N/A	2 from 2	N/A	N/A	N/A	5 from 6	2 from 2
Lisa Thomas Director of Finance	7 from 8	5 from 5	N/A	12 from 12	N/A	N/A	5 from 6	2 from 2
Jane Reid Non-Executive	4 from 8	N/A	2 from 2	9 from 12	6 from 9	N/A	N/A	N/A
Lorna Wilkinson Director of Nursing	7 from 8	N/A	N/A	N/A	8 from 9	6 from 6	2 from 6	N/A

The Council of Governors understands the different process that should apply in the selection and appointment of a replacement Chairman and that the Chairman must not simultaneously be the Chairman of another Trust.

THE AUDIT COMMITTEE

	Committee Role	Attendance out of five meetings
Paul Kemp	Chairman	5
Michael von Bertele	Non- Executive Director	5
Tania Baker	Non- Executive Director	4

The Work of the Audit Committee in Discharging its Responsibilities

The Audit Committee is in place to provide the Board with assurance as to the effectiveness of the processes overseen by the Board itself and by the Finance & Performance, Workforce, and Clinical Governance Committees.

The committee is supported by the Appointed Auditor, Grant Thornton LLP who took office from November 2018 following the resignation of BDO Global during the year. The Contract is for 12 months.

During 2018/19, the internal audit service was provided by PwC UK following a tendering exercise.

The Committee has an annual work programme as well as dealing with other items that arise during the year. It also agrees annual work programmes with the auditors and the Executive.

The Audit Committee was chaired by Paul Kemp, Non-Executive Director. The Audit Committee is responsible for:

- Monitoring the integrity of the financial statements of the Trust, any formal announcements relating to the Trust's financial performance and reviewing significant financial reporting judgements contained in them.

- Assisting the Board of Directors with its oversight responsibilities and independently and objectively monitoring, reviewing and reporting to the Board on the adequacy of the processes for governance, assurance, and risk management; where appropriate, facilitates and supports through its independence, the attainment of effective processes.

- Reviews the effectiveness of the Trust's internal audit and external audit function.

- In discharging its role and function, the Committee shall provide assurance to the Board of Directors that an appropriate system of internal control is in place to ensure that business is conducted in accordance with the law and proper standards.

In addition to its standing items of business, which includes payroll analysis, internal audit recommendation tracker, Internal Audit Reports, External Audit Reports and Counter-Fraud progress reports, the Audit Committee has reviewed risk management systems and processes.

During the year the Committee commenced a series of proactive process reviews, two happened in the year, one looking at the programme management process through examples of the Trust implement of its Electronic Patient Record (EPR) implementation. The other was reviewing the operational planning process and how this considers financial, workforce and activity information. Both have identified opportunities for the Trust to continuously improve processes.

The committee considered a reporting breach related to external reporting of information to support contractual payment by the Trust's commissioners (Clinical Commissioning Groups CCG's). The Trust launched an immediate programme to rectify the issues, and also launched a Serious Investigation (SI) to identify root cause and subsequent action plan to address the risk.

The Audit Committee is also responsible for monitoring the external auditor's independence and objectivity, including the effectiveness of the audit process. The committee reviews the effectiveness of the audit process including verifying compliance with statutory requirements and deadlines, communication with key senior management personnel, satisfactory planning processes, and confirmation that the provision of staff to carry out work for the Trust are those named and qualified..

Grant Thornton has not provided any non-audit services for the Trust in 2018/19.

Membership of the Audit Committee

The Audit Committee is comprised of three of the six eligible non-executive directors. The other main assurance committees of the board are the Finance & Performance, Workforce, Strategy and Clinical Governance committees.

Appointment of the Trust's External Auditors

BDO were appointed external auditors from 1 April 2017; initially appointed for a five year period. However, BDO resigned in November 2018. Grant Thornton were subsequently appointed and took office from November 2018.

Financial Audit

The external auditors for the Trust are Grant Thornton. During the 2018/2019 period, the Trust has incurred the following costs on external audit:

- Audit services: £69,000 (including VAT)
- Further assurance services: £10,000 to audit Quality Account (including VAT)
- Other services: None

As mentioned above, no other remuneration was paid to the auditor and the auditor was not involved in any other work for the Trust that may have compromised its independence.

The Trust has an internal audit function which was delivered under contract by PwC in 2018/2019. The work programme is reviewed and approved by the Audit Committee. Senior representatives of PwC report to the audit committee and a working protocol is in place with Grant Thornton, the Trust's appointed auditor. The delivery of the contract with PwC was overseen by the Director of Finance and the internal audit fee for 2018/2019 was £80,000.

Revaluation of Property and Land

The Trust's accounting policies requires a land and buildings revaluation to be undertaken at least every five years, dependent upon the changes in the fair value of the property. The five-yearly revaluations are carried out by a professional qualified valuer in accordance with the Royal Institute Chartered of Surveyors (RICS) Appraisal and valuation manual. The valuations are carried out on the basis of a Modern Equivalent Asset, as required by HM Treasury. The annual reviews are carried out using the most appropriate information available at the date of the review. The last full revaluation was carried out during 2015/2016. Fair values are determined as follows:

- Land and non-specialised buildings – market value for existing use
- Specialised buildings – modern equivalent depreciated replacement cost

Annual desktop valuations and annual impairment reviews are carried out in all other years where a full revaluation has not taken place.

Recognition of Income

Of the Trust's income, 88% is received from other NHS organisations, with the majority being receivable from Wiltshire CCG. The Trust participates in the Department of Health's

agreement of balances exercise. This exercise seeks to identify all income and expenditure transactions and payable and receivables balances that arise from Whole Government Accounting (WGA) bodies. The Audit Committee is satisfied that by participating with this exercise it helps to provide further assurance that the vast majority of income and expenditure with WGA have been properly recognised and WGA receivable and payable balances are appropriately recorded. The Trust's external auditors will review the outcome of the exercise and report their findings to the Audit Committee.

Directors' Responsibilities for Preparing the Accounts

The Directors are aware of their responsibilities for preparing the accounts and are satisfied that they meet the requirements as reflected in the statement of Chief Executive's Responsibilities as the Accounting Officer at Salisbury NHS Foundation Trust. This is can be found in the Annual Accounts for Salisbury NHS Foundation Trust. In Summary, the Accounts taken as a whole are fair, balanced and understandable and provide the information necessary for patients, regulators and other stakeholders to assess the Trust's performance, business model and strategy.

NOMINATIONS COMMITTEE

The purpose of the Directors' Nominations Committee is to conduct the formal appointment to, and removal from office, of Executive Directors of the Trust, other than the Chief Executive (who is appointed or removed by the Non-executive Directors subject to approval by the Council of Governors).

The Committee membership includes the Trust Chairman, as Chair and all Non-Executive Directors.

There were no new appointments during 2018/19.

FOUNDATION TRUST MEMBERSHIP

The membership of the Trust is made up of local people, patients and staff who have an interest in healthcare and their local hospital. Public members have to be aged 16 and over.

The staff membership has six classes to reflect the following occupational areas:

- Medical and dental
- Nurses and midwives
- Scientific, therapeutic and technical
- Hotel and property services
- Clerical, administrative and managerial
- Voluntary

Public members (including volunteers) can only be a member of one constituency. Staff members can only be a member of the staff constituency. Eligibility requirements for joining different membership constituencies, including the boundaries for public

membership, are shown in the Trust's Constitution, which is available on the Trust's website.

During the year the Trust sought to broadly maintain membership numbers. At 31 March 2019 the membership for Salisbury NHS Foundation Trust was as follows:

Public Constituency	Number
Salisbury City	2,323
South Wiltshire Rural	3,938
Kennet	1,349
North Dorset	1,425
East Dorset	780
New Forest	1,125
West Wiltshire	1,024
Rest of England	718
Staff Constituency	3,496
Total	**16,178**

Ownership of the Trust's membership strategy rests with the Governors with support from the Trust. A key objective of the strategy is to ensure that is representative of the population by geography, age, ethnicity and gender.

Membership Size and Movements		
Public Constituency	**2018/2019**	**2019/2020 (Estimated)**
At year start (1 April)	12,955	12,682
New members	221	2,038
Members leaving	494	320
At year end (31 March)	**12,682**	**14,400**
Staff Constituency		
At year start (1 April)	3,480	3,496
New members	148	198
Members leaving	132	94
At year end (31 March)	**3,496**	**3,600**
Overall Total	**16,178**	**18,000**

The Trust uses its public meetings to highlight the benefits of membership and encourage recruitment. Members' newsletters are also used to encourage existing members to promote membership amongst friends and acquaintances.

This year, distribution of the Annual Review was available to approximately 14,000 in the local area, through an insert in the paid-for Salisbury Journal and is also available from the Trust's website. This brought the work of the Trust and its staff to a wider audience and again highlighted the benefits of membership.

Governors have been working in groups on their statutory duties and have also been involved in the development of the Trust's Annual Plan and Quality Account. They have been working on patient and public involvement initiatives, and been involved in Patient Led Assessments of the Care Environment (PLACE), which looks at cleanliness, food quality, and the patient environment. Governors are members of Trust led committees such as the Transport Strategy Group and Food and Nutrition Group.

Governors are also given a number of other opportunities to become involved or sample the 'patient's experience'. For example, governors and volunteers visit wards and outpatient areas gathering real time feedback from patients about their hospital stay, which enables ward staff to resolve issues quickly. The Trust works with the governors' Membership and Communications committee to provide 'Medicine for Members' lectures.

A dedicated section on the Trust's website and intranet provides details of each governor, their interests and a means for members to communicate with them. There are also members' newsletters for staff and people in the public constituencies as well as formal constituency meetings where governors can gather the views of their members.

Table 1: Code of Governance Provisions included in the Annual Report and their location

	Code Provision	Annual Report location
A.1.1	The schedule of matters reserved for the board of directors should include a clear statement detailing the roles and responsibilities of the council of governors. This statement should also describe how any disagreements between the council of governors and the board of directors will be resolved. The annual report should include this schedule of matters or a summary statement of how the board of directors and the council of governors operate, including a summary of the types of decisions to be taken by each of the boards and which are delegated to the executive management of the board of directors.	Code of Governance
A.1.2	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.	Code of Governance "Board of Directors"
A.5.3	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.	Code of Governance "Council of Governors"
B.1.1	The board of directors should identify in the annual report each non-executive director it considers to be independent, with reasons where necessary.	Code of Governance "Board of Directors"
B.1.4	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.	Code of Governance "Board of Directors"
B.2.10	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.	Code of Governance "Nominations Committee"

B.3.1	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.	Code of Governance "Board of Directors"
B.5.6	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.	Code of Governance "Council of Governors"
B.6.1	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.	Code of Governance "Board of Directors"
B.6.2	Where an external facilitator is used for reviews of governance, they should be identified and a statement made as to whether they have any other connection with the trust.	Code of Governance "Board of Directors"
C.1.1	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. There should be a statement by the external auditor about their reporting responsibilities. Directors should also explain their approach to quality governance in the Annual Governance Statement (within the annual report).	See Annual Accounts and Annual Report. "Directors Responsibilities for preparing the Accounts, the Independent Auditor's Report to the Governors and the Annual Governance Statement"
C.2.1	The annual report should contain a statement that the board has conducted a review of the effectiveness of its system of internal controls.	Annual Governance Statement
C.2.2	A trust should disclose in the annual report: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) If it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	Code of Governance "Financial Audit"
C.3.5	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	No issues identified in the reporting year.
C.3.9	A separate section of the annual report should describe the work of the audit committee in	Code of Governance "Audit Committee"

	discharging its responsibilities. The report should include: • the significant issues that the committee considered in relation to financial statements, operations and compliance, and how these issues were addressed; • an explanation of how it has assessed the effectiveness of the external audit process and the approach taken to the appointment or re-appointment of the external auditor, the value of external audit services and information on the length of tenure of the current audit firm and when a tender was last conducted; and • if the external auditor provides non-audit services, the value of the non-audit services provided and an explanation of how auditor objectivity and independence are safeguarded.	
D.1.3	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.	Nil to report for the reporting year
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 and in the annual report.	Code of Governance "Foundation Trust Membership"
E.1.5	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	Code of Governance "Foundation Trust Membership"
E.1.6	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.	Code of Governance "Foundation Trust Membership"

PUBLIC INTEREST DISCLOSURES

Policies Adopted with Suppliers

Tender specifications now require companies or individuals to disclose their approach to equality and diversity.

Statement of the Accounting Officer's Responsibilities

Statement of the Chief Executive's responsibilities, as the accounting officer of Salisbury NHS Foundation Trust

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

NHS Improvement, in exercise of the powers conferred on Monitor by the NHS Act 2006, has given Accounts Directions that require Salisbury 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 Salisbury 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
- prepare the financial statements on a going concern basis

The accounting officer is responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the NHS Foundation Trust and to enable him/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 the NHS Foundation Trust and, hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Cara Charles-Barks
Chief Executive
23 May 2019

ANNUAL GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of Salisbury 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. Responsiblity for ensuring that the NHS Foundation Trust is administered prudently and,economically and that resources are applied efficiently and effectively also rests with me. 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 a reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of Salisbury NHS Foundation Trust, to evaluate the likelihood of those risks being realised and reduce the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Salisbury 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

As Accountable Officer I have overall responsibility for risk management, but day to day management has been delegated to an executive lead for risk (the Director of Nursing), whois responsible for reporting to the Trust Board on the development and progress of risk management and for ensuring that the Risk Management Strategy is implemented and evaluated effectively. TheHead of Risk Management supports the Executive Lead and is responsible for ensuring that staff are trained and equipped to manage risk in a way appropriate to their authority and duties. This is achieved through risk training programmes and through supporting and facilitating departments/teams directly, all underpinned by a comprehensive suite of risk management policies.

The Risk Management Policy sets out the Trust's attitudes to risk and defines the structures for the management and ownership of risk throughout the organisation. The Head of Risk Management works closely with Directorate and General Management teams, across the Trust, to ensure they understand their responsibilities and accountabilities for managing risk in their areas. The approach is informed by various sources of information including incident reports, key quality indicators, operational, financial and workforce information, survey feedback and comments, risk analysis exercises and central guidance.

THE RISK AND CONTROL FRAMEWORK

Risk Management

The Trust understands that healthcare provision and the activities associated with caring for patients, employing staff, providing premises and managing finances will always involve an inherent degree of risk. Good risk management practice requires that identified risk is analysed, evaluated, treated and actions followed up for the purposes of monitoring and review to further improve.

The overall objective of the Risk Management Strategy is to ensure that robust risk management processes are in place which provide assurance to the Board that the Trust is discharging its responsibilities as an NHS Foundation Trust in ensuring business and financial acumen, improving services and the quality of care provision, whilst operating as a model employer and service provider in achieving the Trust's operational and strategic objectives.

The Risk Management Strategy sets out the strategic goals towards which the Trust is working with regard to risk management, and provides a framework that sets out the key responsibilities for managing risk within the organisation, including ways in which risk is identified, evaluated and controlled.

The organisation's Risk Management Strategy is based on an on-going process designed to:

- Identify and prioritise the risks to the achievement of the organisation's policies, aims and objectives
- Evaluate the likelihood of those risks being realised and the impact should they be realised; and how to manage them most appropriately

Risks continued to be identified throughout 2018/19 from a variety of sources, including:

- Internal and external reviews
- Internal and External Audit
- Risk assessments
- Complaints, Incidents and claims
- Alerts received from the Central Alert System
- Consultation with staff and patients
- Mandatory/statutory targets

Risk Registers

The risk assessment and risk register procedure is set out within the Trust's Risk Management Policy. This policy gives clear instruction on the risk assessment process including risk identification, evaluation, treatment, and monitoring. The policy describes how risk assessments and the register are operationally managed through centralised Datix software and how the risks are communicated throughthe organisation. Directorate risk registers are reviewed at the monthly Executive Performance Review Meetings. Risks for inclusion on the corporate risk register may rise through the organisation via the Directorate risk registers or be identified at director level through Board and Board committee discussions. All risks on the corporate risk register have an executive lead.

All risks are assessed for their likelihood and consequence using a 5x5 risk matrix in accordance with the Risk Management Policy. In order to ensure a standardised approach the same method of risk assessment documentation and scoring is used for all risks of all types, and at all levels (departmental, directorate, corporate).

The Risk Management Policy makes it clear that it is not always possible to reduce an identified risk completely and it may be necessary to make judgements about achieving the correct balance between benefit and risk. A balance needs to be struck between the costs of managing a risk and the benefits to be gained from eliminating it. To this end the Board undertook a review which mapped its 'risk appetite' for each of the Trust's strategic objectives. This is fully detailed within the Risk Management Policy.

The Board Assurance Framework

The Board Assurance Framework (BAF) sets out the risks to delivery of key priorities and overarching strategic objectives. It identifies the assurances available to the Board of Directors in relation to the achievement of the objectives; these are also mapped to key controls, highlighting any gaps in controls and assurances. The Executive Director with delegated responsibility for managing and monitoring each risk is clearly identified.

During 2018/19, the BAF was used to present the key risks to the organisation. The risk profile is currently being strengthened through identification of principle internal and external risks and has been reframed into an 'assurance map' to support risk management going into 2019/20.

Major risks 2018/19

The key risks to delivery of the Trust's objectives are recorded in detail in the Board Assurance Framework and Corporate Risk Register and monitored bi-monthly by the Board and its committees acting on behalf of the Board. In 2018/19, the key risks with potential impact on achieving our objectives were:

- inability to recruit to vacancies due to a range of factors including national shortages
- inability to reduce temporary spend on agency staff
- ability to deliver the accident and emergency maximum four hour wait
- ability to consistently deliver the national cancer waiting time targets
- ability to consistently deliver the diagnostic standard
- inability to achieve the financial plan and secure the national provider sustainability funding (PSF)
- inability to achieve our savings programme and deliver level of transformation required

The Trust established controls or implemented actions to manage these risks as summarised below:

- Recruitment and retention strategy focussed work on recruiting to key posts/professions, for example, nursing which has seen vacancies halved.
- Concurrent focus on retention and involvement in the NHSI retention collaborative, and the Trust is experiencing a decrease in turnover.
- Work in year on reducing agency spend but lead to decrease in substantive vacancies in order to deliver reduction seen in quarter four of high cost agency.

- With increasing demand on the Emergency Department (ED) and a general trend of increasing attendance numbers, achievement of the four hour standard will continue to be challenging during 2019/20. The Directorate continue to work closely with the Leadership team in ED to embed ways of working that promote a positive culture and proactive approach towards waiting times. Good relationships exist between other providers that work alongside Salisbury ED (for example, SWAST, SCAS, Medvivo) and regular interactions occur to ensure issues are discussed and improvements made for patient pathways or reducing attendance numbers to ED. There are ongoing workforce issues within the department within the medical and nursing workforce where vacancies occur and are challenging to recruit to. Vacancies in the workforce can lead to a poor skill mix of staff managing the front door demand which makes achievement of the 4 hour all the more challenging. Gaps in workforce are mitigated by agency and locum cover arrangements to ensure headcount is sufficient but this leads to increased cost and can contribute to skill mix issues. The Medicine Directorate will be developing an ED workforce strategy/plan for submission to the Trust for consideration with a view to improving the workforce issues that exist in the Department.
- Over the last 12 months a number of assurance processes have been put in place to support the achievement of the core cancer standards (2WW, 31 day and 62 day). These include twice weekly cancer operational meetings, weekly waiting list meetings, reporting to Delivery Group and general escalation through Directorates for pathway redesign. These processes will continue to be built upon with a particular focus on pathway redesign and making transformational change rather than managing issues on a small scale. A new Service Manager for Cancer is in post with effect of April 2019 which will give an opportunity to support the ongoing improvements in Trust cancer performance and also support achievement of the new 28 day faster diagnosis standard. Good working relationships exist across all Directorates involved in the delivery of cancer performance. Issues or risks in achieving cancer standards are escalated through Delivery Group and Medicine's Executive Performance Meeting to ensure fast and urgent attention is given to new issues as they occur.
- With increasing demand on the Diagnostics services and a general trend of increasing referrals, achievement of DM01 will continue to be challenging during 2019/20. The increase in activity is being monitored closely by all diagnostic service providers, and mitigations are in place where practicable identifying additional clinical sessions to increase capacity. Endoscopy performance continues to present the biggest concern. Ongoing workforce issues have been addressed in part following the in-sourcing of Gastroenterologists Consultants from month one and proposals for a seven-day working model are being explored. Task and Finish groups are in place to address the recommendations issued following the JAG inspection in summer 2018, and it is expected that the outputs of these recommendations will provide the service with improved grip of demand and capacity planning, underpinning and futureproofing the delivery of the service. Good working relationships exist across all Directorates involved in the delivery of DM01 performance. Issues or risks in achieving DM01 are escalated through the Delivery Group and Clinical Support and Family Services Executive Performance Meeting to ensure urgent reactive attending is given to issues that may compromise delivery of the target, as they occur.

Major risks 2019/20

As with all NHS organisations, we face continual challenges in balancing the need to deliver high quality care in the context of increasing demand and acuity, while increasing productivity. This is against a backdrop of constraints including staffing capacity. We recognise that strategic and transformational change internally and across geographical health economies continue to be required to address the risks identified below. The principle strategic risks for 2019/20 are that we may be unable to maintain high quality care if we do not:

- sustain financial efficiencies and secure sufficient income for our services
- sustainability of some key services, such as, gastroenterology and vascular interventional radiology, for our local population due to workforce issues; that is, unable to recruit, affordability and economies of scale
- transform services through place based care, new payment systems and accountable care systems
- collectively respond to new operational models and navigate the overall strategic landscape and complexity with the right leadership and skills to address all the competing priorities
- manage demand and capacity and deliver operational performance targets
- respond effectively through partnership models to financial and workforce instability in other providers in the health and social care economies
- invest in and develop digital and technological infrastructure and skills to support the business
- have sufficient workforce (both clinical and non-clinical) with the correct skills and competence

We are developing our response as part of the wider NHS health economy, recognising that we treat both local people and patients who travel to our hospital from further afield. Our plans form part of the Bath and North East Somerset, Swindon and Wiltshire (BANES) Sustainability and Transformation Plan (STP). The Trust also plays an important role in a number of clinical networks that join up services provided across several NHS Trusts.

The Trust will continue to develop our ambitions with our healthcare partners, which will include developing new, integrated models of care and also making greater use of standardised approaches to care delivery that will help to improve quality and reduce cost.

These emerging risks will be managed and controlled within the established risk management framework. Outcomes and effectiveness of controls/actions will be monitored through the Assurance Committees through performance reporting and the review of mitigation measures as detailed within the Board Assurance Framework and Risk Register.

Health system wide actions to deliver improved flow through the hospital have been developed following work with the national improvement teams with delivery managed through the Local Delivery Board.

An assurance mapping exercise was undertaken to review all Board assurance committees to identify any gaps in Board assurance. This resulted in extensive re-write of the Committee terms of reference to ensure the functions and responsibilities of each

committee were explicit and to address identified gaps in assurance relating to information technology, data quality, information governance and estates and facilities.

The Audit Committee monitors the Assurance Framework process overall on a biannual basis. It is the responsibility of the Assurance Committees to review the Trust Risk Register to ensure breadth and depth of information and for assurance that actions are being taken to control and mitigate the risks cited. The assurance committees subsequently report to the Trust Board any new risks identified, and/or gaps in assurance/control. If a significant risk to the Trust's service delivery or gap in control/assurance is identified then this is reported immediately via the Executive.

Risk Management in Practice

Risk management is embedded in a variety of ways. A suite of risk management policies underpin the Risk Management Strategy and are available to staff on the intranet. Training and awareness sessions are available to staff across the Trust and via mandatory training.

Risk registers are recorded and held centrally on Datix web allowing staff to input into one repository. The risk assessment and risk register process is clearly detailed within the Risk Management Policy

Incident reporting is encouraged throughout the organisation under a single process described in the Adverse Events Reporting Policy. All incidents are reported via Datix web which is accessible to all staff via the front page of the intranet. All departments and staff groups, within the Trust, report incidents. Reviewing the latest data from the National Reporting Learning System (NRLS) April 2018 to September 2018 shows a reduction in the number of incidents reported. However, the NRLS indicates there is no evidence for potential under reporting of incidents and the Trust remains within the expected range. The Trust's reporting for 2018/19 demonstrates a 3% increase in reporting of incidents overall. Nonetheless, the Trust will continue to improve its safety culture by actively promoting reporting, investigation of clinical incidents and serious incidents and share learning across the Trust and with our commissioners to ensure improvement.

Our national staff survey 2018 showed that the hospital is better than average (72.4% vs 69.2%) for staff feeling secure in raising concerns about unsafe clinical practice. The survey also showed that when staff saw an error, near miss or incident that could harm a patient, the hospital is better than average (95.6% vs 95%) at reporting it and taking action to ensure errors, near misses or incidents do not happen again (72.4% vs 69.9%).

There is a Freedom to Speak up/Raising Concerns Policy in place as well as 'Freedom to Speak Up' Guardians available for staff to have a confidential avenue to raise concerns. The Board have also continued with the weekly Safety Walks whereby a department is visited by an executive and non-executive Director to meet staff so that safety and quality concerns can be discussed openly and directly.

An example of how risk management is embedded into organisational activity is illustrated through the policy ratification process. It is a requirement that all Trust policies have undergone equality impact assessment screening and where indicated, a full assessment.

Patient involvement in risk

The Trust's patient and public involvement and consultation process ensures compliance with relevant legislation, and is described in the Patient and Public Involvement Strategy. All departments, both clinical and non-clinical, are responsible for planning and undertaking patient and public involvement initiatives, where appropriate. The Trust completes an annual patient and public engagement report, which is reported to Trust Board.

When developing plans for significant service changes, the Trust has to show how stakeholders might be affected and to ensure they are consulted and how their views will be taken into consideration in developing proposals for change. Equality impact assessments are part of this process. The Trust works closely with patients and public stakeholders to ensure that the impact of any changes on patients is minimised.

The Trust works with the local Healthwatch to enable regular liaison and communication, to identify opportunities for the involvement of Healthwatch in Trust activities.

As a Foundation Trust, we also inform the Trust's Council of Governors through its relevant working groups of proposed changes, including how potential risks to patients will be minimised.

GOVERNANCE ARRANGEMENTS

Corporate Governance

The Trust ensures compliance with legal requirements, the NHS Constitution and the Licence through its corporate governance arrangements. In particular, risks to compliance are identified through the regular review and reporting that inform the Board Assurance Framework and Corporate Risk Register. There is additional regular review through the Audit Committee and the Clinical Governance Committee, through to the board.

The Trust board assesses its own effectiveness and that of its committees to ensure it is discharging its responsibilities appropriately. The Board's sub committees conduct an annual review of performance against their terms of reference which is reported to the Trust Board, as set out in the Integrated Governance Framework.

During 2018/19 there have been no changes to the Executive Directors and only one resignation of a Non-Executive Director in December 2018. This has provided stability in the leadership of the Trust.

Reporting and informing from Board committees to the Trust Board is through a standard escalation report produced for each subcommittee meeting. Each board committee is clearly linked to corporate objectives and associated risks via its terms of reference and the assurance framework.

A Subsidiary Governance Committee was established late 2018 to provide assurance to the Board of Directors on the appropriate management of the Trust's wholly owned subsidiary companies and where the Trust has a shareholding or interest in a company.

The Accountability Framework is the underpinning document describing the performance management systems in place at directorate level through to the executive.

The Trust assesses its compliance with the Code of Governance annually through the Annual Report. New developments and information on governance are reviewed and incorporated into practice. The Board is held to account by the Council of Governors; the Council ensures that suitable non-executives are appointed to the Board. There are annual appraisals of all board members, overseen by the Remuneration Committee and the Governors' Performance Committee. The Trust has not identified any risks to compliance with the NHS Foundation Trust condition four (FT Governance).

In producing and certifying the Annual Governance Statement, the board expects to take account of; external/regulatory assessments of finance, quality and performance, feedback from staff, commissioners and patients, findings arising from board governance review activity, reports from internal and external audit, and the range of principal risks emerging from the Assurance Framework.

The Trust had a serious Incident investigation in year related to data integrity and reporting of information to support contracts with NHS commissioners. This led to an improvement plan being developed and triggered a wider review of internal control mechanisms. The Trust embarked on a targeted improvement process in strengthening its corporate governance. New internal auditors PwC were appointed to support the Trust in strengthening the internal control environment, with an emphasis on ensuring process improvements are well embedded throughout the organisation.

As outlined below, the Care Quality Commission inspected the Trust in December 2018 and rated the Well-Led domain as 'Good'.

Quality Governance Arrangements

The Trust is committed to and expects to provide excellent health services that meet the needs of our patients and their families and provides the highest quality standards.

The Quality Governance arrangements are described in both the Integrated Governance Framework and Accountability Framework. These frameworks are a means by which the Board controls and directs the organisation and its supporting structures, to identify and manage risk and ensure the successful delivery of the strategic objectives.

The Accountability Framework sets out the metrics that each directorate is held accountable for. These are based on the NHSI Single Oversight Framework of quality of care, finance and the use of resources, operational performance, strategic change and leadership and improvement capability. For the purposes of oversight, each Directorate is assigned a rating of red, amber or green at the monthly Executive Performance Review meetings. The overall rating for each Directorate acts a trigger for escalation to ensure the Board is routinely sighted on and involved in the mitigation of key risks.

The Chief Executive is the Accountable Officer for quality governance. Each Director is a lead for a number of Board objectives. The responsible officer for quality is the Medical Director who leads on clinical effectiveness and the Director of Nursing who leads on patient safety and patient experience.

The Integrated Governance Framework makes it clear that quality governance is the responsibility of the Board supported by the Clinical Governance Committee for continuously improving the quality of services and safeguarding high standards of care by creating an environment in which excellence in clinical care will flourish.

The Clinical Governance Committee's function is to provide assurance to the Board on patient safety, clinical effectiveness and patient experience by ensuring the supporting processes are embedded in Directorates and the Trust wide groups promote learning, best practice and compliance with all relevant statutory duties.

Delivery of the Trust's strategic objectives is underpinned by the publication of the annual quality report which sets out the progress made against our quality priorities in 2018/19 and the quality priorities selected for 2019/20. Progress of the priorities is monitored via the Clinical Governance Committee.

The Integrated Performance Report, which comprises of detailed reports on quality, operational performance, finance and workforce, has been received by the Board monthly and is considered in detail. Through 2019/20, work will continue to strengthen this report.

Care Quality Commission

The Trust is fully compliant with the requirements of registration with the Care Quality Commission.

The last formal inspection undertaken by the CQC was 13 November to 7 December 2018. Four core services, Well-Led and Use of Resources were all inspected during this period. Overall the Trust was rated as 'Good' together with 'Good' for Well-Led and 'Good' for Use of Resources.

Overall rating for this trust	Good
Are services safe?	Requires improvement
Are services effective?	Good
Are services caring?	Good
Are services responsive?	Good
Are services well-led?	Good

A CQC Steering Group is overseeing the resulting action plans developed in response to this inspection and subsequent report.

Workforce Safeguards

In October 2018 NHSI published 'Developing Workforce Safeguards – supporting providers to deliver high quality care through safe and effective staffing'. A paper was presented to the Workforce Committee in March 2019. A gap analysis and action plan is under development for re-submission to the Committee in May.

The Trust monitors the workforce, by staff group and Directorate/specialty, on a monthly basis and across a range of KPIs to ensure that compliance can be demonstrated. The key performance indicators include vacancies, turnover, sickness absence levels, temporary staffing expenditure, Mandatory and Statutory training and appraisal rates.

Periodically, we look at a particular service or group more closely, to address a particular issue or to avoid an issue arising. During 2018/19, for example, we conducted a complete workforce review of Radiology to address long standing vacancies with the result that we now have a short/medium/long term workforce plan for this area. We are in the process of calculating and validating the associated finances prior to mobilising the plan.

Annually the trust completes a comprehensive workforce return which provides the opportunity to check that the current workforce is safe and sustainable and raise any issues of concern. Our aim is to develop this into a three to five year Workforce Plan which will detail how vacancies will be filled and how we can respond to changes in demand.

Nursing demonstrates good control and is advanced in workforce review at strategic, tactical and operational level. The Developing Workforce Safeguards document was considered in the last skill mix review and presented to Board in February 2019.

Conflicts of Interest

The Foundation trust has not yet published an up-to-date register of interests for decision making staff within the past twelve months, as required by the 'Managing Conflicts of Interest in the NHS guidance.

The register will be updated through April/May 2019 and then published as required.

NHS Pensions Scheme

As an employer with staff entitled to membership of the NHS Pension Scheme, control measures are in place to ensure all employers 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. The Trust has put in place an alternative pension provider to cater for employees who are not eligible to join the NHS Pension Scheme.

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

Carbon Reduction

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

INFORMATION GOVERNANCE

The Trust acknowledges the importance patients and staff place on the security, confidentiality, integrity and availability of corporate and personal information. The Trust is committed to proactively managing all its resources through clear leadership and accountability, which is underpinned by the Trusts values and behaviours through awareness and education.

The Deputy Chief Executive Officer (CEO), Medical Director, Caldicott Guardian and Director of Finance/Senior Information Risk Owner (SIRO), oversee compliance and adherence to the Trusts Confidentiality, Information Risk & Security policies and procedures which define how the Trust proactively manages the security and confidentiality of personal information and systems.

Information Governance arrangements within the organisation are constantly reviewed by the Trust. During the 2018-19 Data Security and Protection Toolkit (DSPT) year, the Trust self-reported one security incident to the Information Commissioners Office and NHS Digital. The incident involved irregularities identified during a routine audit which raised concerns. A subsequent investigation by the external healthcare service provider concluded that a legitimate professional relationship had been in place at the time of access. No action was therefore necessary against the individual or the Trust.

During 2018/19, work continued to ensure that a comprehensive and robust evidence based assurance programme exists to reinforce the work of the DSPT to demonstrate that the organisation can be trusted to maintain the confidentiality and security of personal information, increasing public confidence that the NHS and partner organisations can be trusted with personal data.

The Trust continues to ensure that the EU General Data Protection, Network and Information System Regulations continue to be embedded into the fabric of the organisation. Asset Owners and Information Asset Administrators evidence is internally audited and updated on a regular basis. The Trust has also committed time and resources to continually review policies, procedures and guidance to ensure changes in regulatory, legislative and best practice are incorporated.

The completion of the 2018-19 DSPT self-assessment confirmed that the Trust met the 100 mandatory evidence items required without the need to submit an improvement plan to NHS Digital.

REVIEW OF ECONOMY, EFFICIENCY AND EFFECTIVENESS OF THE USE OF RESOURCES

Financial Governance

The Trust regularly reviews the economy, efficiency, and effectiveness of the use of resources through benchmarking, reference costs, regular meetings between directorates and the Executive Directors, and assessing performance against plans. Investments are determined against detailed business plans and outcomes are reviewed against those plans.

The Audit Committee gives specific consideration to matters of probity, the propriety, regularity of public finances and value for money, which arise from the work of the external auditors and the Trust's "local counter fraud specialist" and internal audit service.

The Trust continues to actively pursue the recommendations from the Carter Report 'Operational Productivity and Performance in English NHS Acute Hospitals'. Designated project leads for each of the Carter recommendation Model Hospital work-streams report regularly to the Outstanding Every Time Board (OETB) on progress in the delivery of savings.

Arrangements to operate efficiently, economically and effectively are formally reviewed by external audit and are the subject of detailed review through the transformation programme led by the Outstanding Every Time Board. Departmental cost improvement programmes and their delivery is tracked through the Directorate Performance Reviews. This will continue to be taken forward as a key part of the financial recovery plan.

The Trust's finances are reviewed by the Finance and Performance Committee at its monthly meetings. Monthly performance, workforce and quality information is scrutinised each month by the Board through the Integrated Performance Report. The range of information continues to develop.

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 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.*

To ensure that the Quality Report presents a balanced view and there are appropriate controls in place to ensure accuracy of data used to assess quality the following steps are taken.

The Quality Report process is coordinated by the Head of Clinical Effectiveness. There is an established timetable of internal and external stakeholder engagement including staff and governors. A wide range of methods have been utilised to gather information, and input in order to inform the priority areas. This includes the use of national inpatient surveys, real time feedback in clinical areas, Friends and Family Test data, risk reports and issues raised through Board Safety Walks. Controls are in place to ensure the accuracy of data and data quality is assured through the national Data Quality score.

The priorities have been discussed with clinical and directorate teams as part of the service planning process, and views from staff, Trust Governors, and Warminster Health and Social Care Group have been sought. Commissioners have been asked for their feedback and the Quality Report is reviewed by external agencies, such as Healthwatch, CCGs and the Health and Social Care Select Committee of the Local Authority.

Progress against the priority areas within the Quality Report is monitored through the metrics and information on the five themes in the Accountability Framework via an integrated governance report which is published every month for the Trust Board and the assurance committees.

There is corporate leadership for data quality with the Director of Transformation holding responsibility for the quality of performance data which is reported monthly at the Trust Board and assurance committees.

The Trust Data Quality Policy describes the approach to achieve and maintain high standards of data quality with the below six key areas:

- raise awareness of the importance of high quality data
- assist all staff in understanding their role and responsibility in maintaining high quality data
- assist staff in getting data quality 'right first time' through supporting staff in putting in working practices and processes which enable high data quality at the first time of input
- minimise risks arising from poor data quality
- monitor the quality of data used by the trust and where needed, to highlight where data is inaccurate and needs to be checked and improved
- establish a framework within which data quality issues can be raised and actioned

All data used for quality reporting is derived from operational clinical systems which are well known and reviewed by the staff using them. With regular analysis and use of data coming from the system comes a degree of assurance about the accuracy of reporting. The weekly directorate-led Delivery Performance Group regularly reviews performance data, including patient level information especially on elective waiting times.

We will be further strengthening assurance of strong data quality through the implementation of a data quality assurance framework during 2019/20 which will rate all indicators and reports against core data quality standards. This aligns with the data quality policy which has been reviewed with an updated version being taken for approval in early 2019/20. Any improvement actions will be prioritised and delivered with oversight through updated data quality governance.

With the Trust's electronic patient record now embedded in practice, the Trust is embarking on a business intelligence project in 2019/20 which includes replacing the data warehouse and delivering modern tools to support the improvement in data quality and the use of information more widely. The Trust remains on a journey of continuous improvement around ensuring adherence to standardised administrative practices when recording data. The Trust will be further educating staff in the role they play in meeting the high standards of data quality the Trust aspires to and there will be introduction of data quality champions across the Trust in 2019/20.

During 2018/19 the Trust has improved internal processes around submissions to the Secondary Uses Service (the national data source for the Hospital Episode Statistics (HES), which is used for many of the statistics provided about the NHS). This will ensure that the Trust has consistent and comprehensive information used for both internal and external purposes.

A Data Quality Improvement Group reviews key data quality issues and oversees data quality improvement across the following headings:

- training – design and delivery of targeted training to support high quality data
- awareness – using existing forums (e.g. ward clerk meetings) to communicate data quality issues
- process change – use of structured standard operating procedures to meet operational and reporting requirements
- information systems – regular checks to ensure data being used is compliant and accurate
- data quality monitoring – reviewing nationally and locally developed data quality reports, use of spot checks (e.g. monthly review of waiting list data) and software such as coding software to check data quality.

Escalation of unresolved issues will be through Directorate Executive Performance Reviews.

The Trust receives both internal audit and external audit reviews to check processes and compliance with regards to data quality. External audit has reviewed the Trust's approach to elective referral to treatment waiting times and given a limited assurance.

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 included in this annual report and other performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the board, the audit committee and clinical governance committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The Board of Directors and its committees have met regularly and kept arrangements for internal control under review through discussion and approval of policies and practice and monitoring of outcomes agreed as indicators of effective controls. The Board and its committees reviews the Integrated Performance Report monthly which covers the key national priority and regulatory indicators and locally derived key performance indicators. The report provides more detailed briefings on any areas of adverse performance. This report is supported by a number of more granular reports reviewed by Board committees and regular Executive performance review meetings with the Directorates.

The selection of appropriate metrics is subject to regular review, with changes in definitions or strategic priorities reflected in the selection.

The Audit Committee has provided the Board of Directors with an independent and objective review of financial and corporate governance, and internal financial control within the Trust. The Audit Committee has received reports from external and internal audit, including reports relating to the Trust's counter fraud arrangements.

Internal audit work to a risk based audit plan, agreed by the Audit Committee, and covering risk management, governance and internal control processes, both financial and non-financial, across the Trust. The work includes identifying and evaluating controls and testing their effectiveness, in accordance with Public Sector Internal Audit Standards.

A report is produced at the conclusion of each audit assignment and, where scope for improvement is found, recommendations are made and appropriate action plans agreed with management. Reports are issued to and followed up with the responsible Executive Directors, with the results of audit work reported to the Audit Committee. In addition to the planned programme of work, internal audit provide advice and assistance to senior management on control issues and other matters of concern.

Significant Internal Control Issues

The Head of Internal audit opinion cites major improvements are required in the framework of governance, risk management and control within the Trust. This opinion was based on three high risk internal audits during 2018/19 including IT Risk Assessment, IT General Controls and Key Financial Systems.

The key high risk findings included improvements required in information security and secure development principles alongside the need to instigate and improve policies and procedures for key systems across the Trust.

The management have developed a full action plan to address the issues in 2019/20, which has been approved by the Trust Audit Committee. Whilst these control weaknesses are a significant concern, there were no material impacts found on the Trusts annual accounts for 2018/19.

The risks identified centre on governance and integrity of digital system which have not impacted on clinical services. The Trust recognises strengthening the systems of internal control is a key priority for 2019/20 and this work will be overseen by the Audit Committee.

9. CONCLUSION

Overall there is in place a dynamic process for the management of internal control which is reviewed and updated regularly by the Executive Team and various Board Committees that are in place in the Trust to help me meet my responsibilities as Accounting Officer. The Trust has identified the internal control issue as detailed in 8.1, and has plans in place to address this, most of which has been commenced during 2018/19.

Cara Charles-Barks
Chief Executive **Date: 23 May 2019**

Quality account 2018 – 2019 contents

Priority 1 – Identify frail older people to ensure they receive effective care and treatment

The Older People's Assessment & Liaison team (OPAL) assessed & discharged eligible patients:

on same day

588 (42%)

within 24 hours

1281 (92%)

11

patients fell in hospital & fractured a hip, down from 18 in 17/18 & 18 in 16/17

However, the total number of falls resulting in harm increased in 18/19

Patients who had a hip fracture surgically treated within 36 hours of admission increased from

82% in 16/17 & 78% in 17/18 to

85%

in 18/19

Home as the preferred place of care at end of life decreased from 52 (68%) in 17/18 to

36 (62%) in 18/19

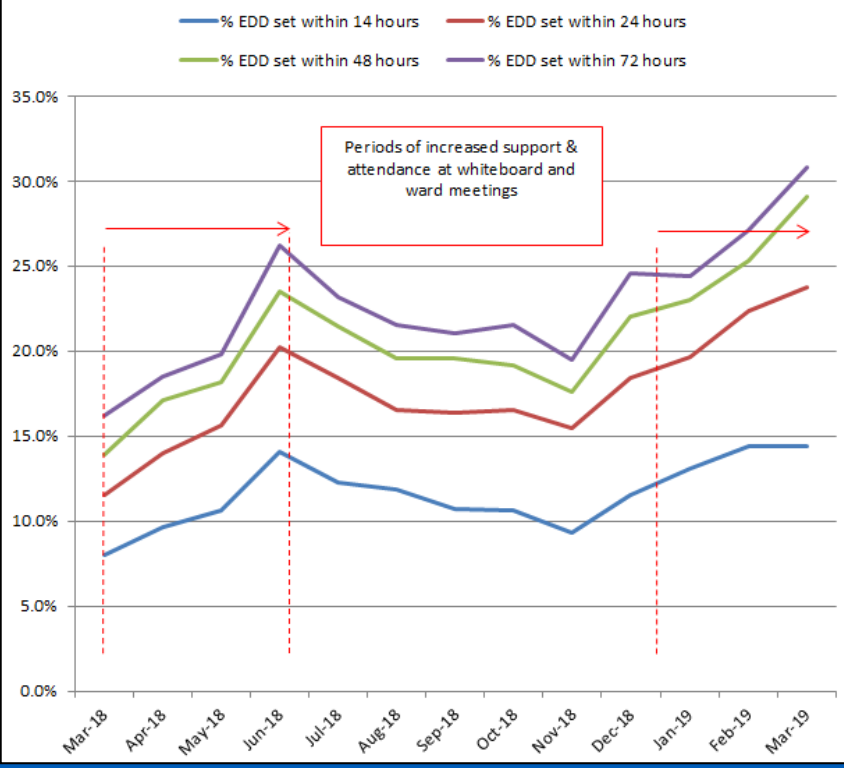
Priority 2 – Improve patient flow through the hospital

Senior review – by a senior doctor before noon

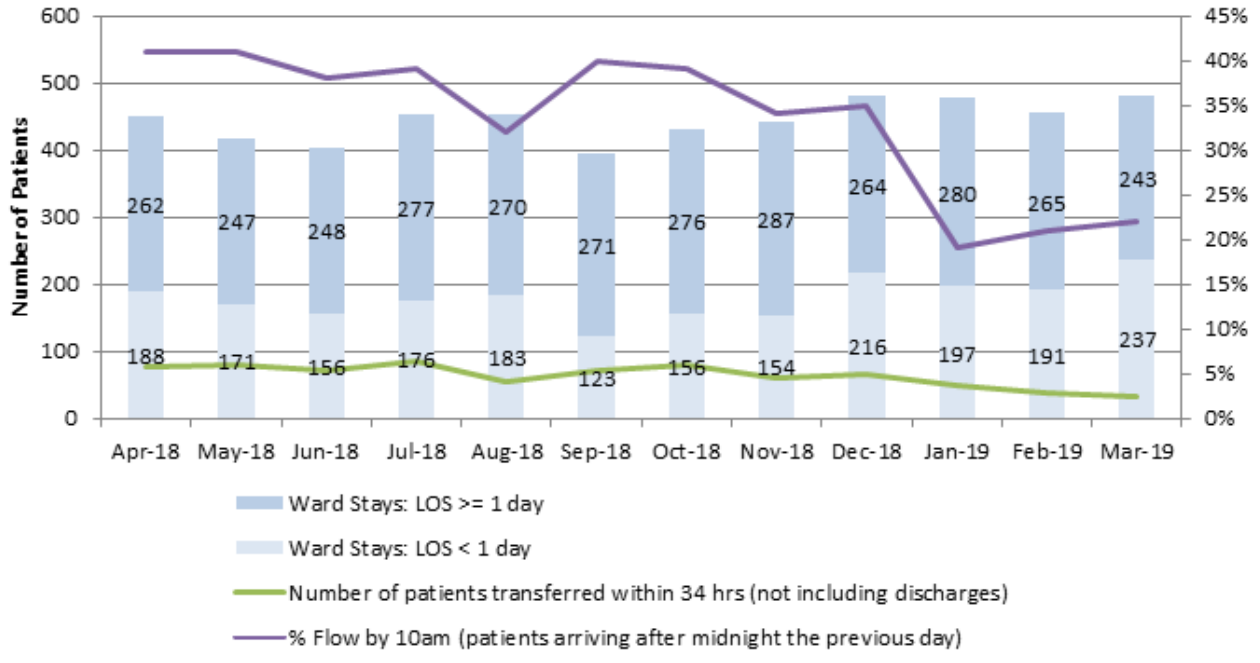
A survey in March 2019 highlighted that ward teams, when asked about patients being reviewed by midday, by a senior clinician, reported that this had taken place.

