

Annual Report and Accounts 2013/2014



Salisbury NHS Foundation Trust

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

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Message from the Chairman

Before joining the Trust at the start of the calendar year I was already aware of the excellent reputation it has, with high standards of patient care and tremendous support from the local community. Having spent my first few months getting to know the hospital, our staff, volunteers and governors a little better, I can see first-hand the commitment and loyalty that makes this a special place.



I believe there is a strong link between quality of care and the quality of the people that are involved with the hospital. When I look through this Annual Report I can see so many positive examples of where this is clearly the case – whether these relate to the way in which our staff are actively involved in improving services for their own patients or sharing best practice across the wider NHS. I can also see this in successful awards for our staff- both internally and externally and in the interest that so many local people have in our hospital.

Our local community continues to play a key role in the development of the hospital and its services through our Governors and members, and the wide range of fundraising activities carried out in conjunction with the Stars Appeal. We also enjoy significant support from other charitable sources such as the Salisbury Hospital League of Friends and the Southern Spinal Injuries Trust. This year saw the culmination of the campaign for a second CT scanner and the scanner will be in place later in 2014. This was a remarkable achievement for all involved, from our own fundraising team and key members of staff who worked tirelessly in support of the campaign, to staff, charitable organisations and members of the public who supported the cause so generously. All our fundraisers and supporters deserve our thanks and gratitude for their efforts.

Of course this is a very special year for us as 22 January 2014 saw the 21st anniversary of the opening of the new main building at Salisbury District Hospital. This enabled us to look back at what is a wonderful healthcare tradition, celebrate the current achievements of our staff and look forward to a positive future for our hospital and our patients. A special menu for patients, and an exhibition of photographs, videos and memorabilia for staff started the celebrations on the day and there are a number of other activities planned for the rest of the year.

We cannot forget, however, that this was again a challenging year and the NHS remained in the spotlight, with all hospitals required to respond to the recommendations that followed the events in Mid Staffordshire and examples of poor care in other parts of the country. While we were able to provide assurance

of our own standards, we must not, and will not, be complacent. I know the Board took this opportunity to look carefully at our own services and address any areas it considered needed further improvement and the provision of good quality, safe care will remain the Board's highest priority over the coming years.

The 2014/2015 year will present us with further challenges both operationally and financially as we look carefully at how we can provide more efficient and effective services for our patients without compromising their care. New ways of working and close working relationships with our commissioners and other healthcare providers will be key and we will continue to work closely with them build on these relationships in the future. We will also continue to review our services so that we maintain our high standards and the good quality of care which is such a key factor for patients at Salisbury District Hospital.

I cannot finish my message without acknowledging the achievements of my predecessor Luke March. Salisbury is a very good, well-performing organisation and it is worth reflecting on the leadership, dedication and knowledge that has marked Luke out as a successful and popular chairman over the last nine years. It was Luke who guided the organisation to NHS Foundation Trust status in 2006 and since then he has played a key role in its success. I want to use this opportunity to thank Luke for his considerable contribution to the hospital and NHS services in Salisbury.

I am delighted to have the opportunity of taking on the role of Chairman and leading the Board and the organisation through the challenges that we face. In the year that we celebrate 21 years of our hospital, I look forward to the challenges that lie ahead and a successful and positive future for our hospital.

A handwritten signature in blue ink that reads "N. J. Marsden".

Nick Marsden
Chairman
23 May 2014



Principal Activities of the Trust

At Salisbury District Hospital, Salisbury NHS Foundation Trust provides a range of clinical care, which includes general acute and emergency services, 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 most of southern England with a population of approximately 11 million people. Trust staff provide outpatient clinics in other locations in Dorset and Hampshire. Specialist staff hold outreach clinics in hospitals within the Wessex area and, in total, the Trust employed 3,952 staff at 31 March 2014. This includes full and part-time staff.

The Trust also has a subsidiary company called Odstock Medical Limited. This was set up in 2006 to market worldwide its experience and knowledge of functional electrical stimulation and its own pioneering electrical devices. This is so that income generated could be used to further research and create new developments that help NHS patients in this country. The Trust also transferred its laundry service to a subsidiary company on 1 October 2013 and it is now called Salisbury Trading LTD (STL), which provides a laundry service to Salisbury District Hospital and other NHS organisations.

Trust Values and Behaviours

All strategic planning is underpinned by a number of values and behaviours. These were developed in conjunction with staff and are used in their day to day work with patients, colleagues and stakeholders. There are four core values which staff should follow, which influence a further three key areas for each:

Patient Centred and Safe

This centres on patient safety, team work and continuous improvement

Professional:

This focuses on being open and honest, efficient and acting as a good role model.

Responsive:

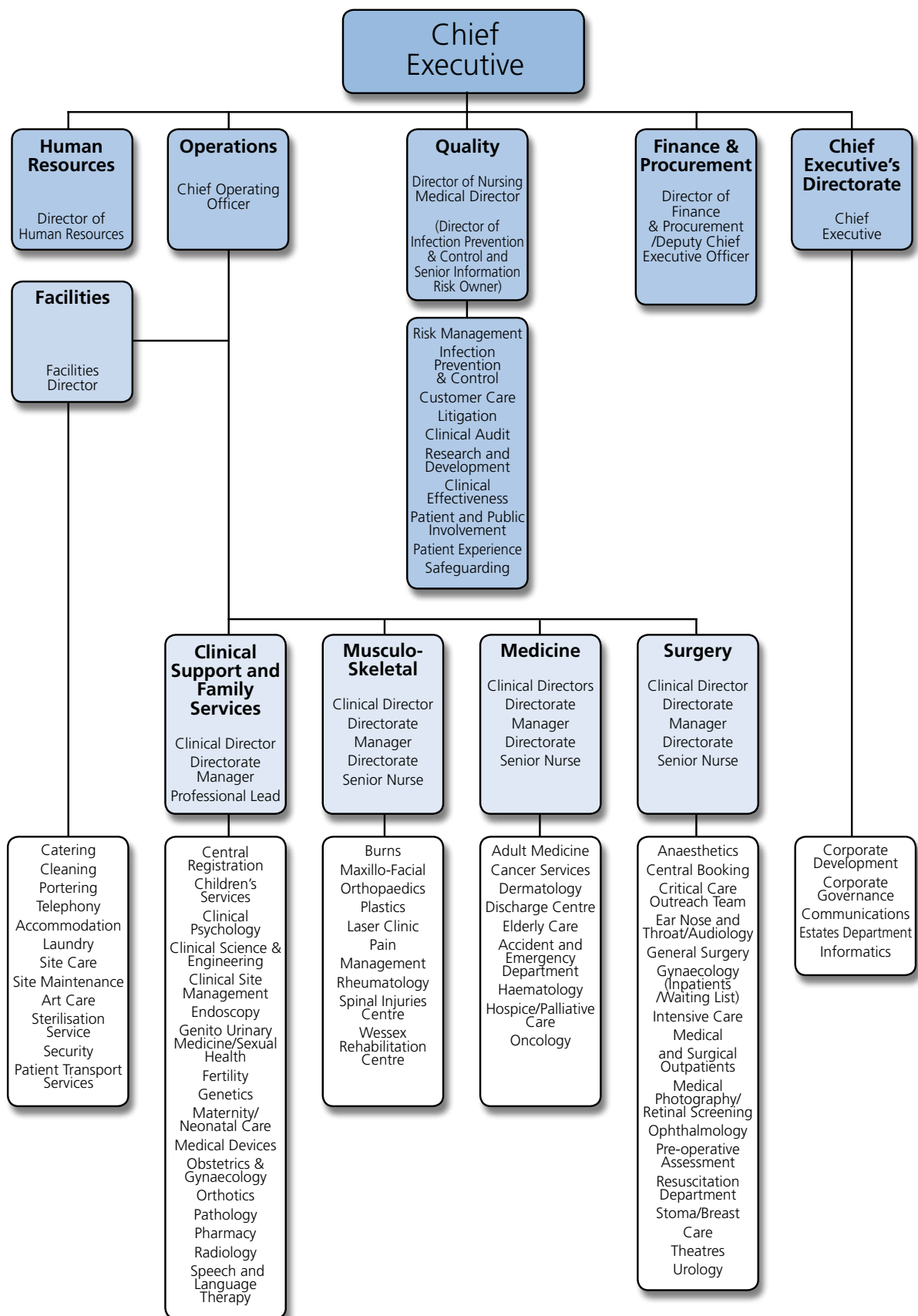
The expectation here is that staff will be action orientated, with a "can do" attitude and that they innovate, take personal responsibility and listen and learn

Friendly:

We would expect staff to be welcoming, treat people with respect and dignity and value others as individuals



Organisational Structure



Strategic Report

Once again it has been a challenging year for the Trust locally and across the wider NHS, with the publication of several national reports about the quality of care in other parts of the country, together with NHS changes and the ongoing operational and financial pressures that all hospitals have been facing.

In order to meet the challenges the Trust faces now and in the future the Board agreed a new strategic direction in 2013. This underpins the work of the Trust and centres on the vision of offering an **outstanding experience for every patient**, so that it maintains its position as the local provider of choice.

The Trust's long term strategy sets out how it can remain a thriving and independent Foundation Trust and, at the same time, reach far beyond its local catchment area through its high quality specialist regional services.

It describes an organisation which will extend beyond the confines of the hospital and work more closely in partnership with health and social care providers in the communities we serve and focuses on four strategic goals:

- **Choice:** We will provide a comprehensive range of high quality local services, enhanced by developing our specialist services portfolio, which patients choose to access for their responsiveness, effectiveness and reputation.
- **Partnership:** We will work effectively with our partners to provide safe well coordinated care in the most appropriate location for our patients' needs.
- **Staff:** We will develop a high quality, innovative workforce proud to work at Salisbury NHS Foundation Trust.
- **Value:** We will provide efficient and effective services which deliver the best possible outcomes for patients.

The work and performance of the Trust throughout the year is assessed against these four key strategic goals.

Choice

Fast access to good quality safe treatment can play a key role in patient choice and during the year staff worked hard to provide the very best care that they can for their patients and maintain high standards at Salisbury District Hospital.

This was highlighted by the Care Quality Commission (CQC) which found that the Trust met all essential quality and safety standards after a follow up visit at Salisbury District Hospital. While the Trust had received a positive report from the initial visit earlier in the year, the CQC did raise two minor concerns around staffing and the management of paper records. Since that first visit the Trust recruited more nurses, improved board level reporting on staffing issues and introduced several measures to further protect patient information on wards. With the Trust continuing to meet all other standards from the first visit, it is fully compliant in all areas.



HIGHLIGHT OF THE YEAR
HOSPITAL IN SAFEST CQC BANDING
CQC puts Salisbury in Band 6 which is the risk rating given to the hospitals with the lowest risk.

The CQC also introduced a new inspection programme together with its intelligent monitoring system. This involves more than 150 different indicators to direct hospital inspection resources where it is most needed and prioritise future inspections. Each Trust is banded, and the CQC put Salisbury NHS Foundation Trust in Band 6, which is the rating given to hospitals with the lowest risk.



Changes to the inspection process stemmed from Robert Francis' report into the care and treatment at Mid Staffordshire NHS Foundation Trust. Over 290 recommendations were made and all hospitals were required to look strategically at their own systems and provide a public response. The Trust held several open sessions for staff which gave them more detail on the report and how the Trust would respond publicly, which it did at its Annual General Meeting in September 2013.

During the year the Trust's Hospital Standardised Mortality Rate (HSMR) for the previous year showed an elevated risk. HSMR is a complex indicator and compares the number of deaths in hospital with the predicted number. This predicted number takes into account the age of the patient, their complicating medical problems and whether they were admitted for end of life care. It is important to review regularly all deaths within the hospital and, following a review of the 2012/2013 figures, the Trust did not identify a pattern of 'preventable deaths' or patient care and safety issues that were contributing to its HSMR. The HSMR can fluctuate and the figure for 2013/2014 shows that the Trust is within the expected range. All other mortality indicators are within the expected range, as is the Trust's three year HSMR. More detail can be found in the Quality Report later in this Annual Report.

Care of older patients in hospital remains a key priority area for the NHS, in particular those with dementia. The Trust has continued to implement the eight South West Regional Standards for dementia care. These focus on all aspects of care and treatment and how well hospitals create a 'dementia-friendly' environment, which is supported by dedicated staff training and development. Throughout the year the Trust continued to make good progress against all eight standards and introduced a number of improvements that help ensure that dementia patients are treated with respect and dignity, and that they have the necessary care, stimulation and support to fulfil the best possible outcome for them based on their condition and circumstances.

The Trust produced new finger foods, pictorial menus and coloured crockery to support dementia patients at mealtimes. Because patients with dementia are less able to differentiate colour contrast on plain white crockery, the Trust moved to blue crockery on the elderly care ward, which has improved nutrition, wound healing, recovery and rehabilitation for patients. The Trust is now looking to see whether other patient groups could benefit from this initiative. In addition, clinical psychologists expanded their award-winning Engage programme to 12 wards. This is where volunteers provide social stimulation for older patients in hospital through quizzes, discussion groups and memory games.