% of patients with an estimated discharge date set by month for the last 12 months

(calculated from date time ward assigned not admission date)

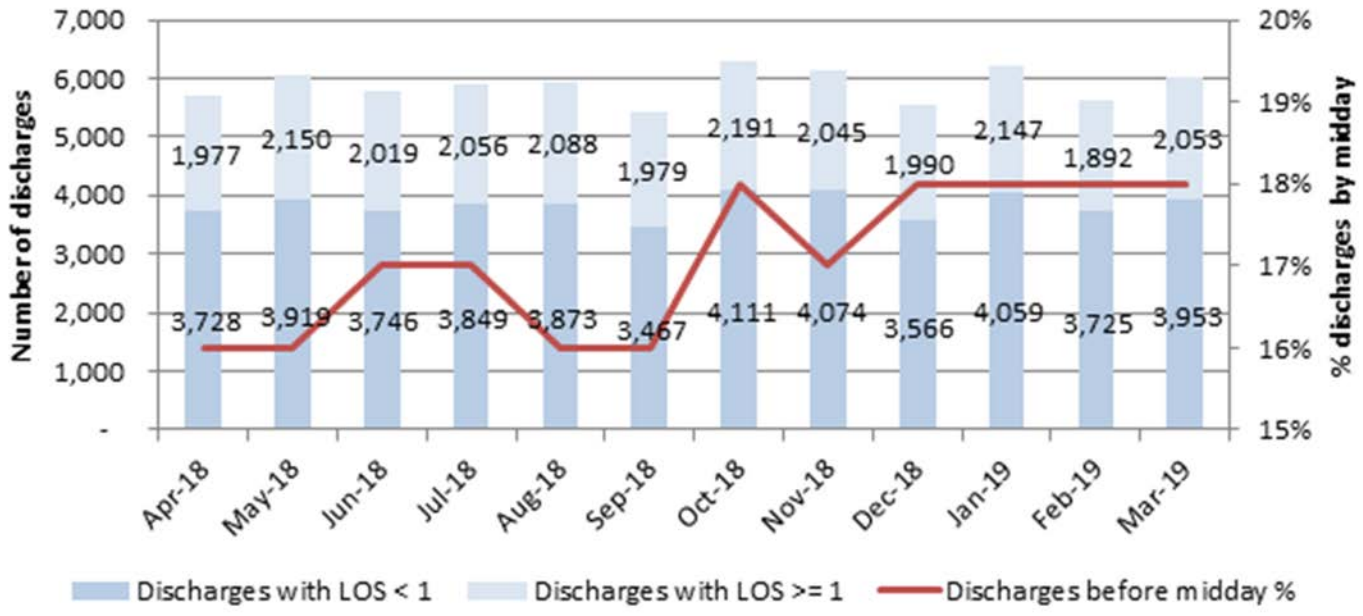


Flow out of the Acute Medical Unit by 10 am

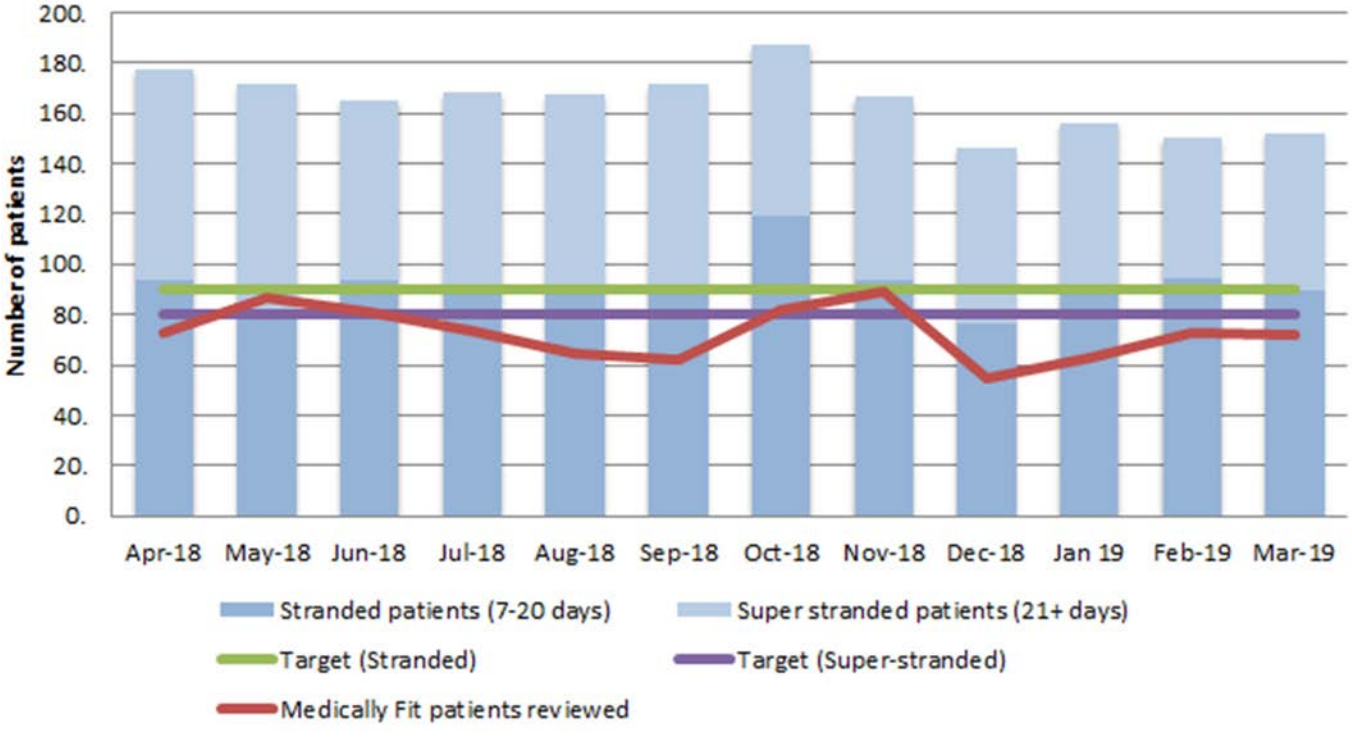


Priority 2 – Improve patient flow through the hospital (continued)

Discharges before midday (all wards)



Patients who have a length of stay of more than 7 days



Priority 3 – Improve recognition & management of deteriorating patients

100%
of patients had their vital signs recorded and scored

Escalated to nurse in charge (documented) increased from 17% (Q1) to **90%** (Q4)

Escalated to doctor (documented) 58% (Q1) to 90% (Q4)

Repeat review in 60 mins increased from 21% (Q1) to **52%** (Q4)

84%
of inpatients were screened for sepsis vs 83% in 17/18 & 81% in 16/17

67%
of inpatients given antibiotics within 1 hour of sepsis diagnosis vs 67% in 17/18 & 74% in 16/17

48
inpatients with a new catheter associated urinary tract infection in 18/19 decreased from 58 in 17/18 & 97 in 16/17 as measured by the Safety Thermometer

Priority 4 – Improve engagement with, & health & wellbeing of our staff

We have trained 104 of our staff in health coaching so

Staff engagement group, ideas included – refreshment provision, outside space development & discount vouchers, increasing local benefits for staff.

Let's Get Engaged!

shape UP @ salisbury

Staff have access to a range of health & wellbeing services

We need to do more work to improve the Health and Wellbeing offer to our staff

Quality Account

Introduction

Quality accounts, which are also known as quality reports, are annual reports for the public that detail information on the quality of services the Trust provides for patients. They are designed to assure patients, families, carers, the public and commissioners that the Trust regularly scrutinises the services it provides and concentrates on those areas that require improvement.

Quality accounts look back on the previous year's performance explaining where the Trust is doing well and where improvement is needed. They also look forward, explaining the areas that have been identified as priorities for improvement as a result of consultation with patients and the public such as the Warminster Health, Wellbeing and Social Care Forum, our staff and governors in 2018/2019.

Part 1

Our commitment to quality - the Chief Executive's view

I am proud to introduce the 2018/2019 quality account for Salisbury NHS Foundation Trust, in what has been an exciting and busy time in my second year here in Salisbury and in the 70th anniversary of the NHS.

This time a year ago our hospital faced an unprecedented major incident, treating and caring for five patients who had been exposed to nerve agent poisoning. Despite there being no precedent for the treatment of nerve agent poisoning in any healthcare system in the world, we never shut our doors to the public, and thanks to the expert care our staff provided, all three of these patients were later discharged. Our staff showed amazing resilience, professionalism and dedication during what was a very difficult time and now, a year on, it is truly amazing to reflect on what our hospital withstood and achieved.

I have always been so proud by the care and professionalism all the staff showed. And I was so pleased to see this reflected in our recent Care Quality Commission inspection, with the inspectors commenting "the team's response to these major incidents was outstanding in terms of their commitment to provide effective and responsive care, their collaborative working and their focus on the safety and well-being of all staff and patients in the Emergency Department during this time". Our critical care rating of 'outstanding' by the Care Quality Commission is testament to not only the outstanding response our critical care team provided during the incident, but the outstanding care they provide every day and night to the hundreds of people who come to this hospital needing our care.

Our overall rating of good by the Care Quality Commission is equally a ringing endorsement of the hard work of all our staff to deliver outstanding care every time. All of the four services reviewed had made significant improvements since our last inspection. I am extremely proud of the professionalism and commitment of our staff and the passion for our patients. The Care Quality Commission were impressed by the way in which everyone worked as a team to support our patients across all of our services, and the leadership, staff at every level have shown in going the extra mile for our patients.

Our ambition now, is to be rated as an outstanding Trust, and we will do this by listening to our patients and stakeholders and act on their feedback to continually improve the care we provide and support innovation. I was delighted that some of our patients have told their story at the Board this year so that we heard first-hand, their experiences to help us continue our improvement journey to provide an outstanding experience for every patient.

I am particularly proud that the Trust became one of 25 hospitals accredited as a Veteran Aware Hospital, as an exemplar of best care for veterans, leading the way in improving NHS care for people who serve or have served in the UK Armed Forces and their families. On 29 June 2019, Salisbury city will be at the centre of a national Armed Forces Day to celebrate and show our support for men and women and service families who make up the Armed Forces community.

This year we performed well on national quality and operational standards from improvements in the emergency care pathway and the completion of the reconfiguration of the hospital site. We were able to do this with greater involvement of our community and social care partners in the redesign of patient pathways to provide patients with the best possible care in the most appropriate setting.

Our staff are crucial to providing patients with high quality care. Their commitment is reflected in the national NHS staff survey which showed that the Trust is better than average for staff feeling engaged in improvements. This clearly has an impact on the way we care for our patients, with 89.6% of staff feeling that their contribution made a difference to patient care.

We look forward to continuing to build on the successes of this year, strengthening our partnership working even further and working towards our ambition to provide an outstanding experience for every patient.

To the best of my knowledge the information in this document is accurate.

Cara Charles-Barks
Chief Executive
23 May 2019

On behalf of the Trust Board,
23 May 2019

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

This section of the quality account describes the progress made against the priority areas for improvements identified in the 2018/2019 quality account and the priorities identified for 2019/2020. It includes why they have been chosen, how the Trust intends to make the improvements and how it plans to measure them. It also sets out a series of statements of assurance from the Board on key quality activities and provides details of the Trust's performance against core indicators.

2.1 Progress against the priorities in 2018/2019

These priorities were identified by speaking to patients, families and carers, the public, our staff and governors, Warminster Health, Wellbeing and Social Care Forum, our partners, local GPs and our commissioners through face to face meetings and surveys.

The Trust's priorities in 2018/2019 were:

Priority 1 Identify frail older people to ensure they receive effective care and treatment and reduce the number of patients who fall and injure themselves in hospital.

Priority 2 Improve the flow of patients through the hospital to ensure the right patient is cared for in the right place by the right team at the right time

Priority 3 Improve the recognition and management of deteriorating patients as well as treatment of adults and children with severe infections using Sepsis Six practices on our inpatient wards.

Priority 4 Improve the engagement with, and the health and wellbeing of our staff

2.2 Quality priorities in 2019/2020

A similar process has been used to identify the quality priorities for 2019/2020. These priorities fit with our strategic objectives and were considered by the Clinical Governance Committee and recommended to and agreed by the Trust Board. We have also taken into consideration the NHS Long Term Plan, the B&NES, Swindon and Wiltshire Sustainability and Transformation Partnership (STP) and our clinical strategy in deciding our quality priorities to ensure we continue to provide an outstanding experience for every patient.

The Trust's quality priorities for 2019/2020 are:

Our Trust quality priorities link to our strategic objectives:

Priority 1 Local - work with our partners to prevent avoidable ill health and reduce health inequalities.

Priority 2 Care - reduce avoidable patient harm by 50% over 3 years (2019 – 2021).

Priority 3 Local - work with our partners to improve patient flow through the hospital.

Priority 4 Innovation - design new models of care to provide patients with more convenient access to services and make the most of digital care.

Priority 5 People – improve the health and wellbeing of our staff.

What we did in 2018/2019:

The numbered points below indicate the quality priorities set for 2018/2019; the paragraph that follows is the progress made towards their achievement.

Priority 1 Identify frail older people to ensure they receive effective care and treatment and reduce the number of patients who fall and injure themselves in hospital

Description of the issue and reason we prioritised it:

Our Trust vision is to provide an outstanding experience for every patient. Frail older people form a significant proportion of emergency admissions. There is a need to plan and co-ordinate our services with our community partners so that frail older patients receive an early assessment, treatment and care plan by specialist teams to improve outcomes, avoid unnecessary admissions and reduce the length of time in hospital. We also need to do more to identify patients with delirium to ensure they receive effective care and treatment. We need to continue to reduce the number of patients who fall and injure themselves in hospital and, for those at the end of their life who wish to die at home, ensure a rapid discharge.

What we did in 2018/2019 to improve:

1.1 Improve the early identification of frail patients and ensure they receive a specialist review and a comprehensive assessment with a personalised care plan

Our Older People's Assessment and Liaison (OPAL) team has continued to see older people with moderate or severe frailty to undertake a specialist assessment and personalised care plan before patients leave the Acute Medical Unit and Emergency Department. The OPAL team is able to make a rapid assessment and this year has seen 1398 patients and supported 588 patients to go home the same day and, where needed, provided short term care and support at home until the community team were able to takeover.

Figure 1: Patients seen by the Older People's Assessment and Liaison team (OPAL) and discharged the same day or within 24 hours of assessment

Measure	Target	2017/18	2018/19	2018/19 overall performance
Number of patients seen by the OPAL team		962	1398	⇧
Number of patients discharged the same day		466	588	⇧
Number of patients discharged within 24 hours of OPAL team assessment	50%	Not recorded	1281 (92%)	

1.2 Increase the number of frail patients who are able to go home from the Emergency Department and Acute Medical Unit with appropriate follow up.

The OPAL team were able to support 588 moderately or severely frail patients to go home on the same day as they attended the Emergency Department or Acute Medical Unit. The specialist team have also been able to support a total of 1281 of these patients to go home within 24 hours of assessment as shown in Figure 1. These patients were either followed up by the OPAL team at home, or by the community team, GP or at a rapid access clinic.

1.2 Introduce a delirium care bundle which is a set of practices designed to improve the early identification of delirium so that patients receive appropriate treatment and care

The delirium care bundle was tested on several wards earlier this year but there were challenges with its uptake. As a result, the bundle was redesigned and made simpler and has been tested again with patients on Spire ward following staff training and education. Its uptake will continue to be monitored by the specialist team in dementia care on the weekly ward round and an audit will be undertaken next year to measure its effectiveness in providing best care.

1.3 Set up an Older People's Steering Group with acute and community partners to develop a frailty pathway for timely discharge.

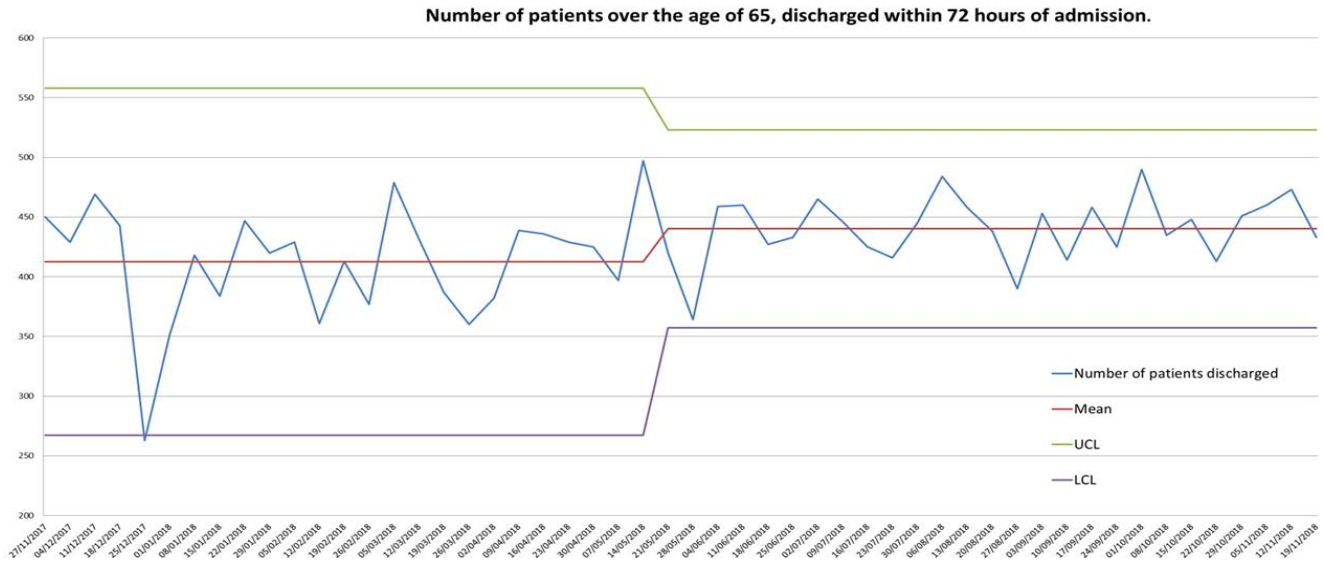
We have set up a Wiltshire wide Older People and Frailty Steering Group with our community partners to design a frailty pathway. This is to ensure patients receive the best possible care by preventing admission altogether by arranging care at home, and avoiding delays from the moment patients are admitted to hospital, and supporting them to go home or move to a community hospital as soon as they are fit to leave hospital.

The pathway is designed for moderately or severely frail patients, many of whom are able to go home from the Emergency Department and the Acute Medical Unit on the same day as they attend or within 24 hours of admission (Figure 1). However, patients who need to be admitted for treatment and therapy, who are expected to stay for less than 5 days, are moved to Durrington ward, under the care of a specialist doctor in older people's care. If a patient is expected to stay longer than 5 days they are progressed to Spire ward under the specialist team in older people's care.

It is recognised that continuity of care and momentum for discharge planning may be lost if patients move to other wards that do not specialise in older people's care. However, when this does happen, the specialist OPAL team continue to see these patients to ensure progress is made with their discharge plan. This has had a positive impact in increasing the total number of patients seen by the team discharged within 72 hours of admission (Figure 2).

Once the patient leaves hospital, the pathway is continued by the specialist hospital team and community frailty team who regularly discuss frail patients who are at high risk of admission or sudden decline. In this way, the community matron or community frailty team are able to assess and plan further interventions to reduce the likelihood of the patient being admitted as an emergency. The specialist team also run rapid access clinics for older people so that patients can be seen on the same or next day in the community.

Figure 2: Patients seen by the Older People's Liaison Team on wards other than Durrington and Spire wards who were discharged within 72 hours of admission from November 2017 – November 2018



UCL = upper control limit, LCL = lower control limit

1.4 Continue to work on reducing the number of patients who have preventable falls and fracture their hip in hospital.

The rate of falls resulting in patients fracturing their hip showed a reduction this year in comparison to the last two years (Figure 3).

We have taken part in an NHS Improvement Falls Prevention Collaborative and used the learning to make improvements. Last year, we introduced a new risk assessment which focused on a wider range of risks, including removing trip hazards around the patient's bed space. We have continued to put the bedside locker and personal belongings on the same side as the patient gets out of bed at home. Last year, we successfully tested on one ward a pressure sensor mat to alert staff when a patient gets out of bed or stands up from a chair. These are now available for all patients who need them so that staff can attend to them as soon as they need assistance.

Further work is planned to introduce activity boxes which contain familiar objects that give patients a sense of safety to help them to feel less restless and less likely to wander around. Some of our patients who were admitted following a fall at home, had recovered and were ready to leave hospital, but were waiting for care at home, when they fell and suffered a fracture. We have introduced posters with 'call, don't fall' to remind patients to call for help before they walk from the toilet or bathroom.

On three of our wards we have tested the use of a falls checklist when a patient has had a fall to ensure all the checks that need to done, such as an X-ray and any treatment needed, is given promptly. These checklists are now in place on all our wards. If a patient has had a fall and injured themselves, the staff get together as soon after the event as possible, to discuss what happened and to see if anything could have been done to prevent it and whether further improvements need to be made.

Figure 3: In-patient falls resulting in a fractured hip and rate of all fractures per 1000 bed days

Measure	2018/19 target	2016/17	2017/18	2018/19	2018/19 overall performance
Number of patients who fell in hospital which resulted in a fractured hip	0	18	18*	11	⇩
Rate of all fractures per 1000 bed days	0	0.108	0.110	0.068	⇩
	⇩ Better ⇔ As expected ⇧ Worse				

*In 2017/18, the number of patients who fell in hospital which resulted in a fractured hip was reported as 17. The final figure was 18 patients.

However, Figure 4 below shows that when comparing the number of patients who fell that resulted in all fractures (not just hip fractures and/or harm that was caused, both moderate and major), the number of falls increased in 2018/2019.

We have undertaken a detailed review to look at the underlying causes and learning arising from falls resulting in harm and found two common themes. These are: 1) Lack of a detailed falls assessment and subsequent preventative action 2) Some of the patients at high risk of falls who had all preventative measures put in place, such as the provision of a low level bed, grip socks, and intentional rounding, still fell when they mobilised on their own.

This will continue to be a priority for us next year as we plan to:

1) Relaunch the falls prevention improvement work and take part in the work streams identified as part of the NHS Improvement Falls Prevention Collaborative and Enhanced Care Collaborative.
2) Provide training for our falls champions on each ward.
3) Design individualised intentional rounding for each ward.
4) Promote 3 high impact actions to prevent hospital falls – 1) lying and standing blood pressure recorded at least once 2) Ensure the patient is not prescribed sleeping tablets, sedatives or medication used to treat psychosis during their stay or the reason for giving them is clearly documented 3) a mobility assessment is recorded within 24 hours of admission to hospital and a walking aid provided within 24 hours, if needed.

Figure 4: Number of patient falls in hospital resulting in a fracture, major or moderate harm and rate of all fractures per 1000 bed days

Measure	2018/19 target	2016/17	2017/18	2018/19	2018/19 overall performance
Number of patients who fell in hospital which resulted in a fracture (all fractures)	0	33	*29	36	⇧
Rate of all fractures per 1000 bed days	0	0.198	0.177	0.223	⇧
	⇩ Better ⇔ As expected ⇧ Worse				

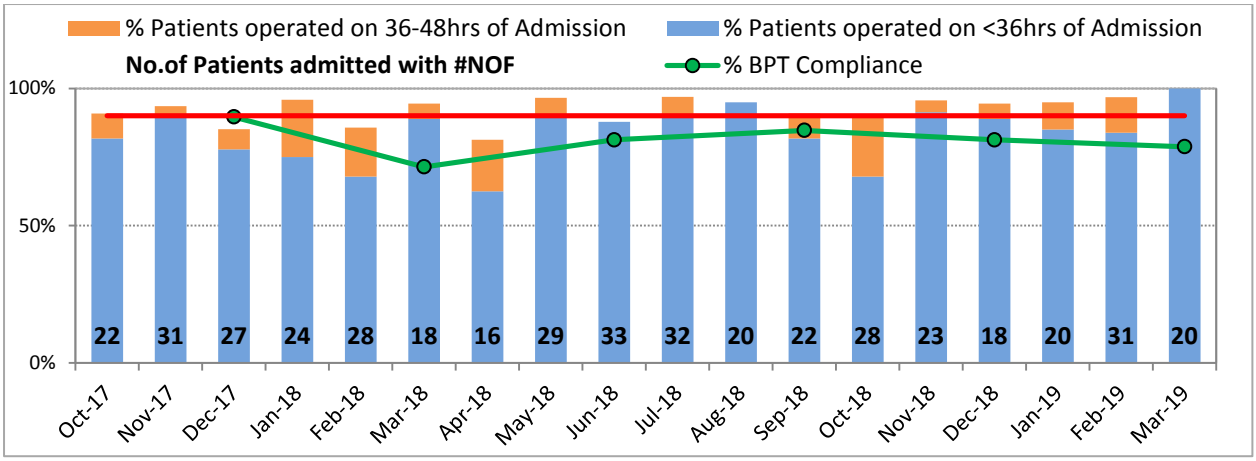
*In 2017/18, the number of patients who fell in hospital which resulted in a fracture was reported as 28. The final figure was 29 patients.

1.6 Increase the percentage of all patients who have their hip fracture surgically repaired within 36 hours of admission from 78.6% to 90% by March 2019.

A hip fracture is a serious injury and is best managed by surgical repair within 36 hours of admission to hospital, to avoid complications of being in bed, and to start walking as soon as possible.

In 2017/2018, only 78.6% of patients with a hip fracture had their surgery within 36 hours of admission. We looked in detail at the reason why patients had their operation delayed and in most cases it was because theatre lists overran leaving insufficient time to start and finish another operation. In June 2018, we introduced an all day trauma operating list to ensure emergency patients had their surgery in a timely manner. We also re-introduced the 'golden patient' initiative so that the first patient on the theatre list is a patient with a hip fracture. This helps to avoid unnecessary delays. Since the improvements made in June 2018, we have achieved the 90% standard of patients receiving surgery within 36 hours in 5 out of 8 months (Figure 5). We need to continue this work to consistently achieve this every month.

Figure 5: Patients with a fractured hip who had it repaired within 36 hours of admission



BPT = best practice tariff (9 standards that must be achieved for each patient)

1.7 Increase the number of rapid discharges for patients who wish to die in their preferred place of care

This year, applications for fast track funding reduced when compared to the previous year. We looked in detail at the reasons for this and found that the understanding of whether a patient meets the eligibility criteria for fast track Continuing Health Care funding is not well understood by the teams. As a result in March 2019, the Continuing Health Care lead for Wiltshire and our lead specialist nurse have set up a best practice group to improve practice and this will include education and training.

The number of patients successfully able to be discharged to their preferred place of care also reduced from 52 (68%) last year to 36 (62%) this year (Figure 6). We looked in detail, at the reasons why, patients for whom fast track funding was applied had died in hospital. We found the most common reasons were lack of care provision available in the community, patients waiting for a nursing home bed, and patients who had deteriorated soon after the fast track funding application had been made and were too unwell to go home.

In August, with our partners we set up a multi-agency working group to plan improvement actions. The group mapped out a number of patient journeys and found that in all cases the journey was different. We also looked at patients who had been discharged where everything worked well and compared these cases with those where delays had occurred. The group identified improvements and have taken the following actions:

1. The specialist nurses facilitate earlier identification of patients eligible for fast track funding at the daily ward whiteboard meetings.
2. Explored IT developments to ensure fast track guidance and documentation is available 24/7.
3. Improved collaborative working with other agencies through more contacts in the community to support rapid discharge.
4. Held discussions with Wiltshire and West Hampshire Clinical Commissioning Groups to improve community care provision, particularly in the Fordingbridge area, for patients who need care at home.

Figure 6: Patients who had fast track applications granted and were able to go to their preferred place of care

Measure	2016/17	2017/18	2018/19	2018/19 overall performance
Number of fast	38	76	58	⇩

track applications made				
Number of successful discharges to preferred place of care	29 (76%)	52 (68%)	36 (62%)	⇩
Number of patients who died in hospital	9	24	22	
	⇧ Better ⇔ As expected ⇩ Worse			

What our patients and public have told us and what we have done or will do to improve:

- 'The team gave considerable support and encouragement to an elderly patient who could be uncooperative and unwilling at times. Caring staff'.
- 'Excellent care and patience with the elderly'.
- 'I noticed some elderly patients are not encouraged to drink'. We will continue with intentional rounding for patients at high risk of malnourishment and dehydration. This means a nurse checks the patient every hour to ensure he/she is offered and encouraged to drink and provide mouth care when needed.

Priority 2 Improve the flow of patients through the hospital to ensure the right patient is cared for in the right place by the right team at the right time

Description of the issue and reason we prioritised it:

This priority is all about ensuring patients are cared for in the right place at the right time by the right people. This improves patient outcomes and enhances patient experience. Over the last few years we have focused on 3 key work streams 1) Improving flow through the Emergency Department (improved triage, rapid assessment and treatment) and flow into our ambulatory care areas (by reconfiguring our wards to increase the number of medical beds, expanding the Acute Medical Unit and introducing a new short stay surgical ward, developing a new frailty assessment service (OPAL team) and rapid access to outpatient clinics). 2) improving flow through the hospital wards (implementing the SAFER care bundle – a set of practice that reduces delays in a patient's journey) 3) Improving discharge - (set up of an Integrated Discharge Service to support patients and families with complex discharge needs and reduce the number of patients who have been in hospital longer than 7 days and are fit to go home). We need to do more to make sure patients are cared for on the right ward and are not moved from one ward to another during their stay. This can lead to delays and a poor experience of care.

What we did in 2018/2019 to improve:

2.1 Ensure patients are seen within 15 minutes of arrival in the Emergency Department and divert them to the most appropriate service for their needs

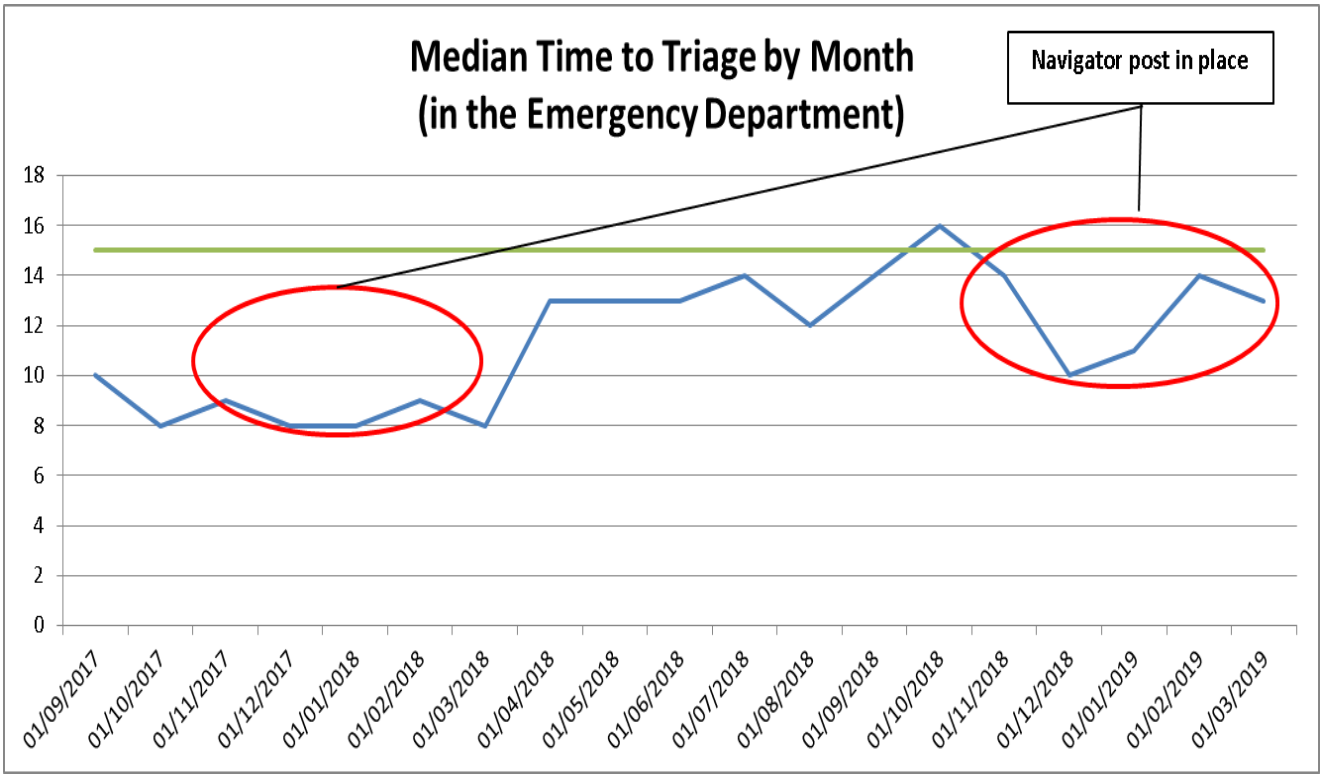
In October 2017, we started a 6 month pilot using experienced paramedics to act as 'navigators' (someone who directs the patient on arrival to the most appropriate professional for their needs) from 10.00 am to 10.00 pm every day. The paramedic was able to immediately carry out a brief assessment of all patients and recommended treatment either by a doctor, specialist nurse or GP.

If the patient did not need to be seen in the Emergency Department, the paramedic was able to book a GP appointment for a patient or provide advice and discharge them. The paramedics were able to provide pain relief straight away and immediately refer patients with the greatest need straight to a senior doctor.

The time to initial assessment reduced from just under 15 minutes to 8 to 9 minutes during the 6 month pilot (Figure 7). 7% of patients were redirected to alternative locations, such as a GP or the out of hours service. Approximately, 50 patients a month were immediately referred from the waiting room to see either a senior doctor or for a priority triage assessment.

The very successful pilot came to an end in March 18 and in November 18 we re-introduced paramedics again as 'navigators' following a recruitment campaign. We used the learning from the pilot and redesigned a space for patient assessment by the paramedics and an education programme so that paramedics are able to learn about wound care and other clinical skills. Figure 7 shows that the re-introduction of the navigator role in November 18 has improved the time taken to see patients within 15 minutes of arrival. The improvements we have made in the Emergency Department since the re-introduction of the navigators are important for the safety of our patients to ensure they get prompt assessment and appropriate treatment.

Figure 7: Patients seen within the 15 minute target (green line) of arrival in the Emergency Department and the impact of the 'navigator' pilot



2.2 Expand the Older People's Assessment and Liaison team (OPAL) to a seven day service so that frail patients can go home earlier and be supported at home

During 2018/2019, the OPAL team moved from a five day, weekday service to a seven day service from 8.00 am – 6.00 pm. Each ward has an electronic whiteboard which lists all the patients on the ward and the progress of their discharge plan. The OPAL team are able to highlight their involvement with specific patients on the board and this has helped to ensure

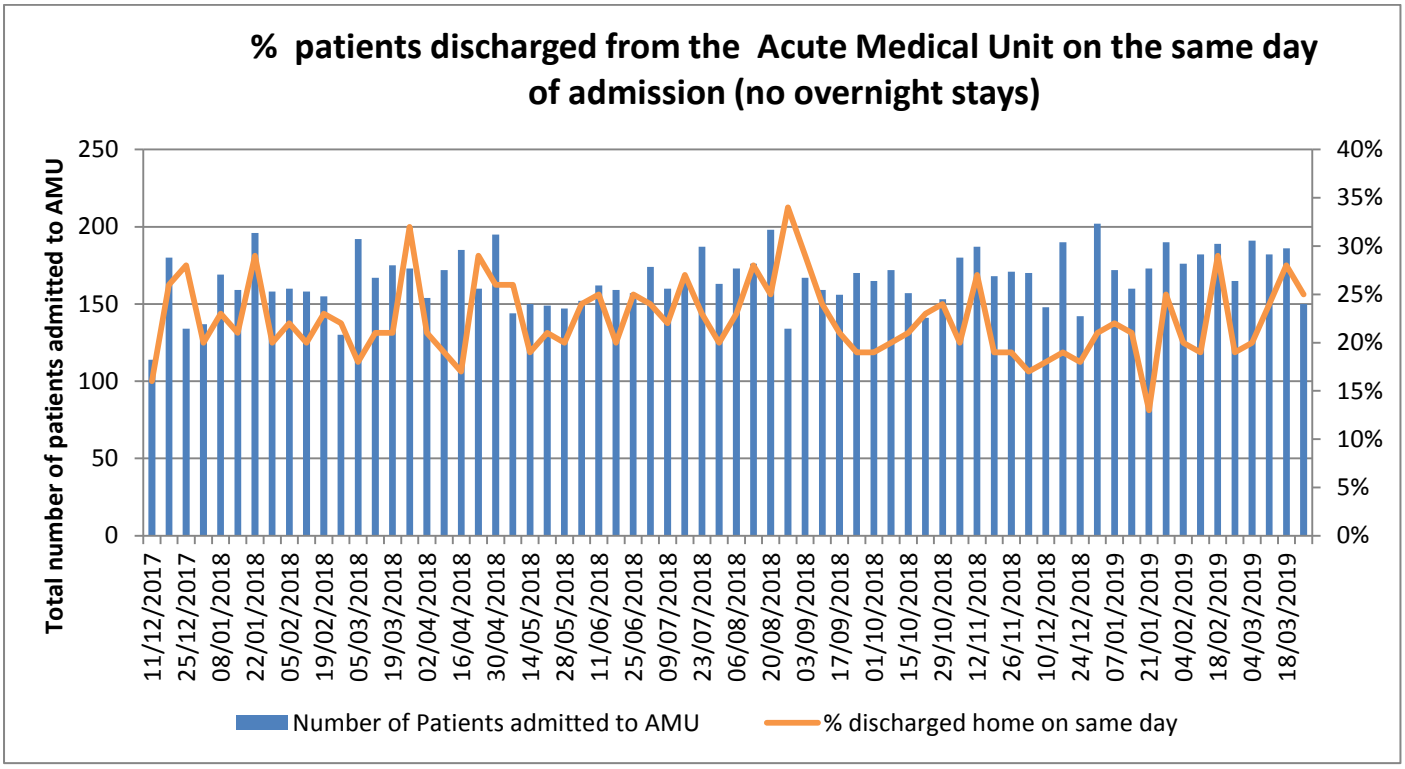
patients receive timely therapy. The team have seen more patients than in 2017/2018 and increased the number of patients discharged within 24 hours of admission to 92% (Figure 1).

2.3 Increase the number of ambulatory care pathways to enable patients to be assessed, treated and discharged on the same day

In December 2017, our new expanded Acute Medical Unit opened to increase the number of patients benefiting from ambulatory emergency care on the same day, either without admission to hospital at all, or admission for only a few hours. The key to success of ambulatory care is rapid assessment, diagnosis and treatment by a senior doctor in the Acute Medical Unit, Surgical Assessment Unit and Paediatric Department. Conditions such as chest pain, abdominal pain, uncomplicated infections and blood clots can all be managed safely in ambulatory care. All patients presenting to the Acute Medical Unit are now considered to have the potential to be managed as ambulatory patients. The average across the whole year, highlighted that 22% of patients were discharged from the Acute Medical Unit on the same day they were admitted compared to a target of over 30% (Figure 8).

In March 19, we set up a combined ambulatory care and Emergency Department working group to agree further actions that need to be taken to improve patient flow. This work will be linked to the Getting It Right First Time (GIRFT) Emergency Department improvement plan.

Figure 8: Patients discharged from the Acute Medical Unit December 2017 – March 2019 on the same day (Target over 30%)



2.4 Measure the impact of the SAFER care bundle which is a set practices to ensure patient flow is appropriately managed

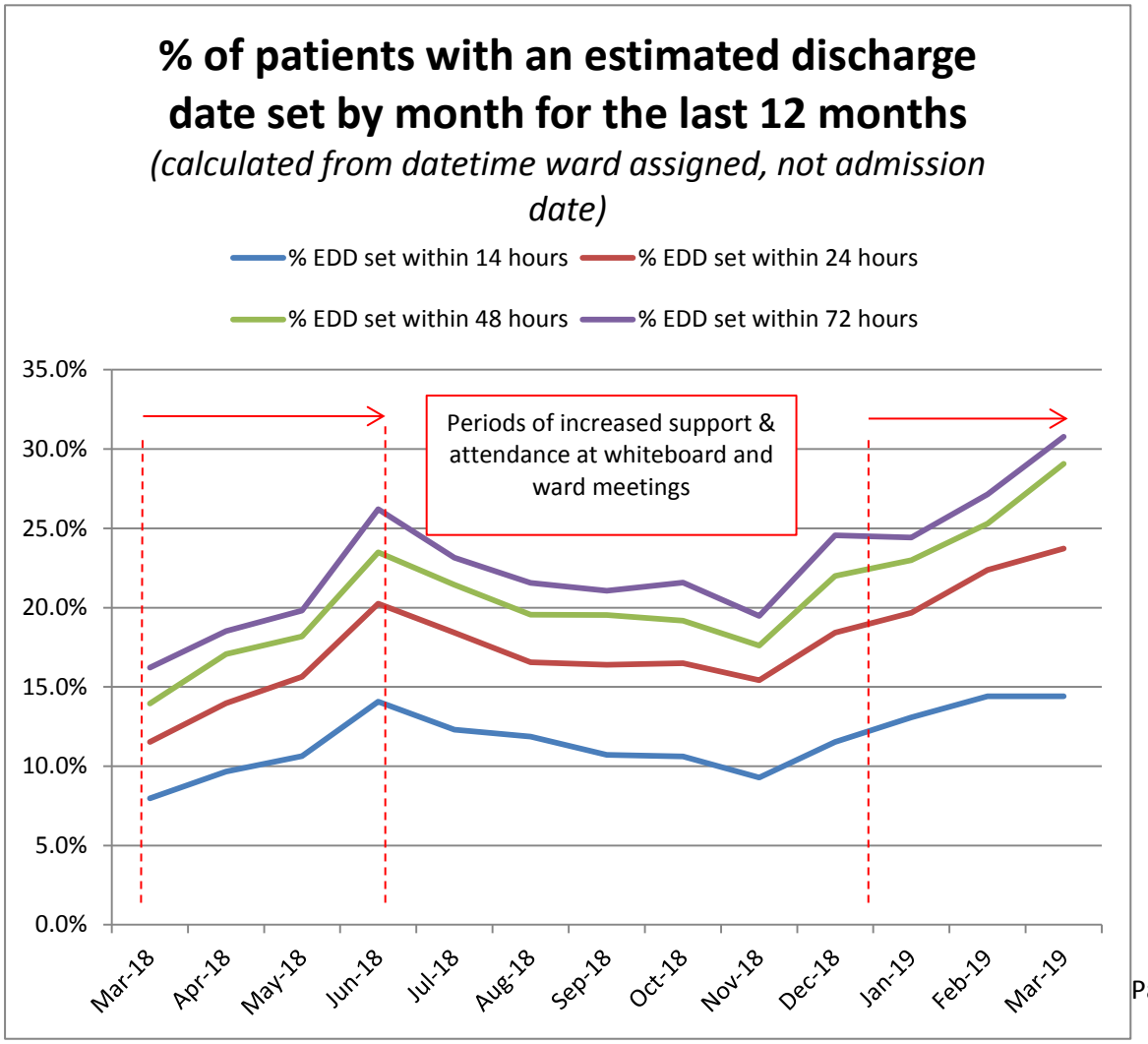
This year we have continued to embed the use of the SAFER care bundle which has 5 elements of best practice:

1) **S**enior review – all patients should have a review by a senior doctor before midday to make a management and discharge decision if the patient is fit to go home. We are not currently collecting data to measure the timeliness of senior doctor reviews. However, a one off review in March 19 highlighted that ward teams, when asked about whether their patients had been reviewed by midday by a senior clinician, were positively reporting this had taken place. Attendance at morning white board rounds by a senior doctor varies from ward to ward and this is an area of focus and improvement in 2019/2020.

2) **A**ll patients should have an expected discharge date (EDD) and criteria set for discharge within 14 hours of admission. The Directorate senior leaders work with their clinical teams to prompt them to set an expected discharge date and review existing EDDs on every ward at the morning whiteboard round which includes a discussion with the patient and their family. The information also enables the clinical site team, who manage the flow throughout the hospital, to know how many patients will be discharged each day to ensure new patients are admitted to the right ward, first time.

   Figure 9 shows that the percentage of patients with an expected date of discharge set within 14, 24, 48 and 72 hours improved when clinical teams received increased support from improvement facilitators and Directorate senior nurses at the whiteboard meetings and ward meetings. This will continue to be a focus of improvement work in 2019/2020.

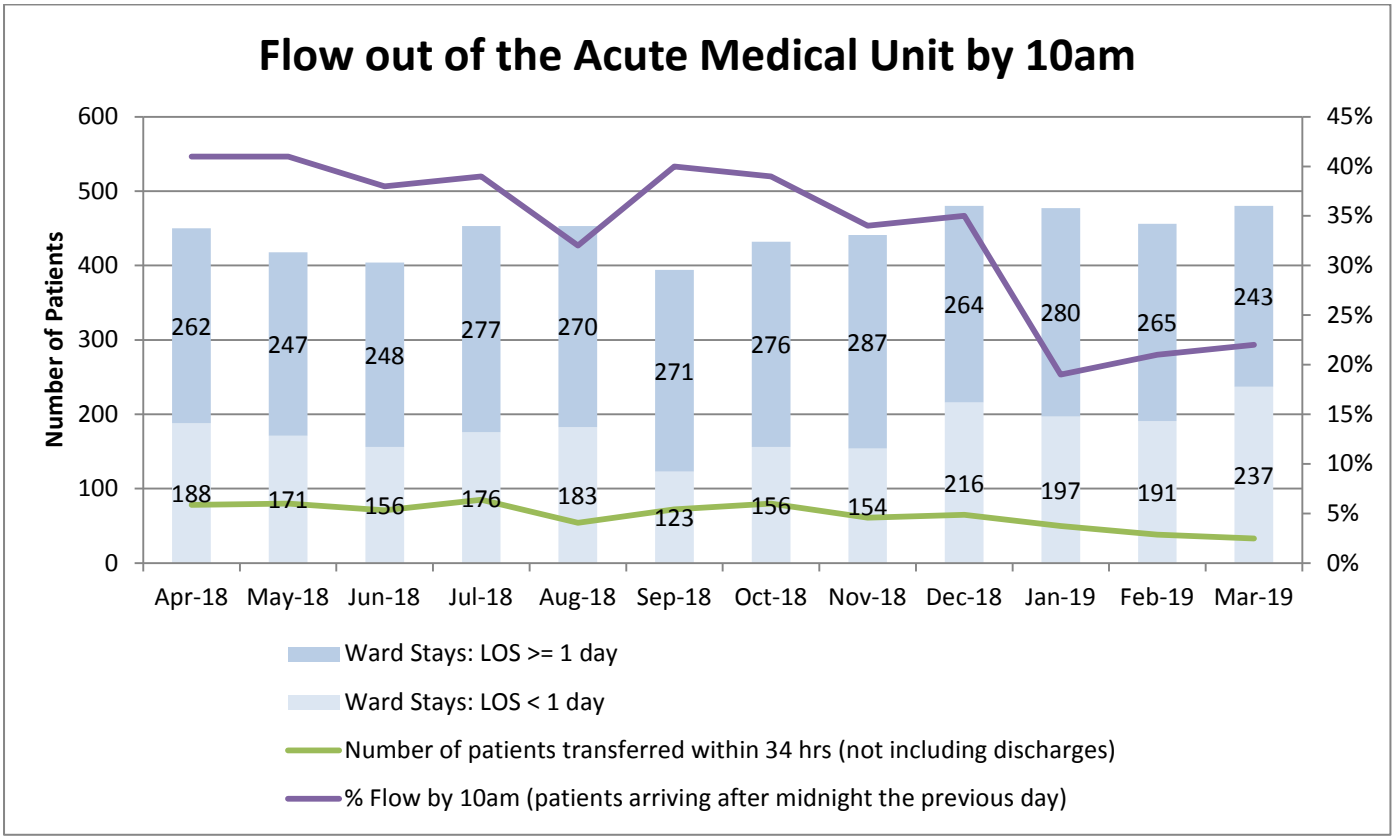
Figure 9: Patients with an EDD (expected discharge date) set within 14 hours (target 95%) 24, 48 and 72 hours of admission



3) **F**low of patients from assessment units to inpatient wards should start as early as possible each day. Ideally, the first patient should arrive on the inpatient ward by 10.00 am. Each ward has an afternoon 'huddle', whereby key staff get together to plan the next day discharges. At this meeting, 'golden patients' are identified for discharge by 10.00 am the following day and arrangements, such as, take home medication, the discharge summary and discharge summary are all prepared in advance.

Figure 10 shows that in the first three quarters of 2018/2019, on average, 38% of patients were transferred out of the Acute Medical Unit to a ward by 10.00 am. However, in the last quarter of 2018/2019, on average, only 22% of patients were able to move to an inpatient ward by 10.00 am compared to a target of 25%. This will continue to be a focus of improvement work in 2019/2020.

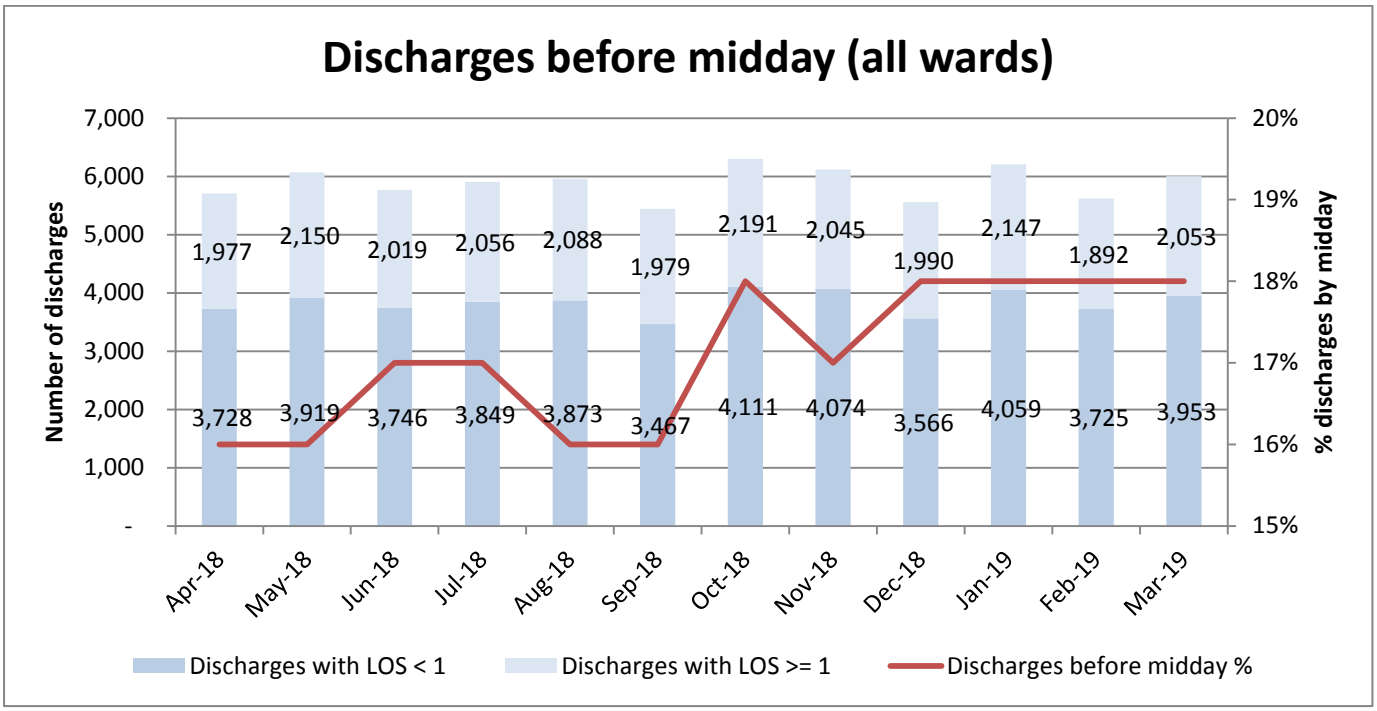
Figure 10: Flow of patients out of Acute Medical Unit by 10.00 am (target 25%)



LOS = length of stay

4) **E**arly discharge – a third of patients should be discharged from the ward before midday. Figure 11 shows that on average only 16 - 18% of patients are discharged before midday compared to a 33% target. This relies on patients having an expected discharge date within 14 hours of admission so that arrangements can be made early with the patient, their family or carers to go home. We are working to improve the setting of expected discharge dates by supporting teams to refocus efforts on setting a date at the daily ward whiteboard round and discussing it with the patient and family, as well as, ensuring take home medication, the discharge summary and transport home are arranged the day before the patient goes home

Figure 11: Early discharge before midday (target 33%)

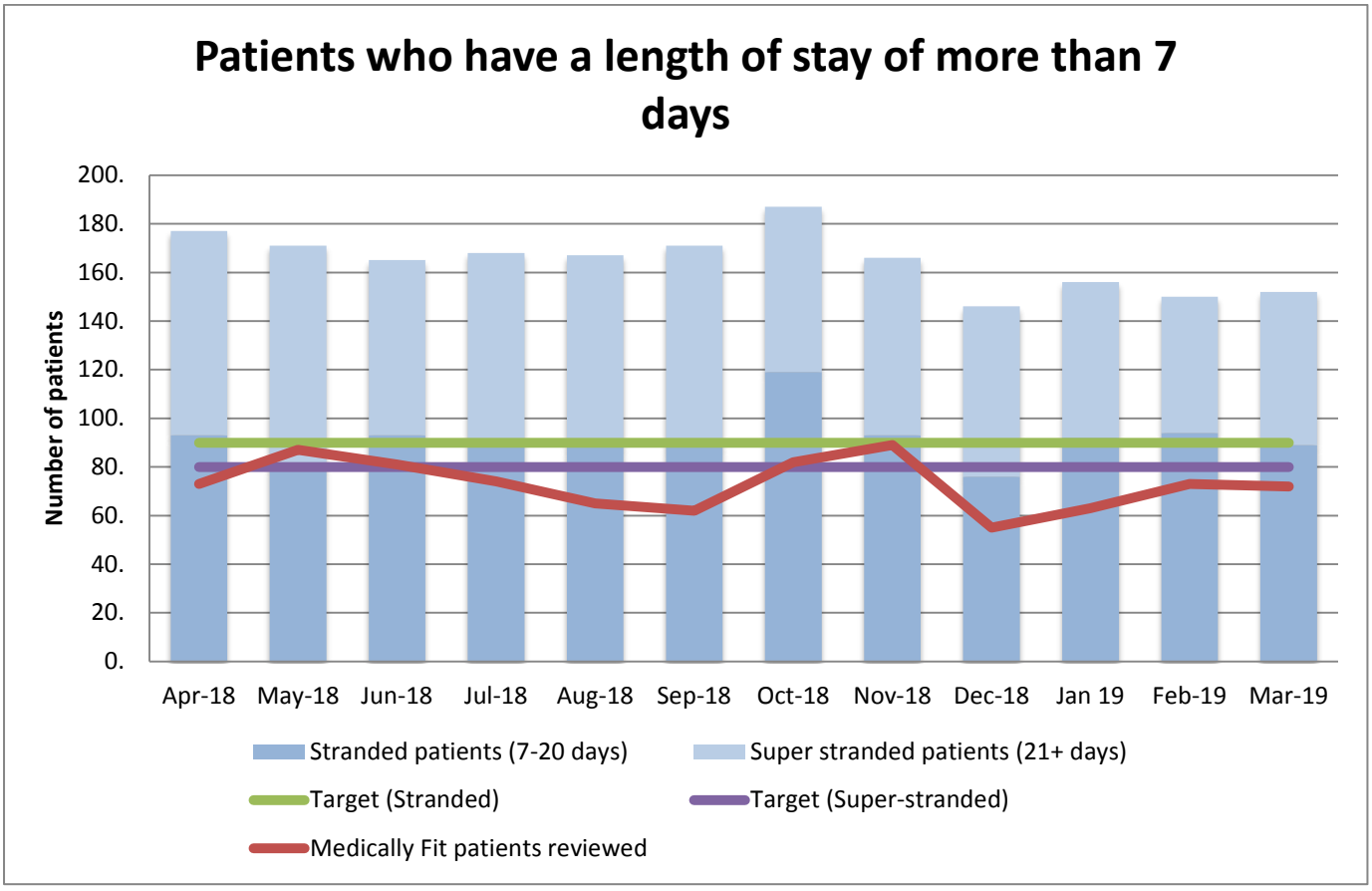


LOS = length of stay

5) **R**eview – a review of patients with a length of stay over 7 days by a senior team with a clear 'home first' mind set. Once a week, senior staff from the hospital meet with our community partners to review patients who are medically fit for discharge who have been in hospital for more than 7 days. The meeting decides on what further actions need to be taken by the hospital or community teams to progress a patient's discharge. This involves our community partners visiting specific wards to discuss patient discharge plans with the staff to assist with arrangements if needed.

Figure 12 shows the number of stranded patients (who have been in hospital between 7 to 20 days and are fit to leave) and super stranded patients (who have been in hospital for 21 days or more and are fit to leave) and patients that are medically fit that have been reviewed by the specialist team (pink line). These patients are reviewed by the senior team every week.

Figure 12: Patients reviewed by a senior multi-agency team with a length of stay over 7 days



Stranded patient - is a patient in hospital for 7 – 20 days and is fit to leave hospital
Super stranded patient - is a patient in hospital for over 21 days and is fit to leave hospital.

Other improvements we have made is to encourage patients to get up, dressed and moving as part of the national #endpjparalysis campaign. www.endpjparalysis.com If patients are able to wear their day clothes it enhances dignity, autonomy and in many cases shortens length of stay.

2.3 To work collaboratively with our community and social care partners to develop an older persons pathway

With our community and social care partners we have set up a Wiltshire wide Older People's Steering Group to develop an older people's pathway. This is to enable patients to receive the best possible care and avoid delays, from the moment they are admitted to hospital to the time

they go home or move to a re-ablement bed or community hospital as soon as they are fit to leave hospital. This is described in priority 1.3.

2.4 Monitor the number of patients who have been in hospital for 7 days or longer and identify opportunities to reduce delays in discharge

Once a week, a senior group of multi-agency staff from the hospital, community services, social care and Clinical Commissioning Group meet to discuss all patients who have been in hospital for 7 days or longer. They talk through the patient's journey and what action needs to be taken to progress the discharge and, where needed, escalate to a senior decision maker. Wiltshire Clinical Commissioning Group, hospital and community teams review the reasons for delays to plan further improvement work. Figure 12 shows the number of patients reviewed by the senior team this year.

2.5 Working in partnership with care homes to introduce the concept of a trusted assessor to enable a patient to receive one assessment accepted by all providers

A trusted assessment is one that is undertaken by formal agreement by a nurse or therapist with the necessary level of knowledge and skills, who is trusted to undertake assessments on behalf of other organisations. This helps to reduce duplication and is a key element of best practice in reducing delays of patients transferring between hospital and care homes.

In partnership with Wiltshire Council, we have tested this with patients transferred to intermediate care beds for a short period of rehabilitation before returning to their own home. The concept has improved communication and trust between professional teams but it has not had an impact on speeding up discharges. This work will continue as part of our NHS Improvement Emergency Care Intensive Support Team plan.

What our patients and public have told us and what we have done or will do to improve:

- 'The speed at which I was attended to in A&E and subsequent move to a ward was impressive'.
- 'They must deal with so many old people like me but they were kind and patient, and incredibly enabling. The on-going support since my discharge has been exceptional'.
- 'I thought I was going to be discharged at 10:00 am but did not leave until 4.00 pm. Three telephone calls to my wife who had to adjust her plans as a result'. We will work to improve compliance with the SAFER care bundle so patients are able to go home in a timely manner.

Priority 3 Improve the recognition and management of deteriorating patients as well as treatment of adults and children with severe infections using Sepsis Six practices on our inpatient wards

Description of the issue and reason we prioritised it:

Recognising and responding to clinical deterioration is a key patient safety and quality challenge to improving patient outcomes. Nationally, the commonest problem identified in learning from deaths or clinical incidents is failure to recognise or act on deterioration. We planned to introduce the national early warning score which improves the detection and response to clinical deterioration. Linked to this work we have focused on severe sepsis, which is a time critical condition that can lead to organ damage, multi-organ failure, septic shock and death. Rapid diagnosis and treatment are crucial to survival. During 2017/2018 we improved screening and treatment using the Sepsis

Six practices through our emergency routes but we needed to do more to improve screening and treatment of in-patients through an ongoing education and audit programme.

What we did in 2018/2019 to improve:

3.1 Introduce the National Early Warning Scoring system to standardise practice across the NHS

In February 2019, we fully implemented the National Early Warning Score (NEWS2) to standardise the assessment of acutely ill and deteriorating patients. This is a system that has been introduced in hospitals across the NHS. Patient's vital signs (temperature, pulse, blood pressure, respiration rate, oxygen levels, and level of consciousness or new confusion) are recorded and each vital sign is given a score. The higher the score the more unwell the patient is and this triggers an escalation response to a member of the medical or surgical team.

In the time leading up to the introduction of NEWS2, an electronic vital signs hand held recording device called POET (Patient Observation Escalation Tool) was introduced on every ward and the Emergency Department. The device automatically calculates the score and advises on how frequently vital signs should be recorded and directs the nurse to escalate to the medical/surgical team. Any patient who scores 5 or more is automatically screened for sepsis. This system is now live across all of our adult inpatient wards.

3.2 Undertake a quarterly audit of the recording of clinical observations and escalation of patients who need a review by a doctor and undertake a detailed analysis of patients who are not escalated in a timely manner and take improvement actions

The audit showed (Figure 13) all patients had their vital signs recorded on admission to hospital. Compliance with escalation improved following the introduction of electronic hand held devices to record the patient's clinical observations in February 2019.

Figure 13: **Proportion of 30 patients a quarter in 2018/19 who had vital signs recorded and scored, escalated for review to the nurse in charge or for a medical review and repeated within 60 minutes**

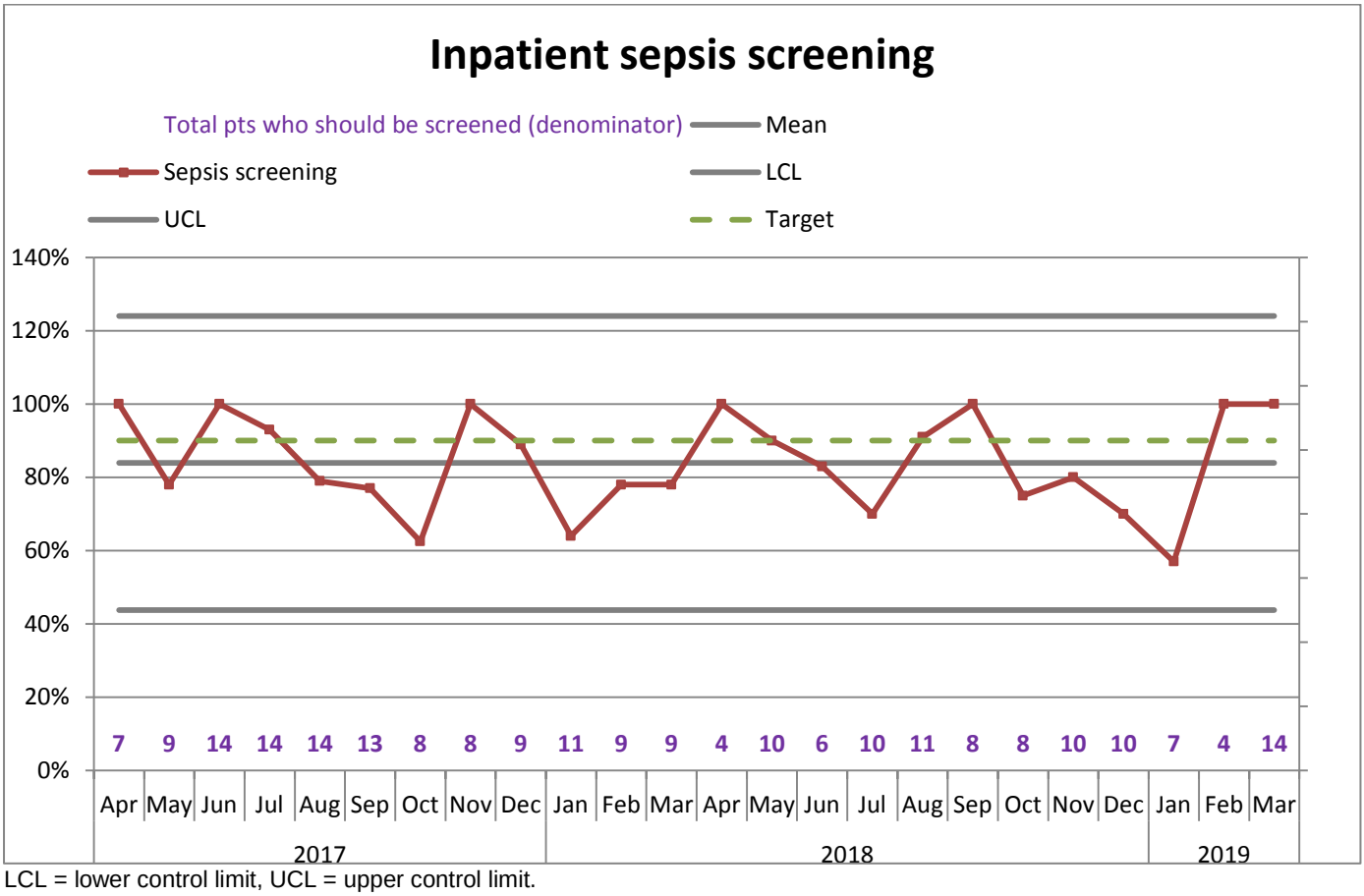
Measure	Standard	Q1 18/19	Q2 18/19	Q3 18/19	Q4 18/19 (All patients – NEWS2)	Overall performance
Vital signs recorded and scored on admission to hospital to ED/AMU	95%	100%	100%	100%	100%	⇔
Escalation: 1) Nurse in charge (documented)	95%	17%	36%	16%	90%	⇧
2) Medical team (documented)	95%	58%	56%	63%	90%	⇧
Repeat review within 60 minutes	95%	21%	52%	52%	52%	⇩

		⇧ Better ⇔ As expected ⇩ Worse

3.3 Continue to audit and report the outcomes to the clinical teams on severe sepsis screening of inpatients using the 'sepsis six' pathway

We have sustained the same percentage of adults and children screened for sepsis as inpatients through an ongoing education and audit programme and improved to 100% in February 2019 with the full implementation of NEWS2.

Figure 14: Sepsis screening of inpatients

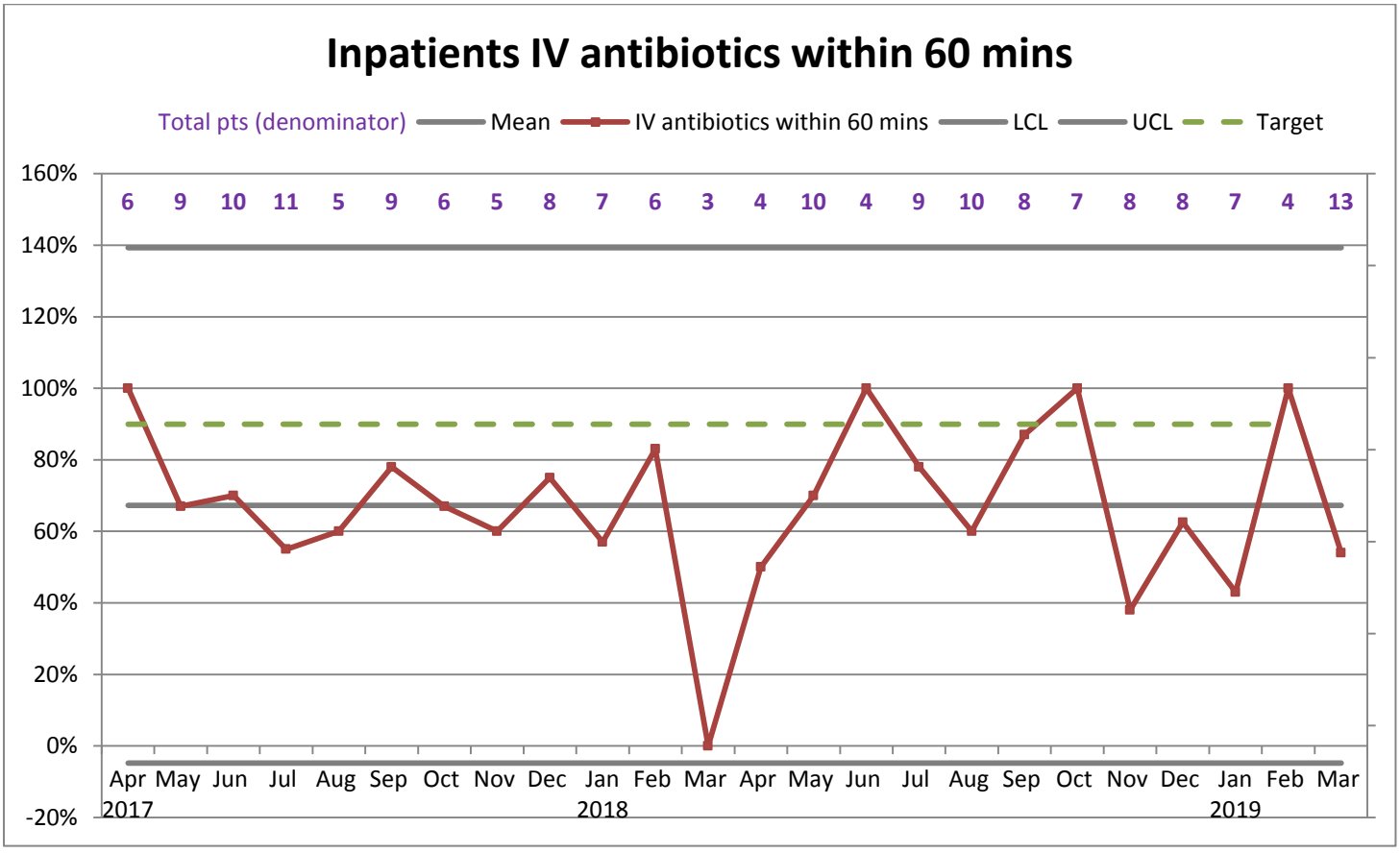


LCL = lower control limit, UCL = upper control limit.

3.4 Continue to audit the percentage of inpatients with severe sepsis who received antibiotics within 1 hour of diagnosis and report the outcomes to the clinical teams

The data in figure 15 shows there is variation across two years with no sustained improvement over time. This may be due to the small numbers of adults and children being treated with antibiotics for sepsis and will continue to be a focus for improvement work during 2019/2020.

Figure 15: Sepsis <u>treatment</u> of inpatients



LCL = lower control limit, UCL = upper control limit.

3.5 Test interventions to reduce hospital acquired pneumonia on one ward

We had planned to test an intervention to prevent hospital acquired pneumonia which is caused by high levels of bacteria, sometimes from infected saliva and secretions, entering the lungs. When we reviewed the studies about the prevention of hospital acquired pneumonia of non-ventilated adult patients, we found that a strong evidence base did not exist. However, of the studies published, mouth care was the most frequently used intervention and was associated with a decrease in hospital acquired pneumonia.

Some patients who are at greater risk of hospital acquired pneumonia are those with a swallowing difficulty, which often occurs following a stroke or other neurological disease. In addition, these patients are also at risk of aspiration pneumonia caused by inhalation or aspiration of food and drink.

In September 2018, to reduce aspiration pneumonia in patients with swallowing difficulties, our Speech and Language Therapy team introduced several new initiatives:

1) Set up a second video-fluroscopy swallow clinic per week to accurately detect aspiration, assess swallow function and plan swallow treatment for more patients.
2) Introduced new international guidance on thickening drinks and modifying food textures to help patients with swallowing disorders.
3) Trained our staff on Britford and Downton wards in swallowing awareness.
4) Introduced new guidance on 'risk feeding' for patients who choose to eat and drink even though they are at high risk of aspiration. The guidance helps staff to support a patient to eat and drink as safely as possible to help maintain their comfort and avoid distress.
5) Introduced a new 'swallow alert' on patient's electronic record to alert staff to those who are 'risk feeding' or have a long term swallowing plan, so that if a patient is re-admitted to hospital, this information is immediately available and helps to reduce the risk of aspiration pneumonia.

It is too early to say if these initiatives have had an impact on reducing aspiration pneumonia and we will continue to monitor this through the Mortality Surveillance Group.

3.6 Audit the compliance with the ongoing catheter care bundle and its effectiveness as measured by the Safety Thermometer

The on-going catheter care bundle refers to a set of practices, which when used together, helps reduce urine infections when a catheter remains in place after it is first put in and ensures it is promptly removed when no longer needed.

We have continued to audit compliance with the catheter care bundle. The combination of education sessions, catheter bundles and the use of new catheter packs have reduced the number of hospital catheter associated urinary tract infections. Our Safety Thermometer data shows that the good practice is making a difference in reducing new urinary tract infections as shown in figure 17.

Figure 16: Safety Thermometer data of the number of inpatients with a catheter with a urinary tract infection

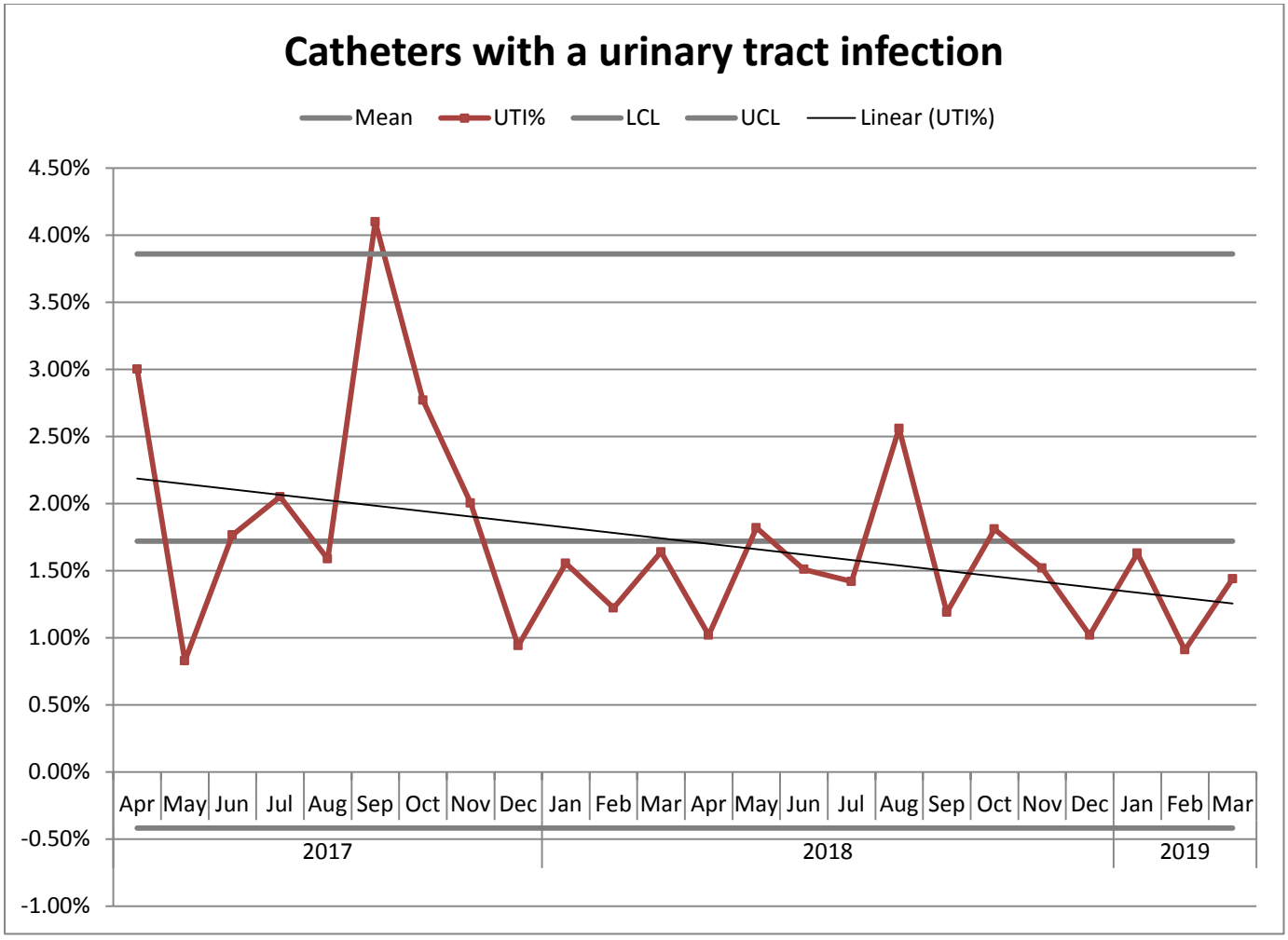
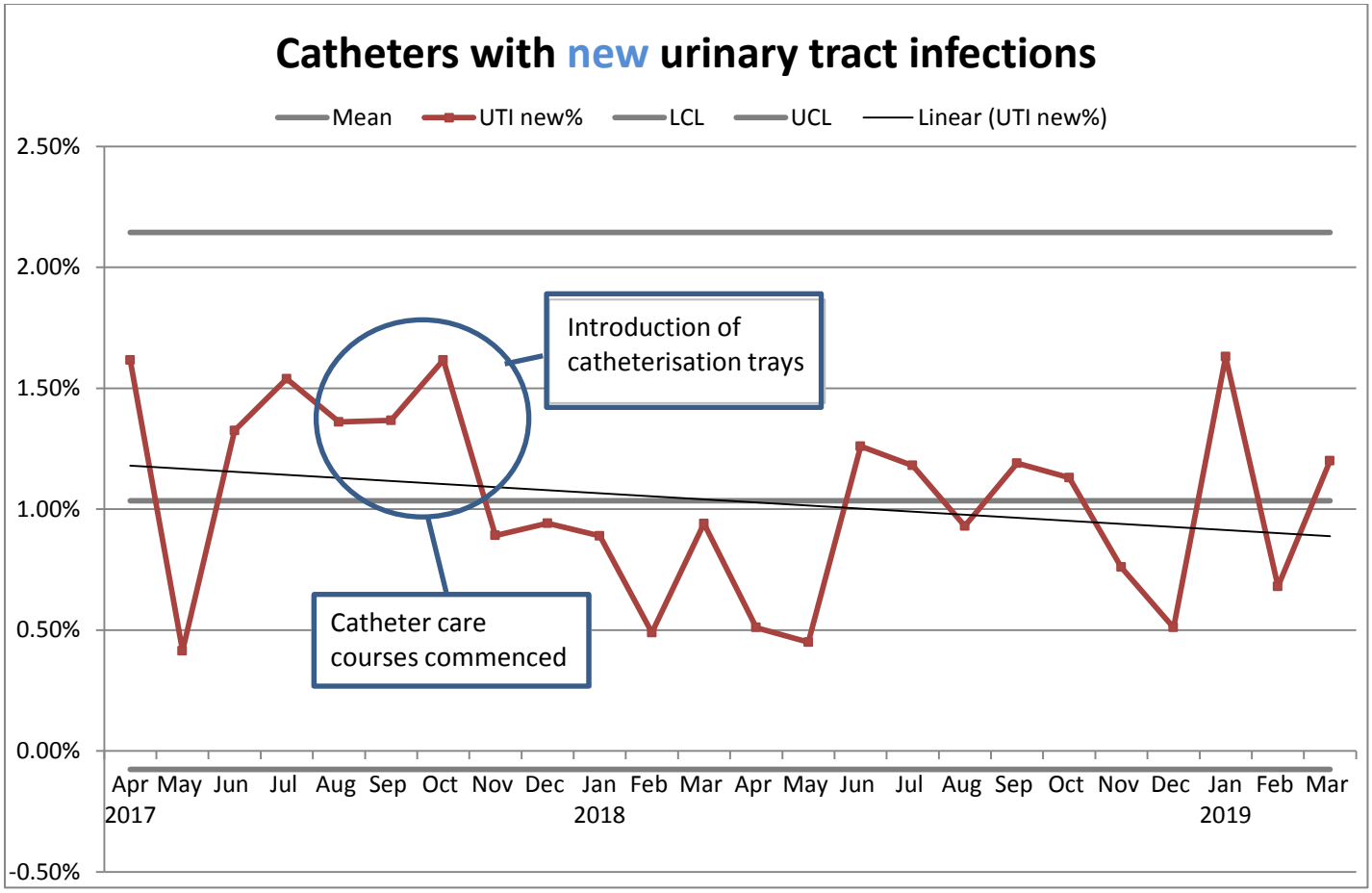


Figure 17: Safety Thermometer data of the number of inpatients with a catheter with a new urinary tract infection



3.7 Raise the profile of sepsis within the Trust including education and training.

We have raised the profile of sepsis through the work to introduce NEWS2 across the hospital to identify severely ill patients including those with sepsis. We have introduced an electronic vital signs recording device on every ward and the Emergency Department. We have also designed the escalation process so that deteriorating patients are assessed by the nurse in charge of the ward and/or the medical/surgical team. Patients who trigger a vital signs score of 5 or more are automatically screened for sepsis Education and training of doctors and nurses has been completed through a combination of on-line national NEWS2 training programme, face to face and ward based training.

What our patients and public have told us and what we have done or will do to improve:

- 'I am concerned that I will be sent home before my pneumonia is cleared up'. We will continue to train our staff in person centred care.
- 'I have the highest praise for all the staff. Once my condition (blood cancer) was diagnosed, the Salisbury hospital team pulled out all the stops to treat me. Salisbury is a credit to the NHS'.

Priority 4 Improve engagement with, and the health and wellbeing of our staff

Description of the issue and reason we prioritised it:

There is clear research evidence to show that staff who feel engaged and can contribute to improvements and are well supported provide better patient care. Improving the wellbeing of our staff not only improves their quality of life but also our patient's experience of hospital care. We need to do more work to support staff with long term conditions, such as diabetes and arthritis, and improve recruitment using innovative solutions, focus attention on supporting areas with high levels of sickness absence and continue to expand and improve our Shape Up @ Salisbury campaign. Overall, we need to do more to improve our offer of health and wellbeing support to our staff.

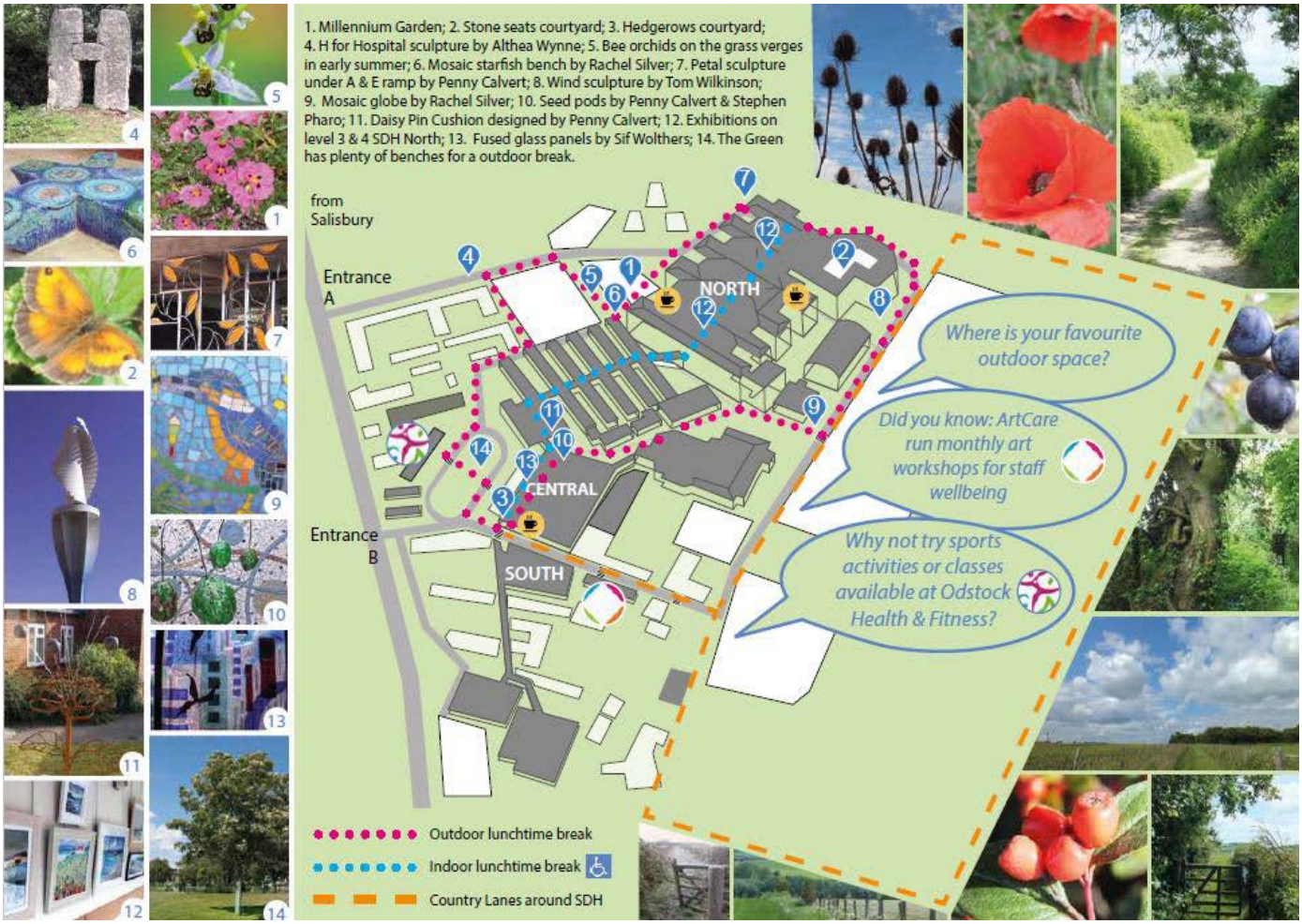
What we did in 2018/2019 to improve:

4.1 Create a staff engagement group that is representative of every area of the hospital to collect and initiate ideas and innovations that can improve work life balance

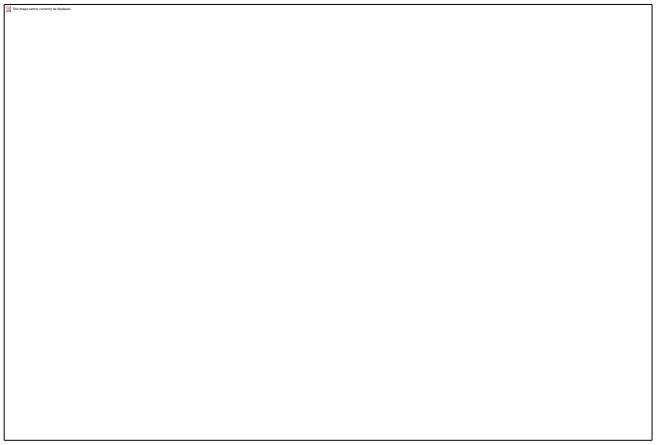
This year, we introduced a number of ways in which all employees could tell us their thoughts and experiences about working in the hospital. We set up a staff engagement email box, put up post boxes around the hospital and created 'graffiti boards' so staff could write down their ideas of what they would like to see to improve their wellbeing at work. In June 18, a staff engagement group was formed to prioritise ideas and decide on those which could be achieved quickly and those that needed longer term projects.

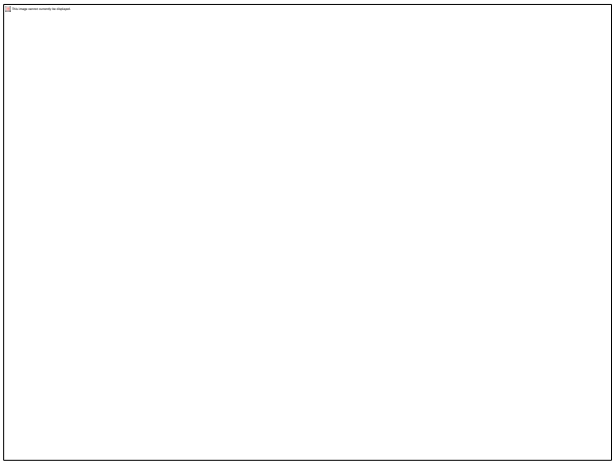
This year, work has focused on introducing 'quick wins'. This included improvements to refreshment provision, development of outside spaces as wellbeing spaces and improving staff benefits. A fast track system for staff to reduce the queuing time at the till in Springs restaurant is under consideration. So far the group has published an outside space map and a guide to promote it and a range of new and existing staff benefits. Further work is needed to communicate the work already done, more widely.

The 'Outside Space' map



Salisbury staff benefits





In March 2019, a monthly senior leadership engagement forum was set up to involve senior leaders more fully in all the key activities and developments in our hospital and to give them the opportunity to hear from influential leaders who have made a difference within the public sector.

Longer term projects for next year are planned around the top three themes identified by the group: 1) Staff wellbeing 2) Staff facilities 3) Training and education – a leadership programme for staff to undertake management training, customer care training and values and standards of behaviour training.

4.2 As part of our Organisational Development strategy, develop a staff health and wellbeing programme which focuses on self-care, the prevention of ill health and the proactive management and treatment of ill health.

We have worked with our staff to write a health and wellbeing strategy so that we can improve our offer of health and wellbeing support to our staff. We have appointed a new Head of Service for health and wellbeing who is engaged with neighbouring Trusts so that we can learn from others and introduce improvements.

The new Head of Service has undertaken an assessment of our health and wellbeing service to bring together the positive interventions we are already offering staff, such as the staff gym, mental health, physiotherapy and counselling services. The assessment has also enabled us to identify where we need to improve such as doing more to provide self-care information, provide a stop smoking service for staff and evaluate the effectiveness of our health and wellbeing services. Further improvements are planned for 2019/2020:

1) Improve our Occupational Health Service to ensure best practice is offered in a timely manner.
2) Introduce a monthly clinic provided by Wiltshire Council health trainers to support staff make positive lifestyle changes.
3) Work with Wiltshire Council to sign post staff to community services such as stop smoking, drinking alcohol above higher risk levels, weight management, emotional health and wellbeing, getting active and healthy nutrition.
4) Consider the introduction of an employee assistant programme to support staff with emotional health needs to contact a 24 hour telephone helpline.
5) Train our staff to be able to provide mental health first aid to prevent staff developing poor health.
6) Re-instate the health and wellbeing working group to lead improvements and measure the effectiveness of our service.
7) Expression of interest to test the new NHS healthy weight declaration.

4.3 Recruit staff into a research study run by Loughborough University into workplace wellbeing, working conditions and health support needs and use the learning to make improvements

The investigator of the workplace wellbeing study attended the Trust to give a presentation about the study and emphasised the importance of obtaining staff views on health and wellbeing at work. The study recruited 741 people from across industry, of which, 231 were from this hospital. The study found that half of the participants reported having a long term condition, such as a mental health condition, musculo-skeletal condition, diabetes, cancer or chronic fatigue syndrome. The commonest condition reported was a mental health condition. The study looked at the support that people needed to proactively manage their condition and prevent illness. It found that more needs to be done to reduce the gap between advice given by the GP and management of wellbeing at work as it is not fully understood by employers. This work will be taken forward as part of our health and wellbeing strategy action plan in 2019/2020.

Our health and wellbeing plan includes supporting our staff to manage their long term condition and receive help from Wiltshire Council health trainers to make positive lifestyle changes. This year, we set up a weekly staff carers café for staff who needed to talk to someone about their concerns and receive advice, support and referral to a service that meets their needs. In January

2019, the hospital became a smoke free site and we supported our staff who wanted to quit by giving them a free 2 week supply of nicotine replacement therapy. All staff, and in particular front line staff, were encouraged to have the flu vaccine to keep our patients safe. 65.7% of our staff were vaccinated against flu, a slight decrease from 67% last year.

4.4 Refresh and relaunch the 'Shape Up @ Salisbury' campaign to ensure our staff have access to health and wellbeing services

We have worked with our staff to write a health and wellbeing strategy so that we can improve our offer of health and wellbeing support to our staff. Further improvements are planned for 2019/2020 as set out in 4.2 and this will include a relaunch of 'Shape Up @ Salisbury' campaign.

4.5 Continue to work with our partners to train and support our staff to 'make every contact count'

Making every contact count is an approach to behaviour change that uses the millions of day to day interactions that we have with people to encourage changes in behaviour that have a positive impact on the health and wellbeing of individuals, communities and populations. Staff have access to Wiltshire Council health trainers at a monthly clinic to support them make positive lifestyle changes to improve their health and wellbeing.

Last year, we trained 3 specialist nurses in 'health coaching' to help patients with long term conditions, such as chronic breathing difficulties, better manage their own health and care. This year, two specialist nurses have trained 104 staff in person centred health coaching so that more patients can be supported to manage their long term condition. A video is showed as part of the training on having better conversations https://www.betterconversations.co.uk

What our patients and staff have told us and what we plan to do to improve:

- An inpatient – ''I would like to be more involved in decisions about my care and treatment. I need to think about what I want to ask''. We will continue to train our staff in person centred health coaching.
- A patient – ''I have never been asked questions like this before''. The specialist nurse said – ''The patient went away with a plan of action to start using his therapy that he had decided himself and was engaged in''
- A specialist nurse – ''I sat and talked with the patient using TGROW as a frame for the conversation. I felt it went well. The patient has now significantly reduced her smoking levels and is very pleased with her achievement. She enjoyed making her plan of action herself. I continue to see her regularly for support.''

Part 2B: This section sets out our quality priorities for 2019/2020

2.1 Our priorities for quality improvement in 2019/2020 and why we have chosen them

Our quality priorities in 2018/2019 showed a positive picture of improvement in the care pathway of moderately and severely frail older people. Although there was a reduction in the number of patients who fell and fractured their hip in hospital and in the timeliness of surgical treatment, the total number of injurious falls increased. We have implemented NEWS2 and sustained sepsis screening but treatment with antibiotics within an hour of diagnosis remains variable and achieved a further reduction in catheter associated urine infections.