HIGHLIGHT OF THE YEAR **MORE STIMULATION AND SUPPORT AT MEALTIMES FOR DEMENTIA PATIENTS**

The Trust introduces a number of initiatives to support older people in hospital.



HIGHLIGHT OF THE YEAR **MORE DEMENTIA FRIENDLY SURROUNDINGS**

Ward improvements provide more personal bed spaces and increased social areas.

In terms of the environment, changes were made to Redlynch Ward as part of a national scheme to improve the care given to people with dementia. This includes more personal bed spaces and better lighting in ward area. The number of social areas was increased so that patients have greater opportunities to interact with each other. Similar changes will take place on Pitton Ward later in 2014 with the aim of expanding these improvements to other wards over the next few years.



Waiting times and access to treatment continue to be important factor for patients and are part of a number of performance indicators and quality measures that are monitored monthly by the Trust Board. In line with the NHS Constitution, the Trust again met the national 18 week pathway. All Trusts have to ensure that 90% of admitted patients – those whose treatment takes place as an inpatient or day case – have their initial outpatient appointment, any diagnostic procedures and surgical treatment within 18 weeks of a GP referring the patient to hospital. The same applies to 95% of patients who receive their treatment as an outpatient.



HIGHLIGHT OF THE YEAR EXCELLENT WAITING TIMES

Over 90% of patients admitted to Salisbury District Hospital were treated within 18 weeks of being referred by their GP. Over 95% of patients who needed an outpatient procedure were treated within 18 weeks of referral.

At the end of the 2013/2014 financial year the Trust met its cancer waiting time indicators. For instance, 94.4% (target 93%) of patients were seen within two weeks of referral from the GP and 91.7% (target 85%) treated within 62 days of GP referral.

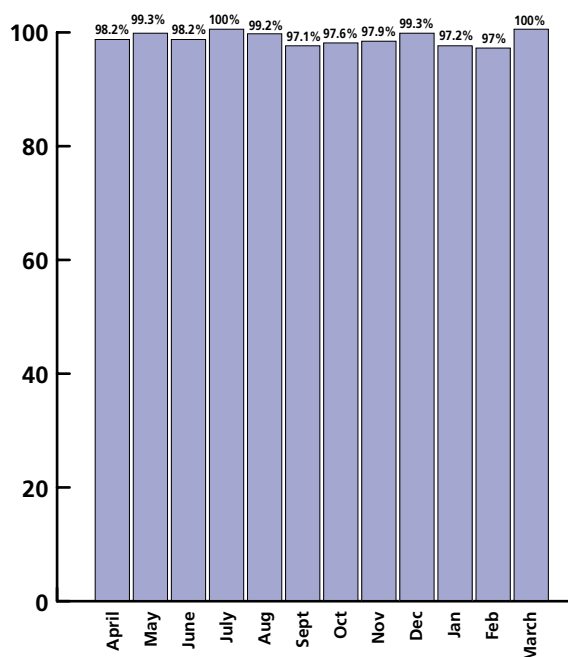
There was also good performance in diagnostic waiting times. All patients were seen within the six week target for routine MRI, CT and angiography scans, with 93% seen within four weeks for MRI, 97% for CT and 98% for angiography.

Safety continues to remain a high priority and is monitored regularly through the Safety Steering Group and the Clinical Governance Committee, with safety performance reported at the Trust Board.

KEY PERFORMANCE INDICATOR APRIL 2013 – MARCH 2014

Cancer Waiting Times – 31 days from decision to treat to treatment start.

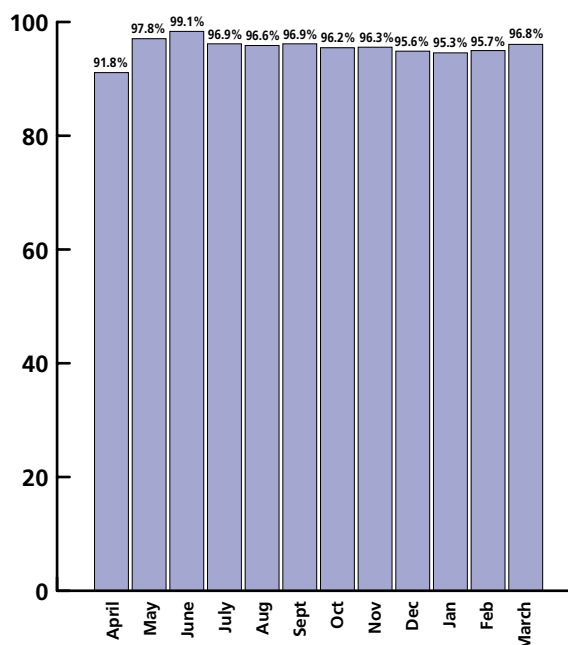
Target: 96% for the year: Total 98.5%



KEY PERFORMANCE INDICATOR APRIL 2013 – MARCH 2014

Proportion of A&E attendees who were admitted, treated or discharged within four hours.

Target: 95% for the year: Total 96.3%





HIGHLIGHT OF THE YEAR GOOD INFECTION CONTROL RATES

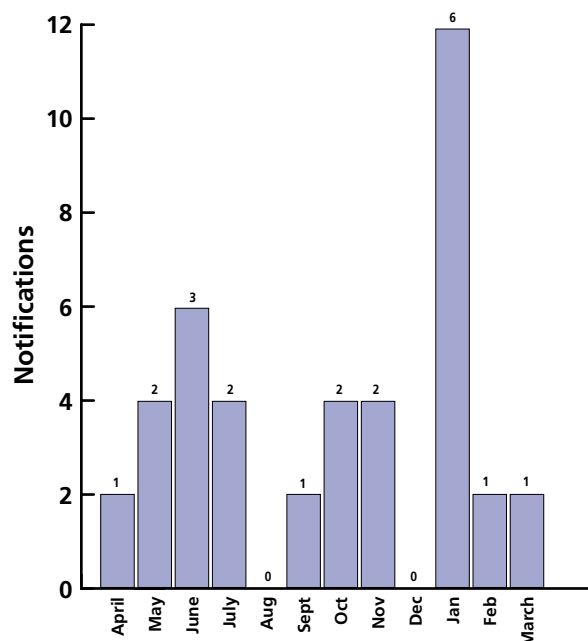
Compared with other hospitals across the country, the Trust continued to have low infection rates.

Cleanliness and good infection, prevention and control policies and procedures are essential to the safety of patients. Regular hand washing initiatives, cleanliness audits and campaigns, are just some of the initiatives the Trust uses to limit the risk to patients and improve safety while in hospital. The Trust continues to strive towards maintaining low MRSA (Methicillin Resistant Staphylococcus Aureus) bacteraemia and Clostridium Difficile infection rates, as well as other infections such as Norovirus which can, if not controlled appropriately, spread on hospital wards. When compared with other hospitals across the country, the Trust still continued to have low infection rates.

During the year all hospitals had a Patient Led Assessment of the Care Environment (PLACE), which replaced the Patient Environment Action Team (PEAT) Audit. The PLACE assessment is wide ranging and challenging and covers cleanliness, food, privacy and dignity, wellbeing and condition, appearance and maintenance of hospital buildings. While the assessment identified positive practice, it did highlight areas where improvements could be made and an action plan has been developed which will carry through into the 2014/15 financial year.

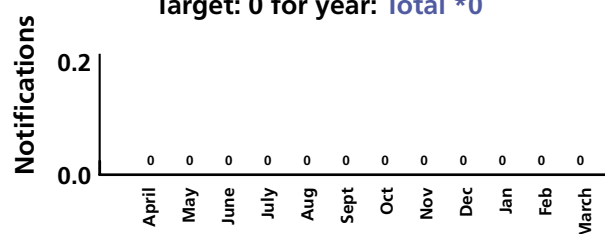
It is important that patients have the opportunity to tell us about the care and treatment they receive in hospital, whether this is through patient and public involvement projects, national patient surveys, our frequent feedback initiative where volunteers and Governors regularly tour the wards gathering patients' views or comments made on NHS Choices.

KEY PERFORMANCE INDICATOR APRIL 2013 – MARCH 2014 Clostridium Difficile. Target for Trust apportioned cases is 21. Total: 21



KEY PERFORMANCE INDICATOR APRIL 2013 – MARCH 2014

Number of notifications of MRSA Bacteraemia made to the Health Protection Agency.
Target: 0 for year: Total *0



* Please note that the Trust had no MRSA bacteraemias during the year. However, the Trust has reported two cases which were contaminates and therefore do not count towards the Trust's target.





HIGHLIGHT OF THE YEAR
NEW MOTHERS RATE MATERNITY UNIT
 Quality of care and level of support rated highly in independent survey.

New mothers at Salisbury District Hospital rated the quality of care and level of support they receive highly in an independent Care Quality Commission survey of NHS maternity units. The survey looked at women's experiences of care provided by hospital and community staff from early pregnancy to four weeks after the birth and the score for Salisbury across the three main sections of the survey were the best in the country. Cancer patients also responded positively in a national survey with 93% of those asked saying that it was excellent or very good. Over 330 patients responded to the questionnaire which covered the patient's diagnosis and treatment, confidence in staff, hospital information and the support that they received at home.

In the national inpatient survey staff helping patients at mealtimes was a key area where the Trust had improved from the previous year. Overall, patients also felt that they were treated with respect and dignity and this was a strong finding in the survey. However, there were areas where the Trust does need to make improvements. For instance, availability of hand wash gels and letters between the hospital and GP written in a way that the patient could understand. A full action plan is monitored at Board level.

Patients were involved in over 30 projects this year, using many different methods including patient stories, focus groups and questionnaires. Staff views are equally important to the development of services and the Trust continued to use their knowledge and expertise to improve services for patients through focus groups.

Partnership

The Trust continued to work in partnership with stakeholders, developing clinical networks with existing NHS providers and maintaining good working relationships with commissioners. This is essential to the Trust's goal of providing safe well coordinated care in the right location, which meets the needs of our patients.

During the year the Trust worked closely with organisations that commission services from the Trust to ensure that the organisations' plans are more coordinated, that they are consistent and reflect the needs of both commissioners and providers. The Trust met regularly with local GPs to discuss their ongoing and future needs and worked with other agencies, including voluntary organisations and its key partners in health and social care. The Trust also engaged with the Health and Wellbeing Board. This will be important in the future as the Trust works with the Board to implement the key outcomes of the Better Care Fund. This has been created to promote more integrated working between Health and Social Care providers and offers a real opportunity to create more 'patient centred coordinated care'.

Care of the elderly and issues around end of life care continue to be a focus across the NHS and a key part of this is ensuring that patients are able to die with dignity. Locally the Trust worked jointly with other health and social care organisations to ensure that patients are able to die in the setting of their choice and ensure that all who are involved in their care are aware of the patient's wishes. The Trust also used Dying Awareness Week to encourage the public to think about crucial actions that they can take such as making a will, planning their care and support and telling loved ones of their wishes and in the 2013/2014 year it will be running a special event in the city centre to raise awareness of the issues around this sensitive area and provide advice to the public.

The Trust has continued to make significant changes to its buildings and facilities which has improved the environment for patients. Much of this would not have been possible without the generosity of local people who have shown their support through the Stars Appeal and the League of Friends.





HIGHLIGHT OF THE YEAR NEW CT SCANNER

Successful Stars Appeal campaign for a new second CT scanner for the hospital.

At the start of the year the Stars Appeal started its campaign for a new second CT scanner. Around 12,000 patients each year could benefit from this scanner, which will help reduce waiting times for CT scans and enable medical staff to make quicker diagnoses. Patients will also no longer need to travel to other hospitals for scans. Thanks to the efforts of local people and organisations, the League of Friends and several substantial donations the Trust not only reached its target within seven months, but was also able to buy two brand new scanners. The first new scanner is scheduled to be operational in the summer of 2014, replacing the existing scanner within the hospital.

In terms of other improvements to facilities, changes were made to the Maternity Labour Ward. This included enhanced birthing rooms, a new birthing pool, increased en-suite bathrooms, wet room facilities and better facilities for partners. Work also started on a major refurbishment of the Hospice, the refurbishment of the main reception area, which will include an outpatient reception point for patients. The Trust is also revamping the Springs entrance on level 2, which will help the many people who enter the hospital from the car park at the back and introducing a wide range of IT improvements to support patient care. These developments carry on into the 2014/2015.

Good patient care not only centres on treatment and first class facilities, but also the prevention of accidents and illness in partnership with patients and relatives. This year staff worked hard on providing additional support or advice through health promotion campaigns in a number of areas. This included burns and plastic surgery, falls and alcohol awareness. The Trust also



HIGHLIGHT OF THE YEAR SELF CARE WEEK

Specialist health promotion campaigns and events support patient's own care.

held a self care week where specialist staff provided information on a wide range of areas from stop smoking advice and mental wellbeing and carer support to more specific information on conditions such as breast and prostate care.