More work is required to improve patient flow with all elements of the SAFER care bundle and to increase the number of patients who are able to go to their preferred place of care at the end of their life. We recognise that further work is required to improve the health and wellbeing we offer to our staff. We have combined the learning from last year with information gathered by a broad range of methods to generate our priorities for improvement in 2019/2020.

These priorities were identified by listening to patient stories at the Board, meeting with patients, families and carers, the public, our staff and governors, Warminster Health, Wellbeing and Social Care Forum, our community partners, local GPs and our commissioners. Some of their comments are included in this report. Our priorities are also influenced by the NHS Long Term plan, the B&NES, Swindon and Wiltshire Sustainability and Transformation Partnership (STP), our strategic priorities and our need to improve the 'should do's' identified by the Care Quality Commission at our inspection in December 2018.

We have used information from two national patient surveys published in 2018 (In-patients, and Maternity survey) and our staff survey and identified themes from mortality case reviews, complaints and concerns, adverse incidents where we have caused harm and clinical audit, to help us decide on our quality priorities.

In 2018/2019, we had four very broad priorities with different work streams. Many of these work streams will continue to be reported in this quality account in section 2.2:

- Care Quality Commission inspection and improvement actions
- Learning from deaths and improvement actions
- Seven day hospital services – implementing the priority clinical standards
- Learning from national investigations – Freedom to Speak Up
- Annual report of doctors and dentists in training rota gaps – improvement plan

Our priorities for 2019/2020* are:

Priority 1 Work with our partners to prevent avoidable ill health and reduce health inequalities
Priority 2 Reduce avoidable patient harm by 50% over 3 years (2019 – 2021)
Priority 3 Work with our partners to improve patient flow through the hospital
Priority 4 Design new models of care to provide patients with more convenient access to services and make the most of digital care.
Priority 5 Improve the health and wellbeing of our staff

*These priorities are **not** ranked in order of priority. The Trust Board agreed the 2019/2020 priorities on 23 May 2019.

Progress in our priority areas will be measured and monitored through the Trust's quality governance structure. To enable the Trust Board to do this, the Clinical Governance Committee and Clinical Management Board will receive monthly reports and ask for further work where assurance is needed. The Trust Board minutes and reports can be viewed on the Trust website. http://www.salisbury.nhs.uk/Pages/home.aspx

The following section describes the issue, the reason for prioritising it and what we are planning to do:

Priority 1 Work with our partners to prevent avoidable ill health and reduce health inequalities

Description of the issue and reason for prioritising it:
The NHS Long Term Plan sets out new commitments for action that the NHS must take to improve prevention of avoidable illness and its exacerbations. It does so whilst recognising that a comprehensive approach to preventing ill health also depends on action that only individuals and communities can take to tackle the wider threats to health. The Global Burden of Disease study https://doi.org/10.1016/S0140-6736(18)32207-4 quantifies and ranks the contribution of various risk factors that cause premature death in England. The top five are 1) smoking 2) poor diet 3) high blood pressure 4) obesity and 5) alcohol and drug use. Lack of exercise is also significant.
The role of the NHS includes secondary prevention by detecting disease early, preventing deterioration of health and reducing symptoms to improve quality of life. The NHS Long Term Plan sets out practical action to do more to use the thousands of contacts we have with patients as positive opportunities to help people improve their health.

What we will do in 2019/2020:

1.1 Increase the number of adult patients admitted to hospital who are screened for smoking and alcohol use to 80% and are given very brief advice by March 2020.

1.2 Implement a continuity of carer model to help improve outcomes for the most vulnerable mothers and babies. By March 2020, 20% of vulnerable mothers will benefit from continuity of carer throughout their pregnancy, labour and the postnatal period.

1.3 Work with local acute Trusts to develop a carers policy and staff training to gain a better understanding of the needs of people with learning disabilities and autism.

1.4 Launch the 'Treat Me Well' campaign in April 2019.

1.5 Achieve 90% of antibiotic prescriptions for lower urinary tract infection in older people meeting the National Institute of Clinical Excellence guidance for lower urinary tract infection.

1.6 Achieve 90% of antibiotic surgical prophylaxis prescriptions for elective colorectal surgery being a single dose in accordance with local antibiotic guidelines.

How will we report progress throughout the year? Tobacco screening will be reported to the Clinical Management Board. Progress with maternity continuity of carer model will be reported to the Maternity Governance Group and the Clinical Governance Committee, and progress in the care of patients with learning disabilities to the Clinical Management Board. Antibiotic prescribing will be reported to the Antibiotic Reference Group and Infection Prevention and Control Committee.

Priority 2 Reduce avoidable patient harm by 50% over 3 years (2019 – 2021)

Description of the issue and reason for prioritising it:
Patient safety is a priority for the NHS which aims to be the best and safest healthcare system in the world. Patient safety is the avoidance, during the provision of health care, of unintended or unexpected harm to people such as medication errors, never events, harm from sepsis, pressure ulcers, harm from gram negative bloodstream infections, such as e-coli, and falls resulting in fractures or serious harm. Improving maternity and neonatal safety is also a priority.

We have renewed our patient safety programme from 2019 – 2021 and aligned our priorities with the Wessex Patient Safety Collaborative to focus our improvement work in four key areas of work. We need to do more to raise awareness of the impact culture has on safety, and develop a culture where frontline staff are supported to speak up when errors occur. We also need to continue to be candid with patients and their families when things go wrong so we can continually learn and improve. We need to do more to reduce avoidable harm of patients, who deteriorate, through improved recognition, response and use of early warning systems. We need to contribute to the national ambition set out in Better Births https://www.england.nhs.uk/wp-content/uploads/2016/02/national-maternity-review-report.pdf of reducing the rates of maternal and neonatal deaths, stillbirth and brain injuries that occur during or soon after birth by 20% by 2020.

What we will do in 2019/2020:

2.1 Demonstrate a responsive safety culture by training our staff in human factors, learning and sharing lessons when things go wrong and from when things go right.

2.2 Achieve 80% of older inpatients receiving three key falls prevention actions.

2.3 Reduce hospital acquired MRSA bloodstream infections to zero.

2.4 Work collaboratively with the Clinical Commissioning Group in reducing the overall number of gram negative blood stream infections across the health system.

2.5 Continue to reduce the number of patients who develop a new catheter associated urinary tract infection in hospital as measured by the Safety Thermometer.

2.6 Improve the recognition of the deteriorating patient through the embedding of NEWS2 (national early warning scoring system).

2.7 Reduce harm from sepsis by improving the number of inpatients screened for sepsis and treated with intravenous antibiotics within an hour of diagnosis of sepsis.

2.8 Introduce the new Saving Babies Lives care bundle to reduce the number of stillbirths and neonatal deaths.

How will we report progress throughout the year?
Reduction in bloodstream infections will be reported to the Infection Prevention and Control Committee. All other work streams will report progress to the Patient Safety Steering Group.

Priority 3 Work with our partners to improve patient flow through the hospital

Description of the issue and reason we prioritised it:

Having a good flow of patients through the hospital is crucial to ensuring that patients are cared for in the right place at the right time by the right people. Good patient flow improves outcomes and enhances patient experience. Although, we have undertaken a significant amount of work in 2018/2019 with our partners to improve flow through the wards, measurements show that we have not improved as much as we expected and this remains a top priority for 2019/2020.

What we will do in 2019/2020:

3.1 Improve compliance with the SAFER care bundle to ensure the right patient is in the right place at the right time.

3.2 Increase the number of patients who are able to be discharged to their preferred place of care at the end of their life.

3.3 Work towards achieving 60% best practice (a set of practices when used together improve patient outcomes) compliance for patients with chronic obstructive pulmonary disease.

3.4 Work towards achieving 80% best practice compliance for patients having an emergency laparotomy.

How will we report progress throughout the year?

Compliance with best practice for patients with chronic obstructive pulmonary disease and an emergency abdominal laparotomy will be reported to the Clinical Management Board. Patient flow and ambulatory pathways will be reported by the Patient Flow Programme Management Board to the Outstanding Every Time Board. Patients able to be discharged to their preferred place of care will be reported to the End of Life Steering Group.

Priority 4 Design new models of care to provide patients with more convenient access to services and make the most of digital care

Description of the issue and reason we prioritised it:

The NHS is undertaking a journey of transformation, whilst experiencing rising demand for its services, and reduction in social care provision, as the population ages and more people live with long term conditions. We need to do more to design new models of care to provide patients with more convenient access to services and health information. The roll out of same day emergency care is one of the commitments in the NHS Long Term Plan and will reduce pressure on hospital beds, improve length of stay and patient experience. By moving care out of hospitals and closer to the patient we will improve the health of the population and the quality of care.

We need to make the most of digital care and get the most out of our IT systems to drive efficiency and deliver improved patient outcomes. We also need to use the data from our systems to benefit patients in the acute care setting and continued care once they leave hospital as part of a whole health economy.

What we will do in 2019/2020:

4.1 Work with our partners to reduce admissions and extend our Rapid Access Care of the Elderly clinics (RACE) to other parts of Wiltshire to provide care closer to patient's homes.

4.2 Achieve 75% of patients with a confirmed pulmonary embolus being managed in a same day setting where clinically appropriate.

4.3 Achieve 50% of patients with confirmed community acquired pneumonia being managed in a same day setting where clinically appropriate.

4.4 Achieve 75% of patients with confirmed atrial fibrillation being managed in a same day setting where clinically appropriate.

4.5 Work with our partners to transform the way we provide outpatient services, including digital solutions, by achieving our action plan year 1 milestones.

4.6 Work with our partners to develop the hospital site as a health and wellbeing campus over the next 5 years.

How will we report progress throughout the year?

Frailty pathway work and same day emergency care will be reported by the Patient Flow Programme Management Board to the Outstanding Every Time Board. The development of the hospital site will be reported to the Board.

Priority 5: Improve the health and wellbeing of our staff

Description of the issue and reason we prioritised it:

Health and wellbeing is now recognised as more than a matter for individual attention – successful organisations have recognised that good health is a key enabler to good business. Our staff have a direct impact on clinical outcomes and the experience of our patients. We are clear that when our staff are well and happy, the experience of our patients improve. Our Health and Wellbeing strategy acknowledges that the work and health and wellbeing of our staff are interlinked, and commits to promoting a culture where wellbeing is embraced by all of our employees.

Our national staff survey results 2018 indicate we need to do more to take positive action on staff health and wellbeing. We need to do more to support our staff with long term conditions, in particular, mental and emotional wellbeing and reconnect with our staff as carers, in caring for themselves, their families and patients. Equally, there is clear evidence to show that staff who feel engaged and can contribute to improvements at work and feel well supported by their managers provide better patient care.

What we will do in 2019/2020:

5.1 Improve the health and wellbeing of our staff by achieving the Health and Wellbeing strategy action plan year 1 milestones.

5.2 Train more staff and teams in quality improvement methods and provide support to enable them to lead and implement sustainable change.

5.3 Continue with our recruitment and retention campaign to reduce our staff vacancy rate to less than 5%.

5.4 Improve provision and access to learning and development to support our staff to move from novice to expert.

5.5 Achieve 80% uptake of the flu vaccination of our frontline staff.

How will we report progress throughout the year?

Staff health and wellbeing will be reported by the health and wellbeing steering group to the Workforce Committee. Training our staff in quality improvement will be reported to a newly established Quality Improvement Steering Group.

2.2 Statements of assurance from the Board

Review of Services

During 2018/2019 Salisbury NHS Foundation Trust provided and/or subcontracted 55 relevant health services. Salisbury NHS Foundation Trust has reviewed all the data available to us on the quality of care in all 55 of these relevant health services. The income generated by the relevant health services reviewed in 2018/2019 represents 100% of the total income generated from the provision of relevant health services by Salisbury NHS Foundation Trust for 2018/2019.

In April 2018, the Integrated Governance Framework was updated and sets out the means by which the Trust Board controls and directs the organisation and its supporting structures, to identify and manage risk and ensure the successful delivery of the organisation's objectives. The framework is designed to ensure the strategic aim of the delivery of 'an outstanding experience for every patient', by an organisation that is well managed, cost effective and has a skilled and motivated workforce. At the same time the Accountability Framework was updated which specifies how the performance management systems are structured and tracked, to ensure delivery of the corporate objectives at every level of the organisation focusing across the breadth of quality, operations, finance and workforce.

The Clinical Governance Committee is the quality assurance committee of the Trust Board. It is responsible for overseeing the continuous improvement of the quality of services and safeguarding high standards of care by creating an environment in which excellence in clinical care flourishes. The committee hears directly from clinical teams where risks to quality are identified to seek assurance that action is being taken to improve. Any recurrent themes are included as key objectives for improvement in the Trust service plan or in the Quality Account priorities. Our four quality priorities in 2019/2020 reflect these themes.

Each year the Trust has a number of external agency and peer review inspections. The reports, recommendations and action plans are discussed at one of the assuring committees. For example, Patient Led Assessment of the Care Environment (PLACE) 2018 measured standards set by NHS Digital of patient food services, cleanliness, privacy and dignity and wellbeing, condition, appearance and maintenance of patient and public areas, dementia and disability standards.

Figure 18: Patient Led Assessment of the Care Environment (PLACE) 2018

	2017 National average	2017 Trust Score	2018 National average	2018 Trust Score	Trust score 2017 vs 2018
Cleanliness	**98.38%**	**99.49%**	**98.5%**	**99.7%**	⇧
Food	**89.68%**	**96.90%**	**90.2%**	**95.2%**	⇩
Privacy, Dignity & Wellbeing	**83.68%**	**85.55%**	**84.2%**	**86.4%**	⇧
Condition, Maintenance & appearance	**94.02%**	**95.34%**	**94.3%**	**96.7%**	⇧
Dementia	**76.71%**	**80.68%**	**78.9%**	**86.2%**	⇧
Disability	**82.56%**	**81.84%**	**84.2%**	**88.0%**	⇧

	⇧ Better ⇔ As expected ⇩ Worse

The assessment scores for five of the six areas increased and all six scores were better than the 2018 national average. The patient assessor statement said ‘an excellent and well-designed hospital but with storage problems in some of the older areas. However, there is a serious car parking shortage both for staff, patients and visitors. Given the vast size of the area covered by the hospital and specialist units, this is a pressing problem.

The new signage is a great improvement. The Art-work is much appreciated. The public amenities are exemplary. We particularly commend the food and catering’.

Salisbury NHS Foundation Trust have taken or will take the following actions to improve:

- Serve meals, course by course, to maintain temperature. Ward trials have commenced.
- Provide additional car parking space. An area on the south side of the site has been made into an additional temporary car park.
- Install handrails in corridors or when approaching bathrooms as part of refurbishment projects.
- Chairs of different heights and sizes required in waiting areas.
- Install hearing loops at reception desks.
- Install dementia friendly flooring. New flooring on levels 3 and 4 of the hospital replaced.
- Install large face clocks with day/date visible in all patient areas.

Participation in Clinical Audits

During 2018/2019, 51 national clinical audits and 2 national confidential enquiries covered relevant health services that Salisbury NHS Foundation Trust provides. During this period, Salisbury NHS Foundation Trust participated in 49 (96.1%) national clinical audits, and 2 (100%) national confidential enquiries of the national clinical audits and national confidential enquiries which it was eligible to participate in.

The national clinical audits and national confidential enquiries in which Salisbury NHS Foundation Trust was eligible to participate in during 2018/2019 are listed in Figure 19.

The national clinical audits and national confidential enquiries that Salisbury NHS Foundation Trust participated in, and for which data collection was completed during 2018/2019, are listed in Figure 19 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.

Figure 19: Eligible national audits and national confidential enquiries and those the Trust participated in during 2018/2019

National Clinical Audit/ Clinical Outcome Review Programme	Eligible	Participation	% of cases submitted	Purpose of the audit
Adult Cardiac Surgery	No	N/A	N/A	NA
Adult Community Acquired Pneumonia	Yes	Yes	Data collection in progress	To investigate outcomes and variation of care
BAUS Urology Audits: Cystectomy	No	NA	NA	To publish surgeon patient outcomes data to improve standards of surgery and help patients make informed decision about their care
BAUS Urology Audits: Female stress urinary incontinence	Yes	Yes	100%	As above
BAUS Urology Audits: Nephrectomy	Yes	Yes	100%	As above
BAUS Urology Audits: Percutaneous nephrolithotomy	Yes	Yes	100%	As above
BAUS Urology Audits: Radical Prostatectomy	Yes	Yes	100%	As above
Cardiac Rhythm Management (CRM)	Yes	Yes	100%	Examines the implant rates and outcomes of all patients who have a pacemaker, defibrillators or cardiac resynchronisation therapy implanted in the UK.
Case Mix Programme (CMP)	Yes	Yes	100%	The CMP is an audit of patient outcomes from adult general critical care units.
Child Health Clinical Outcome Review Programme: Mental Health Conditions in Young People	Yes	Yes	100%	Examines the quality of healthcare to stimulate improvement in safety and effectiveness by learning from adverse events and other relevant data.
Child Health Clinical Outcome Review Programme: Cerebral Palsy/Chronic Neuro-disability	Yes	Yes	100%	As above

Elective surgery (National PROMs Programme)	Yes	Yes	2016/17 Pre-op 86% vs 90.5% nationally Post-op 71.8% vs 71.1% nationally	Patient reported outcome measures (PROMs) survey patients before and after surgery for the following planned procedures; - Hip replacement - Knee replacement
Falls and Fragility Fractures Audit Programme (FFFAP)				
1) Fracture Liaison Service Database	No	NA	NA	Evaluates patterns of assessment and treatment for osteoporosis and falls across primary and secondary care.
2) National Audit Inpatient falls	Yes	Yes	100%	Evaluates compliance against best practice standards in reducing the risk of falls within hospitals.
3) National Hip Fracture Database	Yes	Yes	100%	Provides data on the care of patients with fragility fractures and inpatient falls received in hospital to facilitate improvements.
Feverish Children (care in Emergency Departments)	Yes	Yes	100%	Examine performance against Royal College of Emergency Medicine clinical standards and compare results with other departments.
Inflammatory Bowel Disease programme / IBD Registry	Yes	No	NA	The Trust plans to take part in 2019/20
Learning Disability Mortality Review Programme (LeDeR)	Yes	Yes	100%	Aims to make improvements to the lives of people with learning disabilities by undertaking case reviews of patients who have died.
Major Trauma Audit: The Trauma Audit & Research Network (TARN)	Yes	Yes	64% - 76%	Examines trauma care data to improve emergency care management and systems.
Mandatory Surveillance of Bloodstream Infections and Clostridium Difficile Infection	Yes	Yes	100%	All acute Trusts report on each case of C difficile to Public Health England.
Maternal, Newborn and Infant Clinical Outcome Review Programme (MBRRACE-UK)				
1) Perinatal mortality surveillance	Yes	Yes	100%	Analyses and reports national surveillance data in order to stimulate and evaluate improvements in health care for mothers and babies.
2) Perinatal mortality & morbidity confidential enquiries	Yes	Yes	100%	Identifies potentially preventable failures of care along the whole care pathway for improvement in care in the future.
3) Maternal mortality surveillance and mortality confidential enquiries	Yes	Yes	100%	As above
Medical and Surgical Clinical Outcome Review Programme 1) Acute Heart Failure	Yes	Yes	100%	Explores the overall quality of care of patients admitted to hospital and have died.
2) Cancer in children, teenagers and young adults	Yes	Yes	100%	As above
3) Perioperative diabetes care	Yes	Yes	100%	As above
4) Pulmonary embolism	Yes	Yes	100%	As above

5) Acute bowel obstruction	Yes	Yes	100%	As above
Mental Health Clinical Outcome Review Programme	No	NA	NA	NA
Myocardial Ischaemia National Audit Project (MINAP)	Yes	Yes	100%	To examine the quality of the management of heart attacks in hospital
National Asthma and COPD Audit Programme				To drive improvements in the quality of care and services provided for asthma & COPD patients.
a) Paediatric asthma: secondary care	Yes	Yes	100%	As above
b) Asthma (Adult & paediatric) & COPD: primary care	No	NA	NA	NA
c) Adult asthma: secondary care	Yes	Yes	100%	As above
d) Chronic obstructive pulmonary disease (COPD)	Yes	Yes	67%	As above
e) Pulmonary rehabilitation	Yes	Yes	100%	As above
National Audit of Anxiety and Depression	No	NA	NA	NA
National Audit of Breast Cancer in Older People	Yes	Yes	100%	Improves the quality of hospital care for older patients with breast cancer by looking at the care received and outcomes.
National Audit of Cardiac Rehabilitation	Yes	Yes	100%	To monitor and support cardiovascular rehabilitation teams and commissioners in delivering high-quality and effective services.
National Audit of Care at the End of Life (NACEL)	Yes	Yes	100%	Focuses on the quality and outcomes of care experienced by those in their last admission in acute, community and mental health hospitals in England and Wales.
National Audit of Dementia: Spotlight audit on delirium	Yes	Yes	100%	Measures criteria relating to care delivery which are known to impact on people with dementia admitted to hospital.
National Audit of Intermediate Care	Yes	No	NA	
National Audit of Percutaneous Coronary Interventions (PCI)	Yes	Yes	100%	Examines the quality and process of care and compares patient outcomes.
National Audit of Pulmonary Hypertension	No	NA	NA	NA
National Audit of Seizures and Epilepsies in Children and Young People	Yes	Yes	Data collection in progress	To improve the quality of care for children and young people with seizures and epilepsies.
National Bariatric Surgery Registry (NBSR)	No	NA	NA	Service not provided at this Trust
National Bowel Cancer Audit (NBOCAP)	Yes	Yes	100%	Measures the quality of care and survival rates of patients with bowel cancer in England and Wales.
National Cardiac Arrest Audit (NCAA)	Yes	Yes	100%	Audit of in-hospital cardiac arrests in the UK and Ireland.
National Clinical Audit for Rheumatoid and Early Inflammatory Arthritis (NCAREIA)	Yes	Yes	100%	Examines the quality of care for people living with inflammatory arthritis in England and Wales.
National Clinical Audit of Psychosis	No	NA	NA	NA

National Clinical Audit of Specialist Rehabilitation for Patients with Complex Needs following Major Injury (NCASRI)	No	NA	NA	NA
National Comparative Audit of Blood Transfusion programme: • Use of fresh frozen plasma & cryoprecipitate in neonates and children • Management of massive haemorrhage				Measures compliance with standards related to the recommended use of blood components.
	Yes	Yes	No cases	As above
	Yes	Yes	100%	As above
National Congenital Heart Disease (CHD)	No	NA	NA	NA
National Diabetes Audit – Adults • National Diabetes Foot Care Audit • National Diabetes Inpatient Audit - data on services in England and Wales • National Diabetes Inpatient Audit - harms reporting in England • National Core Diabetes Audit • National Diabetes Transition • National Pregnancy in Diabetes Audit				Measures the effectiveness of diabetes care compared to NICE guidance.
	Yes	Yes	100%	As above
	Yes	Yes	100%	As above
	Yes	Yes	100%	As above
	Yes	Yes	100%	As above
	Yes	Yes	100%	As above
	Yes	Yes	100%	As above
National Emergency Laparotomy Audit (NELA)	Yes	Yes	100%	Compares inpatient care and patient outcomes undergoing emergency abdominal surgery in England and Wales.
National Heart Failure Audit	Yes	Yes	100%	Examines clinical practice and patient outcomes of patients discharged following an emergency admission with a primary diagnosis of heart failure.
National Joint Registry (NJR)	Yes	Yes	100%	Data analysis of joint replacement surgery in order to provide an early warning of issues relating to patient safety.
National Lung Cancer Audit (NLCA)	Yes	Yes	100%	Examines lung cancer care and outcomes to bring the standard of all lung cancer multidisciplinary teams up to that of the best.
National Maternity and Perinatal Audit (NMPA)	Yes	Yes	100%	Evaluates processes and outcomes to identify good practice and areas for improvement in the care of women and babies in NHS maternity services.
National Mortality Case Record Review Programme	Yes	Yes	See Learning from Deaths section	Developed a standardised methodology for reviewing the case records of adults who have died in acute hospitals to improve learning about problems in healthcare that are associated with mortality.
National Neonatal Audit Programme (NNAP)	Yes	Yes	100%	Examines whether babies admitted to neonatal intensive and special care units received consistent care.

National Oesophago-gastric Cancer (NAOGC)	Yes	Yes	100%	Investigates whether the care received by patients with oesophago-gastric cancer is consistent with national standards.
National Ophthalmology Audit	Yes	Yes	100%	Examines key indicators of cataract surgical quality.
National Paediatric Diabetes Audit (NPDA)	Yes	Yes	100%	Examines the quality of paediatric diabetes care by comparing outcomes to NICE quality and clinical standards.
National Prostate Cancer Audit	Yes	Yes	100%	Data analysis on the diagnosis, management and treatment of every patient newly diagnosed with prostate cancer and outcomes.
National Vascular Registry	No	NA	NA	NA
Neurosurgical National Audit Programme	No	NA	NA	NA
Non-Invasive Ventilation - Adults	Yes	Yes	Data collection in progress	Compares practise to BTS guidelines and recommendations from the NCEPOD *Inspiring Change* report and NICE guidance.
Paediatric Intensive Care (PICANet)	No	NA	NA	NA
Prescribing Observatory for Mental Health (POMH-UK)	No	NA	NA	NA
Reducing the impact of serious infections (Antimicrobial Resistance and Sepsis) • Antibiotic Consumption • Antimicrobial Stewardship				
	Yes	Yes	100%	To reduce antibiotic consumption per 1,000 admissions
	Yes	Yes	100%	To reduce antibiotic consumption per 1,000 admissions and increase the proportion of antibiotic usage with the Access group of the AWaRe category
Sentinel Stroke National Audit programme (SSNAP)	Yes	Yes	100%	Continuous patient level data analysis of in hospital care of patients with a stroke and TIA compared to national stroke standards.
Serious Hazards of Transfusion (SHOT): UK National Haemo-vigilance	Yes	Yes	100%	Examines adverse events and reactions in blood transfusion with recommendations to improve patient safety.
Seven Day Hospital Services	Yes	Yes	100%	Measure progress in 4 priority standards to ensure patients receive consistent, high quality, safe care every day of the week.
Surgical Site Infection Surveillance Service	Yes	Yes	100%	Hospitals record incidents of infection after surgery, track patient results and review or change practice to avoid further infections.
UK Cystic Fibrosis Registry (Paediatrics)	Yes	Yes	100%	Registry data to improve the health of children with cystic fibrosis through research, to guide quality improvement & to monitor the safety of new drugs.
Vital Signs in Adults (care in Emergency Departments)	Yes	Yes	100%	Examines performance in EDs against Royal College of Emergency Medicine clinical standards and compare results with other departments.
Venous Thrombo-Embolism risk in lower limb immobilisation (care in Emergency Departments)	Yes	Yes	100%	Examines performance in EDs against Royal College of Emergency Medicine clinical standards and compare results with other departments.

Salisbury NHS Foundation Trust participated in a number of audits that are not in the Quality Account mandatory list. This activity is in line with the Trust's annual clinical audit programme

which aims to make sure that clinicians are actively engaged in all relevant national audits and confidential enquiries as well as undertaking baseline assessments against all NICE guidelines and quality standards. This enables the Trust to compare our performance against other similar Trusts and to decide on further improvement actions. The annual programme also includes a number of audits agreed as part of the contract with our Clinical Commissioning Groups. The Trust took part in the following additional national audits:

- Society of Acute Medicine Benchmarking Audit
- British HIV Association National Clinical Audit

The reports of 44 (100%) national clinical audits and national confidential enquiries that were published in 2018 were reviewed by Salisbury NHS Foundation Trust in 2018/2019. Of these, 28 (64%) were formally reported to the Clinical Management Board by the clinical lead responsible for implementing the changes in practice, and Salisbury NHS Foundation Trust has taken or intends to take the following actions to improve the quality of healthcare provided set out in Figure 20.

Figure 20: Examples of national clinical audit reports reviewed during 2018/2019 with actions taken or planned by Salisbury NHS Foundation Trust (SFT)

National Emergency Laparotomy Audit 2018 (data: 2017) YEAR FOUR
This audit compares inpatient care and patient outcomes undergoing emergency abdominal surgery in England and Wales.

Standard	SFT 2015	SFT 2016	SFT 2017	National mean 2017	SFT red amber green rating 2017
Number of cases	80	54	76		Amber
Estimated case ascertainment	56%	55.1%	78%		Amber
CT scan reported before surgery	83%	88.9%	80%	65%	Amber
Risk of death documented pre-operatively	74%	40.7%	67%	74%	Amber
Arrival in theatre with a timescale appropriate to urgency	73%	88.6%	91%	83%	Green
Consultant surgeon & consultant anaesthetist both present in theatre when risk of death >5%	61%	91.3%	82%	83%	Amber
Consultant surgeon present in theatre when risk of death >5%	92%	91.3%	93%	93%	Green
Consultant anaesthetist present in theatre when risk of death >5%	69%	100%	89%	88%	Green
Direct admission to Intensive Care Unit if risk of death >10%	66%	100%	85%	88%	Green
Assessment by a care for the older person specialist for patients aged 70 and over	6%	3.7%	16%	21%	Red
Unplanned return to theatre	1.3%	5.6%	3%	6%	Green
Unplanned Intensive Care Unit admission within 7 days	2.5%	1.9%	1%	4%	Green

Median length of stay	9.4 days	11 days	9 days	11 days	**Green**
Risk adjusted mortality within 30 days	12%	6.7%	11.7%	10%	**As expected**

In summary, a year on year improvement in standards with patient outcomes better than the national median. The key focus is to improve the number of patients reviewed by a specialist in older people's care, aim to achieve best practice tariff for all patients and make further improvements with the support of the NHSI Emergency Laparotomy Improvement Collaborative.

Salisbury NHS Foundation Trust will take the following improvement actions:

- Introduce an emergency laparotomy boarding pass to document the key standards for best practice tariff.
- Finalise the emergency laparotomy pathway and gain Clinical Management Board approval.
- Seeking funding for the introduction of a specialist frailty nurse to meet the standard for assessment of patients aged 70 and over.

National Chronic Obstructive Pulmonary Disease (COPD) audit 2017

This audit captures the process and clinical outcomes of treatment in patients with COPD exacerbations admitted to hospital in England and Wales.

Standard	Trust 2017	National mean 2017	Local COPD audit 2018 (17 cases)
Chest X-ray within 4 hours of admission	77%	85%	100%
Steroids given within 24 hours of admission	90%	88%	100%
Oxygen target range prescribed	55%	55%	82%
Stop smoking advice given to patients who smoke	43%	58%	Not measured
Seen by respiratory team within 24 hours of admission	39%	79%	53%
Discharged from respiratory ward	33%	32%	Not measured
Length of stay	3 days	4 days	Not measured
COPD re-admission within 90 days	21%	22%	Not measured

Salisbury NHS Foundation Trust will take the following improvement actions:

- Continue to embed the use of the COPD admission and discharge care bundles and audit their use (a set of practices when used together improve patient outcomes).
- Increase the proportion of patients with respiratory disease cared for on a respiratory ward.
- Improve the number of patients seen by the respiratory team within 24 hours of admission.

National Diabetes Inpatient audit 2017

A point prevalence audit of diabetes inpatient care in England and Wales.

Standard	Trust 2017	National mean 2017	Trust vs national mean 2017
Foot risk assessment within 24 hours of admission	100%	64.9%	⇧
Diabetic patients reviewed by the diabetes team	63.3%	34.7%	⇧
Prescription errors	13%	19%	⇩
Medication errors	13%	31.3%	⇩
Glucose management errors	1.9%	18.5%	⇩
Insulin errors	7.4%	18.6%	⇩
Mild hypoglycaemic episodes (3.0 – 3.9 mmol/l)	10.4%	16.7%	⇩
Severe hypoglycaemic episodes (less than 3.0 mmol/l)	5.3%	7.1%	⇩
	⇧ & ⇩Better ⇔ As expected ⇩ Worse		

The following improvement actions have been taken in 2018:

- Ongoing ward based education and training programme
- Improved the optimisation of patients with diabetes before surgery
- Introduced a system to spot patients who have had hypoglycaemic episodes so they are seen by a specialist nurse in diabetes care to prevent recurrence.

The Trust expects to formally review all national audits at the Clinical Management Board within three months of publication. This gives clinical teams time to discuss the findings and to develop an action plan which is presented to the Board for approval and support where actions are needed.

Action plans have been developed for all national audits and national confidential enquiries published during the year. Monitoring of these actions is through the Trust's Integrated Governance Framework or through designated working groups. Three examples are given in Figure 20.

Local clinical audits

The reports of 154 (100%) local clinical audits were reviewed by the Trust in 2018/2019 and Salisbury NHS Foundation Trust intends to take, or has taken, the following actions to improve the quality of healthcare provided.

Local procedural sedation audit 2018

This audit examined all cases of patients who had sedation for a procedure in the Emergency department (July – November 2018) to ascertain whether the national standards were met.

Standard	Trust national audit 2017 (48 cases)	Local audit 2018 (17 cases)	National 2017 vs local audit 2018
Pre-procedural assessment of: • ASA grading • Prediction of airway difficulty • Fasting status	4%	76%	⇧
Documentation of informed consent	92%	100%	⇧
Sedation should take place in a resuscitation room	96%	100%	⇧
Sedation requires the presence of: • A doctor as seditionist • A second doctor, ENP or ANP as procedurist • A nurse	54%	100%	⇧
Monitoring during the procedure with: - Blood pressure - Pulse oximetry - Capnography - ECG	88%	82%	⇩
Oxygen is given from the start of sedation until the patient's condition returns to baseline	65%	94%	⇧
Discharged only after documented assessment of: • Return to baseline level of consciousness • Vital signs within normal limits • Absence of respiratory compromise • Absence of significant pain • Written advice on discharge for all patients	a) 67% b) 71% c) 67% d) 62% e) 33%	a) 100% b) 100% c) 100% d) 100% e) 100%	⇧

Improvement actions taken or planned to be taken:

- Introduced a procedural sedation checklist for each patient – completed.
- Ongoing training programme to emphasise the importance of recording the ECG and documentation of capnography on the checklist.

Acute Kidney Injury re-audit - July 2018 and January 2019

This audit examined whether patients with an acute kidney injury received the elements of the acute kidney injury care bundle.

Standard	July 2018 (15 cases)	January 2019 (15 cases)	Local audit comparison
Patients with an AKI must have a: • Clinical assessment • Vital signs recorded	100% 100%	100% 100%	⇔
Clinical assessment should include: • Volume status/perfusion • Appropriate IV fluids	100% 100%	100% 100%	⇔
Urine dip stick should be recorded	20%	40%	⇧
Blood tests should include: • Full blood count • Urea and electrolytes • Liver function tests • C-reactive protein • CK	100%	100%	⇔
If urinary obstruction suspected the patient should have an ultrasound scan within 24 hours	No applicable patients	2 patients 100%	⇔
Nephrotoxic drugs should be stopped or dosage reduced	100%	100%	⇔
Cause of AKI documented	100%	100%	⇔
Patients with AKI should be referred to a tertiary centre if needed	100%	100%	⇔
	⇧ Better ⇔ As expected ⇩ Worse		

Improvement actions taken or planned to be taken:

- Redesigned the new nursing assessment documentation to make it easier to record a urine dipstick. Training sessions were held with nursing teams – completed.
- The Associate Directorate Senior Nurses to work with their nursing teams on improvement action in recording a urinalysis.

Research

The number of patients receiving relevant health services provided or subcontracted by Salisbury NHS Foundation Trust in 2018/2019 that were recruited during that period to participate in research approved by the National Institute for Health Research were 1581 patients into 91 studies**.** This compares with 1272 patients recruited into 92 studies in 2017/2018.

The level of participation in clinical research demonstrates Salisbury NHS Foundation Trust's commitment to improving the quality of care we offer and to making a contribution to wider health improvement. Our clinical staff stay abreast of the latest treatment possibilities and active participation in research leads to improved patient outcomes. Summary information and contact details of study co-ordinators of all clinical research trials to which our patients are recruited are available at http://public.ukcrn.org.uk/search/. Further information on research activity is in the annual report at http://www.salisbury.nhs.uk/AboutUs/TrustReportsAndReviews/Pages/landing.aspx

Goals agreed with Commissioners

A proportion of Salisbury NHS Foundation Trust's income in 2018/2019 was conditional on achieving quality improvement and innovation goals agreed between Salisbury NHS Foundation Trust and any person or body with whom the Trust entered into a contract, agreement or arrangement with for the provision of relevant health services, through the Commissioning for Quality and Innovation (CQUIN) payment framework. Further details of the agreed goals for 2018/2019 are set out in the Figure 21 and for the following 12 month period. The planned income through this route for 2018/2019 was £3,837,253 (in 2017/18 it was £3,756,651). The amount the Trust actually received in 2018/2019 was £3,772,253 (98%) following a year end agreement with all commissioners.

CQUIN contracts were signed with our commissioners during 2018/2019 as part of their overall contract. The Trust did not achieve all of the quality improvements as set out in Figures 21 and 22.

Figure 21: Trust performance for all local commissioners CQUIN targets 2018/2019

CQUIN quality improvement target	% income achieved*	2018/19 income earned
STP engagement CQUIN: a) Emergency Ambulatory Care – Local tariff b) Stroke collaborative meetings	100%	£1,143,514
1. Improving staff health and wellbeing 1a) Improvement of health and wellbeing of NHS staff*.	0%*	£0
1. Improving staff health and wellbeing		

1b) Healthy food for NHS staff, visitors and patients	100%	£137,641
1 Improving staff health and wellbeing 1c) Improving the uptake of flu vaccinations for front line staff	95%	£131,026
2. Reducing the impact of serious infections 1) Timely identification of sepsis in Emergency departments and acute inpatient settings. 2) Timely treatment for sepsis in Emergency departments and acute inpatient settings. 3) Antibiotic review 4) Reduction in antibiotic consumption per 1,000 admissions & proportion of antibiotics usage within the Access AWaRe category.	1) 100% 2) 60% 3) 75% 4) 33%	1) £103,270 2) £61,960 3) £103,271 4) £34,423
4. Improving services for people with mental health needs who present to the Emergency Department 1) Where a 20% reduction in emergency department attendances was achieved in year 1 maintain this reduction on the 2016/17 baseline. 2) Identify a new cohort of frequent attenders to Emergency during 17/18 who could benefit from psychosocial interventions and work to reduce by 20% in 2018/19. 3) Undertake internal audit of recording of mental health activity in the ECDS and meet locally agreed thresholds for data quality	1) 100% 2) 100% 3) 25%	£309,811
6.Offering advice and guidance 1) 75% of GP referrals made to elective outpatient specialties which provide access to advice and guidance.	100%	£413,082
9. Reducing risky behaviours Training programme All inpatients: a) Tobacco screening (90% target) b) Tobacco brief advice (90% target) c) Tobacco referral and medication offer (30% target) d) Alcohol screening (50% target) e) Alcohol brief advice and referral (80% target)	100% a) 0% b) 100% c) 100% d) 100% e) 100%	£103,271 a) £0 b) £65,679 c) £80,551 d) £80,551 e) £80,551

0% improvement of health and wellbeing of NHS staff related to a reduction in the NHS staff survey scores in the following questions:

1. Does your organisation take positive action on health and wellbeing? An improvement is required of 5% points in the answer 'yes definitely' compared to the baseline staff survey results or achieve 45% of staff surveyed answering 'yes definitely'. In 2016, 45% of respondents answered 'yes definitely', in 2018 survey only 28.6% answered 'yes definitely'.

2. In the last 12 months have you experienced musculoskeletal problems as a result of work activities? An improvement is required of 5% points in the answer 'no' compared to the baseline staff survey results or achieve 85% of staff surveyed answering 'no'. In 2016, 80% of respondents answered 'no' compared to 75% in the 2018 survey.
3. During the last 12 months have you felt unwell as a result of work related stress? An improvement of 5% points is required in the answer 'no' compared to the baseline staff survey results or achieve 75% of staff surveyed answering 'no'. in 2016, 64% of respondents answered 'no' compared to 62.2% in 2018.

Figure 22: Trust performance for NHS England Specialist commissioning CQUINS 2018/2019

CQUIN quality improvement target	% income achieved*	2018/19 forecast of income earned
CA2 Nationally standardised dose banding for adult intravenous anticancer therapy	0%	£0
CA3 Optimising palliative chemotherapy decision making 1) Review of current practice in relation to peer decision making and shared decision making 2) Review of current practice in relation to 30 day mortality reviews	100%	£263,101
Armed Forces - Embedding the Armed Forces Covenant to support improved health outcomes for the Armed Forces Community 1) Local action plan completion	100%	£102,132

Further details of the agreed CQUIN goals for Wiltshire, West Hampshire, Dorset, Bournemouth, Poole, Somerset, Southampton City, Isle of Wight and Portsmouth 2019/2020 are available electronically at the following link: https://www.england.nhs.uk/nhs-standard-contract/cquin/cquin-19-20/

Further details of the agreed CQUIN goals for Specialist Commissioning Prescribed Services 2019 – 2020 are available electronically at the following link: https://www.england.nhs.uk/nhs-standard-contract/cquin/cquin-19-20/

Care Quality Commission (CQC) registration

Salisbury NHS Foundation Trust is required to register with the Care Quality Commission and its current registration status is without conditions.

Salisbury NHS Foundation Trust has not participated in any special reviews or investigations by the Care Quality Commission in 2018/2019. Following an investigation by NHS Improvement into the Trust's financial governance Salisbury NHS Foundation Trust have accepted enforcement undertakings with NHS Improvement.

The Care Quality Commission monitor the Trust under a Single Oversight Framework. The Trust is segmented as a Level 3 provider where we are offered mandated support.

Care Quality Commission inspection 2018

Core services inspection

Between 13 and 15 November 2018, Salisbury NHS Foundation Trust had an unannounced inspection by the Care Quality Commission of four core services – urgent and emergency services, surgery, critical care and spinal services. The services were inspected against the five domains of safe, effective, caring, responsive and well-led. The inspection report identified many

areas of outstanding and good practice across the four core services. The overall rating for the Trust increased from requires improvement to good.

The outcome of the inspection showed improvement in all four core services as shown below:

- Urgent and emergency services were rated as good.
- Surgical services were rated as good.
- Critical care services were rated as outstanding.
- Spinal services were rated as requires improvement and had improved in the responsive and well-led domain to good.

The inspection report noted areas of outstanding practice:

1) The Emergency Department had established a regional mortality and morbidity meeting to share learning across Wessex and Wiltshire. The Trust had integrated these meetings into the hospital's governance framework and board members saw a standardised Trust wide process that offered greater levels of assurance of learning from deaths.
2) The Emergency Department had been responsible for the immediate assessment and treatment of 5 patients who presented critically unwell with nerve agent poisoning. These admissions were categorised as major incidents. The team's response was outstanding in their commitment to provide effective and responsive care, their collaborative working and their focus on the safety and well-being of all the staff and patients in the Department during this time.
3) The critical care team had been responsible for treating five patients with nerve agent poisoning. This was the first time patients with this diagnosis had been treated by the NHS in this country. Leads worked tirelessly to liaise with experts to ensure the best possible clinical outcomes for the patients involved. During the period of the major incidents, staff went the extra mile to protect patient confidentiality in the face of intense media scrutiny.
4) Within critical care, staff made every effort to fulfil patient's wishes and went to great lengths to make them happen. Patients who relied on mechanical ventilators were supported to visit a garden within the hospital. Weddings were arranged on the unit and at a time soon after discharge and pets were brought on to the unit.
5) In the critical care team, staff at all levels were empowered and encouraged to be leaders, evident in the established mentoring system, the structured training and development opportunities for staff, the lead roles that staff fulfilled and the mutual respect shown by all the team.

Use of resources inspection

On 23 November 2018, Salisbury NHS Foundation Trust had an announced inspection by the Care Quality Commission of the use of resources to understand how effectively the hospital use resources to provide high quality, efficient and sustainable care for patients. The inspectors met the Trust's executive team, the Trust Chair and Chair of the Finance and Performance Committee and relevant senior management responsible for the areas under assessment.

The Care Quality Commission rated the Trust as good for use of resources as we demonstrated a good level of productivity, good progress on the Trust's strategy for clinical services and integrated care, working closely with health and social care partners including those within the Sustainability and Transformation Partnership (STP) and neighbouring hospitals. The inspectors noted areas of outstanding practice:

1) The Trust is a pilot site for Scan4Safety national programme and has released more clinical time to patient care by reducing administrative processes, improving stock visibility and reducing wastage.

2) The Trust has a low sickness absence rate compared to a national average. There are clear processes and guidance in place for managing sickness and absence and enabling better staff support.

Well-led inspection

On 4 and 5 December 2018, Salisbury NHS Foundation Trust had an announced inspection by the Care Quality Commission of the well-led domain. The Care Quality Commission rated well-led as good.

They found effective, experienced and skilled leadership, a strong vision for the Trust and embedded values. The leadership had the capacity and capability to delivery high quality sustainable care. Leaders understood the challenges to quality and sustainability and they were visible and approachable. There was a clear vision for the Trust and strong values. The strategic plans fitted with local integration plans and were aligned to the wider health and social care economy. Overwhelmingly, staff felt valued and supported, positive and proud to work for the organisation. There were co-operative and supportive relationships throughout the Trust. There was good governance and structures to assess the care provided and give assurance around quality. There were processes for managing risk, issues and performance. Information and data was of good quality. The views of people using the services were considered, as were those of staff and stakeholders. The Trust was committed to quality improvement and innovation.