HIGHLIGHT OF THE YEAR FUNDING SUPPORTS USE OF RENEWABLE ENERGY

Environmental improvements introduced on site.

The Trust is committed to the environment and has its own 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. During the year, the Trust received external funding which has enabled it to use renewable energy through new solar panels and make other improvements to its on-site lighting and central water cooling systems.



Staff

If the Trust is to remain successful it must continue to attract and retain the best possible staff. Top quality training, support and recognition will be key factors in ensuring that the Trust has an innovative workforce that is proud to work in Salisbury.



HIGHLIGHT OF THE YEAR NEW VALUES AND BEHAVIOURS

Staff help develop new Trust values and behaviours to be used in day-to-day work.

During the year the Trust agreed a new set of values and behaviours for the organisation which were developed in conjunction with staff. Throughout the coming year the Trust will look to embed the values and behaviours further. The values and behaviours have been integrated into the design of the Trust's new appraisal system and these will form an important part of the appraisal discussion and will also influence Human Resources policies and underpin all strategic planning.



HIGHLIGHT OF THE YEAR STAFF PRIDE IN PRACTICE EVENT

Putting PRIDE Into Our Practice – Making Every Contact Count.

While the Trust used the events at Stafford to look carefully at its own systems and processes, it also took the opportunity to share best practice across the hospital and celebrate the achievements of its nursing, midwifery and therapy staff. The Trust held a Putting PRIDE Into Our Practice – Making Every Contact Count event. This was supported by a staff recognition scheme that supported the Trust's new 6Cs campaign. This centres on the six essential values and behaviours for staff who provide care to patients; Care, Compassion, Competence, Communication, Courage and Commitment.



HIGHLIGHT OF THE YEAR CHILDREN'S WARD WINS FIRST PRIDE IN PRACTICE AWARD

Sarum ward uses teamwork, positive stories and events to improve the care they give to children.

Staff on Sarum Ward won the first award for the way in which they used teamwork and positive stories and events to improve the care they give to children.



HIGHLIGHT OF THE YEAR NEW NURSING MIDWIFERY AND THERAPISTS STRATEGY LAUNCHED

Strategy describes the vision and to maintain and improve on good standards of care.



The Trust also used this opportunity to refresh its Nursing, Midwifery and Allied Health Professionals strategy. This describes the vision – which centres on excellence in care, kindness, courtesy, dignity, respect and compassion – and the actions that are needed to maintain good standards of care. It focuses on the role of the Board in providing leadership and the aims for staff, as every year ambitious goals will be set for achieving the vision. This is being shared widely throughout the organisation and will continue to remain a focus throughout 2014/2015 and beyond.



HIGHLIGHT OF THE YEAR **STAFF REWARDED FOR SERVICES** **TO PATIENTS**

The work of staff recognised through Trust's Striving for Excellence awards.

During the year the Trust continued to reward staff for their professionalism and commitment through its successful Striving for Excellence awards. Staff recognition is key to Trust success and this year there were 10 categories focusing on good customer care, leadership, special achievements, mentoring and equality and diversity. There were also service improvement presentations and awards which gave staff an opportunity to share best practice and showcase their work with the Trust's Foundation members.

The Trust takes a positive approach to Equality and Diversity (E&D) issues both internally and externally which encompasses all aspects of E&D and contributes to the Trust's approach towards social, community and human rights issues. As part of its commitment in this area, the Trust has been working with the British Institute of Human Rights which held a seminar within the hospital. Following this event the Trust now has a number of Human Rights champions who can provide advice to staff and act as a focal point on human rights issues. Further information on the Trust's policies and approach to E&D can be found later in the Annual Report.

Value

It is essential for the future success of the Trust that it continues to provide efficient and effective services that meet the needs of its patients. This year The Trust has faced a number of significant challenges. Rising costs for drugs and supplies and a reduction in the national tariff – which determines how we are paid for the work we carry out – led to the Trust needing to make £9 million savings, which is around 5% of its income.

Key Financial Targets Met

- Planned surplus achieved
- Achievement of planned Level 4 Continuity of Service Risk Rating

Despite the challenges, the Trust achieved its financial targets, finishing the 2013/2014 year with a £1.8m surplus and an overall Continuity of Service Risk Rating of 4 and a Green rating for Governance. This surplus is important, as it provides a degree of financial independence and flexibility and, together with depreciation is the only regular source of capital funding. This money is vital as it supports our capital expenditure and enables the Trust to maintain existing services, whilst investing in new developments that benefit patients.

The Trust has its own savings programme, which means we have to be more efficient and flexible in how and where we provide our services, while maintaining high standards of care. At the start of the 2013/14 year the Trust's savings and income generation target was £9m, driven mainly by a real terms 4% reduction in the national tariff and unavoidable in-year cost pressures. Individual directorates identified savings in their own areas and, at the end of the year, the Trust achieved savings of £7m, with the balance made up from additional income from activity.

In 2014/2015 the Trust will need to make additional savings of £9m, with a further £8m in 2015/2016 and more likely to be needed in future years. While the Trust has an excellent history of achieving its financial targets, it is becoming increasingly difficult to identify and implement recurrent efficiency savings, which is seen as a main risk for the Trust. During the year the Trust set up a Programme Management Office (PMO) to help address the challenge. During its first year 11 schemes have been identified that look to make savings without impacting on quality of care and safety in areas such as outpatients, patient flow, diagnostics and theatres, underpinned by work streams that consider non pay and workforce expenditure and practice. The Trust acknowledges that staff have a significant role to play, both in major Trust-wide schemes and in coming



up with their own ideas. For instance, the Trust saved over £40,000 as a result of ideas generated by staff through a money saving ideas mailbox. In terms of wider corporate schemes, the PMO is now working to

a three-year plan and progress will be covered in future years through the Annual Report.

Patients Treated			
	2013/2014	2012/2013	2011/2012
Elective inpatient (spells)	6,712	6,956	7,353
Day cases	21,372	18,845	19,559
Non elective (spells)	27,789	28,346	28,457
Regular day attendees	6,359	6,468	5,703
Outpatients (consultant led)	184,725	180,269	180,394
New attendances	(68,817)	(63,532)	(63,501)
Follow up	(115,908)	(116,737)	(116,893)
Accident and Emergency	43,157	42,919	42,453
New attendances	(42,127)	(41,939)	(41,453)
Follow up	(1,030)	(980)	(1,000)
Spells are the main way in which hospital activity is recorded. A spell is the period of time from Admission to Discharge.			

In terms of the number of patients seen this year there was a slight decrease in the number of inpatients from the previous year, although there has been a significant increase in day cases and outpatients. There was a £3 million increase in the amount spent on nursing compared with the previous year, which was due mainly to a greater use of agency nurses and individual 'specialing' for patients at risk of a fall or wandering. Agency usage will be an area for review and action will be taken to reduce this, together with a programme to recruit more nurses which will also improve continuity and the overall quality of care provided to patients.

As part of our income we get additional money for achieving Best Practice Tariffs (BPTs). Best practice tariffs (BPTs) help the NHS to improve quality of care by reducing unexplained variations and making best practice universal across NHS organisations. This year the Trust secured around 70% of income that could be gained through this source. This will need to increase further in 2014/2015 to maximise the benefit for the Trust and patients.

Because of the financial position, there is a view within the NHS that there is still a need to identify ways of reducing the overall 'pay bill' in line with reduced funding, whilst continuing to treat more patients. Following changes to several elements of Agenda for Change pay terms and conditions nationally, the Trust worked in partnership with local unions to implement the revised national Agenda for Change Agreement. It also looked at further ways in which other changes could be made locally within the existing terms and conditions, but limited progress was made on this

during the year. Two thirds of Trust expenditure is based on the pay bill. As is the case across the whole NHS, this will be an area that Trusts will need to pursue further to maintain financial viability in the future, and progress in this area will be reported in next year's Annual Report.

The key financial assurances include: an assessment of income levels; provision of services and treatment; the achievement of budgetary targets and cost savings; general and financial targets. The Trust also has a risk rating from the regulator for the achievement of plan, underlying performance, financial efficiency and liquidity. At the end of the financial year the Trust had an overall Continuity of Service Risk Rating of 4. Cash flow remained reasonable and enabled the Trust to pay its staff and its bills promptly. This is reflected in the Trust's performance against the Better Payments Practice Code, with 83.1% of non NHS bills and 75.5% of NHS bills paid within the 30 day target. The Trust has made no political or charitable donations of its own.

Efficiency and Use of Resources

- High levels of efficiency maintained with overall costs 8% less than the national average
- Management and administrative costs contained within 3.68% of turnover

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.



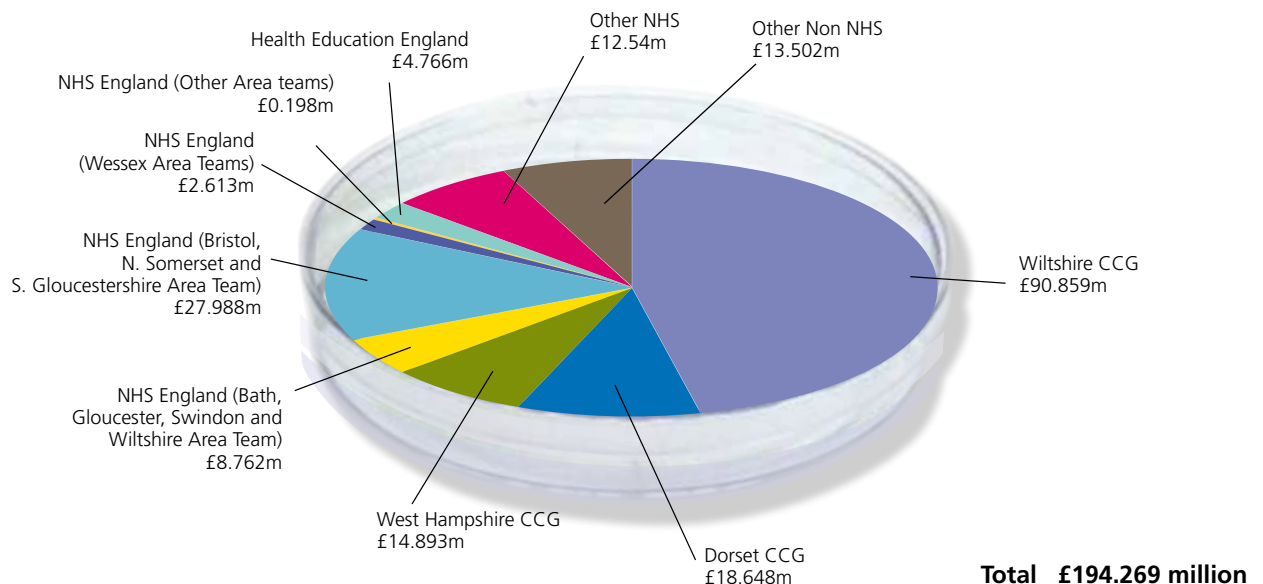
Capital Expenditure

Capital Expenditure of £8.288 million was incurred by the Group in 2013/2014 and spent on a range of service developments. Capital projects included:

Medical equipment	£1.281 million
Ward improvements for patients with dementia	£737,000
Maternity improvements	£446,000
Main kitchen refurbishment	£336,000
Radiology imaging system	£278,000

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

Sources of Income - 1 April 2013 to 31 March 2014



It is essential that staff are fully aware of the financial issues facing the Trust now and the future, and staff continued to receive regular monthly 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 wider communication process. Staff are also 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.

Income generated by Odstock Medical Ltd (OML), is used to further research and create new developments that help patients. The Trust converted its laundry service to a subsidiary company called Salisbury Trading Ltd (STL). During the year STL received significant capital investment to make the laundry more efficient. A new managing director and Board were appointed and staff

transferred to the new company under the Transfer of Undertakings (Protection of Employment) Regulations (TUPE). More staff were also employed and STL won a large contract to provide a laundry service to other local NHS hospitals and the service is no longer running at a loss.

The Trust treats private patients through a partnership with Odstock Private Care Limited (OPCL). To support this, the Trust has a designated unit called the Clarendon Suite, where private patients can be treated on the Salisbury District Hospital site. While (OPCL) is contracted to provide private care on site, income generated is used to benefit NHS patients by supporting our services. There are also a number of treatments offered that are not available on the NHS. These are provided privately within departments without compromising our own NHS service. A good example of this is the Laser Centre.



In the current climate it is important that the Trust looks to generate more income from its own commercial activities. Since the launch of 'My Trusty Little Sunflower Cream', the Trust has benefitted from local and national media attention which has driven sales activity. The Engage programme, where volunteers provide stimulation for older people in hospital, has been bought by Poole Hospital. These are just some of the examples of where innovation and ideas originating from staff can support NHS services and the future success of the Trust.



HIGHLIGHT OF THE YEAR
MY TRUSTY LITTLE SUNFLOWER CREAM
TAKES PUBLIC IMAGINATION
 Media exposure increases sales and income generation.

Strategic Report

Additional Reporting Requirements

The number of male and female directors, senior managers and employees

Head Count	Female	Male	Total
Directors	6	7	13
*Senior managers	3	5	8
All other staff	3,030	914	3,952

*senior managers are defined as "those in positions having authority or responsibility for directing or controlling the major activities of the Trust". This disclosure covers the members of the Joint Board of Directors who are not included in the two remaining groups.

Preparation of accounts.

The accounts have been prepared under a direction issued by Monitor under the National Health Service Act 2006.

History of the Trust

Consistently high standards and excellent financial management enabled Salisbury Health Care NHS Trust to start its application for NHS Foundation Trust status in the latter part of 2005. This led to authorisation under the Health and Social Care (Community) Act 2003 on 1 June 2006, and a new name – Salisbury NHS Foundation Trust.

Going Concern

As part of the Trust's formal reporting requirements the Trust has to provide a statement on whether the accounts were prepared on a going concern basis. After making inquiries, the directors have a reasonable expectation that Salisbury NHS Foundation Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts.

Peter Hill
Chief Executive
23 May 2014



Directors' Report

Current Directors of Salisbury NHS Foundation Trust during 2013/2014

Nick Marsden	Chairman (from 1 January 2014)
Peter Hill	Chief Executive
Nigel Atkinson	Non Executive Director
Christine Blanshard	Medical Director
Lydia Brown MBE	Non Executive Director (Vice Chairman and Senior Independent Director)
Malcolm Cassells	Director of Finance and Procurement
Ian Downie	Non Executive Director
Andrew Freemantle CBE	Non Executive Director
Kate Hannam	Chief Operating Officer (from 3 June 2013)
Alison Kingscott	Director of Human Resources and Organisational Development
Stephen Long	Non Executive Director
* Tracey Nutter	Director of Nursing (until 31 March 2014)
Revd. Dame Sarah Mullally DBE	Non Executive Director

Directors who left Salisbury NHS Foundation Trust within 2013/2014

Luke March DL	Chairman (Until 31 December 2013)
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* The Trust was in the process of appointing a new Director of Nursing at the year end.

Patient Care and Stakeholder Relations

During the year the Trust introduced a number of developments and initiatives that have directly or indirectly contributed to the performance of the Trust, improved patient's experiences and the quality of patient care at Salisbury District Hospital. The Trust has also worked in conjunction with a number of other organisations on projects that reinforce partnership working, stakeholder relations and staff involvement. Items not already covered in the Strategic Report are summarised within the following themes:

TAKING CARE OF OUR PATIENTS

Rapid access to rehabilitation for older people

Staff have set up a dedicated rapid access to rehabilitation scheme for older people coming into A&E, where it would have been unsafe for them to be discharged. The patients are moved to a ward where they receive prompt treatment, which has decreased potential ward moves and length of stay.

Salisbury District Hospital care card

The hospital has developed a care card for patients with a communication difficulty or disability which gives staff an indication of any extra support or assistance the patient may need when they come into hospital.



PROMOTING BETTER HEALTH AND SUPPORT FOR OUR PATIENTS

Antibiotic awareness

As part of the annual European Antibiotic Awareness programme, we have been raising awareness of the need to use antibiotics responsibly to help keep them effective in the future. Posters are displayed on public and staff notice boards with the 'Start Smart then Focus' principles of prescribing included in staff education.

Advice for people to stay safe from falls at home

Staff were on hand in Springs Restaurant at Salisbury District Hospital to check walking aids and provide advice on how to prevent falls among older people in the home as part of Falls Awareness week. Falls are a major cause of serious injury among older people. The aim of the day was to give people practical advice on how to prevent falls and give them tips and pointers on how to live a healthy and safe lifestyle at home.

B.U.G.S. information to help people with burns

Hospital based Burns Unit Group Support (B.U.G.S.) launched an updated booklet that provides adults with a wide range of important advice about their follow up care when they leave hospital and a leaflet which provides teenagers with basic, easily accessible information for them. All ages now have their own dedicated information with help and support from B.U.G.S.

Local people learn more about inflammatory arthritis

Local people had an opportunity to learn more about the key factors in stopping the spread of inflammatory arthritis and how to treat it in a Medicine for Members talk. The specialist rheumatologists outlined the process patients will take following GP referral, the types of drugs and exercise they need to take to move them towards 'remission', and the way in which treatment has changed over the years to manage the disease and help people live a normal way of life.

Patient information at Salisbury District Hospital

The Trust recognises the value of good quality information and continues to build up and update its information library. All our information can be found on the Trust's website. A working group looks at different types and styles of patient information, and works on themes identified through real-time feedback, concerns,

complaints and the patient surveys. Volunteers comment on all patient information including leaflets, web pages and DVDs as part of the work carried out by the Readership Panel. A number of new Easy Read leaflets have been written by a group of adults with learning disabilities helped by a support worker and member of staff. There are plans for a new patient and visitor information centre situated in the re-designed Springs Entrance in 2014/15.

LISTENING AND LEARNING FROM OUR PATIENTS

Salisbury District Hospital app

Salisbury District Hospital patients who want to complete the Friends and Family Test on smartphones can now do so through a new Salisbury District Hospital app. The app enables patients to answer the test questions and leave comments. It also contains useful information for patients and visitors such as contact details, a map of the hospital and news items on the Trust's website.

Comments, concerns, complaints and compliments

Last year the Trust treated 62,232 people as inpatients, day cases and regular day attendees. Another 43,157 were seen in A&E and 184,725 as outpatients. The Chairman, Chief Executive and Customer Care Department received 1,998 thank you letters or cards, with many more sent directly to staff on wards and units. There were 44 general enquiries, 406 comments, 424 concerns and 330 complaints. The overall number of comments, concerns and complaints responded to in 0-10 working days was 703 (59%), in 10-25 working days 251 (21%) and above 25 working days 232 (20%). 96 (25% of all comments, concerns and complaints were acknowledged either verbally or in writing within three working days. Ten complaints were referred to the Parliamentary and Health Service Ombudsman for independent review, one was partially upheld and four have not been upheld. The Trust is awaiting a decision on five cases.

The Trust welcomes feedback as this is used to improve the quality of its services. Areas where improvements were made following complaints include:

- Continuing to ensure patients who are waiting are given regular updates on waiting times and possible delays while in the department or unit. Accurate recording of the time of referral to specialty teams, recording the time and name of medical staff the receptionist speaks to when raising their concerns about patients in the waiting room are taking place.



- Daily whiteboard meetings are held with all members of the team on each ward, where discharge plans are discussed. Each medical ward has a named discharge facilitator who attends the daily whiteboard meeting.
- Communication issues are being discussed across all of the directorate management teams to improve the patient experience.
- Complaints relating to outpatient experience have been passed to the Outpatient Transformation Project Lead to ensure patient views are considered as part of the project.

More detail about improvements can be found in the Trust Board quarterly reports.

MAINTAINING PERFORMANCE FOR OUR PATIENTS

Hospital meets all essential standards

The Care Quality Commission (CQC) has found that Salisbury District Hospital meets all essential quality and safety standards. A follow up visit checked progress against the two minor concerns on staffing and records management that were identified in the initial visit and the Trust is now fully compliant in all areas.

Charter mark awards reflect dementia care improvements

Two wards received silver Charter Mark Awards and four bronze, reflecting improvements in the services they offer. Charter Mark Awards are linked to the way in which ward staff are implementing the eight regional dementia standards and highlight consistently positive real time feedback from patients and carers.

Joint Advisory Group assessment of Endoscopy Unit

The Endoscopy Unit had a successful assessment from the Joint advisory Group (JAG) on gastro intestinal endoscopy. The Endoscopy team received positive feedback from the assessors. Administrative, management and clinical arrangements supporting the service were highly commended.

Holiday playscheme graded as Good by Ofsted

The Holiday Playscheme has been graded as Good following an inspection by Ofsted, the regulatory body which looks at the quality of childcare provision. The report found that children are actively involved in the planning of activities, that staff monitor children's

progress successfully and there is a clear drive for improvement that benefits the children.

Positive environmental health inspection

As part of a routine unannounced inspection of catering facilities, the local authority environmental health officer (EHO) has given the Trust a 5-Star rating for food safety standards, the highest possible for an inspection of this kind. As part of the assessment the EHO was impressed with the standards demonstrated and with the investment the Trust has made in catering facilities over the last year.

Trust retains patient Information Standard

The Trust has retained the Information Standard from its external assessors, the Royal Society for Public Health. This demonstrates that the Trust continues to provide high quality health and social care information. Salisbury is one of only 27 hospital Trusts across the country that has been accredited with the Information Standard. The aim of the scheme is to reduce the potential for substandard health and social care information and ensure that patients, public and health professionals know that the information that they are using is reliable and can be trusted.

IMPROVING SERVICES AND FACILITIES FOR OUR PATIENTS

Expansion of palliative care service

The community and hospital palliative care service has been expanded from five to seven days a week. The aim is to support patients near the end of their life on the wards, help to get the home as quickly as possible if this is their wish and support them in their own home to reduce the need for hospital admission.

Horatio's Garden wins two awards

Horatio's Garden has won two awards in the BALI National Landscape Awards 2013 – the Communities and Schools category and the other for an Outstanding Charitable Contribution. The judges felt that it was a truly inspirational garden for patients and their families.

Refurbishment of the main kitchen

The Trust has refurbished and upgraded the hospital's main kitchen which now has a new hardwearing floor, a new ceiling, energy efficient LED lighting, extensive 'wipe clean' wall cladding and new floor drains.



Newly designed website

The Trust's website has been redesigned so that it is more attractive and easier to use, with a more distinctive and recognisable corporate style. The website provides people with a wide of information about hospital services, together with health and wellbeing advice and support.

Trust Facebook page

The Trust now has a Facebook page which gives staff and local people another channel where they can receive up-to-date news and information about the hospital. Facebook complements our existing communication channels and can be accessed on personal devices or through the Trust website.

Emergency eye clinic improvements

The team wanted to improve patient and staff experience by reducing waiting times and providing better management of the eye clinic. Following audit, the team set up an appointment system with referral to an on-call ophthalmologist to assess urgency, an online diary and triage protocol that reduced waiting times, and better clinic management.

Single stop surgery

Staff wanted to develop a process whereby patients needing treatment for hernias and gall bladder disease could be prepared for surgery without having to come to the hospital before the day of their operation. Information, assessment and consent forms were developed to justify need and safety. Of the 200 patients so far there have been no readmissions and a 95% patient satisfaction rate.

Improving patient focus in diabetic eye screening

The Retinal Screening Team introduced a project to ensure that the highest level of care is being provided with an emphasis on screening venues, better management of screening appointments and improved support and information for patients. Positive patient feedback increased from 94% to 98%, with non attendance rates dropping from 9% to 4%.

IMPROVING EFFICIENCY TO SUPPORT PATIENT CARE

Laundry team wins service improvement award

The laundry team were rewarded for the way in which they used feedback to set new standards. They

introduced a dedicated helpline, took more proactive attention to concerns, resulting in an improved service and better customer care, feedback and staff motivation.

RECOGNISING INNOVATION THAT IMPROVES PATIENT CARE

Surgeons work with model makers to help plan operations

Surgeons now have their own on-site medical 3D printing company to work with, producing exact replicas of any part of patient's skeleton to help with the pre-planning of operations. Replica 3dm, which is part-owned by the Trust, uses information from scans to produce models which helps surgeons make an accurate decision on the correct surgical approach to take and identify any specific abnormalities that they may encounter in the actual operation.

New wireless equipment to enhance Salisbury walking aid

Salisbury clinical engineers have developed a more flexible wireless version of their pioneering Odstock Dropped Foot Stimulator (ODFS®) walking aid for people with neurological conditions such as stroke or multiple sclerosis. The new wireless version takes away the wires that run between the foot switch and the control box making it even more convenient and easier to use.

Salisbury scientists awarded £1.3 million for cancer research

A £1.3 million grant has been awarded to the Wessex Regional Genetics Laboratory team by the charity Leukaemia & Lymphoma Research, to improve diagnosis and treatments for blood cancer patients. This five year project aims to improve our understanding of how disorders develop into leukaemia and how they can be treated.

RECOGNISING AND REWARDING THE BEST

Service manager wins leadership award

Sexual health services manager, Henry Wilding, won the Trust's leadership award for his ability to improve the service in what was a challenging period. Henry, who is motivated, supportive and good humoured showed his strength as a caring leader and supported staff throughout the many changes.



Senior sister wins outstanding contribution award

Pembroke Ward sister Carolyn Sawyer was rewarded for her outstanding contribution over many years with a trust award. Carolyn trained in Salisbury in the late 1980s and worked on general wards before furthering her interest in oncology and haematology as sister on the Pembroke Ward.

Senior nursing assistant is unsung hero

Senior Nursing Assistant, Rose Daish was named as the hospital's Unsung Hero for her dedication in the high pressure environment of operating theatres and the way she treats patients with kindness, compassion and dignity and helps new members of staff.