Figure 23: Trust rating for each of the four core services and for the Trust overall at the Care Quality Commission inspection in December 2018

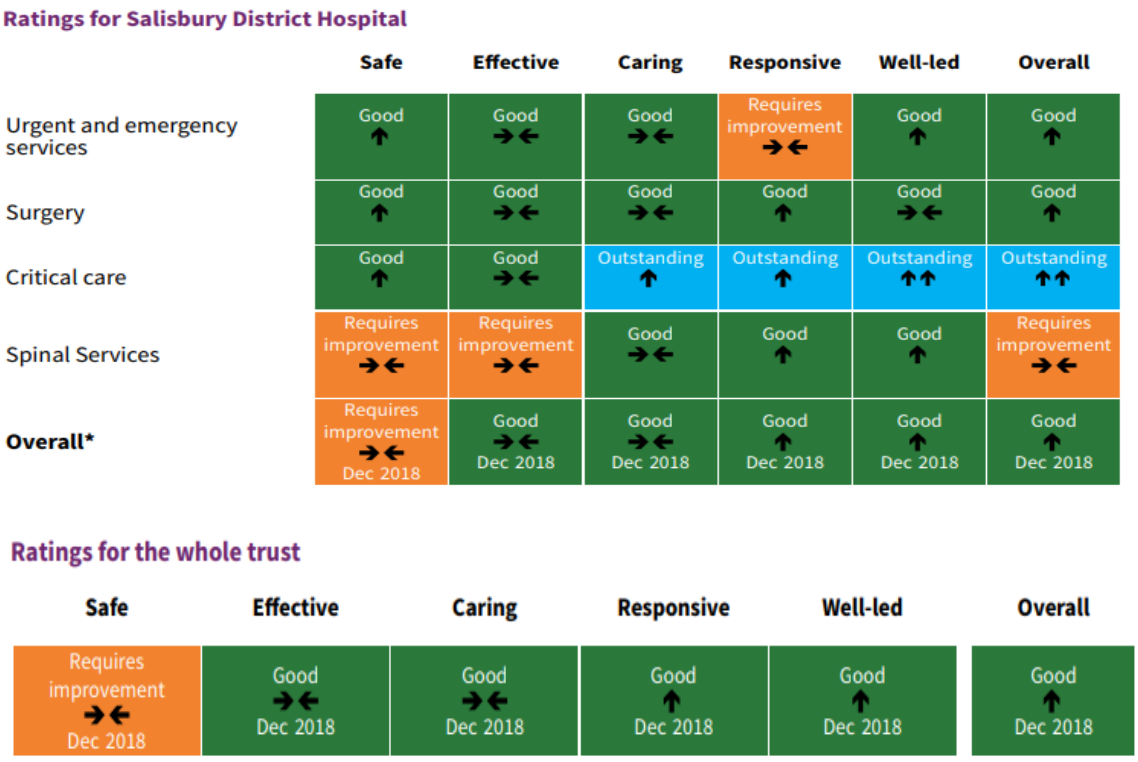


Figure 24: Trust rating for each of the *eight core services and for the Trust overall at the Care Quality Commission inspection in December 2015

	Safe	Effective	Caring	Responsive	Well-led	Overall
Urgent and emergency services	Requires improvement	Good	Good	Requires improvement	Requires improvement	Requires improvement
Medical care	Good	Good	Good	Requires improvement	Good	Good
Surgery	Requires improvement	Good	Good	Requires improvement	Good	Requires improvement
Critical care	Requires improvement	Good	Good	Good	Requires improvement	Requires improvement
Maternity and gynaecology	Requires improvement	Good	Good	Good	Good	Good
Services for children and young people	Requires improvement	Good	Good	Good	Requires improvement	Requires improvement
End of life care	Good	Good	Good	Good	Requires improvement	Good
Outpatients and diagnostic imaging	Good	Not rated	Good	Good	Good	Good
Spinal injuries centre	Requires improvement	Requires improvement	Good	Inadequate	Requires improvement	Requires improvement
Overall	Requires improvement	Good	Good	Requires improvement	Requires improvement	Requires improvement

*The spinal injuries centre was not inspected as a core service in 2015.

The Care Quality Commission found 26 things that the Trust should do to improve. We plan to take the following actions in 2019/2020:

Well-led:

- Write a quality improvement strategy and build the workforce capacity and capability to implement sustainable change and embed it within the organisation.
- Introduce an integrated performance report to identify variations and the need for improvement.
- Improve access to IT equipment and systems to support staff in their work, in particular, the diagnostic test requesting system and implementing electronic prescribing and administration of medicines.
- Review the Freedom to Speak Up Guardian arrangements to reflect best practice guidance.

Urgent and emergency services:

- Undertake a workforce review of Emergency Department staffing to ensure there are sufficient numbers of staff on duty to meet the needs of the patients.
- Complete the work in the mental health assessment room in the Emergency Department to ensure it is compliant with national recommendations.
- Introduce a revised standard operating procedure for the Short Stay Emergency Unit.
- Review the arrangements and environment for treating children in the Emergency Department to comply with national guidance for children's emergency care.

Surgery:

- Improve the time it takes to provide a written response to a complaint within 60 days.

Critical Care:

- Raise the profile of the lead Occupational Therapist on the Unit.

Spinal services:

- Full implementation of the workforce plan.
- Monitor the pool environment for safety to ensure there is no risk of cross infection.
- Revise the process for reviewing, monitoring and taking action on the outcomes of data collection to meet any shortfalls in performance and care.

Data quality

Good quality information (data) underpins the effective delivery of patient care and is essential to drive improvements in the quality of care we deliver. Having high data quality standards gives us confidence that decisions we make using the information are appropriate and ultimately will help us to deliver more responsive, high quality and cost effective services.

With the Trust's electronic patient record now embedded in practice, the Trust is embarking on a business intelligence project in 2019/2020 which includes replacing our data warehouse and delivering modern tools to support the improvement in data quality and the use of information more widely. We remain on a journey of continuous improvement around ensuring we adhere to standardised administrative practices when recording data. We will be further educating our staff in the role they play in meeting the high standards of data quality we aspire to and will introduce data quality champions across the Trust in 2019/2020.

During 2018/2019 the Trust has improved internal processes around our submissions to the Secondary Uses Service (the national data source for the Hospital Episode Statistics (HES) which is used for many of the statistics provided about the NHS). This will ensure that we have consistent and comprehensive information used for both internal and external purposes.

Salisbury NHS Foundation Trust submitted records during 2018/2019 to the Secondary Uses Service for inclusion in the Hospital Episode Statistics which are included in the latest published data. The percentage of records in the published data which included the patient's valid NHS number and valid General Medical Practice Code is set out in Figure 25. These are important because the NHS number is a key identifier for patient records and an accurate record of the General Medical Practice Code is essential to enable the transfer of clinical information about the patient.

Figure 25: Patient records with a valid NHS number and General Medical Practice code

Data item	Salisbury District Hospital 17/18*	National benchmark 17/18*	Salisbury District Hospital 18/19 at M11	National benchmark 18/19 at M11
Valid NHS number				
% for admitted patient care	99.7%	99.4%	99.7%	99.4%
% for outpatient care	99.8%	99.6%	99.8%	99.6%
% for Emergency Department care	98.8%	97.4%	98.9%	97.6%
Valid General Medical Practice code				
% for admitted patient care	99.9%	99.9%	99.9%	99.9%
% for outpatient care	99.9%	99.8%	100.0%	99.8%
% for Emergency	99.8%	99.3%	100.0%	99.3%

Department care				

*2017/18 month 11 data was reported in the quality account and is now reported for the full year

Data Security and Protection Toolkit Attainment levels

Salisbury NHS Foundation Trust's completed the 2018/2019 Data Security and Protection Toolkit self-assessment which confirmed that the Trust met the 100 mandatory evidence items required without the need to submit an improvement plan to NHS Digital.

Clinical Coding Error Rate

Clinical coding translates the medical terminology written in a patient's health care record to describe a patient's diagnosis and treatment into a standard, recognised code. The accuracy of this coding underpins quality assurance, payments and financial flows within the NHS. Coding software is in place which ensures consistency of coding and provides an audit tool and a suite of data quality reports which enables local improvement actions to be taken. The coding software is embedded in the electronic patient health care record (Lorenzo) and the coded information is available for clinical teams to view.

Salisbury NHS Foundation Trust was not subject to a payment by results clinical coding audit during the year.

Salisbury NHS Foundation Trust was subject to an external audit of data management, system and clinical coding by Monmouth Partners on behalf of Dorset Clinical Commissioning Group in August 2018. The objectives of the audit were to assess the accuracy and depth of clinical coding activity and confirm the nature of any observed shifts in clinical coding practice between 2016/2017, 2017/2018 and 2018/2019 year to date. Overall, the audit results were very good (see Figure 26). Three high priority recommendations were made:

1) Coders to be provided with a tailored feedback session highlighting the errors found in the audit and provide training, in particular, on the application of national clinical coding standards – completed.
2) Coding of co-morbidities guidance to be distributed to the team and coders advised where co-morbidities are documented in the health care record to ensure all mandatory co-morbidities are captured – completed.
3) Coders to use the full four step coding process to ensure they follow index trails to the highest level of specification – completed.

Salisbury NHS Foundation Trust was also subject to an external Information Governance clinical coding audit by an independent company during 2018/2019 and the correct coding rate reported in the latest published audit for that period for diagnoses and treatment coding (clinical coding) was:

Figure 26: Overall results of coding accuracy 2015 – 2019

	Annual external coding audit Correct % 2015/16	Annual external coding audit Correct % 2016/17	Annual external coding audit Correct % 2017/18	Annual external coding audit Correct % 2018/19	Monmouth Report Correct % 2018/19
Primary Diagnosis	98%	98.5%	99.0%	98.5%	95.4%

Secondary Diagnosis	94.5%	95.1%	97.2%	98.1%	97.5%
Primary Procedure	97.8%	99.7%	98.8%	99.1%	99.5%
Secondary Procedure	97.9%	95.1%	97.8%	99.7%	96.9%

The speciality services reviewed within the sample in January 2019 were multiple trauma, chemotherapy and elderly medicine. The results should not be extrapolated further than the actual sample audited.

The following improvement actions were progressed in 2018/2019:

1) Meetings held with the stroke team lead clinician and plastic surgery team to discuss full and complete documentation in the case notes, particularly of co-morbidities.
2) All Rheumatology and Nunton Unit (day case infusions) episodes are now coded from electronic records since both departments became paperless.
3) Engaged with the Getting It Right First Time (GIRFT) improvement programme.

Salisbury NHS Foundation Trust will be taking the following actions to improve data quality in 2019/2020:

1) Take active membership of a newly established Health Care Records Committee led by a Chief Clinical Information Officer.
2) Improve the consistency of co-morbidity coding by continuing to advise and support clinical teams.
3) Define the frailty score and when coders should code frailty in discussion with the lead clinician for Older People's Medicine.
4) Undertake refresher training about national coding standards of head injuries.

Learning from deaths

During 2018/2019, 799 patients died in Salisbury NHS Foundation Trust. This comprised the following number of deaths which occurred in each quarter of 2018/2019 (Figure 27).

Figure 27: Number of deaths, case record reviews and investigations

	Q1 2018/19	Q2 2018/19	Q3 2018/19	Q4 2018/19	Total
Number of deaths	185	176	200	238	**799**
1st screen	183	169	192	233	**778 (97%)**
Case record review	72	61	97	74	**304 (38%)**
Deaths with a Hogan score 1*	178	163	192	229	**762 (95%)**
Deaths with a Hogan score 2 – 3 **	7	10	7	8	**32 (4%)**
Deaths with a Hogan score 4 - 6***	0	3	1	1	**5 (0.6%)**
Unexpected deaths	4	3	3	3	**13**
Learning points identified	18	15	20	21	**74**

*Deaths with a Hogan score of: 1) Definitely not avoidable. ** Deaths with a Hogan score of: 2) Slight evidence for avoidability 3) Possibly avoidable, but not very likely, less than 50/50 *** Deaths with a Hogan score of: 4) Probably avoidable more than 50/50 5) Strong evidence of avoidability 6) Definitely avoidable.

By 31 March 2019, 778 (97%) of deaths had been screened to ascertain whether each case required a case record review. By 31 March 2019, 304 (38%) case record reviews and 9 investigations (serious incident inquiries) had been carried out in relation to 9 of the deaths included in Figure 27. In 9 cases, a death was subjected to both a case record review and a serious incident investigation. The number of deaths in each quarter for which a case record review or an investigation was carried out was:

- 72 in the first quarter (April – June 2018)
- 61 in the second quarter (July – September 2018)
- 97 in the third quarter (October – December 2018)
- 74 in fourth quarter (January – March 2019)

5 cases representing 0.62% of the patient deaths during 2018/2019 were judged to be more likely than not to have been due to problems in the care provided to the patient based on a Hogan score of 4 – 6.

In relation to each quarter this consisted of:

- 0 representing 0 % for the first quarter (April – June 2018)
- 3 representing 1.7 % for the second quarter (July – September 2018)
- 1 representing 0.5 % for the third quarter (October – December 2018)
- 1 representing 0.4 % for the fourth quarter (January – March 2019)

These numbers have been estimated using the Hogan scoring system of 1 – 6 identified in the Hogan (2014): Preventable Incidents, Survival and Mortality Study 2 (PRISM) https://improvement.nhs.uk/uploads/documents/PRISM_2_Manual_V2_Jan_14.pdf.
The score of deaths are defined as: 1) Definitely not avoidable 2) Slight evidence of avoidability 3) Possibly avoidable but not very likely, less than 50/50 4) Probably avoidable more than 50/50 chance 5) Strong evidence of avoidability 6) Definitely avoidable.

The Trust has learnt the following from case record reviews and investigations conducted in relation to the deaths in 2018/2019:

- Resuscitation status is not always discussed and documented in a timely manner.
- Community treatment escalation plans are not always in place.
- The importance of early discussions with patients and families about ceilings of care.
- Procedural documentation regarding risks, benefits and consent of ward based procedures such as ascitic taps not always written down.
- End of life care – recognition of situation, better communication with patients and families and speeding up rapid discharge to preferred place of care.
- The benefit of early involvement of the end of life care specialist team or hospital palliative care team of a patient at the end of their life.
- Failure to escalate a deteriorating patient for senior review in a timely manner.
- Importance of sepsis screening and administration of antibiotics within 1 hour of diagnosis.
- The need for an agreed escalation protocol for calling the on call team at night when the workload or staffing prevents the patient being reviewed in line with the early warning scoring protocol.

- Learning from stillbirths – women should be given information on antenatal care and appointments during pregnancy. Women who have missed an antenatal appointment should be followed up by a midwife. Women should be given information about ongoing care following ruptured membranes and when to call for help. All women who telephone the labour ward in early labour should be able to speak to a midwife who is able to give appropriate advice and support.

The Trust has taken the following actions as an outcome of the learning identified from case record reviews in 2018/2019:

- Fully implemented the national early warning scoring system (NEWS2) to standardise recording of clinical observations across the NHS and a new protocol to ensure appropriate escalation of deteriorating patients.
- Introduced a detailed analysis of patients who deteriorated who were not escalated in a timely manner to learn and drive further improvements.
- Continued with a ward based end of life care education and support programme.
- Examined the causes of delays of patients who wish to be discharged to their preferred place of care and worked on improvement actions.
- Sustained 93% of patients being seen and assessed by a consultant within 14 hours of admission.
- Improved the use of the Chronic Obstructive Pulmonary Disease admission checklist, which is a set of practices when used together improves patient outcomes.

The Trust is planning to take the following actions as an outcome of the learning identified from case record reviews in 2019/2020:

- Refocus improvement actions on screening and treatment of patients with sepsis.
- Introduce the national ReSPECT form.
- Introduce a Medical Examiner system to review all deaths, except those subject to a coroner's inquest, and discuss the medical certificate with relatives to ascertain if they had any concerns about care and investigate them.
- Re-start the bereavement survey to ask relatives about the care of their loved one in their last admission to drive improvements in end of life care.
- Continue to provide an education programme for senior doctors and nurses on ceilings of care and resuscitation status.

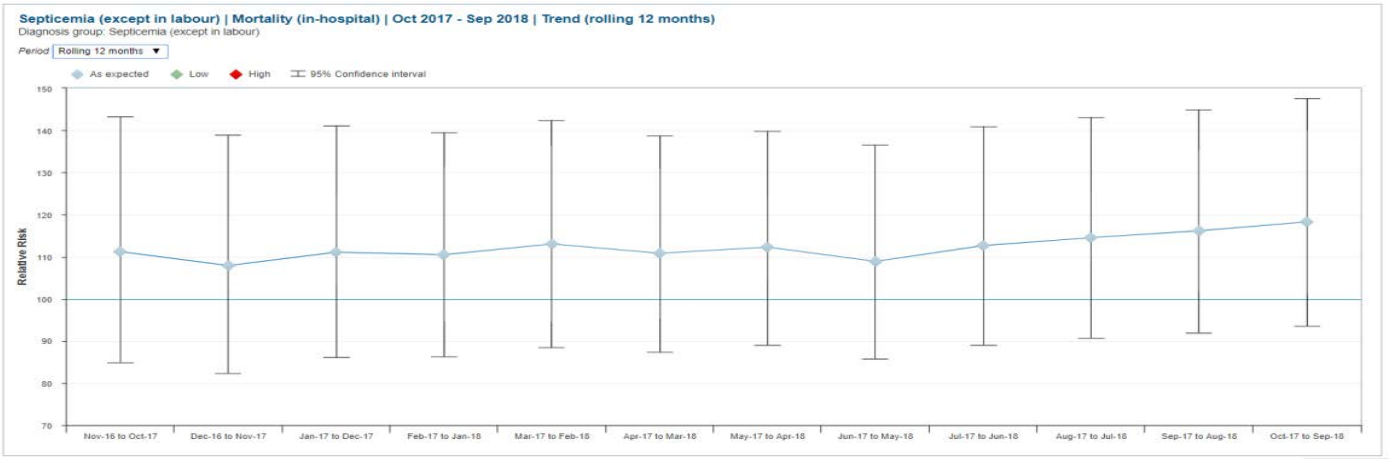
The impact of the actions taken in 2018/2019:

Figure 28: Deaths in high risk diagnosis groups 2016/2017 to Q1 & Q2 2018/2019

Diagnosis group	Relative risk 16/17	Relative risk 17/18	Q1 18/19	Q2 18/19
Acute and unspecified renal failure	94	87	91	79
Acute cerebrovascular disease	116	84	90	90
Acute myocardial infarction	89	65	77	79
Congestive heart failure	85	99	110	90
Fractured neck of femur	103	76	61	67
Pneumonia	130	94	100	94
Septicaemia (except in labour)	123	111	113	118

The risk of death in 6 out of 7 high risk diagnosis groups remained within the expected range but septicaemia has started to show an upward trend over the last 4 data points (Figure 29). This remains a key focus for improvement with a monthly sepsis audit, feedback and education with ward based teams will continue to be reported to the Deteriorating Patient and Sepsis Steering Group.

Figure 29: Trend in relative risk of death from septicaemia



103 case record reviews and 0 investigations of deaths which occurred in 2017/2018 were completed by 2018/2019. These deaths are not included in the total number of deaths in 2018/2019 reported in Figure 27. The full case reviews were undertaken as a result of CUSUM (or cumulative sum) alerts (statistical quality control measures which alert the Trust to when the number of deaths observed exceeds the number expected in a diagnostic or procedure group) or as a request from the Care Quality Commission to investigate, or as a serious incident inquiry into an adverse incident that caused serious harm or death.

None of the deaths representing 0% of the patient deaths subject to a full case review as a result of CUSUM alerts in 2017/2018 were judged to be more likely than not to have been due to problems in the care provided to the patient. The number has been calculated using the Hogan method already described in this section.

No deaths were investigated as a serious incident inquiry in 2017/2018 and therefore none were judged to be more likely than not to have been due to problems in the care provided to the patient.

Therefore in total, none of the patient deaths, representing 0% of the 103 case record reviews and no serious incident inquiries undertaken in 2017/2018 were judged to be more likely than not to have been due to problems in the care. These deaths were not included in the total number of deaths in 2018/19 reported in Figure 27.

Seven day hospital services – implementing the priority clinical standards

The seven day services standards are designed to ensure patients that are admitted as an emergency receive high quality care whatever day they enter hospital. In 2013 a Seven Day a Week Forum chaired by the National Medical Director, Sir Bruce Keogh was established to consider how services could be improved across 7 days particularly patients admitted at the weekend. In 2016, four of the ten clinical standards were prioritised for their potential to positively impact patient outcomes. These four standards are:

Standard 2 – Time to first consultant review - within 14 hours of admission to hospital
Standard 5 – Access to diagnostic tests – 7 days a week
Standard 6 – Access to consultant-delivered interventions – 7 days a week
Standard 8 – Ongoing review by a consultant twice daily of patients with high dependency needs and once daily for patients who need it.

In April 2018, we assessed ourselves against the four priority standards as part of a national survey run by NHS Improvement.

Figure 30: Standard 2: Consultant review within 14 hours of admission to hospital (standard 90%)

April 2018 survey	Weekday	Weekend	Total
Number of patients seen and assessed by a consultant within 14 hours of admission	103	43	146
Total	111	46	157
Percentage of patients who needed an assessment by a consultant within 14 hours of admission & received it	**93%**	**93%**	**93%**

Figure 31: Standard 5: Access to diagnostic tests

Diagnostic test – April 2018	Weekday	Weekend
CT scan	Yes	Yes
Echocardiogram	Yes	Yes
Microbiology	Yes	Yes
MRI scan	Yes	Yes
Ultrasound	Yes	Yes
Upper GI endoscopy	Yes	Yes

Figure 32: Standard 6: Access to interventions at this hospital or by formal arrangement with another hospital

Service – April 2018	Weekday	Weekend
	April 18	April 18
Critical care	Yes	Yes
Primary Percutaneous Coronary Intervention	Yes	Yes
Cardiac pacing	Yes	Yes
Thrombolysis	Yes	Yes
Emergency general surgery	Yes	Yes

Interventional endoscopy	Yes	Yes
Interventional radiology	Yes	Yes
Emergency renal replacement	Yes	Yes
Urgent radiotherapy	Yes	Yes

Figure 33: Standard 8: Ongoing review (standard 90%)

Twice daily - April 2018	**Weekday**	**Weekend**	**Total**
Number of patients requiring twice daily reviews	23	6	29
Number of patients receiving a twice daily review	23	6	29
% of patients receiving a twice daily review	**100%**	**100%**	**100%**
Once daily - April 2018	**Weekday**	**Weekend**	**Total**
Number of patients requiring once daily reviews	343	107	450
Number of patients receiving a once daily review	343	100	443
% of patients receiving a twice daily review	**100%**	**93%**	**98%**

The Trust has taken or is proposing to take the following actions to sustain good practice in 2019/2020:

- Train more staff in person centred health coaching.
- Provide a full upper GI endoscopy bleed rota - explore options for training surgeons as endoscopists.
- Explore short term support from an independent provider to sustain the current gastroenterology service. Establish a long term arrangement with another NHS Trust.
- Sustain and improve the provision of the interventional radiology service from the University Hospital Southampton and open discussions with Royal Bournemouth Hospital.
- Improve compliance with the use of the SAFER care bundle.
- Work towards a 7 day pharmacy service on the Acute Medical Unit.
- Work with NHS Wiltshire Clinical Commissioning Group to audit the Emergency department mental health needs of patients who attend out of hours with a view to expanding the service.
- Write a quality improvement strategy which includes developing the workforce capacity and capability to undertake and sustain quality improvement.

Freedom to Speak Up (whistleblowing and raising concerns)

Effective speaking up arrangements help to protect patients and improve the experience of NHS workers. Having a healthy speaking up culture is also an indicator of a well-led Trust. We encourage all our staff to speak up about any concern they have at work. Staff can raise a concern about risk, malpractice or wrongdoing that may cause harm to the service we deliver to patients. Staff can speak up in a number of ways:

- Formally or informally with their line manager or lead clinician or tutor.
- Our Freedom to Speak Up Guardian in person, by telephone or email.
- Our risk management team.

- Our executive director with responsibility for freedom to speak up – Director of Organisational Development and People in person, by telephone or email.
- Our Non-Executive Director in person, by telephone or email.

Alternatively, if staff feel unable to speak up to someone in the Trust they can raise a concern outside the organisation with:

- NHS Improvement for concerns about how the Trust is run. www.england.nhs.uk/ourwork/whistleblowing/raising-a-concern/
- Care Quality Commission for concerns about quality and safety. https://www.cqc.org.uk/
- Health Education England for concerns about education and training in the NHS. https://www.hee.nhs.uk/our-work/raising-responding-concerns
- NHS Counter Fraud Authority for concerns about fraud and corruption. https://cfa.nhs.uk/nhsprotect
- The NHS and Social Care Whistleblowing helpline for advice and support 08000 724 725 or a professional organisation such as the General Medical Council or Nursing and Midwifery Council or trade union representative.

We hope that when a member of staff raises a concern they feel comfortable to raise it openly, but we also appreciate that staff may want to do so confidentially. Staff are always thanked for speaking up and an acknowledgement is sent to the person within two working days.

If the concern is about quality of care or a patient safety incident, an investigation is carried out by someone independent of the case, to examine the concerns and wider circumstances. The person is advised how long it will take and is kept up to date with progress. The investigation report focuses on identifying the cause and making recommendations to promote patient safety and learning. The person is told about the outcome of the investigation and change is monitored to ensure it is working effectively.

If the concern is about bullying and harassment, our Dignity at Work policy http://intranet/website/staff/policies/humanresources/personnelpolicies/dignity+at+work+(bullying+and+harrassment)+policy.asp encourages staff to seek resolution informally in the first instance, but if this is unsuccessful the person can raise a formal complaint. An investigation is carried out in the same way as a patient safety investigation.
We want to make sure our staff feel safe to raise a concern. Our policy makes it clear http://intranet/website/staff/policies/businessandprovisionofservices/freedomtospeakupraisingconcernspolicy.asp that if staff raise a genuine concern they will not be at risk of losing their job or suffering any form of reprisal as a result. As a Trust we do not tolerate harassment or victimisation of anyone raising a concern. Nor do we tolerate any attempt to bully the person into not raising a concern. Any such behaviour is a breach of our values and, if upheld following investigation, could result in disciplinary action.

Consolidated annual report 2018/19 on doctors and dentist in training rota gaps & improvement plan

Staff shortages and rota gaps result in an increased workload for doctors and dentists. Workload is a significant factor in the attractiveness of NHS roles. These rota gaps and vacancies for doctors and dentists in training are reported to the Workforce Committee along with the actions that have been taken or are planned to be taken to address them.

A number of rotas covering different medical and surgical specialities across the Trust have had intermittent gaps throughout the year. This has been due to variations in the number of doctors in training allocated to the Trust by Wessex Deanery, sickness absence and maternity leave. These

gaps have largely been filled by Trust Grade doctors and these have been successful in most areas as they have contributed additional capacity to rotas.

The Trust implemented the Locums Nest booking system and app in 2017. This has enabled the Trust to increase the usage of locum doctors across specialities. Gaps that were not able to be filled with a Trust Grade doctor have benefited from using this to fill at risk shifts. Since April 2018, the Trust has employed 84 doctors using this booking system. The average fill rate from Locums Nest has been 78% over the last 6 months of 2018/19.

Sickness absence of doctors and dentists in training has declined in 2018/19. The commonest reason for sickness absence is gastrointestinal problems. Stress related absence is low.

Improvement actions taken or planned to be taken are:

- Continue to secure specialist doctors recruited from agencies to fill rota gaps.
- Prepare a recruitment plan in 2019/20 to recruit into areas where there is likely to be a shortfall of doctors in training.
- Develop a robust induction programme to support doctors from overseas transition into the NHS culture and working environment.

Reporting against core indicators

This section of the Quality Account provides comparisons of quality standards common to all hospitals.

The standards are set by the Department of Health and the information and data used is from NHS Digital. All data can be found at https://digital.nhs.uk. The standards that are benchmarked are:

- Summary hospital-level mortality indicator
- Patient reported outcome measures
- Emergency re-admissions within 28 days
- Responsiveness to the needs of patients
- Staff who would recommend the Trust to family and friends.
- Patients who would recommend the Trust to family and friends.
- Venous thrombo-emobolism risk assessment
- C difficile
- Patient safety incidents.

Summary Hospital Level Mortality (SHMI)

Figure 34 presents the Trust's performance against the SHMI. Salisbury NHS Foundation Trust considers that the SHMI data is as described for the following reasons:

- SHMI is published by NHS Digital and compares the number of deaths in hospital and within 30 days of discharge with expected levels. It is not adjusted for patients admitted for end of life care, for example to Salisbury Hospice. Our SHMI for January 2018 to December 2018 was 100 and is within the expected range. If the number of deaths was exactly as expected the SHMI would be 100. However, some natural variation is to be expected and a number above or below 100 can still be within the expected range. Currently 41.7% of our deaths are patients admitted for palliative or end of life care compared to 48.5% in 2017/2018.

Salisbury NHS Foundation Trust has taken the following actions to improve by:

- Introduced the national early warning scoring system (NEWS2) to standardise recording of clinical observations across the NHS and a new protocol to ensure appropriate escalation of deteriorating patients.
- Introduced a detailed analysis of patients who deteriorated who were not escalated in a timely manner and made further improvements.
- Continued with a ward based end of life care education and support programme.
- Examined the cause of delays of patients who wished to return to their preferred place of care and continued to work on solutions.
- Sustained 93% of patients being seen and assessed by a consultant within 14 hours of admission.

- Improved the use of the Chronic Obstructive Pulmonary Disease admission checklist, which is a set of practices when used together improves patient outcomes.

Salisbury NHS Foundation Trust intends to take the following actions to ensure the SHMI remains as expected by:

- Re-focus improvement actions on screening and treatment of patients with sepsis.
- Introduce the national ReSPECT form.
- Introduce a Medical Examiner system to review all deaths, except those subject to a coroner's inquest, and discuss the medical certificate with a relative to ascertain if they had any concerns about care and investigate them.
- Re-start the bereavement survey to ask relatives about the care of their loved one in their last admission to drive further improvements.
- Continue to provide an education programme for senior doctors and nurses on ceilings of care and resuscitation status.
- Continue to participate in the West of England Academic Health Science Network mortality work to share best practice and improve learning from deaths.

Figure 34: Summary Hospital-level mortality indicator (SHMI)

NHS Outcomes Framework Domain	Indicator	2015/16	2016/17	2017/18	2018/19	National average	Highest & lowest average other Trusts 2018/19
Domain 1: preventing people from dying prematurely	SHMI value	107	106	106*	100 (Dec 18)	100	113 higher than expected
	SHMI banding	As expected	As expected	As expected	As expected	As expected	88 lower than expected
Domain 2: Enhancing quality of life for people with long term conditions	Percentage of patient deaths with palliative care coded at either diagnosis or specialty level for the Trust.	31.9%	28.7%	48.5%	41.7%		

* In 2017/2018 SHMI was reported as 109 to September 2017. The full year SHMI was 106 to March 2018.

Patient Reported Outcomes Measures (PROMs)

Figure 35 presents the Trust's performance against PROMS. Salisbury NHS Foundation Trust considers that the PROMs are as described for the following reasons:

- PROMs measure health gain in patients undergoing hip and knee replacements in England, based on responses to questionnaires before and after surgery. The responses are analysed by an independent company and compared with other Trusts. The outcomes are published by NHS Digital.

- The finalised PROMs report in England from April 2016 to March 2017 showed that patients undergoing hip replacements reported average health gains on the Oxford Hip Score of 21.1

for males and 21.7 for females. For patients undergoing knee replacements on the Oxford Knee Score, these were 15.9 for males and 16.9 for females. Almost all hip replacement patients (96.4%) showed an improvement on their Oxford Hip Score. 93.5% showed improvement on the Oxford Knee Score.

- Salisbury NHS Foundation Trust PROMs finalised data from April 2016 to March 2017 of patients undergoing primary hip replacements reported average health gains on the Oxford Hip score as equal to the England average. For patients who had a primary knee replacement the data showed average health gains and Oxford Knee Scores slightly above the England average.

Salisbury NHS Foundation Trust will be taking the following actions:

- Continue to encourage patients to attend a 'joint school' before surgery to learn about hip and knee exercises needed after the operation and encourage them to continue them after they leave hospital to get the best outcome from the surgery.
- Continue to telephone patients who have had a hip or knee replacement who have been in hospital longer than 3 days to establish their progress and offer them an outpatient physiotherapy appointment if needed.

Figure 35: Patient Reported Outcome Measures (PROMs)

<table>
<tr><th>NHS Outcomes Framework Domain</th><th>Indicator</th><th>2016/17**</th><th>2017/18*** Indicative</th><th>2018/2019</th><th>National average April 18 – Sept 18</th><th>Highest average other Trusts April 18 - Sept 18</th><th>Lowest average other Trusts April 18 - Sept 18</th></tr>
<tr><td rowspan="6">Domain 3: helping people to recover from episodes of ill health or following injury</td><td>Patient reported outcome measures scores for:</td><td colspan="6">Average health gain where full health = 1</td></tr>
<tr><td>i) groin hernia surgery</td><td>0.095</td><td>Not applicable</td><td colspan="4">From 1 October 2017
NHSE no longer report this data</td></tr>
<tr><td>ii) varicose vein surgery</td><td>0.743</td><td>Not applicable</td><td colspan="4">From 1 October 2017
NHSE no longer report this data</td></tr>
<tr><td>iii) hip replacement surgery</td><td>0.437</td><td>0.461</td><td colspan="4" rowspan="2">NHS Digital indicated there is insufficient data to present on hip and knee replacement surgery in 2018/19</td></tr>
<tr><td>iv) knee replacement surgery</td><td>0.330</td><td>0.311</td></tr>
</table>

**In the 2017/2018 quality account provisional data for 2016/2017 was presented. The data is now finalised.
*** Data for 2017/2018 is indicative. Final data will be available in August 2019.

Emergency re-admissions within 28 days of discharge

Figure 36 presents the Trust's performance on emergency re-admissions within 28 days. Salisbury NHS Foundation Trust considers that the percentage of emergency re-admissions within 28 days of discharge from hospital is as described for the following reasons:

- Every time a patient is discharged and re-admitted to hospital staff code the episode of care. The Data Quality Service continually monitors data quality locally and from time to time it is subject to an external coding audit.
- A sample of patients who are re-admitted to hospital are validated by the Directorate Management Teams who compare the patient's first admission primary diagnosis with the re-admission primary diagnosis to establish whether they were linked.
- Emergency re-admission rates within 7, 14 and 30 days of discharge are reported to the Board at every meeting.
- Our re-admission relative risk is compared with other Trusts. Between August 2017 to July 2018 our re-admission relative risk was 99.3 with 95% confidence limits ranging between 96.3 – 102.3 over the last 12 months. This was based on 4,147 patients who were re-admitted where the expected number would be 4,177. This represents 'as expected' relative risk when compared to other hospital Trusts nationally.

Salisbury NHS Foundation Trust has taken the following actions to reduce emergency re-admissions within 28 days of discharge to improve the quality of its services:

- Increased ambulatory models of care: these provide timely, accessible, specialist assessment in our Acute Medical Unit, Surgical Assessment Unit and Paediatric Department. All patients presenting to the Acute Medical Unit are considered to have the potential to be managed as ambulatory patients regardless of their clinical condition. The ambulatory care approach provides crucial support needed for GPs, nurses and therapists working in primary and community care to be able to help patients remain at home and avoiding emergency re-admission to hospital.
- With our partners we have introduced an early supported discharge service for stroke patients to enable them to leave hospital early to continue rehabilitation at home and reduce emergency re-admissions.
- Our physiotherapists have continued to telephone patients who have had a hip or knee replacement who have been in hospital longer than 3 days to establish their progress and offer them an outpatient physiotherapy appointment if needed which helps to reduce emergency re-admissions.

Salisbury NHS Foundation Trust intends to take the following actions to reduce re-admissions to improve the quality of its services:

- Develop an ambulatory emergency clinic for outpatient review for returning patients and emergency access for GP referrals.
- Continue to increase the number of frail older patients who are able to go home with early supported discharge provided by the Older People's Assessment and Liaison (OPAL) team.
- We will continue to work with our partners in Wiltshire Health and Care to join up care and expand the amount of adult care offered in the community.
- We will continue to work with our partners in the B&NES, Swindon and Wiltshire STP to provide suitable pathways and models of care as an alternative to a hospital admission

Figure 36: Emergency re-admissions within 28 days of discharge

NHS Outcomes Framework Domain	Measure:	2016/17	2017/18	2018/19	National average 2018/19	Highest average other Trusts
Domain 3: helping people to recover from episodes of ill health or following injury	0 to 15	6.56%	6.54%	5.82%	Not available	Not available
	16 or over	6.18%	6.39%	6.56%	Not available	Not available
Indicator: Percentage of patients readmitted within 28 days of discharge from hospital of patient by age group						

Responsiveness to the personal needs of patients

Figure 37 presents the Trust's performance on the responsiveness to the personal needs of patients. Salisbury NHS Foundation Trust considers that the mean score of responsiveness to in-patient personal needs is as described for the following reasons:

- Each year the Trust participates in the National In-patient Survey. A nationally agreed questionnaire was sent to a random sample of 1250 patients and the results were analysed independently by the Patient Survey Co-ordination Centre. 57% of patients responded to the survey in 2018.
- Themes from the National In-patient Survey, real time feedback, the Friends and Family Test, complaints and concerns are identified by each ward and an improvement plan prepared.
- In 2018 we took part in the National Maternity Survey to collect feedback on women's experiences of the maternity service to learn from and improve the quality of care.

Salisbury NHS Foundation Trust has taken the following actions to improve responsiveness to in-patient personal needs and improved the quality of its services by:

- Reducing noise at night – several wards have changed to soft close bins to reduce noise from banging lids. Our Estates team have serviced squeaky doors and reduced noise.
- Developing our maternity care assistants and midwives to provide women with consistent advice on infant feeding – a prompt card with 'must do' information was given to all staff, an increased focus on breastfeeding at the annual compulsory study day, and clear documentation of advice given on the individualised care plan including care in the first hour.
- Improving discharge – Pembroke and Whiteparish wards started to use a discharge checklist to ensure everything a patient needed was available to avoid delays when they were ready to go home.

Salisbury NHS Foundation Trust intends to take the following actions to improve responsiveness to inpatient personal needs and improve the quality of its services by:

- Undertaking observational audits of the daily ward round to ascertain how involved patients are in the discussion with the team about their care and treatment.
- Eat, drink, move and get dressed initiative.
- Introduce bedside table mats with 3 key questions that patients should be encouraged to ask about their care so they know what will happen next.
- Continue to reduce noise at night as part of an NHS England initiative.

Figure 37: Responsiveness to the personal needs of in-patients

NHS Outcomes Framework Domain	2015/16	2016/17	2017/18	2018/19	National average 2018/19	Highest average other Trusts 2018/19	Lowest average other Trusts 2018/19
Domain 4: ensuring that people have a positive experience of care	7.3	7.1	6.9*	6.8**	Not available	Not available	Not available
Indicator: Responsiveness to the personal needs of its patients (mean score)							

*In 2017/18 the provisional figure of 6.9 was reported. The final figure for 2017/18 was 6.9.
** In 2018/19 the provisional figure of 6.8 is reported. The final figure will be published in June 2019.

The Friends and Family Test – Patients

Figure 38 and 39 shows the Trust's performance on patients who would recommend the Trust to family and friends. Salisbury NHS Foundation Trust considers the data collected from inpatients and patients discharged from the Emergency Department and wards who would recommend them if they needed similar care or treatment is as described for the following reasons:

- The Trust follows the Friends and Family Test national technical guidance published by NHS England to calculate the response rate and the percentage who would recommend the ward or the Emergency Department. The score measures the percentage of patients who were extremely likely or likely to recommend the hospital and the percentage of patients who were extremely unlikely or unlikely to recommend the hospital. 'Don't know' and 'neither likely nor unlikely' responses are excluded from the score.

Salisbury NHS Foundation Trust has taken the following actions to improve the response rate and the percentage of patients who would recommend the hospital to friends and family needing care and improve the quality of its services by:

- Providing a range of different methods for patients to give their feedback, such as postcards, child-friendly postcards, the Trust website, a Friends and Family Test App for patients with a smartphone.

- Publishing the percentage who would recommend a ward or department every quarter and report it to the Trust Board along with patient comments and any improvements we have made in response to feedback.

- Displaying the results on wards and departments with 'you said, we did' feedback.

Salisbury NHS Foundation Trust intends to improve the percentage of patients who would recommend the hospital to friends and family needing care and improve the quality of its services by:

- Explore alternative means for patients to give their feedback.

Figure 38: Friends and Family test response rate of patients who would recommend the ward or Emergency Department

NHS Outcomes Framework Domain	Response rate:	2016/17	2017/18*	2018/19	National average 2018/19 (to M11)	Highest other Trusts 2018/19 (to M11)	Lowest other Trusts 2018/19 (to M11)
Domain 4: ensuring that people have a positive experience of care	Wards:	28.4%	21.0%*	16.1%	24.6%	100.0%	1.9%
	Emergency Department	4.1%	3.5%*	0.9%	12.2%	43.9%	0.0%
	Trust Overall:	6.6%	5.4%*	4.4%	Not available as Trust overall average		
Indicator: Response rate of patients who would recommend the ward or Emergency Department to friends or family needing care							

In last year's Quality Account *2017/18 data was only available to February 2018. The full year is reported to March 2018.

Figure 39: Friends and Family test score of patients who would recommend the ward or Emergency Department

NHS Outcomes Framework Domain	Score:	2016/17	2017/18*	2018/19	National average 2018/19 (to M11)	Highest other Trusts 2018/19 (to M11)	Lowest other Trusts 2018/19 (to M11)
Domain 4: ensuring that people have a positive experience of care	Wards:	96.9%	97.1%*	97.2%	96.0%	100.0%	76%
	Emergency Department	93.3%	98.3%*	93.8%	85.0%	100.0%	57%
	Trust Overall:	96.6%	97.7%*	97.3%	Not available as Trust overall average		
Indicator: Score of patients who would recommend the ward or Emergency Department to friends or family needing care							

In last year's Quality Account *2017/18 data was only available to February 2018. The full year is reported to March 2018.

The Friends and Family Test – Staff

Figure 40 presents the Trust's performance on staff who would recommend the Trust to family and friends. Salisbury NHS Salisbury NHS Foundation Trust considers that the percentage of staff employed by, or under contract to the Trust during 2018/2019 who would recommend the hospital as a provider of care to their friends and family is as described for the following reason:

- Each year the Trust participates in the National Staff Survey. All staff are sent a nationally agreed questionnaire and the results are analysed by the Staff Survey Co-ordination Centre. The response rate of our staff survey was 39% in 2018.

- The Trust has an engaged workforce that is committed to delivering an outstanding experience for every patient.

Figure 40: National staff survey 2018 percentage of staff employed or under contract to the Trust who would be happy with the standard of care provided by the Trust and recommend it to a friend or relative needing treatment

NHS Outcomes Framework Domain	2015/16	2016/17	2017/18	2018/19	Average for acute Trusts in 2018/19
Domain 4: ensuring that people have a positive experience of care	85.2%	82.6%	79.1%	77.4%	71.3%
Indicator: If a friend or relative needed treatment I would be happy with the standard of care provided by this organisation (Question 21d)					

In previous quality accounts a composite score has been reported. However, in the 2018 national staff survey, only a percentage was given of staff who would recommend the Trust if a friend or relative needed treatment. To enable a direct comparison from 2015 onwards the score has been replaced with a percentage

Salisbury NHS Foundation Trust plans to take the following actions to improve the percentage of staff who would recommend the hospital as a place to work to improve the quality of its services by:

- Continue with the staff engagement programme and senior leadership engagement forum to drive further improvement.
- Develop our staff health and wellbeing programme.
- Continue our recruitment campaign to ensure safe staffing levels and retain our staff through learning and development opportunities.
- Train our staff in quality improvement to develop capacity and capability to lead and sustain change.

Venous thromboembolism (VTE)

Figure 41 shows the Trust's performance on VTE risk assessment. Salisbury NHS Foundation Trust considers that the percentage of patients admitted to hospital and who were assessed for the risk of VTE (blood clots) is as described for the following reasons:

- Patient level data is collected monthly by the ward pharmacist from the patients' prescription chart. The data is captured electronically and analysed by a senior nurse. The work is overseen by the Trust's Thrombosis Committee.

Salisbury NHS Foundation Trust has taken the following actions to improve the percentage of patients admitted to hospital who were risk assessed for VTE to improve the quality of its services:

- Salisbury NHS Foundation Trust continues to be an exemplar for the prevention and treatment of VTE (blood clots) and has continued to achieve 99.5% of patients being assessed for the risk of developing blood clots and 97.1% receiving appropriate preventative treatment. We will continue to monitor our progress and feedback the results to senior doctors and nurses.
- We continued to conduct detailed enquiries of patients who develop blood clots to ensure we learn and improve.
- Updated our VTE clinical protocols in line with the most recent National Institute for Health and Care Excellence (NICE) guidance on VTE prevention and prophylaxis.

Salisbury NHS Foundation Trust intends to continue with the actions described above to sustain the percentage of patients admitted to hospital who are risk assessed for VTE and given preventative treatment.

Figure 41: Patients admitted to hospital who were risk assessed for Venous Thromboembolism

NHS Outcomes Framework Domain	2016/17	2017/18	2018/19	National average 2018/19 (to M9)	Highest other Trusts 2018/19 (to M9)	Lowest other Trusts 2018/19 (to M9)
Domain 5: treating and caring for people in a safe environment and protecting them from avoidable harm	99.7%	*99.4%	99.5%	95.7%	100.0%	54.7%
Indicator: Percentage of patients who were admitted to hospital and who were risk assessed for Venous Thromboembolism						

In last year's Quality Account *2017/18 data was only available to February 2018 was 99.4%. The full year is reported to March 2018 as 99.4%

Clostridium difficile infection

Figure 42 shows the Trust's C difficile performance. Salisbury NHS Foundation Trust considers that the rate per 100,000 bed days of cases of C.difficile infection are as described for the following reason:

- The Trust complies with Department of Health guidance against which we report positive cases of C. difficile. We submit our data to Public Health England (PHE) and are compared nationally against other Trusts.

Salisbury NHS Foundation Trust has taken the following actions in 2018/19 to reduce the rate per 100,000 bed days of cases of C. difficile infection to improve the quality of its services by:

- Maintaining and monitoring good infection control practices including hand hygiene, wearing of personal protective equipment, prompt isolation nursing and sampling of patients with suspected C. difficile.
- Maintaining and monitoring standards of environmental and patient care equipment cleanliness and taking actions to improve.
- Improved best practice in antibiotic prescribing, a review by the third day of the course and monthly audits of practice.
- In-depth analysis of patients who develop C. difficile infection in hospital to share learning and improve patient care and experience.

Salisbury NHS Foundation Trust intends to take the following actions in 2019/2020 to reduce the rate per 100,000 bed days of cases of C. difficile infection to improve the quality of its services by:

- Continued vigilance through the above actions
- Embed the use of the antibiotic review sticker to support doctors in best practice in antibiotic prescribing and review of antibiotics by day three to ensure an appropriate course.
- Ongoing monthly audits of antibiotic prescribing practice and improvement actions.

Figure 42: Rate per 100,000 bed days of C difficile infection reported within the Trust amongst patients aged 2 or over

NHS Outcomes Framework Domain	2015/16	2016/17	2017/18	2018/19	National average 2018/19	Highest average other Trusts 2018/19	Lowest average other Trusts 2018/19
Domain 5: treating and caring for people in a safe environment and protecting them from avoidable harm	9.9	8.4	5.1	4.4	Not available	Not available	Not available
Indicator: The rate per 100,000 bed days of C difficile infection reported within the Trust amongst patients aged 2 or over							

Patient safety incidents

Figure 43 shows the Trust's performance on patient safety incidents. Salisbury NHS Foundation Trust considers that the rate of patient safety incidents reported and the number and percentage of such incidents that resulted in severe harm or death are as described for the following reasons:

- The Trust actively promotes an open and fair culture that encourages the honest and timely reporting of adverse events and near misses to ensure learning and improvement actions are taken.
- The Trust submits weekly patient safety incident data to the National Reporting Learning System.
- We work in partnership with our commissioners to share learning and improvement actions.
- The Trust reviews compliance with the Duty of Candour.

Salisbury NHS Foundation Trust has taken the following actions to reduce the rate of patient safety incidents and the number and percentage of such incidents that have resulted in severe harm or death to improve the quality of its services by:

- Investigating incidents and sharing the lessons learnt across the Trust and ensuring recommendations are implemented through the Directorate Executive Performance Review meetings.
- Continuing to monitor the completion of recommendations from reviews at the Clinical Management Board and Clinical Governance Committee.
- Ensuring timely identification of themes, trends and learning.

Salisbury NHS Foundation Trust intends to take the following actions to reduce the rate of patient safety incidents and the number and percentage of such incidents that result in severe harm or death to improve the quality of its services by:

- Reviewing data from the National Reporting Learning System (NRLS) (Figure 43) shows a reduction in the number of incidents reported. However, the NRLS indicates there is no evidence for potential under reporting of incidents and the Trust remains within the expected range. Nonetheless, the Trust will continue to improve its safety culture by actively promoting reporting, investigation of clinical incidents and serious incidents and share learning across the Trust and with our commissioners to ensure improvement.