Excellent customer care rewarded

The Dermatology Department and children's ward nursing assistant Carol Blake have won team and individual customer care awards respectively. Both were nominated by patients who felt they were particularly friendly and welcoming and had gone that extra mile to help.

Volunteers rewarded for services to patients

Nineteen-year-old Holly Smith was rewarded for her dedication and commitment to patients when she was presented with the Trust's Young Volunteer Award on Volunteers' Day. During the ceremony, Margaret Smith and David Langrish were also recognised for 30 years service as a volunteer at Salisbury District Hospital.

Salisbury spinal nurse wins national award

Specialist nurse and general manager Wendy Slater has won a 'Women in Spinal Cord Injury' award from the Spinal Injuries Association for her outstanding contribution to the care, treatment and lives of spinal cord injured people. Other shortlisted candidates for Salisbury Spinal Centre were Elaine Gaffney (Spinal Nurse Practitioner) and Helen Aldridge (Spinal Nurse Practitioner).

Hospital staff win regional catering awards

'Ready Steady Chefs' Leejo George and Jimmichen George scooped top spot and the Gold standard for Salisbury District Hospital in the Hospital Caterers Association Regional Hot Cookery Competition in Southampton. The Salisbury team were also runners up in the ready steady chef and did well in the plated meat and fish categories, finishing second and third respectively. They also took first and second spot in the

bread making section.

CELEBRATING ACHIEVEMENTS

Salisbury District Hospital marks 21st birthday

The Trust marked the 21st birthday of the hospital with a number of events and activities throughout the year, including an exhibition for staff, an open day for Trust members and events planned by staff in their own areas. In January 2003 acute general and elderly services transferred from the Salisbury infirmary and Newbridge Hospital in Harnham to the newly built Salisbury District Hospital on the Odstock site where it joined other services already running from the site.

Public involvement recognised with leadership award

Maggie Cherry, Head of Patient and Public Involvement (PPI) was awarded a regional award from the NHS Leadership Academy in recognition for the way in which hospital patients and local people are involved in the development of local health services. Over the last 11 years around 400 PPI projects have helped improve patients' experiences of hospital care and ensure that people's views and ideas are used in the redevelopment and redesign of services.

Volunteers rewarded

Julia Chute, Burns Unit Group Support (BUGS) Chairman and Hospice Volunteers Anne Harding and Joan Phillips won Governors' awards for their dedication, adaptability and reliability that they bring to their role.

Artcare award for work with older hospital patients

The ArtCare team was highly commended at the Arts and Health South West Awards for its Young at Heart project, which provides creative and stimulating activities for older patients in hospital. Local dancer Rebecca Seymour, also won the individual award for her work on Young at Heart, and other creative projects run by a number of organisations for older people in the Salisbury area.

Salisbury does well in national healthcare awards

In reaching the final shortlist for the Health Service Journal Awards, the Trust was in the top five in the country in the Hospital of the Year category and the last seven for Innovation. The awards are the largest celebration of healthcare excellence in the UK, recognising outstanding leadership, innovation and advances in patient safety and quality of care.



Patients win inter spinal unit games for third consecutive year

For the third year running, patients from across Southern England have won the 2013 Inter Spinal Unit Games for Salisbury District Hospital at the Stoke Mandeville Stadium in Aylesbury. The team were pitted against 11 other teams from spinal units across Great Britain and Ireland.

WORKING WITH OUR STAKEHOLDERS, PARTNERS AND LOCAL COMMUNITY

Modernising scientific careers

Modernising Scientific Careers (MSC) won the Workforce Innovation Award at the inaugural Guardian Healthcare Innovation Awards 2013, highlighting the work of our staff in the Wessex Regional Genetics Laboratory who helped develop the MSC training programme at Salisbury. The judges praised the programme for the way it showed leadership in taking people with them in its development.

Salisbury nurse practitioner gains scholarship award

Francis Fernando has been awarded a scholarship from the Florence Nightingale Foundation. Francis is a nurse practitioner in orthopaedics and the award will enable him to spend time at NHS hospitals in Glasgow and Oxford and bring back learning on their Fracture Liaison Services.

SUPPORTING OUR STAFF TO PROVIDE BEST CARE

Equality and diversity award for LGBT champion

Lisa Brown, Lesbian, Gay, Bisexual and Transgender (LGBT) Champion has won the hospital's Equality and Diversity Award for the way she raised the profile of LGBT issues and forged links internally and externally in order to provide additional support and advice.

Staff nurse wins mentorship award

Staff nurse Dawn Whitmarsh has won the Pinder Award. She was nominated by a third year nurse for her patience, inspiration, support and pride in her job which she passed on to her student.

New training programme for nursing assistants

The hospital has introduced a more structured apprentice model training programme for nursing assistants which will give them a better opportunity to develop the skills and knowledge needed to continue to maintain the highest standards of care. It will give them a formal qualification that will help in their future career progression and improve retention rates.

Health and wellbeing support for staff

The Health and Wellbeing Group was established so that it could develop a number of wellbeing events for staff which complied with the equality and diversity aims of the Trust. The Wellman Clinic, Stress Awareness and the development of guidance to support staff with cancer, are just some of the initiatives that the group has developed and promoted in the year to support staff health and wellbeing at work.

Shape Up @ Salisbury

The Trust held a number of events to support staff in their work and promote staff health wellbeing and safety as part of its Shape Up @ Salisbury campaign. This included free classes in the staff club and opportunities for advice on a number of health issues. There is evidence to show that the health and wellbeing of our staff can have a positive impact on the care that they are able to give to our patients.

Long Service Awards 2013

Twenty eight members of staff were rewarded for their loyalty and commitment to patients when they received long service awards for completing 25 years continuous service. This included staff from a broad range of roles across a range of hospital services.



Additional Director's Report Disclosures

Please note that 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 Strategic Report section.

Research and Development

The Trust hosts the Research Design Service (SW) Salisbury Office, which advises researchers who are preparing a grant application. The South West RDS is part of the National Institute of Health Research (NIHR) and, as part of the regional structure; the Trust meets the research governance objectives set by the NIHR. Based on the latest available figures, the number of NHS patients taking part in clinical research in the Trust increased in the 2013/2014 financial year with 908 people taking part in 42 National Institute of Health Research and Clinical Research Network studies hosted by the Trust, compared with 624 in the previous year. 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.

Policies relating to the training, career development and continuing employment of disabled employees

Please see Equality and Diversity section at the end of this Annual Report.

Overview of Trust's Quality Governance Arrangements

The primary responsibility for maintaining and improving quality rests with the Trust Board. As part of this the Board has to have regard for Monitor's Quality Governance Framework. Monitor is the NHS Foundation Trust regulator. The Trust has a range of systems to ensure that quality governance is not only embedded firmly within the culture of the organisation, but that it also forms a key part in Trust strategy – with processes in place to monitor and measure capability and performance and review individual services. This is maintained through a quality framework. Information is gathered from patient feedback, reports, audits, external agency and peer reviews, and from Trust staff at ward and departmental level through Trust Board led quality walks. This is discussed at directorate quality meetings and presented to the Clinical Governance Committee as part of the assurance process. The Trust has clear

reporting lines through individual directorates, the Clinical Management Board and the Trust Board itself, which reviews performance through a comprehensive series of quality indicators that are discussed in public at Trust Board meetings. Full details of the work the Trust is carrying out in this area can be found in the Quality Report and the Annual Governance Statement later in this Annual Report. It is important to note that there are no material inconsistencies between the Trust's Annual Governance Statement, Board reports required by Monitor's Compliance Framework, the Risk Assessment Framework, the Corporate Governance statement submitted with the Annual Plan, the Annual Report (incorporating the Quality Report) and any reports arising from Care Quality Commission reviews. The Trust Board will continue to monitor the governance of quality through its quality framework.

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.

Accounting policies for pensions and other retirement benefits

These are set out in note 10 to the accounts and details of senior employees' remuneration can be found in the Remuneration Report.

Register of Interests for Directors and Governors

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



Remuneration Report

Remuneration Committee

The Remuneration Committee reviews the salaries and where relevant, the individual reward packages of the Executive Directors. Salaries are set in comparison with those given to holders of equivalent posts within the NHS. In setting, monitoring and reviewing salary ranges, the Committee uses survey material and receives independent advice and guidance as and when required from an organisation specialising in this work, although no specialist advisor was used in 2013/2014. During the year the Chief Executive and Director of Human Resources & Organisational Development provided advice to the committee. The Head of Corporate Governance provided administrative support.

Name	Role	Attendance from three meetings
Nick Marsden	Chairman (From 1 January 2014)	0 from 0
Luke March	Chairman (until 31 December 2013)	3
Nigel Atkinson	Member	3
Lydia Brown	Member	3
Ian Downie	Member	3
Andrew Freemantle	Member	3
Stephen Long	Member	2 from 3
Sarah Mullally	Member	1 from 3

In terms of how remuneration policy was implemented, the personal performance of the Executive Directors was assessed against their job descriptions and their achievement of objectives, agreed in advance by the Remuneration Committee. An individual performance review (IPR) was held at the mid-year position and at the end of the year between each Executive Director and the Chief Executive (or the Chairman in the case of the Chief Executive's performance). The Remuneration Committee received reports in respect of the outcome of the appraisals.

Advancement within the individual salary scales of Executive Directors based on successful appraisal outcomes is the only performance-related element of the Executive Director's remuneration. The Committee has put in place a review-point for newly-appointed executive directors after two years in post.

An overall limit in the cost of movement is agreed by the Remuneration Committee prior to recommendations for advancement being made. A 1% cost of living award was given for 2013/14 in line with national pay increases in the NHS.

There is no bonus scheme for Executive Directors and any in-scale annual increment is based solely on individual performance as noted above. None of the current Executive Directors are subject to an employment contract that stipulates a length of appointment. In determining directors' pay, the Remuneration Committee for the executive directors and the governors in respect of the non-executive directors sought to ensure any pay awards reflected the current economic climate.

Responsibility for setting the terms and conditions of Non Executive Directors rests with the Council of Governors, advised by the Performance Committee. This was determined when the Trust was authorised, on the basis of independent advice. In 2010 the Council of Governors decided not to award a pay increase to the Non Executive Directors and this has remained the case since then.



SALARY AND PENSION ENTITLEMENT

Remuneration 1 April 2013 – 31 March 2014						
	Salary (Bands of £5,000) £000	Benefits in kind 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
Nigel Atkinson Non Executive	10-15	0	0	0	0	10-15
Christine Blanshard Medical Director	165-170	0	0	0	37.5-40	200-205
Lydia Brown Non Executive	15-20	0	0	0	0	15-20
Malcolm Cassells Director of Finance	125-130	0	0	0	17.5-20	145-150
Ian Downie Non Executive	10-15	0	0	0	0	10-15
Andrew Freemantle Non Executive	10-15	0	0	0	0	10-15
Kate Hannam Chief Operating Officer	90-95	0	0	0	105-107.5	195-200
Peter Hill Chief Executive	150-155	0	0	0	145-147.5	295-300
Stephen Long Non Executive	10-15	0	0	0	0	10-15
Luke March Chairman	30-35	0	0	0	0	3-35
Nick Marsden Chairman	10-15	0	0	0	0	10 - 15
Sarah Mullally Non Executive	10-15	0	0	0	0	10-15
Tracey Nutter Director of Nursing	100-105	0	0	0	Minus 62.5-65	40-45
Alison Kingscott Director of Human Resources	90-95	0	0	0	50-52.5	145-150
Benefits in kind relate to either the provision of a car or additional pension contributions. Salary for Executive Directors includes any amount received for car allowance.						
Luke March's term of office ended on 31 December 2014 and he was succeeded by Nick Marsden on 1 January 2014. Sarah Mullally started on 1 April 2013 and Kate Hannam took up her post on 3 June 2013.						



Remuneration 1 April 2012 – 31 March 2013						
	Salary (Bands of £5,000) £000	Benefits in kind 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
Nigel Atkinson Non Executive	10-15	0	0	0	0	10-15
Christine Blanshard Medical Director	160-165	0	0	0	97.5-100	255-260
Lydia Brown Non Executive	15-20	0	0	0	0	15-20
Barry Bull Non Executive	5-10	0	0	0	0	5-10
Malcolm Cassells Director of Finance	120-125	4,000	0	0	20-22.5	145-150
Alan Denton Director of Human Resources	15-20	4,000	0	0	Minus 7.5-10	4,000
Ian Downie Non Executive	10-15	0	0	0	0	10-15
Andrew Freemantle Non Executive	0.5	0	0	0	0	0-0.5
Peter Hill Chief Executive	130-135	4,000	0	0	Minus 85 - Minus 87.5	50-55
Stephen Long Non Executive	10-15	0	0	0	0	10-15
Luke March Chairman	40-45	0	0	0	0	40-45
Tracey Nutter Director of Nursing	100-105	0	0	0	0-Minus 2.5	95-100
Alison Kingscott Director of Human Resources	45-50	0	0	0	27.5-30	70-75
Caspar Ridley Chief Executive	140-145	2,200	0	0	Minus 7.5 - minus 10	135-140
John Stokoe Non Executive	5-10	0	0	0	0	0
Benefits in kind relate to either the provision of a car or additional pension contributions.						
Caspar Ridley resigned on 5 September 2012. Alan Denton retired on 31 May 2012. Alison Kingscott took up her post on 8 October 2012. Peter Hill was Chief Operating Officer until 4 September 2012, Interim Chief Executive from 5 September 2012 to 14 January 2013 and Chief Executive from 15 January 2013 onwards. Barry Bull's term of office came to an end on 31 December 2012. Major General John Stokoe's term of office came to an end on 31 October 2012. Andrew Freemantle took up his post on 1 January 2013.						