Our national staff survey 2018 showed that the hospital is better than average (72.4% vs 69.2%) for staff feeling secure in raising concerns about unsafe clinical practice. The survey also showed that when staff saw an error, near miss or incident that could harm a patient, the hospital is better than average (95.6% vs 95%) at reporting it and taking action to ensure errors, near misses or incidents do not happen again (72.4% vs 69.9%).

Figure 43: National Reporting Learning System rate of patient safety incidents reported and the percentage of incidents that resulted in severe harm or death

NHS Outcomes Framework Domain	Indicator	2016/17	April 17– Sept 17*	Oct 17 – March 18*	April 18 – Sept 18
Domain 5: treating and caring for people in a safe environment and protecting them from avoidable harm	The number and rate of patient safety incidents reported within the Trust.	46.01 incidents per 1000 bed days	41.99 incidents per 1000 bed days	35.81 incidents per 1000 bed days	38.77 incidents per 1000 bed days
	The number and percentage of such incidents that resulted in severe harm or death	37 incidents 0.53%	10 incidents 0.32%	15 incidents 0.53%	11 incidents 0.36%

*2017/2018 data was not available by 1/5/18. The full year is now reported.

Duty of Candour

As part of our ongoing commitment to promoting a learning culture we have implemented the statutory Duty of Candour when patients suffer moderate or severe harm. Whilst our staff have always complied with their professional duty of candour, the statutory duty requires clear documentation of our explanation and an apology followed up by a letter. This year we have continued education sessions with many of our clinical teams and departments on how staff should comply with the Duty of Candour. We have provided learning resources for our staff and support from the quality team to enable our clinical teams to exercise their Duty of Candour. We have introduced a Duty of Candour compliance measure when patients suffer moderate harm and report it monthly to the Clinical Risk Group to drive and monitor further improvement.

Part 3: Other information

Review of Quality Performance

This section gives an overview of the quality of care offered by Salisbury NHS Foundation Trust based on performance in 2018/2019 against a range of selected indicators on patient safety, effectiveness and experience. These areas have been chosen to cover the priority areas highlighted for improvement in this Quality Account, as well as areas which our patients have told us are important to them, such as cleanliness and infection prevention and control. Our commissioners measure a number of these areas and our CQUIN contract supports improvement measures.

These indicators are included in a monthly quality indicator report that is reported to the Board and Clinical Governance Committee.

Figure 44: Trust performance of patient safety, clinical effectiveness and patient experience indicators

Patient Safety Indicators							
Indicators	**2015/16**	**2016/17**	**2017/18**	**2018/19**	**National average**	**What does this mean?**	**Data source**
1a.Mortality rate (HSMR)	110	117	*101	103.2 (Dec 18)	100	Lower than 100 is good	National definition of HSMR & SHMI
1b. SHMI	107	106	*106	100 (Dec 18)	100		
2. MRSA notifications**	0	0	0	3	Not available	0 is excellent	National definition
	(2)	(2)	0	(3)			
3. C. difficile infection per 1,000 bed days							
a. Trust and non-Trust apportioned	0.13	0.12	0.12	0.12	Not available	Lower than national average is good	National definition
b. Trust apportioned only	0.10	0.08	0.05	0.05			
4. 'Never events' that occurred in the Trust***	2	2	3	3	Not available	0 is good	National Patient Safety Agency
	These were associated with surgery	1 related to surgery, 1 with an insulin device	These were associated with surgery	2 related to surgery, 1 with an air flow meter			
5. Patient falls in hospital resulting in a fracture or major harm	23	35	29****	36	Not available	Lower number is good	
Clinical Effectiveness indicators							
6. Patients having surgery within 36 hours of admission with a fractured hip	86.0%	81.7%	78.6%	85.2%	90%	Higher number is good	National definition with data taken from hospital system and national database.
7. % of patients who had a risk assessment for VTE (venous	99.7%	99.7%	99.5%	99.5%	90%	Higher number is better	

thromboembolism)							
8. % patients who had a CT scan within 12 hrs of admission with a stroke	within 12 hours						
	98.3%	98.7%	97.8%	99.2%	Not available	Higher number is better	
9. Compliance with NICE Technology Appraisal Guidance published in year	61%	80%	90%	89%	Not measured	Higher number is better	Local indicator
Patient experience indicators							
10. Number of patients reported with *****category 3 & 4 pressure ulcers	4	3	3	3	Not available	Lower number is better	National definition (data taken from hospital reporting systems)
11. % of patients who felt they were treated with dignity and respect							
a. Yes always:	86%	88%	85%	83%	Not available	Higher number is better	National in-patient survey
b. Yes sometimes:	13%	10%	12%	15%			
12. Mean score of patients' rating of quality of care #	8.4	8.2	8.2#	8.1##	Not available	Higher number is better	National in-patient survey
13. % of patients in mixed sex accommodation	9%	9%	6%	8.7%	Not available	Lower number is better	
14. % of patients who stated they had enough help from staff to eat their meals	68%	68%	67%	54%	Not available	Higher number is better	
15. % of patients who thought the hospital was clean	73%	71%	69%	67%	Not available	Higher number is better	
16. % of patients who got enough to drink	NA	NA	91%	90%	Not available	Higher number is better	

* In 2017/2018 HSMR was reported as 106.9 to December 2017. The full year rate was 101. In 2017/2018 SHMI was reported as 109 to 30/9/2017. The full year rate was 106.

** In previous annual reports the Trust quoted Trust and non-Trust apportioned MRSA notifications as a total figure. This will have included community hospital and GP patients. The total figure is quoted in brackets in the table.

*** Never events are adverse events that should never happen to a patient in hospital. An example is an operation that takes place on the wrong part of the body. The national never events list increased from 8 to 25 on 1 April 2011.

****In 2017/18, the number of patients who fell in hospital which resulted in a fracture was reported as 28. The final figure was 29.

***** From 1 December 2018 pressure ulcers terminology changed from a 'grade' to a 'category'.

The patient safety indicator name has been changed from '13. Mean score of patients stating the quality of care was very good or better' to 'Mean score of patients rating of quality of care' as it is no longer rated between excellent and poor but is on a sliding scale from 10 to zero. # In 2017/18, the provisional score of 8.2 was reported. The finalised score was 8.2.

8.1 is the provisional score from the 2018 national inpatient survey. The finalised score will be reported in the 2019/2020 quality account.

NHS Improvement Single Oversight Framework 2018/19

Indicators

Figure 45: Trust performance indicators

Measure	2016/2017	2017/2018	2018/2019	Standard
Maximum time of 18 weeks from point of referral to treatment (RTT) in aggregate – patients on an incomplete pathway	91.4%	91.3%	93.06%	92%
Emergency Department maximum waiting time of 4 hours from arrival to admission/ transfer/ discharge*	90.8%	93.5%	91.01%	95%
All cancers: 62 day wait for first treatment from: • Urgent GP referral for suspected cancer • NHS Cancer Screening Service referral	 87.2% 92.6%	 86.0% 86.3%	 84.6% 93.5%	 85% 90%
C.difficile: variance from plan	13 Trust apportioned cases Variance - 6.	8 Trust apportioned cases Variance -11	***7 Trust apportioned cases Variance - 11	Upper limit of 18 cases
Summary Hospital-level Mortality indicator	106 as expected	*106 as expected	100 as expected (Sept 18)	100 or lower
Maximum 6 week wait for diagnostic procedures	98.3%	98.7%	99.0%	99%
Venous thromboembolism (VTE) risk assessment	99.7%	99.5%	99.5%	100%

*This includes Type 1, 2, & 3 Emergency Department attendances from 1 April 2017.

**In 2017/2018 SHMI was reported as 109 to 30/9/2017. The full year rate was 106.

*** A successful appeal was made to Somerset CCG who agreed a Trust apportioned C difficile case in December 2018 could be removed from the Trust's figures as there were no lapses in care. The figure reported is the total number of Trust apportioned cases including the case successfully appealed.

Figure 46: Type 1, 2 and 3 attendance to the Emergency Department

Performance	2017/18	2018/19
Type 1	91.79%	87.16%
Type 1+2*	92.36%	87.97%
Type 1+2+3	93.59%	91.01%

Type 1 = Attendances to the Emergency Department at Salisbury District Hospital
Type 2 = Attendances to the Emergency Department (Ophthalmology) Outpatient Clinic at Salisbury District Hospital
Type 3 = Attendances to the Salisbury Walk-in Clinic (offsite). Type 3 data is outside the scope of the Trust's external audit.
*Type 1 & 2 are under the management of Salisbury NHS Foundation Trust and shows the performance of the Trust only as 87.97%

Part 3: Annex 1

Statement from Wiltshire Clinical Commissioning Group on Salisbury NHS Foundation Trust 2018 - 2019 Quality Account – 9 May 2019

NHS Wiltshire Clinical Commissioning Group (CCG) has reviewed Salisbury NHS Foundation Trusts' (SFT) 2018-19 Quality Account. In doing so, the CCG reviewed the Account in light of key intelligence indicators and the assurances sought and given in the bi-monthly Clinical Quality Review Meetings attended by SFT and Commissioners. This evidence is triangulated with information and further informed through Quality Assurance visits to SFT. The CCG supports the Trusts' identified quality priorities for 2019-20. To the best of our knowledge, the report appears to be factually correct.

It is the view of the CCG that the Quality Account reflects the Trusts' on-going commitment to quality improvement and addressing key issues in a focused and innovative way, as well as utilising the nationally set CQUIN schemes to support the achievement of many of the 2018-19 quality priorities. The Trust priorities for 2018-19 have outlined achievement in:

- Positive identification and assessment of frail patients resulting in 92% of those seen by the Older People's Assessment and Liaison Team being able to go home within 24 hours.
- Collaborative working with community partners to develop ways to support patients at home and prevent admissions or avoiding delays to being discharged.
- The number of patients who fell in hospital resulting in a hip fracture has reduced, however the trust have recognised further work is required as the number of fractures overall and falls resulting in harm has increased.
- Patient flow, through expanding the Acute Medical Unit, the multi-agency approach to reviewing patients with a length of stay over 7 days and re-introducing paramedic 'navigators' in ED to carry out brief assessment within 15 minutes of arrival and directing patients into suitable services, including the GP and out of hours services.
- Full implementation of NEWS2 and the use of technology (POET) to improve recording of patient vital signs to support recognition and management of deteriorating patients. In addition to this, the performance in sepsis screening along with the Trust's governance to monitor this has resulted in 100% of inpatients being screened appropriately by the end of 18/19.
- Actions taken for catheter care have resulted in positive reductions in urinary tract infections.
- The changes made to engage staff in new ways (for example graffiti boards and staff groups), and support for training and to lead healthy, resilient lives. We look forward to seeing the results of the 18/19 staff survey for which we expect these improvements to be reflected. The CCG also welcome the positive actions to recruit and retain staff given the challenging national picture, and the culture that allows staff to speak up where they have concerns in line with the national guidance for Freedom to Speak Up.

The CCG welcomes continued focus on:

- Introduction of the delirium care bundle to support identification and appropriate care.
- Falls prevention and the promoting 3 high impact actions to prevent falls. We anticipate through this focused work and supported through CQUIN monies, the Trust will improve its performance in reducing falls resulting in harm.
- Rapid discharges to support patients who wish to die at home, working in partnership with the Continuing Health Care leads to improve identifying eligible patients, accessing fast track funding, and accessing community care provision.

- Implementation of the Safer Care Bundle to support patient flow and allow patients to go home in a timely manner.

- The treatment of inpatients with sepsis. Although sepsis screening has improved, treatment of patients has shown that there is further scope for improvement.
- Staff engagement and further improvements to the working environment, and leading healthy lives.
- Enabling patients to feedback their experiences, with the aim to achieve increased response rates for the Friends and Family test. The CCG are keen for patients to have good experiences of care with objectives for improvement being positive feedback regarding the patient's view of hospital cleanliness and being supported to eat meals.
- Improving the results of the staff survey reflected in staff recommending the hospital for a family member or friend if they required treatment.

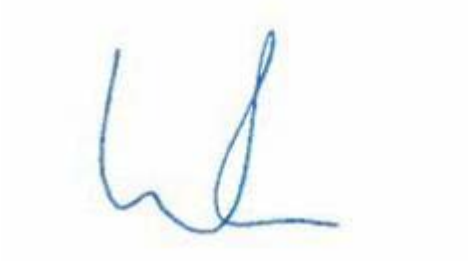
In addition to the progress against 18/19 priorities, the CCG recognise a number of other positives, in particular the management of the Salisbury major incident on both occasions which demonstrated the dedication and skill of the nursing , medical and operational team in dealing with a major incident. Furthermore the Trust has continued to lead regionally in its performance in managing avoidable infections (C.Difficile). The CQC inspection also achieved an overall rating of Good with a number of areas demonstrating outstanding practice.

The Trust has continued the focus towards the elimination of mixed sex accommodation breaches. However when mixed sex breaches are unavoidable, during times of escalation and increased activity, the CCG has been provided with appropriate assurance by the Trust that all necessary mitigations have been put in place to preserve patients privacy, dignity and safety.

The CCG acknowledges the good work undertaken during 2018-19 to learn from deaths and that the Summary Hospital Level Mortality is within the expected levels. The Trust has demonstrated that mortality reviews continue to be a priority area, with a particular focus on sepsis for 19/20. The CCG also welcomes the Trusts' ongoing contribution to the national LeDeR programme.

The Trust has taken steps to learn from patient safety incidents and monitor this through the Clinical Management Board and Clinical Governance Committee. Of particular relevance are incidents relating to the timely diagnosis of cancer, and the Trust is providing the CCG with assurance on how they are addressing this area of improvement and embedding the learning to ensure that appropriate actions are taken to avoid reoccurrence.

Wiltshire CCG is committed to ensuring collaborative working with Salisbury NHS Foundation Trust to achieve continuous improvement for patients in both their experience of care, safety and outcomes.



Linda Prosser
Interim Chief Officer
NHS Wiltshire Clinical Commissioning Group

Statement from West Hampshire Clinical Commissioning Group on Salisbury NHS Foundation Trust 2018 - 2019 Quality Account – 13 May 2019

West Hampshire Clinical Commissioning Group (CCG) would like to thank Salisbury NHS Foundation Trust (SFT) for the opportunity to review and provide a statement response to the 2018/19 Quality Account.

It is encouraging to see that the Trust has comprehensively reviewed their progress against their 2018/19 quality priorities, and identified where they have made significant improvements, and where additional work still needs to continue in order to improve the quality of care that they provide to patients. The CCG supports the Trust's identified quality priorities for 2019/20 and commend the Trust for working in partnership with the local system.

The Trust were inspected by the Care Quality Commission during November and December 2018, and the CCG are pleased to be able to congratulate the Trust on demonstrating an improvement from their previous inspection and receiving an overall rating of "Good". It is particularly encouraging to see the significant improvement made by the critical care department, now rated as "outstanding" overall.

One of the Trust's priorities for 2018/19 was to continue work on reducing the number of patients who have preventable falls and fracture their hip in hospital. It is encouraging to note the progress that has been made over the last 12 months, including the introduction of post-falls "huddles" to ensure that any learning is captured quickly and practice changed if required. Although the Trust have been able to report that the number of falls resulting in a hip fracture decreased significantly from 16/17 and 17/18 they have acknowledged that the number of falls resulting in all fractures has increased. As a result the Trust are planning to continue to focus on improving their quality in this area over the next 12 months, and the CCG supports the Trust in continuing to focus on this area of patient safety and experience.

The CCG has continued to monitor the progress of the Trust in reducing the number of mixed sex accommodation breaches and although some initial improvement was seen a number of breaches continued to be reported on a monthly basis. However the CCG, through both discussion and visits to the relevant clinical areas, has received assurance that the appropriate mitigations are in place to preserve patient's privacy, dignity and safety.

In addition to the progress against 18/19 priorities, the CCG recognises specifically the Trust's management of the Salisbury major incident on both occasions. This demonstrated the dedication and skill of the nursing, medical and operational team in dealing with what was undoubtedly a unique major incident, and which received extensive and intense external interest. The professionalism and commitment of all staff involved was widely praised.

In relation to their constitutional standards, Salisbury Hospitals NHS Foundation Trust have not been able to meet the constitutional standard regarding patients waiting longer than four hours in the Emergency Department. However, it is encouraging to see the focus that continues to be placed on ensuring that patients are seen within 15 minutes of arrival in the Emergency Department, and improvements have been made to ensure that they receive prompt assessment and appropriate treatment.

The Quality Account also includes the new requirements for 2018/19 regarding details of ways in which staff can speak up and how the Trust will ensure staff who do speak up do not suffer detriment as well as progress in implementing the priority clinical standards for seven day hospital services. The Trust also provides the required consolidated annual report on rota gaps and the plan for improvement to reduce these gaps.

Overall, West Hampshire Clinical Commissioning Group is satisfied that the plans outlined in the Trust's quality account will maintain and further improve the quality of services delivered to patients and the CCG looks forward to working closely with the Trust over the coming year to further improve the quality of local health services.

Heather Hauschild (Mrs)
Chief Officer

Statement from Wiltshire Council - Health Select Committee – 16 May 2019

The Wiltshire Health Select Committee welcomes the opportunity to comment on the quality account.

For ease of access for members of the public the committee would suggest that a simple executive summary is included with the quality accounts, which would offer an overview of the improvements achieved in the past year against the trust's priorities for that year, as well as the areas requiring more work. Both would include numbers, i.e. showing the rate of improvement(s) achieved against the measures selected (something like the table used on page 11for patients seen by OPAL). The executive summary could also list the quality priorities identified by the trust for the year ahead and the proposed measurements.

The committee noted the overall rating of good by the Care Quality Commission (CQC), although rated as "requiring improvement" for the "safe" inspection area, and the ambition of the trust to achieve an outstanding rating underpinned by its plan to take actions based on the CQC's 26 identified things for improvement (page 57).

The committee wanted to highlight its appreciation of caring, humane and sensitive initiatives such as placing beside locker on the same side of the bed as the patient gets out of bed at home, the "call, don't fall" posters, the fall checklist and sensor mats (page 13), taking part in the national #endpjparalysis campaign (page 23), and the efforts to reduce noise at night (page 71).

The committee also welcomed the commitment of the trust to improving the health and wellbeing of its staff, as the committee agrees that it underpins the delivery of high quality care.

The committee appreciated that the trust had participated in 49 of the 51 national clinical audits and both of the national confidential enquiries covering health services provided by the trust. However, it noted that the trust had not achieved 100% of the number of registered cases required by the terms of that audit or enquiry for the following:

- Elective surgery;
- Major trauma audit: the trauma audit & research network (TARN)
- National asthma and COPD audit programme: c) chronic obstructive pulmonary disease (COPD);

There did not seem to be an explanation for this within the quality accounts and it may be useful to add this in future.

Overall the committee recognised the depth and detail of the Quality Accounts and appreciated the clarity of the information provided.

The committee would welcome an update from the trust within 6 to 9 months to inform the committee of:

1. progress achieved to date for the five quality priorities identified by the trust for 2019/20, with particular interest in:
    a) Improving patient flow through the hospital, including measurements of the impact of the SAFER care bundle (Priority 3) and measurements of emergency re-admissions within 28 days of discharge as this has been slightly increasing for patients aged 16 and over since 2016 (page 70);
    b) Increasing the number of patients who are able to de discharged to their preferred place of care at the end of their life, including working collaboratively with the community and social care partners to develop an older persons' pathway (Priority 3);
    c) Organisational development strategy with regards to improving staff health and wellbeing;
2. Progress on expanding parking provision for both staff and visitors.

The committee would also welcome an update on the following areas from the priorities identified for 2018/19:

- Continued efforts to reduce the number of patients who fall and injure themselves (page 11);
- Identify patients with delirium (page 11);
- Ensure a rapid discharge for patients at the end of their life who wish to die at home (page 11);
- Outcome of the audit of the delirium care bundle (page 12);
- Performance of the frailty pathway against the discharged within 72 hours measure (pages 12 and 13);
- Maintaining 90% standard of patients receiving hip fracture surgery within 36 hours (page 15);
- Monitoring of improvements (education and training) in understanding whether a patient meets the eligibility criteria for fast track Continuing Health Care funding (page 16) (*NB - Please note this is of particular interest*);
- Navigator performance with regards to patients being seen within 15 minutes of arrival in the emergency department, as well as any additional development of skills offered to navigators;
- Trusted assessors, development of the concept and impact on speeding up discharges (page 24)

Statement from Healthwatch, Wiltshire – 10 May 2019

Healthwatch Wiltshire thanks the Trust for sharing its Quality Account and welcomes the opportunity to comment. Healthwatch Wiltshire is an independent organisation that promotes the voice of patients and the wider public with respect to health and social care services.

Healthwatch Wiltshire is pleased to see the summary of priorities on the first pages alongside the use of infographics which displays the information, is an easy to understand and accessible way. We would recommend that you consider using this approach more throughout the report. We found some of the graphs are confusing and difficult to understand, with similar colours used making it difficult to differentiate.

We are pleased to see the effectiveness of the Older People's Liaison Team has increased and we would be keen for this trend to continue. We also commend the creation of the Older People and Frailty Steering Group which involves community partners in the design of this pathway. We would be interested to hear how patient feedback is also incorporated at this design stage.

Healthwatch Wiltshire applauds the work carried out to reduce the number of falls resulting in patients fracturing their hip. However, we note that the number of falls resulting in other fractures, major or moderate harm had increased. We recognise that a review has taken place and are pleased to see this is a continued priority for the forthcoming year.

We are often told that people at End of life would prefer to die at home and so are saddened to see that the number of patients discharged to their preferred place of care has decreased. We are pleased that this has been noted and looked at in detail so that improvements can be made. We are also pleased that training for Continuing Health Care is planned. We would be keen to follow this going forwards.

Healthwatch Wiltshire commends the scheme using experienced paramedics to act as navigators and are pleased to see that the pilot has had positive result for patients, and this is now been reintroduced on a more permanent basis.

We note that all patients should have an expected discharge date within 14 hours of admission and that and you mention that this is discussed with patients and families. Through feedback that we have received we have been told that plans for discharge are usually clearly explained and information is provided but that there are some occasions when this is not the case. A recommendation from one of our recent reports was that the consistency of information given to patients and families about discharge could be improved.

We are pleased to see that new systems are in place to monitor vital signs and that automatic screening for sepsis is in place for those patients with high scores. We note this is now live across all adult wards but wonder about the systems in place for the children's wards. We are pleased to see that as a result of this recording, scoring and escalation has increased.

Healthwatch Wiltshire are keen to follow the impact for patients on new initiatives introduced by the Speech and language therapy team.

We recognise that staff wellbeing will have a direct impact on patient care and welcome this as a priority area. We are pleased to see that some work has started in this area and that it will continue to be a priority for the next year.

Healthwatch Wiltshire applauds the overall Care Quality Commission (CQC) rating of good and are pleased that several areas were noted as demonstrating outstanding practice. We look forward to hearing more about improvements planned in line with CQC recommendations.

We are pleased that you gather feedback from patients following the standard friends and family test and are pleased to see actions in place to improve the response rate. We would be happy to support you with this process. Healthwatch Wiltshire are also disappointed to see that patient experience figures from the national inpatient survey around being treated with respect and dignity, quality of care, cleanliness and support from staff at mealtimes have decreased and we would be interested to hear about plans in place to improve these figures and how they compare nationally.

Statement from the Governors – 1 May 2019

The headline event from the care point of view was the Care Quality Commission's assessment of the Trust overall as "good" rather than "requires improvement" which had been the disappointing conclusion in 2016. This was achieved at a time when the Trust, like the NHS as a whole, was facing huge difficulties. So it says a lot for the Trust's resilience and the dedication of its staff.

The Quality Account looks at the past year, in particular at the areas where the Trust had taken specific steps to make improvements. It considers how far there has been success and what further may need to be done. It is critical rather than complacent. The Quality Account takes a similar approach to the current year, 2019/20. It is an attitude which runs through the Trust from the Board down. It is something which has built the high reputation in which the Governors believe the hospital is held.

A priority for 2018/9 was to improve the health and well-being of staff. It is carried forward as a priority for the current year. The Quality Account refers to the impact this can have on the quality of care which is provided. Another way of looking at it is to say that it is something the staff deserve. It is of particular importance.

How to provide feedback

All feedback is welcomed, the Trust listens to these concerns and steps are taken to address individual issues at the time. Comments are also used to improve services and directly influence projects and initiatives being put in place by the Trust.

Part 3: Annex 2

Statements of Directors' Responsibilities for the Quality Report

The Directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations to prepare Quality Accounts for each financial year.

NHS Improvement has issued guidance to NHS Foundation Trust Boards on the form and content of annual quality reports (which incorporate the above legal requirements) and on the arrangements that NHS Foundation Trust Boards should put in place to support the data quality for the preparation of the quality report.

In preparing the quality report, Directors are required to take steps to satisfy themselves that:

- The content of the quality report meets the requirements set out in the NHS Foundation Trust Annual Reporting Manual 2018/2019 and supporting guidance detailed requirements for quality reports 2018/2019.

- 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 May 2019.

    - Papers relating to quality reported to the Board over the period April 2018 to May 2019.

    - Feedback from commissioners (Wiltshire CCG) dated 9 May 2019 and West Hampshire CCG dated 13 May 2019.

    - Feedback from governors dated 1 May 2019.

    - Feedback from Healthwatch, Wiltshire dated 10 May 2019.

    - Feedback from Wiltshire Council Overview and Scrutiny Committee dated 16 May 2019.

    - The Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009 dated 12 April 2018, 2 August 2018, 4 October 2018, and 7 February 2019.

    - The 2018 national patient survey will be published in June 2019.

    - The 2018 national staff survey dated February 2019.

    - The Head of Internal Audit's annual opinion of the Trust's control environment dated 24 May 2019.

    - The Care Quality Commission inspection report for Salisbury NHS Foundation Trust dated 1 March 2019.

- 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 and conforms to the 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 2018/19 and supporting guidance (which incorporates the Quality Accounts regulations) published at: https://improvement.nhs.uk/documents/3464/FT_Annual_Reporting_Manual_2018-19_5nov18.pdf as well as the standards to support data quality for the preparation of the quality report available at: https://improvement.nhs.uk/documents/3600/Detailed_requirements_for_quality_report.pdf

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

Nick Marsden
Chairman
23 May 2019

Cara Charles-Barks
Chief Executive
23 May 2019

Independent Practitioner's Limited Assurance Report to the Council of Governors of Salisbury NHS Foundation Trust on the Quality Report

We have been engaged by the Council of Governors of Salisbury NHS Foundation Trust to perform an independent limited assurance engagement in respect of Salisbury NHS Foundation Trust's Quality Report for the year ended 31 March 2019 (the "Quality Report") and certain performance indicators contained therein against the criteria set out in the 'NHS foundation trust annual reporting manual 2018/19' and additional supporting guidance in the 'Detailed requirements for quality reports 2018/19' (the 'Criteria').

Scope and subject matter

The indicators for the year ended 31 March 2019 subject to the limited assurance engagement consist of the national priority indicators as mandated by NHS Improvement:

- Percentage of patients with a total time in A&E of four 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

We refer to these national priority indicators collectively as "the indicators".

Respective responsibilities of the directors and Practitioner

The directors are responsible for the content and the preparation of the Quality Report in accordance with the criteria set out in the 'NHS foundation trust annual reporting manual 2018/19' and supporting guidance issued by NHS Improvement.

Our responsibility is to form a conclusion, based on limited assurance procedures, on whether anything has come to our attention that causes us to believe that:

- the Quality Report is not prepared in all material respects in line with the Criteria set out in the 'NHS foundation trust annual reporting manual 2018/19' and supporting guidance;
- the Quality Report is not consistent in all material respects with the sources specified in NHS Improvement's 'Detailed requirements for external assurance for quality reports 2018/19'; 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 2018/19' and supporting guidance and the six dimensions of data quality set out in the 'Detailed requirements for external assurance for quality reports 2018/19'.

We read the Quality Report and consider whether it addresses the content requirements of the 'NHS foundation trust annual reporting manual 2018/19' and supporting guidance and consider the implications for our report if we become aware of any material omissions.

We read the other information contained in the Quality Report and consider whether it is materially inconsistent with:

- Board minutes for the period 1 April 2018 to 31 March 2019;
- papers relating to quality reported to the Board over the period 1 April 2018 to 4 April 2019;
- feedback from commissioners dated 9 and 13 May 2019;

- feedback from governors dated 1 May 2019;
- feedback from Healthwatch Wiltshire dated 10 May 2019;
- feedback from Wiltshire Council Overview and Scrutiny Committee dated 16 May 2019;
- the Trust's complaints report published under regulation 18 of the Local Authority, Social Services and National Health Service Complaints (England) Regulations 2009, dated 12 April 2018, 2 August 2018, 4 October 2018, and 7 February 2019.
- the national staff survey dated February 2019;
- the Head of Internal Audit's annual opinion over the Trust's control environment dated May 2019; and
- the Care Quality Commission's inspection report dated 1 February 2019.

We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with these documents (collectively the "documents"). Our responsibilities do not extend to any other information.

The firm applies International Standard on Quality Control 1 (Revised) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We are in compliance with the applicable independence and competency requirements of the Institute of Chartered Accountants in England and Wales (ICAEW) Code of Ethics. Our team comprised assurance practitioners and relevant subject matter experts.

This report, including the conclusion, has been prepared solely for the Council of Governors of Salisbury NHS Foundation Trust as a body, to assist the Council of Governors in reporting NHS Salisbury 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 Salisbury NHS Foundation Trust for our work or this report, except where terms are expressly agreed and with our prior consent in writing.

Assurance work performed

We conducted this limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) 'Assurance Engagements other than Audits or Reviews of Historical Financial Information' issued by the International Auditing and Assurance Standards Board ('ISAE 3000'). Our limited assurance procedures included:

- evaluating the design and implementation of the key processes and controls for managing and reporting the indicators;
- making enquiries of management;
- limited testing, on a selective basis, of the data used to calculate the indicators tested against supporting documentation;
- comparing the content requirements of the 'NHS foundation trust annual reporting manual 2018/19' and supporting guidance to the categories reported in the Quality Report; and
- reading the documents.

A limited assurance engagement is narrower in scope than a reasonable assurance engagement. The nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement.

Limitations

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information.

The absence of a significant body of established practice on which to draw allows for the selection of different, but acceptable, measurement techniques that can result in materially different measurements and can affect comparability. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision of these criteria, may change over time. It is important to read the Quality Report in the context of the criteria set out in the 'NHS foundation trust annual reporting manual 2018/19' and supporting guidance.

The scope of our limited assurance work has not included governance over quality or non-mandated indicators, which have been determined locally by Salisbury NHS Foundation Trust.

Our audit work on the financial statements of Salisbury NHS Foundation Trust is carried out in accordance with our statutory obligations and is subject to separate terms and conditions. This engagement will not be treated as having any effect on our separate duties and responsibilities as Salisbury NHS Foundation Trust's external auditors.

Our audit report on the financial statements are made solely to Salisbury NHS Foundation Trust's members, as a body, in accordance with paragraph 24(5) of Schedule 7 of the National Health Service Act 2006. Our audit work is undertaken so that we might state to Salisbury NHS Foundation Trust's members those matters we are required to state to them in an auditor's report and for no other purpose. Our audit of Salisbury NHS Foundation Trust's financial statements are not planned or conducted to address or reflect matters in which anyone other than such members as a body may be interested for such purpose.

In these circumstances, to the fullest extent permitted by law, we do not accept or assume any responsibility to anyone other than Salisbury NHS Foundation Trust and Salisbury NHS Foundation Trust's members as a body, for our audit work, for our audit report, or for the opinion we have formed in respect of those audits.

Conclusion

Based on the results of our procedures, as described in this report, 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 2018/19' and supporting guidance;
- the Quality Report is not consistent in all material respects with the sources specified in NHS Improvement's 'Detailed requirements for external assurance for quality reports 2018/19'; and
- the indicators in the Report identified as having been subject to limited assurance have not been reasonably stated in all material respects in accordance with the 'NHS foundation trust annual reporting manual 2018/19' and supporting guidance.

Grant Thornton UK LLP

Grant Thornton UK LLP
Chartered Accountants
Bristol
Date: 24 May 2019

The Annual Report has been approved by the Trust Board on 23 May 2019.

Cara Charles-Barks
Chief Executive
23 May 2019

SALISBURY NHS FOUNDATION TRUST

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR TO 31 MARCH 2019

INDEX

FOREWORD TO THE ACCOUNTS

These consolidated accounts for the year ended 31 March 2019 have been prepared by Salisbury NHS Foundation Trust in accordance with paragraphs 24 and 25 of Schedule 7 to the National Health Service Act 2006.

Signed:

Cara Charles-Barks - Chief Executive

Date: 23 May 2019

Independent auditor's report to the Council of Governors of Salisbury NHS Foundation Trust

Report on the Audit of the Financial Statements

Opinion

Our opinion on the financial statements is unmodified

We have audited the financial statements of Salisbury NHS Foundation Trust (the 'Trust') and its subsidiaries (the 'group') for the year ended 31 March 2019 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Consolidated Statement of Changes in Taxpayers Equity, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union, and as interpreted and adapted by the Accounts Directions issued under the National Health Service Act 2006, the NHS foundation trust annual reporting manual 2018/19 and the Department of Health and Social Care group accounting manual 2018/19.

In our opinion the financial statements:

- give a true and fair view of the financial position of the Group and of the Trust as at 31 March 2019 and of the Group's expenditure and income and the Trust's expenditure and income for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union, as interpreted and adapted by the Department of Health and Social Care group accounting manual 2018-19; and
- have been prepared in accordance with the requirements of the National Health Service Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Accounting Officer's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Accounting Officer has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or the Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Overview of our audit approach

Financial statements audit

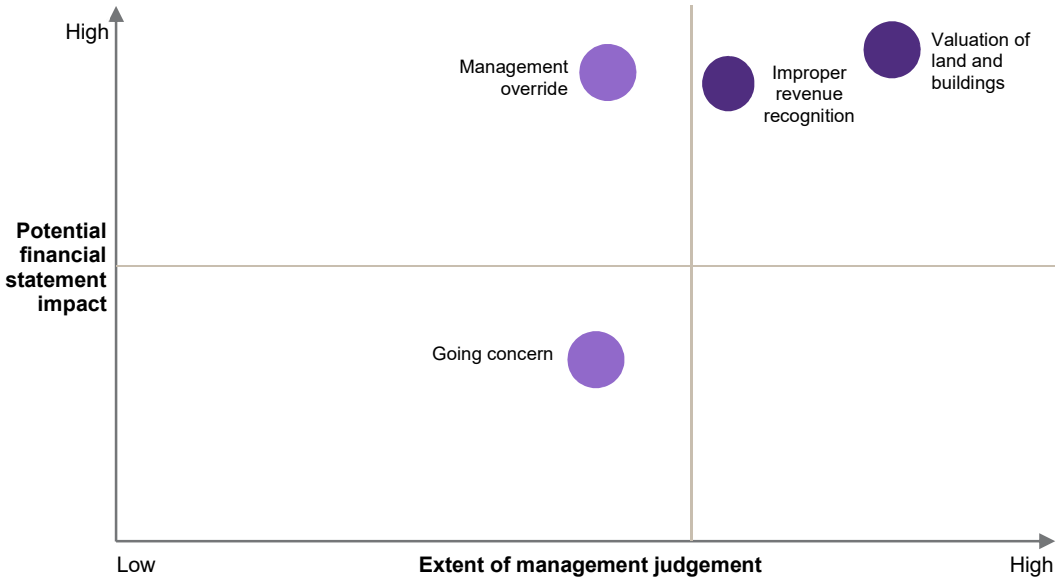
- Overall materiality: £3,660,000, which represents 1.5% of the Group's gross operating expenses.
- Key audit matters were identified as:
  - Valuation of land and buildings
  - Improper revenue recognition
- The Group consists of seven components – Salisbury NHS Foundation Trust, the Salisbury District Hospital Charitable Fund, three subsidiary companies and two joint ventures.
- Audit testing was performed on classes of transactions, account balances, or disclosures relating to the subsidiaries which were material to the group position or included a likely significant risk of material misstatement to the group financial statements. We have tested 98% of group income, 94% of group expenditure, 99% of group assets and 98% of group liabilities.

Conclusion on the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

- We identified one significant risk in respect of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources relating to financial sustainability (See Report on other legal and regulatory requirements section).

Key audit matters

The graph below depicts the audit risks identified and their relative significance based on the extent of the financial statement impact and the extent of management judgement.



Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those that had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter – Trust and Group	How the matter was addressed in the audit – Trust and Group
Risk 1 Valuation of land and buildings The Trust and Salisbury District Hospital Charitable Fund own land and building assets. The Group revalues its land and buildings on a five-yearly basis to ensure the carrying value in the Trust and group financial statements is not materially different from current value in use at the financial statements date. In the intervening years, such as 2018/19, the Group requests a desktop valuation at the 31 March from its valuation experts. Valuation of land and buildings is a key accounting estimate which is sensitive to changes in assumptions, such as floor areas and market conditions. These valuations represent significant estimates by management in the financial statements. We therefore identified valuation of land and buildings as a significant risk, which was one of the most significant assessed risks of material misstatement.	Our audit work included, but was not restricted to: • Evaluating management's processes and key assumptions for the calculation of the valuation of land and buildings, including floor areas and the recoverability of VAT; • Assessing the instructions issued to valuation experts by management and the scope of their work; • Evaluating the competence, capabilities and objectivity of the valuation experts; • Enquiries of the valuers on the basis on which the desktop valuation was carried out; • Challenging the information and assumptions used by the valuers to assess completeness and consistency with our understanding; and • Testing revaluations made during the year to see if they had been input correctly into the Trust and charity's asset register. The Group's accounting policy on valuation of property, plant and equipment is shown in note 1.9.2 to the financial statements and related disclosures are included in note 17. **Key observations** We obtained sufficient audit assurance to conclude that: • the basis of the valuation of land and buildings was appropriate, and the assumptions and processes used by management in determining the accounting estimate were reasonable; and • the valuation of land and buildings disclosed in the financial statements is reasonable.

Risk 2 Improper revenue recognition
NHS Trusts are facing significant external pressure to restrain budget overspends and meet externally set financial targets, coupled with increasing patient demand and cost pressures
79% of the Group's income from patient care activities is derived from contracts with NHS commissioners.
These contracts include the rates for, and level of, patient care activity to be undertaken by the Trust. The Group recognises patient care activity income during the year based on the completion of these activities. These arrangements include block contracts, which are agreed in advance at a fixed price, and payment by results contracts which include patient care income from contract variations.
Any patient care activities that are additional to those incorporated in these main contracts with NHS commissioners (contract variations) are subject to verification and agreement by commissioners. As such, there is the risk that income is recognised in the financial statements for these additional services that is not subsequently agreed to or paid by the commissioners.
Due to the nature of block contracts we have not identified a significant risk of material misstatement in relation to block contracts.
10% of the Group's income is recorded as other operating revenues (excluding Education & Training, income from Salisbury Trading Ltd and Provider Sustainability Funding income). The risk around other operating revenues is related to the improper recognition of revenue.
	Our audit work included, but was not restricted to:
	• Evaluating the Group and Trust's accounting policies for recognition of income from patient care activities and other operating revenues;
	• Updating our understanding of the Group and Trust's system for accounting for income from patient care and other operating revenues, and evaluating the design of the associated controls;
	• In respect of patient care income:
	  • Using the Department of Health and Social Care (DHSC) mismatch report, investigating unmatched revenue and receivable balances over £300,000, corroborating the unmatched balances used by the Trust to supporting evidence;
	  • Agreeing, on a sample basis, income from contract variations and year end receivables to supporting evidence;
	  • Evaluating the judgements made by management in order to determine recognition of income from contract variations.
	• In respect of other operating revenue:
	  • Agreeing, on a sample basis, income and year end receivables from the Group's other operating revenues to supporting evidence.
	The Group's accounting policies on revenue recognition are shown in note 1.5 to the financial statements and related disclosures are included in note 3.

Key Audit Matter – Trust and Group	How the matter was addressed in the audit – Trust and Group
Education & Training income, income from Salisbury Trading Ltd and Provider Sustainability Funding income are income streams that are principally derived from contracts that are agreed in advance at a fixed price, or in the case of Provider and Sustainability Funding agreed by NHS Improvement (NHSI). We have not identified a significant risk of material misstatement in relation to these elements of other operating revenues. We therefore identified the occurrence and accuracy of patient care income from contract variations and other operating revenues, and the existence of associated receivable balances as one of the most significant assessed risks of material misstatement.	**Key observations** We obtained sufficient audit evidence to conclude that: • the Group and Trust's accounting policies for recognition of patient care and other operating income comply with the DHSC group accounting manual 2018-19 and have been properly applied; and • patient care income from contract variations and other operating revenues and associated receivable balances has been recognised appropriately in the financial statements.

Our application of materiality

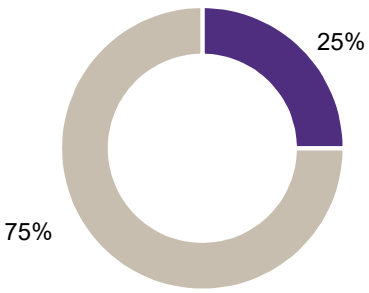
We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality in determining the nature, timing and extent of our audit work and in evaluating the results of that work.

Materiality was determined as follows:

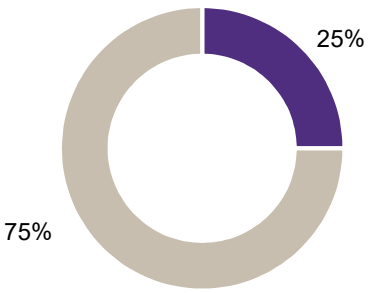
Materiality Measure	Group	Trust
Financial statements as a whole	£3,660,000 which is 1.5% of the Group's gross operating expenses. This benchmark is considered the most appropriate because we consider users of the financial statements to be most interested in how the Group has expended its revenue and other funding.	£3,520,000 which is 1.5% of the Trust's gross operating expenses. This benchmark is considered the most appropriate because we consider users of the financial statements to be most interested in how the Trust has expended its revenue and other funding.
Performance materiality used to drive the extent of our testing	75% of financial statement materiality	75% of financial statement materiality
Specific materiality		£20,000 for disclosure of senior manager remuneration in the Remuneration Report based on our view of the level of misstatement that would influence the views of the users of the accounts.
Communication of misstatements to the Audit Committee	£176,000 and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.	£176,000 and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.

The graph below illustrates how performance materiality interacts with our overall materiality and the tolerance for potential uncorrected misstatements.

Overall materiality – Group



Overall materiality – Trust



▪ Tolerance for potential uncorrected mis-statements ▪ Performance materiality

An overview of the scope of our audit

- Our audit approach was a risk-based approach founded on a thorough understanding of the Group's business, its environment and risk profile and in particular included:
    - Evaluation by the group audit team of identified components to assess the significance of that component and to determine the planned audit response based on a measure of materiality. We determined a component to be individually significant if it represented more than 15% of the Group's operating expenditure.
        - We identified Salisbury NHS Foundation Trust as the only significant component in the Group. Salisbury NHS Foundation Trust represents 95% of the Group's operating income, 96% of its operating expenses and 91% of the Group's total assets. We carried out a full scope audit in relation to the Trust.
        - We identified a further six non-significant components of the Group – Salisbury District Hospital Charitable Fund, two wholly owned subsidiaries: Salisbury Trading Ltd and Replica 3DM Ltd, Odstock Medical (88% owned by the Group) and two joint ventures: Sterile Supplies Ltd and Wiltshire Health and Care LLP.
        - For Salisbury District Hospital Charitable Fund we performed analytical techniques on the figures consolidated into the group financial statements and substantive tests on donated income, the bank balance and investments. The Salisbury District Hospital Charitable Fund represents 1.6% of the Group's operating income, less than 1% of its expenditure and 8% of the Group's total assets
        - For Salisbury Trading Ltd we performed analytical techniques on the figures consolidated into the group financial statements and substantive tests on its operating income and expenditure. The Salisbury Trading Ltd represents 3% of the Group's income, 3% of the Group's expenditure and less than 1% of the Group's total assets.
        - We performed analytical procedures on the Group's income, expenditure and assets and liabilities of Odstock Medical Ltd and Replica 3DM and on the Group's share of the profits of its the joint ventures Sterile Supplies Ltd and Wiltshire Health and Care LLP These bodies represent less than 1% of the Group's deficit for the year and less than 1% of the Group's total assets.
    - Our audit of the Trust included an interim visit in February 2019 to evaluate the Group and Trust's internal control environment, including IT systems and controls over key financial systems and a final visit in May 2019 to perform substantive tests on transactions and balances.

Other information

The Accounting Officer is responsible for the other information. The other information comprises the information included in the Annual Report**,** other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge 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 the other information, we are required to report that fact.

We have nothing to report in this regard.

In this context, we also have nothing to report in regard to our responsibility to specifically address the following items in the other information and to report as uncorrected material misstatements of the other information where we conclude that those items meet the following conditions:

- Fair, balanced and understandable set out on page 63 of the Annual Report in accordance with provision C.1.1 of the NHS Foundation Trust Code of Governance – the statement given by the directors that they consider the Annual Report and financial statements taken as a whole is fair,

balanced and understandable and provides the information necessary for patients, regulators and other stakeholders to assess the Group and Trust's performance, business model and strategy, is materially inconsistent with our knowledge of the Trust obtained in the audit; or

- Audit Committee reporting set out on pages 62-64 of the Annual Report in accordance with provision C.3.9 of the NHS Foundation Trust Code of Governance the sections describing the work of the Audit Committee does not appropriately address matters communicated by us to the Audit Committee.

Other information we are required to report on by exception under the Code of Audit Practice

Under the Code of Audit Practice published by the National Audit Office on behalf of the Comptroller and Auditor General (the Code of Audit Practice) we are required to consider whether the Annual Governance Statement does not meet the disclosure requirements set out in the NHS foundation trust annual reporting manual 2018/19 or is misleading or inconsistent with the information of which we are aware from our audit. We are not required to consider whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls.

We have nothing to report in this regard.

Our opinion on other matters required by the Code of Audit Practice is unmodified

In our opinion:

- the parts of the Remuneration Report and the Staff Report to be audited have been properly prepared in accordance with IFRSs as adopted by the European Union, as interpreted and adapted by the NHS foundation trust annual reporting manual 2018/19 and the requirements of the National Health Service Act 2006; and
- based on the work undertaken in the course of the audit of the financial statements and our knowledge of the Trust gained through our work in relation to the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources, the other information published together with the financial statements in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

Under the Code of Audit Practice, we are required to report to you if:

- we issue a report in the public interest under Schedule 10 (3) of the National Health Service Act 2006 in the course of, or at the conclusion of the audit; or
- we refer a matter to the regulator under Schedule 10 (6) of the National Health Service Act 2006 because we have reason to believe that the Trust, or a director or officer of the Trust, is about to make, or has made, a decision which involves or would involve the incurring of expenditure that was unlawful, or is about to take, or has begun to take a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency**.**

We have nothing to report in respect of the above matters.