Pension Benefits 1 April 2013 – 31 March 2014								
	Real increase in pension at age 60	Real increase in pension lump sum at age 60	Total accrued pension and related lump sum at age 60 at 31 March 2014	Lump sum at age 60 related to accrued pension at 31 March 2014	Cash Equivalent Transfer Value at 31 March 2014	Cash Equivalent Transfer Value at 1 April 2013	Real increase in Cash equivalent Transfer Value	Employers contribution to Stakeholder pension
	(Bands of £2,500)	(Bands of £2,500)	(Bands of £5,000)	(Bands of £5,000)				
	£000	£000	£000	£000	£000	£000	£000	To nearest £100
Christine Blanshard	0-2.5	2.5-5	240-245	180-185	1,145	1,060	62	0
Malcolm Cassells	0-2.5	2.5-5	225-230	170-175	1,327	1,241	58	0
Kate Hannam	2.5-5	10-12.5	95-100	70-75	266	343	46	0
Peter Hill	5-7.5	17.5-20	235-240	175-180	1,168	990	156	0
Alison Kingscott	0-2.5	5-7.5	90-95	70-75	387	334	46	0
Tracey Nutter	Minus 2.5 – Minus 5	Minus 7.5- Minus 10	150-155	115-120	723	737	Minus 30	0

Notes to Remuneration and Pension Real Increase in CETV Tables

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

Cash Equivalent Transfer Values

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.

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). The factors used to calculate the 2014 CETVs have increased; therefore the value of CETVs for some members has increased by more than expected since 31 March 2013.

Median Remuneration that Relates to the Workforce

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director and the lowest paid director in their organisation and the median remuneration of the organisation's workforce. The mid-point of the banded remuneration of the Trust's highest paid director in 2013/14 was £167,500 (2012/13, £162,500). This was 6.9 times (2012/13, 6.7 times) the median remuneration of the workforce, which was £24,400 (2012/13, £24,400). In 2013-14, four (2012-13, four) employees received total remuneration in excess of the highest paid director. Remuneration ranged from £5,240 to £186,000, (2012/13, £7,200 to £190,000). Total remuneration includes salary, non-consolidated performance-related pay, benefits-in-kind as well as severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions.



The pay multiplier between the median remuneration of the workforce and the highest paid director fell in 2013-14. Based on annualised pay, the Medical Director was the highest paid director in both years. Please note that this information has been subject to audit.

Statement on Pay Policy

Most staff within the NHS have contracts based on Agenda for Change national terms and conditions. Agenda for Change is the single pay system in operation in the NHS. It applies to all directly employed NHS staff with the exception of doctors, dentists, very senior managers and directors.

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.

Directors' contracts are based on local terms and conditions and pay is set by the Remuneration Committee, which is covered earlier in this Remuneration Report.

Payments for loss of office

None to report in 2013/2014

Payments to past senior managers

None to report in 2013/2014

Off Pay Roll Payments

None to report in 2013/2014 based on the reporting requirements.

Expenses for Directors and Governors

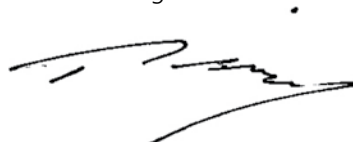
Year	Number of Directors in Office	Number of Directors Reimbursed	Amount Reimbursed to Directors	Number of Elected Governors in Office	Number of Elected Governors Reimbursed	Amount Reimbursed to Elected Governors
2013/2014	14	10	£10,448	21	6	£2,828
2012/2013	14	9	£5,940	21	9	£3,498
Expenses incurred during the course of their duties relate to travel, accommodation and subsistence						

Trust Board Employment Terms

The Chairman and Non-Executive Directors of the Trust are appointed by the Council of Governors for a term of office of up to three years for all new appointments. This can be renewed for a second three-year term with the agreement of both parties. The Council of Governors can terminate the appointment at any time during this period of office.

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 contract with no time limit attached and the contract can be terminated by either party with three 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. The Trust's Constitution sets out the circumstances in which a

Director will be disqualified from office and employment terminated. No significant awards have been made to past senior managers.



Peter Hill
Chief Executive
23 May 2014



NHS Foundation Trust Code of Governance

Disclosure Statement

The way in which the Board applies the principles and provisions is described in the various sections of the report. In addition, there are a number of new additional reporting requirements and explanatory notes that are tabled at the end of the NHS Code of Governance section of this Annual Report. This requirement follows amendments to the NHS Foundation Trust Code of Governance by Monitor in December 2013. These reflect changes to the UK Corporate Governance Code, the provisions within the Health and Social Care Act (the 2012 Act) and a number of regulatory issues which have implications for how Trusts establish and report on corporate governance arrangements. The Directors consider that for the 2013/2014 year the Trust has been fully compliant.

Details on the NHS Foundation Trust Code of Governance can be found on the Monitor website at www.monitor.gov.uk

General Statements

The Board of Directors should make available a public document that sets out its policy on the involvement of members, patients and the local community at large, including a description of the kind of issues it will consult on.

As an acute hospital and a Public Benefit Corporation the Trust exists to deliver NHS services in line with national guidelines and also to respond to the requirements of the health community which it serves. The Trust Board welcomes the views and opinions of all individuals and stakeholders who have an existing connection, or might have a future connection, with the Trust.

The Trust maintains a continuing communication with members, patients, clients and stakeholders and, while welcoming individual comment, will also seek to make maximum use of the various corporate relationships that exist. These will include Governors, members, patient groups, and external organisations such as commissioners, and local councils while healthcare professionals will always be able to make their views known through the range of hospital departments.

The Trust Board undertakes to involve the local community in all its forms, as appropriate, in any significant aspect of physical or service change. The nature of any proposed change may require different levels of consultation with the Governors only through to full public consultation. The Trust will consult formally on those matters where this is necessary. In this regard the Trust Board will take advice and guidance from Wiltshire Health Watch on the procedure/process for conducting any formal consultation where this is required.

The Board holds a joint meeting with the Council of Governors to consult on the objectives, priorities and strategy, that is included in the Annual Plan. This is supported by the Governors' Strategy Group.

The Board of Directors should clarify in writing how the public interests of patients and the local community will be represented, including its approach for addressing the overlap and interface between governors and any local consultative forums (Local Healthwatch, the Overview and Scrutiny Committee, the local League of Friends, and staff groups).

The Trust Board recognises the importance of having mechanisms in place which ensure that a satisfactory dialogue can always take place with its stakeholders and appreciates the constructive comments that can flow from this style of relationship.

The Directors are very open in the release of information about the Trust and its performance through the availability of information on the Trust's website and the publication and distribution of a range of written information such as Press Releases, the Annual Report, Annual Review and members and Staff Newsletters. This creates 'openness' and allows external challenge which the Trust welcomes. To help in this process the Trust has a full time Communications Manager.

The Trust Board looks to work closely with all key groups and their representatives. A representative of the Wiltshire Health Watch routinely attends the Public meetings of the Trust Board. Trust representatives regularly brief the local Health & Well-Being Board.



Governors continue to develop ways of communicating with members and giving Members the opportunity to express their thoughts. Constituency meetings and Medicine for Members' sessions are examples of where this takes place. The Board understands the critical importance of maintaining strong relationships with Staff Groups and the Staff side Secretary attends Trust Board meetings, the Trust has regular meetings with the JNC which has an Executive presence, and communicates to all staff verbally via a monthly Cascade

Brief, in writing via Health News Weekly and on the Intranet. Staff opinion is sought on all matters which affect working conditions.

By adopting an open, engaging and listening approach the Trust is well placed to ensure that the public interests of all stakeholders are considered appropriately with any resulting consultation being managed in accordance with the response to paragraph E.1.2.

Statement Explaining How the Board of Directors and the Council of Governors Operate, Including a High Level Statement of Which Types of Decisions are Delegated to the Management by the Board of Directors

Board of Directors

The Board of Directors comprises the Chairman, Chief Executive, up to seven Non-Executive Directors and five Executive Directors making thirteen in post in total.

The Board meets bi-monthly. The dates of the meetings are advertised on the Trust's web-site. The agendas, papers and minutes for all public meetings are published on the website.

The Directors have collective responsibility for:-

- Setting strategic direction, ensuring management capacity and capability, and monitoring and managing performance
- Providing leadership and governance to the Trust within a framework of prudent and effective controls
- Managing the operational, business and financial risks to which the Trust and its related businesses are exposed
- Monitoring the work undertaken and the effectiveness of the sub-committees of the Board
- Allowing flexibility to consider non-routine matters or items that are outside of the planned work programme
- Reviewing the performance of the senior management team
- Exercising the above duties in a way that is accountable to the Governors, members and stakeholders

Annually the content of the agendas for the following twelve months is agreed to ensure there is a good order and appropriate timing to the management of the above functions.

The Board is required to comply with its Standing Orders, Standing Financial Instructions and the Licence. The Board has to submit a strategic plan to Monitor and quarterly reports to confirm compliance with both the Trust's Continuity of Service and Governance targets under the Risk Assurance Framework.

Council of Governors

As set out in the Constitution the Trust has a Council of Governors, comprising public, appointed and staff governors.

The Chair of the Trust Board is also the Chair of the Council of Governors and is a key conduit between the two bodies. The full Council of Governors meets in public four times a year and also holds an annual members meeting.

The Chief Executive normally attends the Council meetings to present a performance report. Non-Executive Directors regularly attend to develop their own understanding of the work of the Trust as part of their accountability. The work of the Governors is divided between their statutory and non-statutory duties. The statutory duties are to:-

- Represent the interests of the membership and wider public
- Hold the non-executives to account for the performance of the board
- Appraise and appoint or remove the Chairman and Non Executive Directors of the Trust
- Approve the appointment of future Chief Executives
- Appoint or remove the Trust's External Auditor
- At the AGM consider the Trust's annual accounts, auditor's report and annual report



- Set the Terms & Conditions of Non Executive Directors together with their remuneration and allowances
- Be consulted by the Board of Directors on the development of forward plans for the Trust and any significant changes to the healthcare provided
- To approve significant transactions in accordance with the constitution

In addition, if necessary Governors have the power to ensure attendance by a director at a meeting (there has been no reason for this requirement to be exercised during 2013/2014).

Where appropriate Governors have been placed, on a voluntary basis, into Committees or groups to look at the requirements of these functions and make recommendations for the full Council.

Decisions Delegated to the Management by the Board of Directors

The Scheme of Delegation sets out the decisions which are the responsibility of the Board of Directors. These are actioned either by the Trust Board or a committee of the Board. Below Trust Board level the Directors have established the Joint Board of Directors which consists of the Executive Directors, Clinical Directors and other senior post holders. This meets monthly and is chaired by the Chief Executive. Its remit is to consider the management of the day to day business of the Trust, both operationally and clinically. The Joint Board of Directors is supported in its work by the Operational Management Board Chaired by the Chief Operating Officer and the Clinical Management Board Chaired by the Medical Director.

Council of Governors policy for engagement with the Board of Directors where they have concerns

about the performance of the Board, compliance with the new provider licence or matters related to the overall wellbeing of the Trust. The council of governors should input into the Board's appointment of a senior independent director.

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 do 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:

Dispute Resolution

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, 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 he considers appropriate.

The Council of Governors

The Council of Governors is made up of elected and nominated Governors who provide an important link between the hospital, local people and key organisations - sharing information and views that can be used to develop and improve hospital services.

There are eight public constituencies. These are called Salisbury City, South Wiltshire Rural, New Forest, Kennet,

West Wiltshire, North Dorset, East Dorset and Rest of England. Governors from these areas are elected by members from these constituencies in accordance with election rules stated in the Trust's constitution using the 'First Past the Post' voting system. Elections are carried out on behalf of the Trust by the independent Electoral Reform Services Ltd, in accordance with the model election rules.



In addition, there are elected staff Governors that represent six staff groups and Governors who are nominated by partner organisations that have an interest in how the Trust is run. Up until 31 March 2014, these were Wessex Community Action, a body that provides an over-arching voluntary presence at local level; Wiltshire Council that provides the main local authority link; Wiltshire, Dorset and West Hampshire Clinical Commissioning Groups (CCGs) which are three

of the main health commissioning bodies for the Trust. The representatives of public and patient constituencies must make up at least 51% of the total number of Governors on the Council of Governors.

In addition to the AGM, and the joint meeting with the Trust Board to review the Annual Plan, the Trust held six meetings of the Council of Governors during the 2013/2014 year.

Elected Governors – Public Constituency

Name	Constituency	Date Elected	Term of Office	Attendance from 6 meetings
John Carvell	Salisbury City	May 2012	Three years	5
Celeste Collins	Salisbury City	May 2011	Three years	5
Chris Wain	Salisbury City	May 2012	Three years	6
Robert Coate	South Wiltshire Rural	May 2011	Three years	4
June Griffin	South Wiltshire Rural	May 2012	Three years	5
Sir Raymond Jack	South Wiltshire Rural	May 2012	Three years	4
Dr Alastair Lack	South Wiltshire Rural	May 2011	Three years	6
Beth Robertson	South Wiltshire Rural	May 2012	Three years	6
Paul Goldman	North Dorset	May 2011	Three years	6
*Madeline Hewitt	North Dorset	May 2012	Three years	3 from 4
Sarah Bealey	New Forest	May 2012	Three years	5
John Markwell	Kennet	May 2012	Three years	5
Carole Noonan	West Wiltshire	May 2012	Three Years	6
Nicholas Sherman	East Dorset	May 2012	Three years	5

*Andrew Freemantle (North Dorset) stood down in December 2012 to become a Non Executive Director of the Trust. The by-election for this constituency was held in May 2013 and Madeleine Hewitt was elected to complete Andrew Freemantle's term of office.

Elected Governors - Patient/Carer Constituency

*Andrew Farrow	Rest of England	May 2012	Three years	6
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*During the year the Trust changed its constitution and the patient carer constituency was renamed Rest of England aligning inclusion criteria with other public constituencies.

Elected Governors - Staff Constituency

Mandy Cripps	Clerical, Administrative and Managerial	May 2012	Three years	6
Brian Fisk	Volunteers	May 2012	Three years	5
Shaun Fountain	Medical & Dental	May 2012	Three years	6
Colette Martindale (Lead Governor)	Nurses & Midwives	Nov 2012	Three years	5
Lynda Viney	Hotel & Property Services	May 2012	Three years	5
Christine White	Scientific & Therapeutic	May 2012	Three years	4

* In elections held in May 2012, Eric Gould (Volunteers) did not stand and Louise Arnett (Clerical, Administrative and Managerial) was not re-elected.



Nominated Governors

Name	Constituency	Date Elected	Term of Office	Attendance up to 6 meetings
William Moss	Wiltshire Council	May 2011	Three years	2
*Chris Horwood	Wessex Community Action	April 2014	Three years	0 from 0
**Simone Yule	Dorset CCG	August 2013	Three years	0 from 3
**Mary Monnington	Wiltshire CCG	August 2013	Three years	3 from 3
**Rob Polkinghorne	West Hampshire CCG	Nov 2013	Three years	1 from 2

*During the year Anita Pheby (Wessex Community Action – attendance 5 from 6) was replaced by Chris Horwood.

** Primary Care Trusts were replaced by clinical commissioning groups on 1 April 2013, resulting in new organisations and representatives for nominated governors from this date onwards.

Please note that 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 David Seabrooke, Head of Corporate Governance, Trust Offices, Salisbury NHS Foundation Trust, Salisbury District Hospital, Salisbury, SP2 8BJ.

Statement Setting out the Steps that the Members of the Board, in Particular the Non Executives, Have Taken to Understand the Views of Governors and Members

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 always attended by the Chief Executive and two Non Executives. The Chief Executive presents a performance report and answers questions. This is an opportunity for the Governors to express their views and raise any other issues, so that the Chief Executive can respond. Minutes of the meetings are shared with the Executive and Non Executive Directors who have the opportunity to pick up and action any points that are relevant to their areas. The minutes of all Governors' meetings and working groups are also made available to the Executive Directors. The Senior Independent Director and other board members attend the Council of Governor's meetings by invitation on a rota basis. Executive and Non Executive Directors also attend some of the Governor working groups. In addition, there was one joint meeting between the Trust Board Directors and Governors to consider the Annual Plan.

The Trust Board is aware of the work carried out by the working groups and information is fed back to the Directors. The Directors attend constituency meetings and the annual general meeting and answer member's questions. The Trust Board meets bi monthly 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. Trust Board papers are made available on the website.



The Board of Directors

Statement about the Balance, Completeness and Appropriateness of the Board of Directors.

The Board currently comprises of 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. The Chairman 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. While, on appointment, the Chairman has to meet the Code's 'test of independence' it does not, thereafter, apply to this role.

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. This includes clinical and financial matters in particular.

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. The Chairman and Non Executive Directors are appraised on behalf of the Council of Governors. This process is overseen by the performance Committee. The Chief executive is appraised by the Chairman. The Chief Executive appraises the Executive Directors.

At the present time the Board is satisfied as to its balance, completeness and appropriateness and will keep these matters under review.

Statement Setting Out that the Board of Directors Undertake a Formal and Rigorous Evaluation of its Own Performance and that of its Collective and Individual Directors.

Evaluation of the Chairman's performance is led by the Senior Independent Director. The Chief Executive and Non Executive Directors' performance is evaluated by

the Chairman, while an evaluation of the Executive Directors' performance is carried out by the Chief Executive and reported to the Remuneration Committee.



The Board of Directors

Dr. Nick Marsden

Chairman (Independent)

Nick Marsden joined the Trust in January 2014. He has been an NHS non executive director at Southampton since 2007 and a vice chairman since 2011. 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. He lives near Andover in Hampshire.

Peter Hill

Chief Executive

Peter Hill has a nursing background and before coming to the Trust in 1986 worked on wards and intensive care units in London and Newcastle. He has a Masters degree in Business Administration and has extensive senior management experience. Peter lives in Salisbury in Wiltshire.

Nigel Atkinson

Non Executive Director (Independent)

Nigel Atkinson is a chartered accountant and retired corporate financier and a former Head of Listing at the London Stock Exchange with over 30 years of experience of corporate finance. Mr Atkinson was appointed on 1 February 2007 and is now in a second four-year term. He lives in Cholderton in Wiltshire.

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. She lives in Winchester in Hampshire.

Dr. Lydia Brown MBE

(Vice Chairman and Senior Independent Director)

Lydia Brown joined the Trust on 1 November 2008 and is now in a second four-year term. She is a qualified vet and former President of the Royal College of Veterinary Surgeons. She has considerable business experience and is a Director of a number of local voluntary organisations. Lydia lives in West Gomeldon in Wiltshire.

Malcolm Cassells

Director of Finance and Procurement

Malcolm Cassells is a qualified accountant with extensive financial experience gained through over 35 years in the NHS. He held senior financial positions at Regional Health Authority and District Health Authority level, before moving to Salisbury in 1986 as Director of Finance. He lives in Winterslow in Wiltshire.

Ian Downie

Non Executive Director (Independent)

Ian Downie, who is Strategic Development Director of Serco group, joined the Trust on 1 November 2009 for a four year term, which has been renewed for a further three years. He has considerable management experience within the aviation industry and more recently through a number of roles within the Serco group. He lives in Gussage St Andrew in Dorset.

Andrew Freemantle

CBE Non Executive Director (Independent)

Andrew Freemantle joined the Trust on 1 January 2013 for a three year term. He has wide range of experience as a former Chief Executive of the Scottish Ambulance Service NHS Trust and Chief Executive Officer of the Royal National Lifeboat Institution. This followed a distinguished army career. Andrew lives in Tarrant Monkton in Dorset.

Kate Hannam

Chief Operating Officer

Kate Hannam has a wide range of NHS experience in both operational and financial roles. She moved up through senior financial and operational management positions in Torbay, Bristol and Swindon and came to Salisbury from Taunton and Somerset NHS Foundation Trust where she was Director of Acute Service Development. Kate currently lives in Bristol.

Alison Kingscott

Director of Human Resources and Organisational Development

Alison Kingscott has a wide range of HR experience in both the NHS and private sector. She has held senior NHS positions in the south west of England and was Director of Human Resources and Corporate Lead for Estates and Facilities at Weston Area Health NHS Trust before joining the Trust. Alison currently lives in Weston Super Mare.



Stephen Long

Non Executive Director (Independent)

Stephen Long joined the Trust on 1 November 2008 and is now in a second four- year term, having retired as Deputy Chief Constable of Wiltshire after 30 years service. He was a diversity champion within the constabulary and a national lead for Science and Technology. Stephen lives in Wilton in Wiltshire.

Tracey Nutter

Director of Nursing until 31 March 2014

Tracey Nutter joined the Trust in April 2003 from Southampton University Teaching Hospitals NHS Trust where she was Associate Nurse Director. She has over 28 years NHS experience having worked in key senior nursing posts in Newcastle, London and Southampton. She has a Masters Degree in Health Services Management from the University of Manchester and an International Masters for Health Leadership from McGill University in Montreal.

Dame Sarah Mullally DBE

Non Executive Director (Independent)

Revd. Dame Sarah Mullally DBE joined the Trust in April 2013 for a three year term. She is a trained nurse and former Chief Nursing Officer and Director of Patient Experience at the Department of Health, where she provided advice to the Government and professional leadership to nurses and midwives. She is Canon Treasurer at Salisbury Cathedral and lives in Salisbury.

Luke March DL

Chairman (Independent) until 31 December 2014

Luke March was appointed Chairman of the Trust on 1 January 2005 for a term of four years and reappointed by the Governors for a second four-year term on 1 January 2009. This second period was extended for a further year and was completed on 31 December 2013. He has been a Non-Executive Director in the NHS since 1988, first in Winchester and later in East London, as Deputy Chairman of Barts and The London NHS Trust. In the commercial sector Luke has held senior management appointments at Lloyds TSB and BT and was Chief Executive of the Mortgage Board. More recently he was Compliance Director of the Royal Mail Group. He is currently Chairman of the National Churches Trust, and a trustee of other charities.

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 can be contacted by members through the Membership Manager.



Board of Directors' Attendance

	Trust Board (7 meetings)	Audit Committee (4 meetings)	Remuneration Committee (3 meetings)	Finance Committee (12 meetings)	Clinical Governance Committee (7 meetings)
Nick Marsden	2 from 2	N/A	0 from 0	3 from 3	N/A
Peter Hill	6	N/A	N/A	12	6
Nigel Atkinson	6	4	3	N/A	5
Christine Blanshard	6	N/A	N/A	N/A	6
Lydia Brown	6	4	3	8 from 10	6
Malcolm Cassells	7	N/A	N/A	11 from 12	N/A
Ian Downie	7	2 from 4	3	11 from 12	N/A
Andrew Freemantle	7	3 from 4	3	10 from 12	N/A
Kate Hannam	5 from 6	N/A	N/A	9 from 10	4
Alison Kingscott	7	N/A	N/A	N/A	N/A
Stephen Long	6	N/A	2 from 3	N/A	7
Luke March	5	N/A	3	9 from 9	N/A
Sarah Mullally	7	N/A	1 from 3	N/A	7
Tracey Nutter	6	N/A	N/A	N/A	7

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 four meetings
Nigel Atkinson	Chairman	4
Lydia Brown	Non Executive Director	4
Ian Downie	Non Executive Director	2 from 4
Andrew Freemantle	Non Executive Director	3 from 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 and Clinical Governance Committees.

The Committee has an annual work programme as well as dealing with other items that arise during the year.

At all meetings the Committee is particularly concerned to ensure the Trust has systems in place that support financial management and enhance the quality of

services by:-

- Safeguarding assets
- Maintaining proper records
- Producing reliable information
- Providing effective control systems
- Ensuring these can be independently reviewed and assessed by both external and internal Audit

The receipt, discussion and follow-up of completed internal audit reports is a key driver of its activity in relation to the system of internal control. The Committee pays special attention to reviewing the annual financial statements on the Board's behalf



and the external auditor's review and opinion on the accounts. There were no significant issues arising from the 2012/13 accounts. It received the Auditor's opinion on the Quality Account 2013/14.

The Committee reviewed and approved the Head of Internal Audit (South Coast Audit: from 1 January 2014, TIAA) Opinion. The Head of Internal Audit report concluded there was Significant Assurance as to the Trust's system of internal control. The committee received the Annual Management Letter, which is submitted to the Board.

Reports from the internal auditors covered their conclusions on a range of Trust activities within their 2013/2014 work plan as agreed by the Committee.

The Council of Governors approved the appointment of KPMG as external auditors from 1 April 2012 for a period of up to five years, with a break-clause in 2015.

The Committee also oversees the work of the Local Counter-Fraud Specialist on proactive work to strengthen the Trust's counter-fraud awareness arrangements and also the small amount of case-work associated with this. During the year the Committee approved revisions to the Trust's Standing Financial Instructions and Standing Orders.

The Committee meets with the Trust's auditors separately from the Trust so there is an opportunity for them privately to disclose any matters of concern. The Committee has reviewed its effectiveness in relation to its terms of reference and the Audit Committee handbook.

It sought assurances about audit reports where limited assurance was given, and the actions underway to address these. It has reviewed the operation of the Trust's Assurance Framework, sections of which are reviewed throughout the year by other committees of the board.