Responsibilities of the Accounting Officer and Those Charged with Governance for the financial statements

As explained more fully in the Statement of the Chief Executive's responsibilities as the accounting officer set out on page 77, the Chief Executive, as Accounting Officer, is responsible for the preparation of the financial statements in the form and on the basis set out in the Accounts Directions included in the NHS foundation trust annual reporting manual 2018/19, 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 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 has been informed by the relevant national body of the intention to dissolve the Trust and the Group without the transfer of the Trust's services to another public sector entity.

The Audit Committee is Those Charged with Governance. Those charged with governance are responsible for overseeing the Trust's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements – Conclusion on the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

Qualified conclusion

On the basis of our work, having regard to the guidance issued by the Comptroller & Auditor General in November 2017, except for the effects of the matters described in the basis for qualified conclusion section of our report we are satisfied that, in all significant respects, Salisbury NHS Foundation Trust put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2019.

Basis for qualified conclusion

Our review of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources identified the following matters:

- The Trust planned to deliver a £9 million deficit for 2018/19. During the course of the year, the Trust's financial position deteriorated, although the position was recovered by the end of the year. The deterioration was driven by increasing demand in both non elective procedures and increased length of stay impacting on staffing levels and increased use of temporary staff.
- The Trust delivered £10.1 million of efficiency savings, against a target of £12 million. The Trust had planned to deliver £1.1 million of savings from the creation of a subsidiary company to provide facility services, which the Trust was unable to establish. Planned workforce savings also underdelivered by £1.3 million.
- The Trust exceeded its agency pay cap for most of the year and incurred an agency premium in 2018/19 of approximately £3 million, £1 million higher than planned.
- The Trust continues to have an underlying structural deficit and although it has agreed a plan with NHS Improvement to return to a breakeven position in 2019/20, this will only be achieved with receipt of additional non recurrent funding from the Financial Recovery Fund of £2.9 million.
- In January 2018, the Trust agreed enforcement undertakings with NHS Improvement resulting from its deteriorating financial position These enforcement actions remained in force at 31 March 2019.

These matters identify weaknesses in the Trust's arrangements for setting a sustainable budget with sufficient capacity to absorb emerging cost pressures and minimising the use of temporary staffing.

They are evidence of weaknesses in proper arrangements for:

- planning, organising and developing the workforce effectively to deliver strategic priorities; and
- sustainable resource deployment in planning finances effectively to support the sustainable delivery of strategic priorities and maintain statutory functions.

Significant risks

Under the Code of Audit Practice, we are required to report on how our work addressed the significant risks we identified in forming our conclusion on the adequacy of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources. Significant risks are those risks that in our view had the potential to cause us to reach an inappropriate conclusion on the audited body's arrangements. The table below sets out the significant risks we have identified. These significant risks were addressed in the context of our conclusion on the Trust's arrangements as a whole, and in forming our conclusion thereon, and we do not provide a separate opinion on these risks.

Significant risks forming part of our qualified conclusion	How the matter was addressed in the audit
Risk 1 Financial Sustainability The Trust agreed a £9 million control total with NHS Improvement (NHSI) for 2018/19 enabling access to £3.8m of Provider Sustainability Funding (PSF). Achievement was dependent not only on managing emerging pressures, but also on delivering planned efficiency savings. Performance fell behind plan during the year. This was driven by increasing demand in both non elective procedures and increased length of stay impacting on staffing levels and increased use of temporary staff by the Trust. The Trust continues to have an underlying structural deficit and although it has agreed a plan with NHSI to return to a break even position in 2019/20, this will only be achieved with receipt of an additional £6.8m non recurrent funding, including £2.9m from the Financial Recovery Fund (FRF), a resource set aside for Trust's with an underlying deficit position. In January 2018, the Trust agreed enforcement undertakings with its regulator NHS Improvement, these resulted from the Trust's deteriorating financial position, highlighting that the Trust failed to agree a 2017/18 control total and had weaknesses in arrangements and a lack of control in its financial governance functions.	Our audit work included, but was not restricted to: • Monitoring the Trust's performance against its operational plan and achievement of its control total for the financial year 2018/19; • Evaluating the forecast position throughout the year and the Trust's final outturn against budget; • Assessing the Trust's overall arrangements for achievement of its control total; • Assessing the Trust's arrangements for responding to the actions required from the enforcement undertakings agreed with NHS Improvement in January 2018. **Key findings** We have qualified our conclusion in respect of this risk, as set out in the basis of qualified conclusion section of the report.

Responsibilities of the Accounting Officer

The Accounting Officer is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in the use of the Trust's resources.

Auditor's responsibilities for the review of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

We are required under paragraph 1 of Schedule 10 of the National Health Service Act 2006 to be satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources and to report where we have not been able to satisfy ourselves that it has done so. We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the guidance on the specified criterion issued by the Comptroller and Auditor General in November 2017, as to whether in all significant respects, the Trust had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. The Comptroller and Auditor General determined this criterion as that necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the Trust put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2019, and to report by exception where we are not satisfied.

We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary to be satisfied that the Trust has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

Report on other legal and regulatory requirements - Certificate

We certify that we have completed the audit of the financial statements of Salisbury NHS Foundation Trust in accordance with the requirements of Chapter 5 of Part 2 of the National Health Service Act 2006 and the Code of Audit Practice.

Use of our report

This report is made solely to the Council of Governors of the Trust, as a body, in accordance with Schedule 10 of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Trust's Council of Governors those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trust and the Trust's Council of Governors, as a body, for our audit work, for this report, or for the opinions we have formed.

Barrie Morris

Barrie Morris - Key Audit Partner
for and on behalf of Grant Thornton UK LLP, Local Auditor

Bristol
24 May 2019

STATEMENT OF COMPREHENSIVE INCOME
For The Year Ended 31 March 2019

	Note	Group 2018/19 £000	Group 2017/18 £000	Trust 2018/19 £000	Trust 2017/18 £000
Revenue from patient care activities	3	**210,675**	195,170	**210,675**	195,170
Other operating revenue	5	**37,335**	26,211	**25,098**	17,752
Operating expenses	7	**(243,848)**	(228,200)	**(234,059)**	(220,881)
OPERATING SURPLUS/ (DEFICIT)		**4,162**	(6,819)	**1,714**	(7,959)
FINANCE COSTS					
Finance income	12	**346**	316	**198**	199
Finance expense	13	**(2,512)**	(2,124)	**(2,512)**	(2,124)
PDC Dividends payable		**(3,480)**	(3,659)	**(3,480)**	(3,659)
NET FINANCE COSTS		**(5,646)**	(5,467)	**(5,794)**	(5,584)
Losses on disposal of assets	17	**(11)**	(17)	**(11)**	(17)
Share of profit/ (loss) of associates/ joint ventures	34	**(147)**	-	**(147)**	-
Movement in fair value of investment property	22	**-**	390	-	390
Movement in fair value of other investments	18	**282**	(9)	-	-
RETAINED DEFICIT FOR THE YEAR		**(1,360)**	(11,922)	**(4,238)**	(13,170)
OTHER COMPREHENSIVE INCOME:					
Items that will not be reclassified to income and expenditure					
Revaluations	17	**4,706**	(1,084)	**4,214**	(1,411)
Items that may be reclassified to income and expenditure					
Fair Value gains/ (losses) on Available-for-sale financial investments	18	**-**	(71)	-	-
TOTAL COMPREHENSIVE INCOME/(EXPENSE) FOR THE YEAR		**3,346**	(13,077)	**(24)**	(14,581)
NOTE: ALLOCATION OF PROFIT/(LOSSES) FOR THE YEAR					
(a) Surplus/(Deficit) for the period attributable to:					
(i) Minority interest, and		**7**	(11)	**-**	-
(ii) Owners of Salisbury NHS Foundation Trust		**(1,367)**	(11,911)	**(4,238)**	(13,170)
TOTAL		**(1,360)**	(11,922)	**(4,238)**	(13,170)
(b) Total comprehensive income/ (expense) for the year attributable to:					
(i) Minority interest, and		**7**	(11)	**-**	-
(ii) Owners of Salisbury NHS Foundation Trust		**3,339**	(13,066)	**(24)**	(14,581)
TOTAL		**3,346**	(13,077)	**(24)**	(14,581)

The notes on pages 5 to 48 form an integral part of these financial statements.
All revenue and expenditure is derived from continuing operations.

STATEMENT OF FINANCIAL POSITION
31 MARCH 2019

		Group		Trust	
		31 March 2019	31 March 2018	**31 March 2019**	31 March 2018
	Note	**£000**	£000	**£000**	£000
NON-CURRENT ASSETS					
Intangible assets	16	**8,390**	9,899	**8,390**	9,899
Property, plant and equipment	17	**142,250**	136,417	**135,408**	129,744
Investments in subsidiaries	33	**-**	-	**5**	5
Investments in joint ventures	34	**103**	250	**103**	250
Investments	18	**7,059**	6,779	**-**	-
Other financial assets	19	**2,204**	2,123	**3,340**	3,721
Total non-current assets		**160,006**	155,468	**147,246**	143,619
CURRENT ASSETS					
Inventories	20	**6,770**	6,214	**4,840**	4,807
Trade and other receivables	21	**23,555**	14,726	**22,761**	14,063
Investments	18	**201**	44	**-**	-
Other financial assets	19	**-**	-	**962**	462
Non-current assets held for sale	22	**-**	570	**-**	570
Cash and cash equivalents	23	**12,516**	10,370	**7,476**	7,780
Total current assets		**43,042**	31,924	**36,039**	27,682
Total assets		**203,048**	187,392	**183,285**	171,301
CURRENT LIABILITIES					
Trade and other payables	24	**(24,929)**	(24,457)	**(23,439)**	(23,269)
Borrowings	25	**(1,695)**	(1,164)	**(1,695)**	(1,164)
Provisions	26	**(713)**	(292)	**(713)**	(292)
TOTAL CURRENT LIABILITIES		**(27,337)**	(25,913)	**(25,847)**	(24,725)
TOTAL ASSETS LESS CURRENT LIABILITIES		**175,711**	161,479	**157,438**	146,576
NON-CURRENT LIABILITIES					
Borrowings	25	**(42,897)**	(33,306)	**(42,897)**	(33,306)
Provisions	26	**(275)**	(320)	**(275)**	(320)
TOTAL NON CURRENT LIABILITIES		**(43,172)**	(33,626)	**(43,172)**	(33,626)
TOTAL ASSETS EMPLOYED		**132,539**	127,853	**114,266**	112,950
FINANCED BY:					
TAXPAYERS' EQUITY					
Minority Interest		**42**	35	**-**	-
Public dividend capital	35	**57,297**	55,957	**57,297**	55,957
Revaluation reserve		**59,041**	54,827	**59,041**	54,827
Income and expenditure reserve		**(1,040)**	2,968	**(2,072)**	2,166
Charitable fund reserves	36	**17,199**	14,066	**-**	-
TOTAL TAXPAYERS EQUITY		**132,539**	127,853	**114,266**	112,950

The notes on pages 5 to 48 form an integral part of these financial statements.
The financial statements on pages 1 to 48 were approved by the Board on 23 May 2019 and signed on its behalf by:

Signed:

Cara Charles-Barks - Chief Executive

CONSOLIDATED STATEMENT OF CHANGES IN TAXPAYERS EQUITY
31 MARCH 2019

	Public dividend capital (PDC)	Income and expenditure reserve	Revaluation reserve	Minority interest	NHS Charitable Funds reserve	Total taxpayers' equity
	£000	£000	£000	£000	£000	£000
Taxpayers' and Others' Equity at 1 April 2017	**54,046**	**16,005**	**56,238**	**46**	**12,684**	**139,019**
Changes in taxpayers' equity for 2017/18						
Retained surplus/(deficit) for the year	-	(13,390)	-	(11)	1,479	**(11,922)**
Other recognised gains and losses	-	-	-	-	-	**-**
Net gain/(loss) on revaluation of property plant and equipment	-	-	(1,411)	-	-	**(1,411)**
Transfers between reserves	-	-	-	-	-	**-**
Revaluations and impairments - charitable fund assets	-	-	-	-	327	**327**
Fair Value gains/(losses) on Available-for-sale financial investments	-	-	-	-	(71)	**(71)**
Other reserve movements	-	353	-	-	(353)	**-**
Public dividend capital received in year	1,911	**-**	**-**	**-**	**-**	**1,911**
Balance at 31 March 2018	**55,957**	**2,968**	**54,827**	**35**	**14,066**	**127,853**
Changes in taxpayers' equity for 2018/19						
Retained surplus/(deficit) for the year	-	(4,212)	-	7	2,845	**(1,360)**
Other recognised gains and losses	-	-	-	-	-	**-**
Impairment of property plant and equipment	-	-	-	-	-	**-**
Net gain/(loss) on revaluation of property plant and equipment	-	-	4,214	-	-	**4,214**
Transfers between reserves	-	-	-	-	-	**-**
Revaluations and impairments - charitable fund assets	-	-	-	**-**	**492**	**492**
Fair Value gains/(losses) on Available-for-sale financial investments	-	-	-	**-**	**-**	**-**
Other reserve movements	-	204	-	**-**	**(204)**	**-**
Public dividend capital received in year	1,340	-	-	**-**	**-**	**1,340**
Balance at 31 March 2019	**57,297**	**(1,040)**	**59,041**	**42**	**17,199**	**132,539**

The notes on pages 5 to 48 form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2019

	Note	Group 2019 £000	Group 2018 £000	Trust 2019 £000	Trust 2018 £000
CASH FLOWS FROM OPERATING ACTIVITIES					
Total operating surplus/ (deficit)		**4,162**	(6,819)	**1,714**	(7,959)
NON-CASH INCOME AND EXPENSE					
Depreciation and amortisation charge	7	**9,531**	9,066	**9,074**	8,625
Impairments	7	**1,203**	1,365	**1,203**	1,365
Non-cash donations credited to income		**(207)**	(352)	**(207)**	(352)
(Increase)/ decrease in trade and other receivables	21	**(9,042)**	256	**(8,952)**	571
(Increase)/ decrease in inventories	20	**(556)**	(1,264)	**(33)**	(842)
Increase/ (decrease) in trade and other payables	24	**727**	2,840	**531**	2,231
Increase/ (decrease) in provisions	26	**375**	(45)	**375**	(45)
NHS charitable funds - net adjustments for working capital movements, non-cash transactions and non-operating cash flows		**57**	264	**-**	-
Net cash inflow from operating activities		**6,250**	5,311	**3,705**	3,594
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest received		**54**	24	**117**	76
Payments to acquire property, plant and equipment	17	**(7,432)**	(4,489)	**(7,307)**	(4,439)
Receipts from sale of property, plant and equipment		**466**	-	**466**	-
Payments to acquire intangible assets	16	**(923)**	(4,769)	**(923)**	(4,769)
NHS charitable funds - net cash flows from investing activities		**55**	(401)	**-**	-
Net cash (outflow) from investing activities		**(7,780)**	(9,635)	**(7,647)**	(9,132)
CASH FLOWS FROM FINANCING ACTIVITIES					
New public dividend capital received	35	**1,340**	1,911	**1,340**	1,911
Loan to subsidiary		**-**	-	**(500)**	-
Loan repayment received		**-**	-	**462**	462
Movement in loans from the Department of Health and Social Care	25	**9,034**	10,786	**9,034**	10,786
Capital element of finance lease rental payments		**(529)**	(51)	**(529)**	(51)
Capital element of Private Finance Initiative obligations	30	**(488)**	(509)	**(488)**	(509)
Interest paid		**(528)**	(144)	**(528)**	(144)
Interest element of finance lease rental payments		**(29)**	(5)	**(29)**	(5)
Interest element of Private Finance Initiative obligations	30	**(1,919)**	(1,877)	**(1,919)**	(1,877)
PDC dividend paid		**(3,205)**	(3,922)	**(3,205)**	(3,922)
Net cash inflow/ (outflow) from financing		**3,676**	6,189	**3,638**	6,651
Increase/ (decrease) in cash and cash equivalents		**2,146**	1,865	**(304)**	1,113
Cash and cash equivalents at the beginning of the financial year		**10,370**	8,505	**7,780**	6,667
Cash and cash equivalents at the end of the financial year	23	**12,516**	10,370	**7,476**	7,780

The notes on pages 5 to 48 form an integral part of these financial statements.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

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.

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.

1.2 Going concern

IAS 1 requires management to assess, as part of the accounts preparation process, the NHS Foundation Trust's ability to continue as a going concern. The financial statements should be prepared on a going concern basis unless management either intends to apply to the Secretary of State for the dissolution of the NHS foundation Trust without the transfer of the services to another entity, or has no realistic alternative but to do so. Table 6.2 of the Financial Reporting Manual (FReM) states that:
"The anticipated continuation of the provision of a service in the future, as evidenced by inclusion of financial provision for that service in published documents, is normally sufficient evidence of going concern." [extract]

There has been no application to the Secretary of State for the dissolution of the Trust and financial plans have been developed and published for future years.

The Trust has accepted the control total offered by NHS improvement for 2019/20, and has submitted a financial plan for 2019/20 to NHS Improvement in accordance with that control total. The acceptance of the control total enables the Trust to access Provider Sustainability Fund (PSF), Financial Recovery Fund (FRF) and Marinal Rate Emergency Tariff (MRET) funding and achieve breakeven prior to the recognition of income in relation to capital donations to the Trust by its related Charity.

The Trust is not planning to access funding facilities from the Department of Health and Social Care during 2019/20.

The Board of Directors have discussed the appropriateness of continuing operations on a "going concern" basis; and having reviewed the Financial Reporting Manual, and having discussed the available evidence are content for the accounts to be prepared on a "going concern" basis in line with guidance.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.3 Critical accounting estimates and judgements (Continued)

The value of land, buildings and dwellings is £115.8 million (2018: £111.7m): This is the most significant estimate in the accounts and is based on the professional judgements of the Trust and Charity's independent valuers with extensive knowledge of the physical estate and market factors. The value does not take into account potential future changes in market value which cannot be predicted with any certainty.

Depreciation of buildings and dwellings is based on the estimated ecomonic lives of those assets as determined by professional valuers. Depreciation of all other property, plant and equipment together with the amortisation of intangibles assets is based on the Trust's judgement of the remaining useful ecominic lives of the assets. The lives used for amortisation and depreciation purposes are disclosed in note 1.8 and 1.9 respectively.

1.4 Basis of Consolidation

1.4.1 NHS Charitable Fund

The Trust is the corporate trustee to Salisbury District Hospital Charitable Fund. The Trust has assessed its relationship to the charitable fund and determined it to be a subsidiary because the Foundation Trust is exposed to, or has rights to, variable returns and other benefits for itself, patients and staff from its involvement with the charitable fund and has the ability to affect those returns and other benefits through its power over the fund.

The consolidation is for reporting purposes only and does not affect the charity's legal and regulatory independence and day to day operations.

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 Trust's accounting policies; and
- eliminate intra-group transactions, balances, gains and losses.

Charitable donations and assets are maintained and administered separately and distinctly from those of the Trust by charitable Trustees. By virtue of the fact that the patients and staff of Salisbury District Hospital are the beneficiaries of the charity's fundraising activities HM Treasury has mandated that the Trust must consolidate the charity's financial data to comply with International Financial Reporting Standards.

The key accounting policies of the charitable funds are included below in the relevant sections to which they relate.

1.4.2 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.

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.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.4 Basis of Consolidation (continued)

Unless otherwise stated the notes to the accounts refer to the Group and not the Trust. Where the Trust's balances are materially different, these are stated separately.

1.4.3 Associates

Associate entities are those over which the Trust has the power to exercise a significant influence. Associate entities are recognised in the Trust's financial statement using the equity method. The investment is initially recognised at cost. It is increased or decreased subsequently to reflect the Trust's share of the entity's profit or loss or other gains and losses (e.g. revaluation gains on the entity's property, plant and equipment) following acquisition. It is also reduced when any distribution (e.g. share dividends) are received by the Trust from the associate.

1.4.4 Joint ventures

Joint ventures are arrangements in which the Trust has joint control with one or more parties, and where it has the rights to the net assets of the arrangement.

Joint ventures are accounted for using the equity method.

1.5 Income Recognition

1.5.1 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 for 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.

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, 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.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.5 Income Recognition (continued)

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 does not receive income where a patient is readmitted within 30 days of discharge from a previous planned stay. This is considered an additional performance obligation to be satisfied under the original transaction price. An estimate of readmissions is made at the year end, this portion of revenue is deferred as a contract liability.

The Trust receives income from commissioners under Commissioning for Quality and Innovation (CQUIN) schemes. The Trust agrees schemes with its commissioner, which improve 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 for 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.

Provider Sustainability Funding (PSF)
Core Provider Sustainability Funding is received based on the Trust achieving it's financial control total and Accident and Emergency waiting time targets for the year. Additional incentive and bonus payments can be earned if the Trust achieves its financial control total. These are based on values notified by NHS Improvement.

Education and training
Income for training and education is received from Health Education England. The Trust recognises the income when the conditions of the contract have been met.

1.5.2 Revenue grants and other contributions to expenditure

Government grants are grants from government bodies other than income from commissioners or Trusts for the provision of services. Where a grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure.

The value of the benefit received when accessing funds from the Government's apprenticeship service is recognised as income at the point of receipt of the training service. Where these funds are paid directly to an accredited training provider, the corresponding notional expense is also recognised at the point of recognition for the benefit.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.5.3 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.

Charitable incoming resources are recognised once the charity has entitlement to the resources, it is certain that the resources will be received and the monetary value of the incoming resources can be measured with sufficient reliability.

Legacy income is accounted for within the charity as incoming resources, either upon receipt, or where the receipt of the legacy is probable; this will be once confirmation has been received from the representatives of the estate(s) that payment of the legacy will be made, or property transferred, and once all conditions attached to the legacy have been fulfilled.

1.6 Expenditure on employee benefits

1.6.1 Short-term employee benefits

Salaries, wages and employment-related payments such as social security costs and the apprenticeship levy are recognised in the period in which the service is received from employees. The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry-forward leave into the following period.

1.6.2 Pension costs

NHS Pension Scheme

Past and present employees are covered by the provisions of the NHS Pension Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, general practices and other bodies, allowed under the direction of Secretary of State, in England and Wales. The scheme is not designed in a way that would enable employers to identify their share of the underlying scheme assets and liabilities. Therefore the scheme is accounted for as though it is a defined contribution 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.

National Employment Savings Trust (NEST)

Employees that are not entitled to enroll on the NHS Pension Scheme are auto-enrolled into the Government NEST defined contribution workplace pension scheme.

Under the terms of the NEST scheme employees retain the right to opt-out after having been auto-enrolled.

Employer's pension cost contributions are charged to operating expenses as and when they become due.

Subsidiary pension scheme

The subsidiary companies operate defined contribution schemes for employees who have contracts of employment directly with the companies. Employer's pension costs are charged to operating expenses as and when they become due.

These schemes comply with legislatve requirements.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.7 Expenditure on goods and services

Expenditure on goods and services is recognised when, and to the extent that they have been utilised, 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 assets such as inventory, property, plant and equipment.

1.8 Intangible assets

1.8.1 Recognition

Intangible assets are non-monetary assets without physical substance which are capable of being sold separately from the rest of the Trust's business or which arise from contractual or other legal rights. They are recognised only where it is probable that future economic benefits will flow to, or service potential be provided to, the Trust and where the cost of the asset can be measured reliably,and where the cost is at least £5,000.

Internally generated 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 feasibile 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 intangible asset and its value in use or at sale will be greater or equal to the value capitalised;
- adequate financial, technical and other resources are available to the Trust to complete the development and sell or use the asset; and
- the Trust can measure reliably the expenses attributable to the asset during development.

Software

Software which is integral to the operation of hardware, eg an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware, eg application software, is capitalised as an intangible asset.

1.8.2 Measurement

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management.

Subsequently intangible assets are measured at current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluation gains and losses, and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value under IFRS 13, if it does not meet the requirements of IAS 40 or IFRS 5.

Intangible assets held for sale are measured at the lower of their carrying amount or "fair value less costs to sell".

Amortisation

Intangible assets are amortised over their expected useful economic lives in a manner consistent with the consumption of economic or service delivery benefits, which is as follows:

Software 1 - 8 Years

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.9 Property, plant and equipment

1.9.1 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 will be supplied to, the Trust;
- it is expected to be used for more than one financial year;
- the cost of the item can be measured reliably; and
- the item has cost of at least £5,000; or
- collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or
- items form part of the initial equipping and setting-up cost of a new building, 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.

1.9.2 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.

Land and Property assets are formally valued every 5 years with annual desktop valuations and annual impairment reviews carried out in all other years. The 5 yearly and annual revaluations are carried out by a professionally qualified valuer in accordance with the Royal Institution of Chartered Surveyors (RICS) Appraisal and Valuation manual. The valuations are carried out on the basis of fair value or current value in existing use, as required by HM Treasury. The annual reviews are carried out using the most appropriate information available at the date of the review. A full revaluation was carried out at 1 April 2015. Current values are determined as follows:

- Land and non-specialised buildings – market value for existing use.
- Specialised buildings – depreciated replacement cost on a modern equivalent asset basis.

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.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.9 Property, plant and equipment (continued)

Depreciation

Items of property, plant and equipment are depreciated over their remaining useful economic lives in a manner consistent with the consumption of economic or service delivery benefits. Freehold land is considered to have an indefinite life and is not depreciated. All other assets are being depreciated as follows:

Buildings (excluding dwellings) 8 - 45 years
Dwellings 28 - 39 years
Plant and Machinery 4 - 25 years
Transport equipment 3 - 10 years
Information Technology 3 - 10 years
Furniture and Fittings 5 - 25 years

Asset lives have reduced as a result of a clarification of guidance issued by RICS during 2018-19 and applied by the Trust's professional valuers at 31 March 2019. This will impact on depreciation charged to the Income and Expenditure account in future years.

Property, plant and equipment which have been reclassified as 'held for sale' cease to be depreciated upon the reclassification. Assets in the course of construction are not depreciated until the asset is brought into use.

Revaluation gains and losses

Revaluation gains are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease that has previously been recognised in operating expenses, in which case they are recognised in operating income.

Revaluation losses are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses.

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 impairment.

An impairment arising 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 revaluations 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.

1.9.3 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 i.e.:
  - management are committed to a plan to sell the asset;
  - an active programme has begun to find a buyer and complete the sale;
  - the asset is being actively marketed at a reasonable price
  - the sale is expected to be completed within twelve 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.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.9 Property, plant and equipment (continued)

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 and the assets are not revalued, except where the 'fair value less costs to sell' falls below the carrying amount. Assets are derecognised when all material sale contract conditions have been met. Fair value is opening market value including alternative uses.

The profit or loss arising on disposal of an asset is the difference between the sale proceeds, less costs associated with the sale, and the carrying amount and is recognised in the Statement of Comprehensive Income. On disposal, the balance for the asset on the revaluation reserve is transferred to retained earnings.

Property, plant and equipment which is to be scrapped or demolished does not qualify for recognition as 'held for sale' and instead is retained as an operational asset and the assets economic life is adjusted. The asset is derecognised when scrapping or demolition occurs.

1.9.4 Donated, government grant and other grant funded assets

Donated and grant funded property, plant and equipment assets are capitalised at their fair value on receipt. The donation/grant is credited to income at the same time, unless the donor has imposed a condition that the future economic benefits embodied in the grant are to be consumed in a manner specified by the donor, in which case, the donation/grant is deferred within liabilities and is carried forward to future financial years to the extent that the condition has not yet been met.

The donated and grant funded assets are subsequently accounted for in the same manner as other items of property, plant and equipment.

1.9.5 Private Finance Initiative (PFI) transactions

PFI 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 at their fair value, together with an equivalent finance lease liability. Subsequently, the assets are accounted for as property, plant and equipment and/ or intangible assets as appropriate.

The annual unitary payment is separated into the following component parts, using appropriate estimation techniques where necessary:

a) Payment for the fair value of services received;
b) Payment for the PFI asset, including finance costs; and
c) Payment for the replacement of components of the asset during the contract 'lifecycle replacement'.

Services received

The fair value of services received in the year is recorded under the relevant expenditure headings within 'operating expenses'.

PFI Asset

The PFI assets are recognised as property, plant and equipment, when they come into use. The assets are measured initially at fair value in accordance with the principles of IAS 17. Subsequently, the assets are measured at fair value, which is kept up to date in accordance with the Trust's approach for each relevant class of asset in accordance with the principles of IAS 16.

PFI liability

A PFI liability is recognised at the same time as the PFI assets are recognised. It is measured initially at the same amount as the fair value of the PFI assets and is subsequently measured as a finance lease liability in accordance with IAS 17.

An annual finance cost is calculated by applying the implicit interest rate in the lease to the opening lease liability for the period, and is charged to 'Finance Costs' within the Statement of Comprehensive Income.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.9 Property, plant and equipment (continued)

The element of the annual unitary payment that is allocated as a finance lease rental is applied to meet the annual finance cost and to repay the lease liability over the contract term.

An element of the annual unitary payment increase due to cumulative indexation is allocated to the finance lease. In accordance with IAS 17, this amount is not included in the minimum lease payments, but is instead treated as contingent rent and is expensed as incurred. In substance, this amount is a finance cost in respect of the liability and the expense is presented as a contingent finance cost in the Statement of Comprehensive Income.

Lifecycle replacement
Components of the asset replaced by the operator during the contract ('lifecycle replacement') are capitalised where they meet the Trust's criteria for capital expenditure. They are capitalised at the time they are provided by the operator and are measured initially at their fair value.

The element of the annual unitary payment allocated to lifecycle replacement is pre-determined for each year of the contract from the operator's planned programme of lifecycle replacement. Where the lifecycle component is provided earlier or later than expected, a short-term finance lease liability or prepayment is recognised respectively.

Where the fair value of the lifecycle component is less than the amount determined in the contract, the difference is recognised as an expense when the replacement is provided. If the fair value is greater than the amount determined in the contract, the difference is treated as a 'free' asset and a deferred income balance is recognised. The deferred income is released to the operating income over the shorter of the remaining contract period or the useful economic life of the replacement component.

Assets contributed by the Trust to the operator for use in the scheme
Assets contributed for use in the scheme continue to be recognised as items of property, plant and equipment in the Trust's Statement of Financial Position.

Other assets contributed by the Trust to the operator
Assets contributed (e.g. cash payments, surplus property) by the Trust to the operator before the asset is brought into use, which are intended to defray the operator's capital costs, are recognised initially as prepayments during the construction phase of the contract. Subsequently, when the asset is made available to the Trust, the prepayment is treated as an initial payment towards the finance lease liability and is set against the carrying value of the liability.

1.10 Investments

Investments in subsidiary undertakings, associates and joint ventures are treated as fixed asset investments and stated at cost.

Deposits and other investments that are readily convertible into known amounts of cash at or close to their carrying amounts are treated as liquid resources in the cash flow statement.

Investments in quoted stocks, shares, gilts and alternative investments are included in the Statement of Financial Position at mid-market price, ex-dividend.

All gains and losses are taken to the Statement of Comprehensive Income as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (or purchase date if later). Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value (or value at purchase date if later).

1.11 Borrowing costs

Borrowing costs are recognised as expenses as they are incurred.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.12 Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured on the First In, First Out (FIFO) method. Work-in-progress comprises goods in intermediate stages of production. The Laundry stock value is based on the original cost less an adjustment to reflect usage, over a three year life (except for Towels and Scrub Suits which have a two year life), in determining an approximation of net realisable value.

1.13 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 form an integral part of the Trust's cash management. Cash, bank and overdraft balances are recorded at current values.

1.14 Financial assets and financial liabilities

1.14.1 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

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.

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.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.14 Financial assets and financial liabilities (continued)

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 does not normally recognise expected credit losses in relation to other NHS bodies.

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.

1.14.3 De-recognition

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.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.15 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.

1.15.1 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.

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.

1.15.2 The Trust as lessor

Finance leases
Amounts due from lessees under finance leases are recorded as receivables at the amount of the Trust's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the Trust's net investment outstanding in respect of the leases.

Operating leases
Rental income from operating leases is recognised on a straight-line basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

1.16 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.

1. ACCOUNTING POLICIES (CONTINUED)

1.16 Provisions (Continued

Early retirement provisions are discounted using HM Treasury's pension discount rate of 0.1% (2017-18: 0.24%) in real terms.

Clinical negligence costs
NHS Resolution operates a risk pooling scheme under which the Trust pays an annual contribution to NHS Resolution, which, in return, settles all clinical negligence claims. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the Trust is disclosed at note 26 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.

1.17 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 entity's control) are not recognised as assets, but are disclosed where an inflow of economic benefits is probable.

Contingent liabilities are not recognised 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.

1.18 Public dividend capital

At any time, the Secretary of State can issue new PDC to, and require repayments of PDC from, the Trust. PDC is recorded at the value received.

A charge, reflecting the cost of capital utilised by the Trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the Trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for

(i) donated assets (including lottery funded assets);
(ii) average daily cash balances held with the Government Banking Service (GBS) and National Loans Fund (NLF) deposits, excluding cash balances held in GBS accounts that relate to a short-term working capital facility; and
(iii) any PDC dividend balance receivable or payable.

In accordance with the requirements laid down by the Department of Health (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the "pre-audit" version of the annual accounts. The dividend thus calculated is not revised should any adjustment to net assets occur as a result the audit of the annual accounts.

1. ACCOUNTING POLICIES (CONTINUED)

1.19 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.

1.20 Corporation Tax

The Trust does not have a corporation tax liability for the year 2018/19 (2017/18 £nil). Tax may be payable by the Trust on activities described below:

- The activity is not related to the provision of core healthcare as defined under Section 14(1) of the HSCA. Private Healthcare falls under this legislation and is not therefore taxable.
- The activity is commercial in nature and competes with the private sector. In house trading activities are normally ancillary to the core healthcare objectives and are therefore not subject to tax.
- Annual profits from the activity must exceed £50,000

The Trust's subsidiary companies have made a modest profit leading to a corporation tax liability of £62k (2017/18: £60k).

1.21 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:

- 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.

1.22 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.

1.23 Losses and Special Payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had the Trust not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure).

However the losses and special payments note is compiled directly from the losses and compensations register which reports on an accrual basis with the exception of provisions for future losses.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.24 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.

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.

1.26 Standards, amendments and interpretations in issue but not yet effective or adopted

The *GAM* does not require the following Standards and Interpretations to be applied in 2018/19. These standards are still subject to HM Treasury FReM adoption, the government implementation date for IFRS 16 accounting periods beginning on, or after, 1 January 2020.

IFRS 16 Leases	Application required for accounting periods beginning on or after 1 January 2019, but deferred until 2020-2021.
IFRS 17 Insurance Contracts	Application required for accounting periods beginning on or after 1 January 2021 but not yet adopted by the FREM: early adoption is therefore not permitted.
IFRIC 22 Foreign currency transactions and advance consideration	Application required for accounting periods beginning on or after 1 January 2018.
IFRIC 23 Uncertainty over income tax treatments	Application required for accounting periods beginning on or after 1 January 2019.

2. Segmental Analysis

Group and Trust

The business activities of the Group can be summarised as that of 'healthcare'. The Trust's activities comprise five key operating areas where costs are closely monitored during the year. The chief operating decision maker for Salisbury NHS Foundation Trust is the Trust Board. Key decisions are agreed at monthly Board meetings and sub-committee meetings of the Board, following scrutiny of performance and resource allocation. The Trust Board review and make decisions on activity and performance of the Trust as a whole entity, not for its separate business activities. The activities of the subsidiary companies, Odstock Medical Limited and Salisbury Trading Limited, and of the charity, Salisbury District Hospital Charitable Fund, are not considered sufficiently material to require separate disclosure.

NOTES TO THE ACCOUNTS

3 Revenue From Patient Care Activities

Group and Trust

3.1 Revenue by Type

	2019	Restated 2018
	£000	£000
Elective revenue	**34,676**	32,294
Non-elective revenue	**56,688**	54,586
Outpatient revenue	**31,018**	26,026
A & E revenue	**6,813**	6,219
High cost drugs income from commissioners	**15,365**	16,775
Other types of activity revenue	**54,512**	52,551
Total revenue at full tariff	**199,072**	188,451
Private patient revenue	**2,390**	2,164
Agenda for Change pay award central funding from DHSC	**2,571**	-
Other clinical income	**6,642**	4,555
Total income from patient care activities	**210,675**	195,170

Other types of activity revenue above includes amounts due for specialist services (e.g. spinal, burns, genetics, cleft lip and palate), direct access, intensive care, community and hospice services.

Following a reclassification of activity within total income from patient care activities, the comparative figures have been restated for presentational purposes only.

3.2 Revenue by Source

	2019	2018
	£000	£000
NHS England	**42,952**	41,826
Clinical commissioning groups	**152,636**	143,557
Department of Health and Social Care	**2,586**	-
Other NHS providers	**3,881**	3,691
NHS other	**263**	295
Local authorities	**1,691**	1,417
Non NHS:		
- Private patients	**2,390**	2,164
- Overseas patients (chargeable to patient)	**92**	58
- NHS Injury cost rcovery scheme	**990**	1,412
- Other	**3,194**	750
	210,675	195,170

NHS Injury Scheme revenue is subject to a provision for doubtful debts of 21.89% (2018: 22.84%) to reflect expected rates of collection. The doubtful debt provision is included in the allowance for impaired contract receivables included in note 21.1.

3.3 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:

	2019	2018
	£000	£000
Commissioner requested services	**189,165**	178,621
Non-commissioner requested services	**21,510**	16,549
	210,675	195,170

NOTES TO THE ACCOUNTS

4. Private patient revenue

The Health & Social Care Act 2012 removed the restriction on the amount a Foundation Trust could earn from private patient income as a percentage of total income, provided a ceiling of 49% is not exceeded for non-NHS income.

Salisbury NHS Foundation Trust private patient income in 2018/19 (and 2017/18) was substantially below the revised level permitted.

5. Other operating revenue

	Group		Trust	
	2019	2018	**2019**	2018
	£000	£000	**£000**	£000
Provider sustainability/ sustainability and transformation fund income (PSF/ S	**5,355**	-	**5,355**	-
Research and development	**1,031**	1,067	**1,031**	1,067
Education and training	**7,704**	6,577	**7,704**	6,577
Non-patient care services to other bodies	**1,682**	1,444	**1,682**	1,444
Received from NHS charities - donated assets	**-**	-	**207**	352
Salisbury Trading Limited	**7,165**	4,801	**-**	-
NHS Charitable Funds: Incoming Resources excluding investment income	**3,860**	2,767	**-**	-
Odstock Medical Limited	**2,070**	1,877	-	-
Accommodation	**1,459**	1,411	**1,459**	1,411
Car Parking	**1,768**	1,590	**1,768**	1,590
Catering	**1,043**	956	**1,043**	956
Other	**4,198**	3,721	**4,849**	4,355
	37,335	26,211	**25,098**	17,752

Included within 'Other' revenue above are amounts received from child care services £14k (2018: £60k), income to support the Scan4Safety project £300k (2018: £641k), Leisure Centre income £224k (2018: £229k), income from the rent and hire of rooms £165k (2018: £281k), provision of administrative services to Sterile Supplies Ltd £551k (2018: £530K), Vat recoveries £238k (2018: £108k), Hospice at Home service £280k (2018: £240k) and

6. Operating lease income

6.1 As lessor

The Trust has entered into short term commercial leases on buildings, which primarily relate to the rental of an area within the hospital main entrance to a high street retailer and properties rented to subsidiary companies.

6.2 Receipts recognised as income

	Group		Trust	
	2019	2018	**2019**	2018
	£000	£000	**£000**	£000
Rental revenue from operating leases - minimum lease receipts	**194**	191	**596**	581

6.3 Total future minimum lease income

	Group		Trust	
	2019	2018	**2019**	2018
Receivable:	**£000**	£000	**£000**	£000
Within 1 year	**38**	114	**190**	353
Between 1 and 5 years	**12**	42	**12**	42
Total	**50**	156	**202**	395

NOTES TO THE ACCOUNTS

7. Operating Expenses

Operating expenses comprise:

	Group		Trust	
	2019	2018	**2019**	2018
	£000	£000	**£000**	£000
Purchase of healthcare from NHS and DHSC bodies	**3,510**	3,746	**3,510**	3,746
Purchase of healthcare from non-NHS and non-DHSC bodies	**1,908**	1,734	**1,908**	1,734
Staff and executive directors costs	**151,738**	140,769	**146,045**	136,621
Non-executive directors	**146**	134	**146**	134
Supplies and services – clinical (excluding drugs costs)	**22,847**	21,753	**22,847**	21,753
Supplies and services - general	**3,423**	3,504	**3,305**	3,407
Drugs costs (drugs inventory consumed and purchase of non-inventory drugs)	**20,816**	19,783	**20,816**	19,783
Consultancy	**203**	1,754	**203**	1,754
Establishment	**2,305**	1,787	**2,305**	1,787
Premises	**10,711**	8,852	**9,892**	8,394
Transport	**1,895**	1,443	**1,230**	1,084
Depreciation	**7,270**	7,257	**6,813**	6,816
Amortisation	**2,261**	1,809	**2,261**	1,809
Impairments net of (reversals)	**1,203**	1,365	**1,203**	1,365
Increase/(decrease) in impairment of receivables	**168**	151	**168**	151
Provisions arising /(released) in year	**480**	74	**480**	74
Operating lease expenditure (net)	**75**	89	**116**	131
Audit services - statutory audit	**69**	50	**69**	50
Fees payable to the Trust's auditor and its associates for other services:			**-**	-
- further assurance services	**10**	8	**10**	8
- other services	**8**	4	**-**	-
Clinical negligence insurance premiums	**7,368**	7,670	**7,368**	7,670
Charges to operating expenditure for on-SoFP PFI scheme	**1,020**	949	**1,020**	949
Other	**4,414**	3,515	**2,344**	1,661
	243,848	228,200	**234,059**	220,881

The total employer's pension contributions are disclosed in note 9.1.

Redundancy payments totalling £0.003m (2018: £0.013m) are included in staff costs and further details are disclosed in note 9.4.

There is a limitation on the Auditor's liability of £2.0m (2018: £1.0m). The fees payable to auditors for the statutory audit and additional services above are quoted gross of VAT at 20%, reflecting the Trust's inability to reclaim VAT on this type of expenditure.

Other expenses include payments for course fees £0.2m (2018: £0.2m), insurance fees £0.3m (2018: £0.1m), legal fees £0.1m (2018: £0.1m), internal audit fees £0.1m (2018: £0.1m) and costs attributable to the Trust's subsidiary companies, Odstock Medical Limited £0.9m (2018: £0.7m) and Salisbury Trading Limited £0.3m (2018: £0.2m). In addition it also includes charitable fund expenses of £0.9m (2018: £0.8m).

8. Operating leases expenditure

8.1 As lessee

The Group has entered into commercial leases on certain items of property, motor vehicles and equipment. The principal arrangements are in respect of motor vehicles. For these, rentals are for an agreed mileage over a three year term. Excess mileage is charged at a price per mile determined at the inception of the lease.

8.2 Payments recognised as expense

	Group		Trust	
	2019	2018	**2019**	2018
	£000	£000	**£000**	£000
Minimum lease payments	**75**	89	**116**	131

8.3 Total future minimum lease payments

	Group		Trust	
	2019	2018	**2019**	2018
Payable:	**£000**	£000	**£000**	£000
Within 1 year	**46**	50	**88**	64
Between 1 and 5 years	**82**	79	**172**	110
Total	**128**	129	**260**	174

NOTES TO THE ACCOUNTS

9. Staff costs and numbers

9.1 Staff costs

Group	Total 2019 £000	Permanently Employed 2019 £000	Other 2019 £000	Total 2018 £000	Permanently Employed 2018 £000	Other 2018 £000
Salaries and wages	**118,749**	**118,749**	**-**	110,258	110,258	-
Social Security Costs	**10,626**	**10,626**	**-**	9,899	9,899	-
Apprenticeship levy	**573**	**573**	**-**	543	543	-
Employer contributions to NHSPA	**13,866**	**13,866**	**-**	13,034	13,034	-
Other pension costs	**20**	**20**	**-**	8	8	-
Agency and contract staff	**8,431**	**-**	**8,431**	8,883	-	8,883
	152,265	**143,834**	**8,431**	142,625	133,742	8,883
Less: costs of staff capitalised	**(527)**	**(527)**	**-**	(1,856)	(1,856)	-
	151,738	**143,307**	**8,431**	140,769	131,886	8,883

The staff costs capitalised in 2018-19 and 2017-18 primarily relate to staff engaged in the project design and implementation of major new IT systems

Trust	Total 2019 £000	Permanently Employed 2019 £000	Other 2019 £000	Total 2018 £000	Permanently Employed 2018 £000	Other 2018 £000
Salaries and wages	**114,563**	**114,563**	**-**	106,956	106,956	-
Social Security Costs	**10,626**	**10,626**	**-**	9,899	9,899	-
Apprenticeship levy	**573**	**573**		529	529	
Employer contributions to NHSPA	**13,822**	**13,822**	**-**	13,034	13,034	-
Other pension costs	**18**	**18**	**-**	8	8	-
Agency and contract staff	**6,970**	**-**	**6,970**	8,051	-	8,051
	146,572	**139,602**	**6,970**	138,477	130,426	8,051
Less: costs of staff capitalised	**(527)**	**(527)**	**-**	(1,856)	(1,856)	-
	146,045	**139,075**	**6,970**	136,621	128,570	8,051

9.2 Average number of persons employed - WTE basis

Group	Total 2019 Number	Permanently Employed 2019 Number	Other 2019 Number	Restated Total 2018 Number	Restated Permanently Employed 2018 Number	Other 2018 Number
Medical and dental	**400**	**392**	**8**	373	359	14
Administration and estates	**1,078**	**1,007**	**71**	953	943	10
Healthcare assistants & other support staff	**671**	**662**	**9**	623	617	6
Nursing, midwifery & health visiting staff	**885**	**834**	**51**	877	812	65
Scientific, therapeutic and technical staff	**435**	**419**	**16**	416	402	14
Total	**3,469**	**3,314**	**155**	3,242	3,133	109

Trust	Total 2019 Number	Permanently Employed 2019 Number	Other 2019 Number	Restated Total 2018 Number	Restated Permanently Employed 2018 Number	Other 2018 Number
Medical and dental	**400**	**392**	**8**	373	359	14
Administration and estates	**963**	**952**	**11**	889	885	4
Healthcare assistants & other support staff	**671**	**662**	**9**	623	617	6
Nursing, midwifery & health visiting staff	**885**	**834**	**51**	877	812	65
Scientific, therapeutic and technical staff	**419**	**403**	**16**	399	385	14
Total	**3,338**	**3,243**	**95**	3,161	3,058	103

The figure shown under the 'Other' column relates to agency staff, disclosed under the operational areas where they worked.
The comparative numbers have been restated to bring them in line with the occupation codes within the Electronic Staff Record, the NHS human resource and payroll database system

NOTES TO THE ACCOUNTS

9. Staff costs and numbers (continued)

9.3 Directors' remuneration

	Group and Trust	
	2019	2018
	£000	£000
Salaries and wages	**930**	913
Social Security Costs	**113**	110
Employer contributions to Pension Schemes	**109**	98
	1,152	1,121

The total number of Directors accruing benefits under pension schemes is 6 (2018: 6). The Directors Remuneration only relates to the Group.

9.4 Staff departure costs

Group and Trust

	2019 No. of compulsory redundancies	**2019 No. of other agreed departures**	2018 No. of compulsory redundancies	2018 No. of other agreed departures
Exit package cost band				
< £10,000	**1**	**1**	1	-
£10,001 - £25,000	**-**	**2**	1	-
Total number of exit packages by type	**1**	**3**	2	-
	£000	**£000**	£000	£000
Total resource costs	**3**	**34**	22	-

There were no compulsory redundancy costs relating to senior managers in the year.

There were no non-compulsary departure payments (2018: nil).

10 Pension costs

The total cost charged to income in respect of the Group's obligations to the NHS Pension Agency and the defined contribution schemes for Odstock Medical Limited and Salisbury Trading Limited was £13.86m (2018: £13.12m). As at 31 March 2019, contributions of £1.96m (2018: £1.83m) due in respect of the current reporting period (representing the contributions for the final month of the year) had not been paid over to the schemes by the balance sheet date.

10.1 NHS Pension Schemes

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. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health 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.

NOTES TO THE ACCOUNTS

10.1 Pension costs (continued)

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.

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.

11. Retirements due to ill-health

Early payment of a pension, with enhancement, is available to members of the scheme who are permanently incapable of fulfilling their duties effectively through illness or infirmity. A death gratuity of twice final year's pensionable pay for death in service, and five times their annual pension for death after retirement is payable.

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to the employer.

Members can purchase additional service in the NHS Scheme and contribute to money purchase AVC's run by the Scheme's approved providers or by other Free Standing Additional Voluntary Contributions (FSAVC) providers.

During the year to 31 March 2019 there were nil (2018: 5) early retirements from the Trust on the grounds of ill-health. The estimated additional pension liabilities of these ill-health retirements will be £nil (2018: £90k). The cost of the 2019 ill-health retirements will be borne by the NHS Business Services Authority -Pensions Division.

NOTES TO THE ACCOUNTS

12. Finance income

	Group		Trust	
	2019	2018	**2019**	2018
	£000	£000	**£000**	£000
Interest received	**346**	316	**135**	147
Other loans and receivables	**-**	-	**63**	52
	346	316	**198**	199

13. Finance costs

Group and Trust

	2019	2018
	£000	£000
Interest on capital loans from the Department of Health and Social Care (DHSC)	**71**	82
Revenue support / working capital loans from DHSC	**492**	159
Interest on obligations under finance leases	**29**	5
Finance costs on obligations under Private Finance Initiatives	**1,193**	1,226
Contingent finance costs - PFI	**726**	651
Total finance expense - financial liabilities	**2,511**	2,123
Other finance costs - unwinding of discounts on provisions	**1**	1
Total	**2,512**	2,124

14. The Late Payment of Commercial Debts (Interest) Act 1998

There were no amounts payable arising from claims made by businesses under this legislation (2018: £Nil).

15. Losses and special payments

	Group and Trust			
	2019		2018	
	Number	**Value**	Number	Value
		£000		£000
Losses				
Cash losses	**-**	**-**	-	-
Fruitless payments and constructive losses	**-**	**-**	-	-
Bad debts and claims abandoned	**600**	**97**	372	103
Stores losses	**-**	**-**	-	-
	600	**97**	372	103
Special payments				
Ex-gratia payments	**41**	**47**	27	11
Total losses and special payments	**641**	**144**	399	114

There were no case payments that exceeded £0.1m.

NOTES TO THE ACCOUNTS

16. Intangible Assets

16.1 Intangible assets at the balance sheet date comprise the following elements:

Group and Trust

	Assets under Construction £000	Software Licences £000	Total £000
Cost or valuation			
At 1 April 2018	2,364	11,527	13,891
Additions - purchased	923	-	923
Additions - donated	-	25	25
Impairments charged to operating expenses	(123)	(85)	(208)
Reclassifications	(2,963)	2,963	-
Disposals	-	(306)	(306)
At 31 March 2019	**201**	**14,124**	**14,325**
Amortisation			
At 1 April 2018	-	3,992	3,992
Provided during the period	-	2,261	2,261
Impairments charged to operating expenses	-	(12)	(12)
Disposals	-	(306)	(306)
Amortisation at 31 March 2019	**-**	**5,935**	**5,935**
Net book value at 31 March 2019			
- Purchased at 31 March 2019	201	8,164	8,365
- Donated at 31 March 2019	-	25	25
Total at 31 March 2019	**201**	**8,189**	**8,390**
Cost or valuation			
At 1 April 2017	1,094	9,489	10,583
Additions - purchased	4,769	-	4,769
Additions - donated	-	25	25
Impairments charged to operating expenses	(197)	(1,289)	(1,486)
Reclassifications	(3,302)	3,302	-
At 31 March 2018	**2,364**	**11,527**	**13,891**
Amortisation			
At 1 April 2017	-	2,817	2,817
Provided during the period	-	1,809	1,809
Impairments charged to operating expenses	-	(634)	(634)
Amortisation at 31 March 2018	**-**	**3,992**	**3,992**
Net book value at 31 March 2018			
- Purchased at 31 March 2018	2,364	7,516	9,880
- Donated at 31 March 2018	-	19	19
Total at 31 March 2018	**2,364**	**7,535**	**9,899**

NOTES TO THE ACCOUNTS

17. Property, plant and equipment

Group

17.1 Property, Plant and equipment at the balance sheet date comprise the following elements:

	Freehold land	Freehold buildings excluding dwellings	Freehold dwellings	Assets under construction and payments on account	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation									
At 1 April 2018	1,155	102,048	8,486	1,281	66,057	361	19,798	3,661	202,847
Additions - purchased	-	-	-	8,995	134	-	-	-	9,129
Additions - donated	-	7	-	-	132	-	6	37	182
Impairments	-	-	-	(903)	-	-	-	-	(903)
Reclassifications	-	1,537	-	(9,235)	3,436	-	4,191	71	-
Revaluation	15	2,567	34	-	-	-	-	-	2,616
Transfer to assets held for sale	-	-	-	-	-	-	-	-	-
Disposals	-	(38)	-	-	(923)	-	(11,658)	-	(12,619)
At 31 March 2019	**1,170**	**106,121**	**8,520**	**138**	**68,836**	**361**	**12,337**	**3,769**	**201,252**
Accumulated depreciation									
At 1 April 2018	-	38	-	-	47,064	311	17,158	1,859	66,430
Provided during the period	-	1,921	169	-	3,890	9	968	313	7,270
Revaluation	-	(1,921)	(169)	-	-	-	-	-	(2,090)
Impairments	-	-	-	-	-	-	-	-	-
Disposals	-	(38)	-	-	(912)	-	(11,658)	-	(12,608)
Accumulated depreciation at 31 March 2019	**-**	**-**	**-**	**-**	**50,042**	**320**	**6,468**	**2,172**	**59,002**
Net book value at 31 March 2018									
Owned	1,155	81,895	8,486	1,281	15,865	50	2,616	1,494	112,842
Finance leased	-	-	-	-	211	-	-	-	211
On balance sheet PFI	-	19,049	-	-	-	-	-	-	19,049
Donated	-	1,066	-	-	2,917	-	24	308	4,315
Total at 31 March 2018	**1,155**	**102,010**	**8,486**	**1,281**	**18,993**	**50**	**2,640**	**1,802**	**136,417**
Net book value at 31 March 2019									
Owned	1,170	85,762	8,520	138	16,084	41	4,011	1,309	117,035
Finance leased	-	-	-	-	188	-	1,845	-	2,033
On-SoFP PFI	-	19,269	-	-	-	-	-	-	19,269
Donated	-	1,090	-	-	2,522	-	13	288	3,913
Total at 31 March 2019	**1,170**	**106,121**	**8,520**	**138**	**18,794**	**41**	**5,869**	**1,597**	**142,250**

On 31 March 2019 Cushman and Wakefield reviewed the Trust's land, buildings and dwellings on a Modern Equivalent Asset basis in accordance with the guidance included in the Royal Institution of Chartered Surveyors Valuation Standards. As a result, these assets were revalued to bring them to their current value at that date.

NOTES TO THE ACCOUNTS

17. Property, plant and equipment (continued)

Group

17.2 Property, plant and equipment at the previous balance sheet date comprise the following elements:

	Freehold land	Freehold buildings excluding dwellings	Freehold dwellings	Assets under construction and payments on account	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation									
At 1 April 2017	1,031	100,345	9,423	3,273	64,517	347	19,385	3,506	201,827
Additions - purchased	-	-	-	5,377	116	-	-	-	5,493
Additions - donated	-	121	-	-	134	-	10	62	327
Impairments	-	(533)	-	-	-	-	-	-	(533)
Reclassifications	-	4,236	137	(7,369)	2,460	14	403	119	-
Revaluation	124	(2,121)	(1,074)	-	-	-	-	-	(3,071)
Disposals	-	-	-	-	(1,170)	-	-	(26)	(1,196)
At 31 March 2018	**1,155**	**102,048**	**8,486**	**1,281**	**66,057**	**361**	**19,798**	**3,661**	**202,847**
Accumulated depreciation									
At 1 April 2017	-	38	-	-	44,254	297	16,179	1,591	62,359
Provided during the period	-	1,860	147	-	3,963	14	979	294	7,257
Revaluation	-	(1,840)	(147)	-	-	-	-	-	(1,987)
Impairments	-	(20)	-	-	-	-	-	-	(20)
Disposals	-	-	-	-	(1,153)	-	-	(26)	(1,179)
Accumulated depreciation at 31 March 2018	**-**	**38**	**-**	**-**	**47,064**	**311**	**17,158**	**1,859**	**66,430**
Net book value at 31 March 2018									
Owned	1,155	81,895	8,486	1,281	15,865	50	2,616	1,494	112,842
Finance leased	-	-	-	-	211	-	-	-	211
On-SoFP PFI	-	19,049	-	-	-	-	-	-	19,049
Donated	-	1,066	-	-	2,917	-	24	308	4,315
Total at 31 March 2018	**1,155**	**102,010**	**8,486**	**1,281**	**18,993**	**50**	**2,640**	**1,802**	**136,417**

On 31 March 2018 Cushman and Wakefield reviewed the Trust's land, buildings and dwellings on a Modern Equivalent Asset basis in accordance with the guidance included in the Royal Institution of Chartered Surveyors Valuation Standards. As a result, these assets were revalued to bring them to their current value at that date.

NOTES TO THE ACCOUNTS

17. Property, plant and equipment (continued)

Trust

17.3 Property, Plant and equipment at the balance sheet date comprise the following elements:

	Freehold land	Freehold buildings excluding dwellings	Freehold dwellings	Assets under construction and payments on account	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation									
At 1 April 2018	390	98,047	7,581	1,281	62,064	339	19,798	3,661	193,161
Additions - purchased	-	-	-	8,995	-	-	-	-	8,995
Additions - donated	-	7	-	-	132	-	6	37	182
Impairments	-	-	-	(903)	-	-	-	-	(903)
Reclassifications	-	1,537	-	(9,235)	3,436	-	4,191	71	-
Revaluation	-	2,359	(26)	-	-	-	-	-	2,333
Transfer to assets held for sale	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	(923)	-	(11,658)	-	(12,581)
At 31 March 2019	**390**	**101,950**	**7,555**	**138**	**64,709**	**339**	**12,337**	**3,769**	**191,187**
Accumulated depreciation									
At 1 April 2018	-	-	-	-	44,107	293	17,158	1,859	63,417
Provided during the period	-	1,744	137	-	3,642	9	968	313	6,813
Revaluation	-	(1,744)	(137)	-	-	-	-	-	(1,881)
Impairments	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	(912)	-	(11,658)	-	(12,570)
Accumulated depreciation at 31 March 2019	**-**	**-**	**-**	**-**	**46,837**	**302**	**6,468**	**2,172**	**55,779**
Net book value at 31 March 2018									
Owned	390	77,932	7,581	1,281	14,829	46	2,616	1,494	106,169
Finance leased	-	-	-	-	211	-	-	-	211
On balance sheet PFI	-	19,049	-	-	-	-	-	-	19,049
Donated	-	1,066	-	-	2,917	-	24	308	4,315
Total at 31 March 2018	**390**	**98,047**	**7,581**	**1,281**	**17,957**	**46**	**2,640**	**1,802**	**129,744**
Net book value at 31 March 2019									
Owned	390	81,591	7,555	138	15,162	37	4,011	1,309	110,193
Finance leased	-	-	-	-	188	-	1,845	-	2,033
On-SoFP PFI	-	19,269	-	-	-	-	-	-	19,269
Donated	-	1,090	-	-	2,522	-	13	288	3,913
Total at 31 March 2019	**390**	**101,950**	**7,555**	**138**	**17,872**	**37**	**5,869**	**1,597**	**135,408**

On 31 March 2019 Cushman and Wakefield reviewed the Trust's land, buildings and dwellings on a Modern Equivalent Asset basis in accordance with the guidance included in the Royal Institution of Chartered Surveyors Valuation Standards. As a result, these assets were revalued to bring them to their current value at that date.

NOTES TO THE ACCOUNTS

17. Property, plant and equipment (continued)

Trust

17.4 Property, plant and equipment at the previous balance sheet date comprise the following elements:

	Freehold land	Freehold buildings excluding dwellings	Freehold dwellings	Assets under construction and payments on account	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2017									
At 1 April 2017	313	96,424	8,518	3,273	60,574	325	19,385	3,506	192,318
Additions - purchased	-	-	-	5,377	66	-	-	-	5,443
Additions - donated	-	121	-	-	134	-	10	62	327
Impairments	-	(533)	-	-	-	-	-	-	(533)
Reclassifications	-	4,236	137	(7,369)	2,460	14	403	119	-
Revaluation	77	(2,201)	(1,074)	-	-	-	-	-	(3,198)
Disposals	-	-	-	-	(1,170)	-	-	(26)	(1,196)
At 31 March 2018	**390**	**98,047**	**7,581**	**1,281**	**62,064**	**339**	**19,798**	**3,661**	**193,161**
Accumulated depreciation at 1 April 2017									
At 1 April 2017	-	-	-	-	41,532	285	16,179	1,591	59,587
Provided during the period	-	1,660	147	-	3,728	8	979	294	6,816
Revaluation	-	(1,640)	(147)	-	-	-	-	-	(1,787)
Impairments	-	(20)	-	-	-	-	-	-	(20)
Disposals	-	-	-	-	(1,153)	-	-	(26)	(1,179)
Accumulated depreciation at 31 March 2018	**-**	**-**	**-**	**-**	**44,107**	**293**	**17,158**	**1,859**	**63,417**
Net book value at 31 March 2018									
Owned	390	77,932	7,581	1,281	14,829	46	2,616	1,494	106,169
Finance leased	-	-	-	-	211	-	-	-	211
On-SoFP PFI	-	19,049	-	-	-	-	-	-	19,049
Donated	-	1,066	-	-	2,917	-	24	308	4,315
Total at 31 March 2018	**390**	**98,047**	**7,581**	**1,281**	**17,957**	**46**	**2,640**	**1,802**	**129,744**

On 31 March 2018 Cushman and Wakefield reviewed the Trust's land, buildings and dwellings on a Modern Equivalent Asset basis in accordance with the guidance included in the Royal Institution of Chartered Surveyors Valuation Standards. As a result, these assets were revalued to bring them to their current value at that date.

NOTES TO THE ACCOUNTS

17. Property, plant and equipment (continued)

Group and Trust

17.5 Net Book Value of Assets Held Under Finance Leases	Plant & Machinery £000	Information technology £000	On-SoFP PFI £000	Total £000
Cost or valuation				
At 1 April 2018	844	-	19,049	19,893
Additions - Purchased	-	1,943	366	2,309
Revaluations	-	-	(146)	(146)
At 31 March 2019	**844**	**1,943**	**19,269**	**22,056**
Accumulated depreciation				
At 1 April 2018	633	-	-	633
Provided during the period	23	97	288	408
Revaluation	-	-	(288)	(288)
Accumulated depreciation at 31 March 2019	**656**	**97**	**-**	**753**
Net book value at 31 March 2019				
- Purchased	188	1,846	19,269	21,303
Total at 31 March 2019	**188**	**1,846**	**19,269**	**21,303**
Cost or valuation				
At 1 April 2017	616	-	19,015	19,631
Additions - purchased	228	-	306	534
Revaluation	-	-	(272)	(272)
At 31 March 2018	**844**	**-**	**19,049**	**19,893**
Accumulated depreciation				
At 1 April 2017	616	-	-	616
Provided during the period	17	-	278	295
Revaluation	-	-	(278)	(278)
Accumulated depreciation at 31 March 2018	**633**	**-**	**-**	**633**
Net book value at 31 March 2018				
- Purchased	211	-	19,049	19,260
Total at 31 March 2018	**211**	**-**	**19,049**	**19,260**

18. Investments

Non-current	Group		Trust	
	2018/19 £000	2017/18 £000	**2018/19 £000**	2017/18 £000
Carrying value at 1 April	**6,779**	6575	-	-
Additions	**2,658**	2,594	-	-
Fair value gains/(losses) taken to I & E	**282**	(9)	-	-
Fair value movements taken to OCI	**-**	(71)	-	-
Disposals	**(2,660)**	(2,310)	-	-
Carrying value at 31 March	**7,059**	6,779	-	-
Current				
Financial assets designated at amortised cost	**201**	44	**-**	-

Non-current investments is an investment portfolio managed by HSBC Private Bank (UK) Limited on behalf of the charitable fund.

NOTES TO THE ACCOUNTS

18. Investments (continued)

Current asset investments are the cash balances held by HSBC Private Bank (UK) Limited on behalf of the charitable fund and represents dividend income, interest income and the proceeds of fixed asset investment

Fair value measurement of investments
Financial assets and financial liabilities measured at fair value in the Statement of Financial Position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
Level 2: inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly or indirectly
Level 3: unobservable inputs for the asset or liability

The investments in the group financial statements are all level 1 investments and are measured at quoted prices at the date of the Statement of Financial Position.

19. Other financial assets

Non-current	**Group**		**Trust**	
	2018/19	2017/18	**2018/19**	2017/18
	£000	£000	**£000**	£000
Carrying value at 1 April	**2,123**	2,000	**3,721**	4,060
Amortisation at the effective interest rate	**81**	123	**81**	123
Repayments in year	**-**	-	**(462)**	(462)
Carrying value at 31 March	**2,204**	2,123	**3,340**	3,721
Current				
Carrying value at 1 April	**-**	-	**462**	462
Loans provided in year	**-**	-	**500**	-
Carrying value at 31 March	**-**	-	**962**	462

Current other financial assets represent loans made to:
a) Salisbury Trading Limited to purchase laundry equipment and laundry stocks from Salisbury NHS Foundation Trust on the commencement of the subsidiary business due in less than one year; and
b) Salisbury Trading Limited to purchase laundry stocks following the successful tender to acquire new business.

Non-current other financial assets represent loans made to:
a) Salisbury Trading Limited to purchase laundry equipment and laundry stocks from Salisbury NHS Foundation Trust on the commencement of the subsidiary business due after more than one year: and
b) Sterile Supplies Limited to re-develop a new production facility with a third party.

Details of the loans to Salisbury Trading Limited are as follows:
1. £2.0m to purchase the laundry equipment is repayable over a 10 year term and attracts interest at 2% above the Bank of England base rate . Repayments commenced on 1 July 2015.

2. £0.5m to purchase laundry stocks is repayable in full on 1st November 2019 and attracts interest at 3% above the Bank of England base rate.

3. £1.3m to purchase the laundry stock is repayable over a 5 year term and attracts interest at 2% above the Bank of England base rate. Repayments commenced on 1 July 2015.

NOTES TO THE ACCOUNTS

19. Other financial assets (continued)

In March 2016 the Trust made a loan to its then wholly owned subsidiary company, Sterile Supplies Limited. The intention was for this sum to be used to help finance a joint venture arrangement with a third party, which will deliver cost savings into the future. Until the joint venture agreement was finalised and formal agreement signed, the loan remained repayable on demand.

During 2016-17 Sterile Supplies Limited became the joint venture vehicle between the Trust and a third party, Steris Plc (formerly Synergy Health Plc). As part of the joint venture agreement the Trust ceeded control of Sterile Supplies Limited and the loan agreement was formalised as long term.

The long term loan of £2.0m is to assist the building and development of a new production facility. Loan repayments will commence when the building becomes operational. Interest is payable at 4% above the Bank of England base rate and is capitalised and added to the principal sum.

20. Inventories

	Group		Trust	
	31 March 2019	31 March 2018	**31 March 2019**	31 March 2018
	£000	£000	**£000**	£000
Drugs	**1,346**	1,163	**1,346**	1,163
Consumables	**3,316**	3,452	**3,316**	3,452
Laundry	**1,711**	1,147	**-**	-
Other	**397**	452	**178**	192
	6,770	6,214	**4,840**	4,807
Inventories recognised as an expense in the period	**46,397**	43,702	**45,325**	42,670

21. Trade and other receivables

21.1 Amounts falling due within one year:

	Group		Trust	
	31 March 2019	31 March 2018	**31 March 2019**	31 March 2018
	£000	£000	**£000**	£000
Contract receivables*	**20,639**	-	**19,907**	-
Trade receivables*	**-**	8,333		7,718
Allowance for impaired contract receivables / assets*	**(1,547)**	-	**(1,547)**	-
Allowance for other impaired receivables	**-**	(1,455)		(1,455)
Prepayments (non-PFI)	**3,418**	2,024	**3,418**	2,000
PDC dividend receivable	**-**	263		263
VAT receivable	**745**	441	**745**	441
Other receivables	**300**	5,120	**238**	5,096
	23,555	14,726	**22,761**	14,063
Of which receivables from NHS and DHSC group bodies:	**13,614**	8,464	**13,614**	8,464

*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.

NOTES TO THE ACCOUNTS

21. Trade and other receivables (continued)

The majority of transactions are with Clinical Commissioning Groups (CCGs) or NHS England's Specialist Commissioners, as commissioners for NHS patient care services. As CCGs and Specialist Commissioners are funded by government to buy NHS patient care services, no credit scoring of them is considered necessary.

At the year end, the Trust was owed £4.4m (2018 £Nil) relating to the Provider Sustainability Fund. The application of IFRS 15 has also resulted in the classification of Other Receivables, disclosed under a separate heading at 31 March 2018, as Contract receivables in the current year.

The average credit period taken on sale of goods is 27.4 days (2018: 24.0 days). No interest is charged on trade receivables.

21.2 Allowance for credit losses - 2018/19

	Group receivables and contract assets £000	Group All other receivables £000	Trust receivables and contract assets £000	Trust All other receivables £000
Allowance for credit losses at 1 April 2018 - brought forward (before IFRS 9 and IFRS 15 implementation)	**-**	**1,455**	**-**	**1,455**
Impact of implementing IFRS 9 (and IFRS 15) on 1 April 2018	**1,455**	**(1,455)**	**1,455**	**(1,455)**
New allowances arising	**168**	**-**	**168**	**-**
Utilisation of allowances (write offs)	**(76)**	**-**	**(76)**	**-**
Balance at end of year	**1,547**	**-**	**1,547**	**-**

An allowance for impairment is made where there is an identifiable event which, based on previous experience, is evidence that the monies will not be recovered in full.

21.3 Allowance 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
Balance at beginning of year	1,339	1,339
Amount written off during the year	(35)	(35)
Increase in allowance recognised in income statement	151	151
Balance at end of year	**1,455**	**1,455**

NOTES TO THE ACCOUNTS

22. Non-current assets for sale

	Group		Trust	
	31 March 2019	31 March 2018	**31 March 2019**	31 March 2018
	£000	£000	**£000**	£000
Balance at beginning of year	570	-	570	-
Assets classified as held for sale in the year	-	570	-	570
Assets sold in the year	(570)	-	(570)	-
Balance at end of year	**-**	570	**-**	570

In 2017/18 the Trust exercised its covenant rights and acquired a property for £180k with the intention of an immediate resale. This property was sold in 2018-19.

23. Cash and cash equivalents

	Group		Trust	
	31 March 2019	31 March 2018	**31 March 2019**	31 March 2018
	£000	£000	**£000**	£000
Balance at beginning of year	**10,370**	8,505	**7,780**	6,667
Net change in year	**2,146**	1,865	**(304)**	1,113
Balance at end of year	**12,516**	10,370	**7,476**	7,780
Made up of:				
Cash with Government Banking Service	**7,374**	7,689	**7,374**	7,689
Cash at commercial banks and in hand	**5,142**	2,681	**102**	91
Cash and cash equivalents as in balance sheet	**12,516**	10,370	**7,476**	7,780
Bank overdrafts	**-**	-	**-**	-
Cash and cash equivalents as in cash flow statement	**12,516**	10,370	**7,476**	7,780

24. Trade and other payables

	Group		Trust	
	31 March 2019	31 March 2018	**31 March 2019**	31 March 2018
	£000	£000	**£000**	£000
Amounts falling due within one year:				
Trade payables	**10,282**	10,176	**8,919**	9,564
Capital payable	**2,662**	2,908	**2,662**	2,908
Accruals and deferred income	**384**	303	**384**	432
PDC payable	**12**	-	**12**	-
Receipts in advance	**997**	973	**997**	973
Social security and other taxes payable	**3,111**	2,844	**3,111**	2,844
Accrued interest	**-**	127	**-**	-
Other	**7,481**	7,126	**7,354**	6,548
	24,929	24,457	**23,439**	23,269
Of which payables from NHS and DHSC group bodies:	**2,060**	2,242	**2,060**	2,242

NOTES TO THE ACCOUNTS

24. Trade and other payables (continued)

Included in 'Other' payables is £2.0m (2018: £1.8m) oustanding pension contributions due to the NHS Pension Agency, £0.6m (2018: £0.6m) in respect of enhancements (e.g. unsociable hours, overtime, work performed whilst on-call) earned in March but not paid until April, £0.2m (2018: £0.1m) payable to bank staff for work performed in March and £0.3m (2018: £0.6m) due for agency staff, £1.1m (2018: £0.7m) for other payroll accruals, £0.6m (2018: £0.3m) drugs accrual and £0.3m (2018: £0.3m) PFI accrual.

All Trade and other payables are current liabilities.

25. Borrowings

Group and Trust	**Current**		**Non-current**	
	31 March 2019	31 March 2018	**31 March 2019**	31 March 2018
	£000	£000	**£000**	£000
Obligations under finance leases	**434**	45	**1,160**	135
Amounts due under PFI (note 30)	**468**	488	**17,180**	17,648
Capital loans from Department of Health and Social Care (DHSC)	**655**	631	**3,475**	4,106
Revenue support / working capital loans from DHSC	**138**	-	**21,082**	11,417
Other loans	**-**	-	**-**	-
	1,695	1,164	**42,897**	33,306

The finance leases relate to the purchase of medical equipment and hardware infrastructure. Both are for a term of 5 years. For the year ended 31 March 2019 the effective borrowing rates were 3.4% and 5.1% respectively. Interest rates are fixed at the contract date.

The capital loan from the Department of Health and Social Care is unsecured and for a 10 year period, repayable in equal instalments commencing on 18 May 2016. Interest is payable on the loan at a rate of 1.64% pa.

During 2018-19 the Trust applied to the Department of Health and Social Care for loans to support its working capital position totalling £9,665k (2017-18: £11,417k). The principal of each loan is repayable at the end of a three year period from the inception date of the loan; interest is charged at 1.5% - 3.5% per annum and is payable twice yearly.

Amounts payable under finance leases:	**Minimum lease payments**		**Present value of minimum lease payments**	
	2019	2018	**2019**	2018
	£000	£000	**£000**	£000
Within one year	**459**	50	**434**	45
Between one and five years	**1,223**	150	**1,160**	135
After five years	**-**	-	**-**	-
	1,682	200	**1,594**	180
Less finance charges allocated to future periods	**(88)**	(20)		
	1,594	180		
Included within:				
Current borrowings			**434**	45
Non-current borrowings			**1,160**	135
			1,594	180

NOTES TO THE ACCOUNTS

26. Provisions for liabilities and charges

Group and Trust	Current		Non-current	
	31 March 2019	31 March 2018	**31 March 2019**	31 March 2018
	£000	£000	**£000**	£000
Pensions - early departure costs	28	27	**20**	50
Pensions - injury benefits	22	22	**255**	270
Legal claims	388	243	**-**	-
Other	275	-	**-**	-
	713	292	**275**	320

	Pensions - Early departure costs	Pensions - Injury benefits	Legal claims	Other	**Total**
	£000	£000	£000	£000	**£000**
At 1 April 2018	77	292	243	-	**612**
Change in the discount rate	-	(1)	-	-	**(1)**
Arising during the year	-	8	318	275	**601**
Utilised during the year	(29)	(22)	(53)	-	**(104)**
Reversed unused	-	-	(121)	-	**(121)**
Unwinding of discount	-	1	-	-	**1**
At 31 March 2019	**48**	**278**	**387**	**275**	**988**
Expected timing of cash flows:					
Within 1 year	28	22	388	275	713
1 - 5 years	20	89	-	-	109
5-10 years	-	166	-	-	166
	48	**277**	**388**	**275**	**988**

Pension provisions arise from early retirements which do not result from ill health. These liabilities are not funded by the NHS Pension Scheme.

Legal claims relate to the Trust's provision for personal injury, employee claims and a claim brought by a supplier outstanding at 31 March 2019. These are based on valuation reports provided by the Trust's legal advisers.

Other provisions relate to the early termination of a supplier contract and additional tax liabilites following revised guidance by HMRC.

£87.3m is included in the provisions of NHS Resolution (previously the NHS Litigation Authority) at 31 March 2019 in respect of clinical negligence liabilities of the Trust (2018: £78.6m).

27. Capital and other commitments

Capital commitments - Group and Trust

Commitments under capital expenditure contracts at the balance sheet date were £1.09m (2018: £4.2m).

Other commitments - Group and Trust

The Trust has entered an agreement with a third party organisation to help with the Campus development. The Trust will work with this organisation to apply jointly for planning permission to develop land adjoining the District Hospital site.

The initial stages will involve a feasibility study and an outline planning application submission. The expected timescale for this work is mid 2019.

The Trust has committed to a capped cost of £250k for this project.

NOTES TO THE ACCOUNTS

28. Contingent liabilities

The Trust has agreed in principle to underwrite any loans to its subsidiary company, Odstock Medical Limited, up to a value of £0.5m.

29. Related Party Transactions

Salisbury NHS Foundation Trust is a body corporate established by order of the Secretary of State for Health.

The Department of Health and Social Care is regarded as a related party. During the year ended 31 March 2019 the Foundation Trust has had a significant number of material transactions with other entities for which the Department is regarded as the parent. These entities include Clinicial Commissioning Groups, NHS England, Health Education England, NHS Resolution and other Trusts and Foundation Trusts.

Salisbury NHS Foundation Trust also has transactions with its subsidiary companies, joint ventures and charitable funds (for which it is the Corporate Trustee) These are listed below:

	Income £000	Expenditure £000	Receivables £000	Payables £000
Year ending 31 March 2019				
Salisbury Trading Limited	400	977	424	95
Odstock Medical Limited	224	-	128	-
Salisbury District Hospital Charitable Fund	246	42	116	-
Sterile Supplies Limted	1,147	1,819	231	174
Wiltshire Health and Care LLP	613	364	34	61
Year ending 31 March 2018				
Salisbury Trading Limited	379	1,016	193	109
Odstock Medical Limited	212	-	169	-
Salisbury District Hospital Charitable Fund	395	42	120	-
Sterile Supplies Limted	1,225	1,697	1,181	-
Wiltshire Health and Care LLP	152	-	-	-

During the period none of the Board Members or members of the key management staff or parties related to them has undertaken any material transactions with Salisbury NHS Foundation Trust.

In addition, the Trust has had a number of material transactions with other Government Departments and other central and local Government bodies.

30. Private Finance Initiative Schemes (PFI)

30.1 PFI schemes deemed to be on-Statement of Financial Position

Contract start date: 3 March 2004
Contract end date: 31 January 2036
The PFI scheme provides modern clinical buildings for patient services covering a number of specialties including: Burns, Plastics,
At the end of the contract term the hospital buildings revert back to the Trust for Nil consideration.
There were no changes to the terms and conditions of the PFI agreement during the year

NOTES TO THE ACCOUNTS

30. Private Finance Initiative Schemes (PFI) (continued)

30.2 PFI scheme - Charge to operating expense in Statement of Comprehensive Income

	Group and Trust	
	2019	2018
	£000	£000
Amounts included within operating expenses in respect of the 'service' element of PFI schemes deemed to be on-Statement of Financial Position	**1,020**	949
Depreciation of PFI asset	**288**	278
Net charge to operating expenses	**1,308**	1,227

30.3 PFI scheme - Analysis of amounts payable to service concession operator

	Group and Trust	
	2019	2018
	£000	£000
Interest	1,193	1,226
Repayment of finance lease liability	488	509
Service element	1,020	949
Capital lifecycle maintenance	366	306
Contingent rent	726	651
Unitary payment payable to service concession operator	**3,793**	3,641

30.4 Annual commitments under Private Finance Transactions - On Statement of Financial Position

The Trust is committed to make the following service payments on the PFI:	**2019**	2018
	£000	£000
Due within one year	**1,074**	1,016
Due within 2 to 5 years	**4,502**	4,440
Due after 5 years	**14,344**	15,442
	19,920	20,898

The annual charge will be indexed each year. Indexation will be increased in line with the Retail Price Index.

Imputed finance lease obligations comprise:	**Minimum lease payments**		**Present value of minimum lease payments**	
	2019	2018	**2019**	2018
	£000	£000	**£000**	£000
Rentals due within one year	**1,629**	1,680	**468**	488
Rentals due within 2 to 5 years	**6,623**	6,535	**2,315**	2,085
Rentals due thereafter	**21,979**	23,696	**14,865**	15,563
	30,231	31,911	**17,648**	18,136
Less: interest element	**(12,583)**	(13,775)		
Total	**17,648**	18,136		

NOTES TO THE ACCOUNTS

31. Financial instruments

IFRS 7 and IFRS 9 require disclosure of the role that financial instruments have had during the period in creating or changing the risks an entity faces in undertaking its activities. The main source of income for the Group is under contracts from commissioners in respect of healthcare services. Due to the way that the Commissioners are financed, the Group is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of the listed companies to which IFRS 7 mainly applies. Financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the Group in undertaking its activities.

31.1 Foreign currency risk

The Group is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and sterling based. The Group has no overseas operations although the charity holds a small number of investments denominated in United States dollars and Euros, these are immaterial and, as a result, the Group has low exposure to currency fluctuations.

The carrying amount of the Group's foreign currency denominated monetary asset and liabilities at the reporting date is as follows

	Assets		**Liabilities**		**Cash**	
	2019	2018	**2019**	2018	**2019**	2018
	£'000	£'000	**£'000**	£'000	**£'000**	£'000
GBP	**30,815**	14,726	**70,509**	59,539	**12,516**	10,370

31.2 Liquidity risk

The NHS Foundation Trust's net operating costs are incurred under contracts with commissioners, which are financed from resources voted annually by Parliament. The Trust also largely finances its capital expenditure from funds made available from Government. Salisbury NHS Foundation Trust is not, therefore, exposed to significant liquidity risks.

31.3 Interest-rate risk

The Group's financial liabilities carry either nil or fixed rates of interest. The Group is not exposed to significant interest-rate risk.

31.4 Liquidity and interest risk tables

The interest rate profile of the non-derivative financial liabilities of the Group, their contractual maturity profile and their weighted average effective interest rates are as follows:

As at 31 March 2019

	Weighted average effective interest rate %	Less than one month £000	1-3 months £000	3 months to 1 year £000	1-2 years £000	2-5 years £000	over 5 years £000	Discount £000	**Total £000**
Fixed rate									
Finance lease obligations	3.4 - 5.1	-	-	459	1,223	-	-	(88)	**1,594**
PFI obligations	6.5	250	250	1,129	1,896	4,727	21,979	(12,583)	**17,648**
DHSC capital loan	1.64	-	350	347	687	2,960	-	(239)	**4,105**
DHSC revenue support loans	1.5 - 3.5	30	142	406	11,937	9,793	-	(1,226)	**21,082**
Floating rate									
Trade and other payables	-	13,328	-	-	-	-	-	-	**13,328**

As at 31 March 2018

	Weighted average effective interest rate %	Less than one month £000	1-3 months £000	3 months to 1 year £000	1-2 years £000	2-5 years £000	over 5 years £000	Discount £000	**Total £000**
Fixed rate									
Finance lease obligations	3.4	-	-	50	150	-	-	(20)	**180**
PFI obligations	6.5	250	250	1,180	1,896	4,639	23,696	(13,775)	**18,136**
DHSC capital loan	1.64	-	349	363	717	2,061	1,644	(397)	**4,737**
DHSC revenue support loans	3.50	3	168	233	400	11,760	-	(1,147)	**11,417**
Floating rate									
Trade and other payables	-	13,387	-	-	-	-	-	-	**13,387**

31.5 Credit risk

As the majority of the Trust's income comes from contracts with other public sector bodies, the Trust has low exposure to credit risk, the maximum exposures at 31 March 2019 are in receivables from customers, as disclosed in note 21.

NOTES TO THE ACCOUNTS

31. Financial instruments (continued)

31.6 Carrying values of financial assets

IFRS 9 Financial Instruments is applied restrospectively 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	Held at fair value through OCI £000	Total carrying value £000
Carrying values of financial assets as at 31 March 2019 under IFRS 9				
Trade and other receivables excluding non financial assets	19,325	-	-	**19,325**
Other investments / financial assets	2,204	-	-	**2,204**
Cash and cash equivalents	8,319	-	-	**8,319**
Consolidated NHS Charitable fund financial assets	4,465	7,059	**-**	**11,524**
Total at 31 March 2019	**34,313**	**7,059**	**-**	**41,372**

Group	Loans and receivables £000	Assets at fair value through the I&E £000	Available-for-sale £000	Total carrying value £000
Carrying values of financial assets as at 31 March 2018 under IAS 39				
Trade and other receivables excluding non financial assets	11,981	-	-	11,981
Other investments / financial assets	2,123	-	570	2,693
Cash and cash equivalents	8,641	-	-	8,641
Consolidated NHS Charitable fund financial assets	61	8,508	-	8,569
Total at 31 March 2018	**22,806**	**8,508**	**570**	**31,884**

Trust	Held at amortised cost £000	Held at fair value through I&E £000	Held at fair value through OCI £000	Total carrying value £000
Carrying values of financial assets as at 31 March 2019 under IFRS 9				
Trade and other receivables excluding non financial assets	18,598	-	-	**18,598**
Other investments / financial assets	4,410	-	-	**4,410**
Cash and cash equivalents	7,476	-	-	**7,476**
Total at 31 March 2019	**30,484**	**-**	**-**	**30,484**

Trust	Loans and receivables £000	Assets at fair value through the I&E £000	Available-for-sale £000	Total carrying value £000
Carrying values of financial assets as at 31 March 2018 under IAS 39				
Trade and other receivables excluding non financial assets	11,325	-	-	11,325
Other investments / financial assets	4,438	-	570	5,008
Cash and cash equivalents	7,780	-	-	7,780
Total at 31 March 2018	**23,543**	**-**	**570**	**24,113**

NOTES TO THE ACCOUNTS

31. Financial Instruments (continued)

31.7 Carrying values of finacial liabilities

IFRS 9 Financial Instruments is applied restrospectively 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 carrying value £000
Carrying values of financial liabilities as at 31 March 2019 under IFRS 9			
Loans from the Department of Health and Social Care	25,350	**-**	**25,350**
Obligations under finance leases	1,594	-	**1,594**
Obligations under PFI, LIFT and other service concession contracts	17,648	-	**17,648**
Trade and other payables excluding non financial liabilities	20,684	-	**20,684**
Provisions under contract	988	**-**	**988**
Consolidated NHS charitable fund financial liabilities	125	-	**125**
Total at 31 March 2019	**66,389**	**-**	**66,389**

Group	Held at amortised cost £000	Held at fair value through I&E £000	Total carrying value £000
Carrying values of financial liabilities as at 31 March 2018 under IAS 39			
Loans from the Department of Health and Social Care	16,154	**-**	**16,154**
Obligations under finance leases	180	-	**180**
Obligations under PFI, LIFT and other service concession contracts	18,136	-	**18,136**
Trade and other payables excluding non financial liabilities	24,457	-	**24,457**
Provisions under contract	612	**-**	**612**
Consolidated NHS charitable fund financial liabilities	19	-	**19**
Total at 31 March 2018	**59,558**	**-**	**59,558**

Trust	Held at amortised cost £000	Held at fair value through I&E £000	Total carrying value £000
Carrying values of financial liabilities as at 31 March 2019 under IFRS 9			
Loans from the Department of Health and Social Care	25,350	**-**	**25,350**
Obligations under finance leases	1,594	**-**	**1,594**
Obligations under PFI, LIFT and other service concession contracts	17,648	**-**	**17,648**
Trade and other payables excluding non financial liabilities	19,319		**19,319**
Provisions under contract	988	**-**	**988**
Total at 31 March 2019	**64,899**	**-**	**64,899**

Unless otherwise stated above, carrying value is considered to be a reasonable approximation of fair value.

NOTES TO THE ACCOUNTS

31. Financial Instruments (continued)

Trust	Held at amortised cost £000	Held at fair value through I&E £000	Total carrying value £000
Carrying values of financial liabilities as at 31 March 2018 under IAS 39			
Loans from the Department of Health and Social Care	16,154	**-**	**16,154**
Obligations under finance leases	180	-	**180**
Obligations under PFI, LIFT and other service concession contracts	18,136	-	**18,136**
Trade and other payables excluding non financial liabilities	23,269	-	**23,269**
Provisions under contract	612	**-**	**612**
Total at 31 March 2018	**58,351**	**-**	**58,351**

Maturity of financial liabilities

	Group		Trust	
	31 March 2019 £000	31 March 2018 £000	**31 March 2019 £000**	31 March 2018 £000
In one year or less	**23,217**	25,932	**21,014**	24,725
In more than one year but not more than two years	**12,988**	1,193	**12,988**	1,193
In more than two years but not more than five years	**14,202**	15,795	**14,202**	15,795
In more than five years	**15,982**	16,638	**15,982**	16,638
Total	**66,389**	59,558	**64,186**	58,351

32 Third Party Assets

The Trust held £2k cash at bank and in hand at 31 March 2019 (2018: £3k) which relates to monies held by the NHS Trust on behalf of patients. This has been excluded from the cash at bank and in hand figure reported in the accounts.

33. Investment in subsidiary

33.1 Odstock Medical Limited

Salisbury NHS Foundation Trust established, following Department of Health approval, a subsidiary company, Odstock Medical Limited, to market and develop a technology created at Salisbury District Hospital. The technology assists patients to obtain increased mobility following illnesses which reduce their muscular co-ordination. The company was established in August 2005 and commenced trading on 1 April 2006. Salisbury NHS Foundation Trust owns 70% of Odstock Medical Limited.

Shares at cost	Trust £
At 31 March 2019 and 31 March 2018	**5,034**

No goodwill arose in respect of the subsidiary as the reporting Trust established the company and received an interest in the company equal to the fair value of assets on its formation.

The Trust's charity, Salisbury District Hospital Charitable Fund, owns a further 18% of Odstock Medical Limited.

NOTES TO THE ACCOUNTS

33. Investment in subsidiary (continued)

33.2 Salisbury Trading Limited

Salisbury NHS Foundation Trust established a subsidiary company, Salisbury Trading Limited, to market and deliver laundry and linen services. The company commenced trading on 1 October 2013. Salisbury NHS Foundation Trust owns 100% of Salisbury Trading Limited. The company has experienced steady growth since commencing to trade by winning new linen contracts. It has increased operational capacity through arrangements involving the management of another NHS laundry facility, which will provide an additional base for future expansion.

Shares at cost	Trust £
At 31 March 2019 and 31 March 2018	**1**

No goodwill arose in respect of the subsidiary as the reporting Trust established the company and received an interest in the company equal to the fair value of assets on its formation.

33.3 Replica 3DM Limited

Salisbury NHS Foundation Trust initially purchased one third of the shares at cost in a start up company, Replica 3DM Limited, which produces three dimensional models from scans and is marketing this capability to other NHS organisations. The company commenced trading in September 2012, but results from that date to 31 March 2019 are deemed to be immaterial and have not been incorporated into these consolidated financial statements. During the year to 31 March 2017 the Trust acquired the remaining share capital in the company for a nominal sum of 1 pence per issued share.

34. Investment in Joint Ventures

34.1 Sterile Supplies Limited

Salisbury NHS Foundation Trust owns 50% of the issued share capital of Sterile Supplies Limited, the remaining 50% is owned by Steris Plc (formerly Synergy Health Plc). The Board structure and voting rights are such that the Trust is not able to exert overall control of Sterile Supplies Limited, the Trust therefore recognises the company as a joint venture. The joint venture is re-developing a new production facility, from which it will market and deliver sterilisation services. The Joint Venture currently trades from the Trust's existing Sterlisation and Disinfection Unit.

Group and Trust	**2019** **£000**	2018 £000
Shares at cost	250	250
Brought forward share of profit/ (loss)	-	**-**
Share of profit/ (loss) in the period	(147)	**-**
Carrying value of investment at 31 March	**103**	**250**

34.2 Wiltshire Health and Care

The Trust is a one third partner in Wiltshire Health and Care LLP. The other equal partners being Royal United Hospitals Bath NHS Foundation Trust and Great Western Hospitals NHS Foundation Trust. Wiltshire Health and Care is focused solely on delivering improved community services in Wiltshire and enabling people to live independent and fulfilling lives for as long as possible.

Salisbury NHS Foundation Trust has not invested any capital sum in this partnership.

To date Wiltshire Health and Care LLP has reported a break even position resulting in a net asset value of nil. Consequently, there is no share of any profits or assets to be reported in the Trust's accounts.

NOTES TO THE ACCOUNTS

35. Movements on Public Dividend Capital

Group and Trust	2019	2018
	£000	£000
Public Dividend Capital at 1 April	**55,957**	54,046
New public dividend capital received	**1,340**	1,911
Public Dividend Capital at 31 March	**57,297**	55,957

36. Charitable fund balances

Group only	2019	2018
	£000	£000
Restricted funds	**8,304**	6,060
Unrestricted funds	**8,886**	7,997
Endowment funds	**9**	9
	17,199	14,066

Restricted funds are funds that are to be used in accordance with specific restrictions imposed by the donor, or where the donor has restricted the use of their donation to a specified ward, patients', nurses' or project fund. Where the restriction requires the gift to be invested to produce income but the trustees have the power to spend the capital, it is classed as expendable endowment.

Unrestricted income funds comprise those funds that the Trustee is free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include general funds, where the donor has not specified or restricted the use the Charity may make of their donation. General funds additionally generate income from Gift Aid, investment income, interest and donations given specifically to cover running costs.

Endowment funds are funds which the trustees are required to invest or to keep and use for the Charity's purposes.

37. Implementation of new financial reporting standards

37.1 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 £127k, and trade payables correspondingly reduced.

Reassessment of allowances for credit losses under the expected loss model resulted in no change 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 classifiction 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 £2,664k.

NOTES TO THE ACCOUNTS

37. Implementation of new financial reporting standards (continued)

37.2 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 Trust's contracts with Commissioners are standard NHS contracts valid for one year with an end date coterminous with the Trust's financial year end. The standard has had no impact on the recognition of revenue by the Trust.