The Director of Finance & Procurement, who has the Executive responsibility for liaising with both Audit functions, attends the Committee to comment and inform as required.

The minutes of all four meetings were presented to the Directors at the following public meeting of the Trust Board by the Chair of the Audit Committee.

Financial Audit

The external auditors for the Trust are KPMG. During the 2013/2014 period, the Trust has incurred the following costs on external audit:

- Audit services: £58,000
- Further assurance services: £8,000
- Other services: None

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

The Trust has an internal audit function delivered under contract by TIAA. Senior representatives of TIAA report to the audit committee and a working protocol is in place with KPMG, the Trust's appointed auditor. The delivery of the contract with TIAA is overseen by the Director of Finance and Procurement.

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 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

During the year the Trust established Nominations Committees to oversee the recruitment of a new Chairman and a Director of Nursing. There was also a Committee already in place to complete the recruitment of a Chief Operating Officer which carried through into 2013/2014.

In all cases the roles have been advertised. The Trust used an external search consultancy to assist the committee with candidate selection for the Chairman (this process will also be applied in any future Non Executive appointments). The committees reviewed the job descriptions, personal specifications and the candidate briefs, which were then used by the consultancy to promote awareness of the roles, which were also advertised on the NHS Jobs website.

A list was established with recommendations, which the committees reviewed and established a shortlist. In all cases an interview and assessment took place to choose the successful candidates. The Council of Governors approved the nomination of the new Chairman as part of its statutory responsibilities.

The Nominations Committee for the appointment of Chairman

	Committee Role	Attendance out of five meetings
Beth Robertson	Governor & Committee Chairman	5
Lydia Brown	Deputy Chairman	5
Mandy Cripps	Governor	4 from 5
Peter Hill	Chief Executive	3 from 5
Alastair Lack	Governor	5

Please note that no significant other commitments affecting the time that is required to devote to the role of Chairman were declared.

The Nominations Committee for the appointment of Director of Nursing

	Committee Role	Attendance out of two meetings
Nick Marsden	Chairman	2
Christine Blanshard	Medical Director	2
Peter Hill	Chief Executive	2
Alison Kingscott	Director of HR and OD/Advisor	2
Sarah Mullally	Non Executive Director	2

A Director of Nursing takes up this post in 2014/2015

The Nominations Committee for the appointment of a Chief Operating Officer

	Committee Role	Attendance out of one meetings
Luke March	Chairman	1
Peter Hill	Chief Executive	1
Alison Kingscott	Director of HR and OD /Adviser	1
Steve Long	Non Executive Director	1
Tracey Nutter	Director of Nursing	1

The Nominations Committee was set up in 2012/2013, with further meetings in 2013/2014. The Chief Operating Officer took up this post in 2013/2014



Membership

The Trust has traditionally had strong links with the local community, attracting over 600 volunteers and many more who take part in patient and public involvement activities. It has an excellent response rate for annual patient surveys and receives regular correspondence from grateful patients, highlighting the affection and interest local people have for Salisbury District Hospital.

The membership is made up of local people, patients and staff who have an interest in healthcare and their local hospital and these are broken up into two groups with different eligibility criteria.

Public Members

These are members of the public aged 16 and over. Public members are placed in constituencies based on where they live and there are seven constituencies that have been created to reflect the Trust's general and emergency catchment area and these are based on local government boundaries (see map). There is now an additional eighth public constituency called the Rest of England, which replaces the patient and carer constituency following a change to the Trust's constitution in 2013/2014.

Staff Members

The Trust has a wide range of staff undertaking a variety of roles and professions who come from different

backgrounds. The aim is that staff membership reflects that diversity. Initially staff membership was done on an 'opt in' basis rather than staff automatically being made members. During the 2008/2009 year, the Trust changed its policy and new members of staff who are eligible now automatically become members, with the option to 'opt out'. Eligible staff members are defined as those who:

- Hold a substantive contract of employment in excess of 12 months
- Hold a fixed term contract in excess of 12 months
- Hold a temporary contract in excess of 12 months
- Hold an honorary contract in excess of 12 months

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

Salisbury NHS Foundation Trust catchment map



Patient and public members can only be a member of one constituency. Staff members can only be a member of the staff constituency. Members are able to vote and stand in elections for the Council of Governors, which is chaired by the Chairman of the Trust.

During the year the Trust sought to increase membership numbers. At 31 March 2014 the membership for Salisbury NHS Foundation Trust was as follows:

Public Constituency	Number
Salisbury City	2,584
South Wiltshire Rural	4,447
Kennet	1,481
North Dorset	1,626
East Dorset	871
New Forest	1,227
West Wiltshire	1,146
Rest of England	733
Staff Constituency	3,222
Total	17,337

Ownership of the Trust's membership strategy rests with the Governors with support from the Trust and this was amended and approved by the Council of Governors during the year. The main change related to the establishment of a Rest of England constituency mentioned earlier in this report. Minor changes were also introduced to ensure that membership involvement continues to be encouraged in the Trust's governance and decision making process, and that services continue to meet the needs of local people. Another objective of the strategy is to ensure that the membership continues to grow and is representative of the population by geography, age, ethnicity and gender.

population size and ethnicity for each constituency. This helps the Trust in its aim to make the membership reflective of its population, and also to ensure that the number of Governors is representative of the population of the constituencies. Having built up a membership database of 17,337 at 31 March 2014, the Trust regularly reviews the age, ethnicity, gender and geographical spread to ensure that the membership is reflective of the whole area that it serves and as mentioned above a review of the Trust's Constitution in 2013/2014 resulted in changes to the catchment area.

The Trust has also determined the socio-economic breakdown of its membership and the population within its catchment area.

The Trust uses information from the Office of National Statistics (Census 2011) to build up a picture of the

Membership Size and Movements		
Public Constituency	2013/2014	2014/2015 (Estimated)
At year start (1 April)	14,727	14,115
New members	579	3,100
Members leaving	1,191	615
At year end (31 March)	14,115	16,600
Staff Constituency		
At year start (1 April)	3,032	3,222
New members	232	255
Members leaving	42	77
At year end (31 March)	3,222	3,400
Overall Total	17,337	20,000



The Trust used its in-house database to monitor and increase the membership in line with demographic and statistical information and continued to use induction as a membership gathering point for staff.

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 and Governors continued to use their 'Are You a Member' campaign to recruit members in outpatient clinics.

This year distribution of the Annual Review increased from 133,000 households to over 190,000 in the local area. 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, for instance, End of Life Care and Dementia Care. The End of Life Care Group covers a wide range of work which includes dedicated education and training for staff, and greater support and assistance for families where patients prefer to die at home. Both groups have made significant improvements which have been covered in more detail earlier in this report.

Governors have also been involved in Patient Led Assessments of the Care Environment (PLACE), which looks at cleanliness, food quality, cleanliness and the patient environment. They are also on the Transport Strategy Group which looks at a range of areas such as green travel, signage and car parking. Another group is looking at food and nutrition in the hospital and Governors have joined catering managers on unannounced visits to check food quality and temperatures at ward level. 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 instant feedback from patients about their hospital stay, which enables ward staff to resolve issues quickly. Over 100 patients a month last year were asked their views in this way.

The Trust is conscious that staff and their families may have had to use hospital services at some stage, but that many are probably not feeding back their experiences of hospital care. Staff Governors were keen to find out more about the experiences of staff and held feedback sessions in the main restaurant.

The Trust continues to work with the Governor Membership and Communication groups on a range of communication initiatives. This includes the development of the popular Medicine for Members series of lectures. These talks aim to give people an insight into how the body works, highlight the clinical conditions that are treated and provide some practical tips to keep safe and healthy. Talks that took place within the year covered inflammatory arthritis, vascular disease and colorectal cancer.

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 directly canvass the views of their members. This year a meeting for Salisbury City was held further opportunities are planned for Governors across the other constituencies to meet their members in the 2014/2015 financial year.



NHS Code of Governance additional reporting requirements

Table 1 - Code of Governance sections of the code included in the Annual Report and their location

	Code Provision	Annual Report & Accounts Section
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.	See Code of Governance "General Statements"
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.	See Code of Governance "Council of Governors and 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.	See 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.	See 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.	See 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.	See 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.	See Code of Governance "Nominations Committee"



	Code Provision	Annual Report & Accounts Section
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.	See Code of Governance "General Statements and Membership"
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.	See Remuneration Report "Remuneration Committee"
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.	See Remuneration Report "Remuneration Committee"
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 "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.	See Annual Accounts "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.	See 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



Table 2 - Code of Governance sections which need further information under "comply or explain"

	Code provision	Trust Response
A.1.4	The board should ensure that adequate systems and processes are maintained to measure and monitor the NHS foundation trust's effectiveness, efficiency and economy as well as the quality of its health care delivery	Confirmed. The Board receives regular reports on quality, performance and finance. There is a board assurance framework and system of internal control, as detailed in the Annual Governance Statement.
A.1.5	The board should ensure that relevant metrics, measures, milestones and accountabilities are developed and agreed so as to understand and assess progress and delivery of performance	Confirmed. The Board receives regular reports on quality, performance and finance. This is published in the Quality Accounts
A.1.6	The board should report on its approach to clinical governance.	The Trust has completed a self-assessment against the Monitor Quality Governance Framework.
A.1.7	The chief executive as the accounting officer should follow the procedure set out by Monitor for advising the board and the council and for recording and submitting objections to decisions.	The Chief Executive is aware of the requirements of this provision in the Accounting Officer Memorandum
A.1.8	The board should establish the constitution and standards of conduct for the NHS foundation trust and its staff in accordance with NHS values and accepted standards of behaviour in public life	The Trust has a set of staff values in place, which are being reviewed during 2013/14. Staff are periodically reminded of the Nolan principles of the values and accepted standards of behaviour in public life.
A.1.9	The board should operate a code of conduct that builds on the values of the NHS foundation trust and reflect high standards of probity and responsibility.	The Board has adopted the Professional Standards Council's code of conduct. This is also reflected in job descriptions.
A.1.10	The NHS foundation trust should arrange appropriate insurance to cover the risk of legal action against its directors.	As well as NHSLA cover, a separate Directors and Officers liability policy is maintained



	Code provision	Trust Response
A.3.1	The chairperson should, on appointment by the council, meet the independence criteria set out in B.1.1. A chief executive should not go on to be the chairperson of the same NHS foundation trust.	Confirmed – the requirement to meet the Licence “fit & proper” requirements, additional constitutional requirements and be able to be certified as independent under the codes are built into the advertising and recruitment process
A.4.1	In consultation with the council, the board should appoint one of the independent non-executive directors to be the senior independent director.	Confirmed – this is the Deputy Chairman. The board consulted the Council proposed appointment at the Council meeting on 10 February 2014.
A.4.2	The chairperson should hold meetings with the non-executive directors without the executives present.	Confirmed – meetings are bi-monthly and as necessary
A.4.3	Where directors have concerns that cannot be resolved about the running of the NHS foundation trust or a proposed action, they should ensure that their concerns are recorded in the board minutes.	Confirmed – Directors are aware of this provision.
A.5.1	The council of governors should meet sufficiently regularly to discharge its duties.	Confirmed – The Council has four scheduled meetings per year.
A.5.2	The council of governors should not be so large as to be unwieldy.	Confirmed – This was reviewed in 2013 and the number of governors is considered to be workable.
A.5.4	The roles and responsibilities of the council of governors should be set out in a written document.	Confirmed – This document (under B.1.4 of the 2010 Code) was adopted in 2013.
A.5.5	The chairperson is responsible for leadership of both the board and the council but the governors also have a responsibility to make the arrangements work and should take the lead in inviting the chief executive to their meetings and inviting attendance by other executives and non-executives, as appropriate.	Confirmed – The Chief Executive attends all Council meetings. The Chairman has arranged for at least two non-executives to support him at each Council meeting.
A.5.6	The council should establish a policy for engagement with the board of directors for those circumstances when they have concerns.	Confirmed – policy in place. Bi-monthly informal meetings with the NEDs, were increased from quarterly starting in 2014.



	Code provision	Trust Response
A.5.7	The council should ensure its interaction and relationship with the board of directors is appropriate and effective.	Confirmed – the Board and Council keep this essential relationship under continual review
A.5.8	The council should only exercise its power to remove the chairperson or any non-executive directors after exhausting all means of engagement with the board.	Confirmed – governors are aware of this provision and of the consequences of using this power.
A.5.9	The council should receive and consider other appropriate information required to enable it to discharge its duties.	Confirmed During 2013 the Trust developed the range of performance information available to the Council of Governors
B.1.2	At least half the board, excluding the chairperson, should comprise non-executive directors determined by the board to be independent.	Confirmed. All non-executives are considered to be independent
B.1.3	No individual should hold, at the same time, positions of director and governor of any NHS foundation trust.	Confirmed. Directors and governors are aware of this provision,
B.2.1	The nominations committee or committees, with external advice as appropriate, are responsible for the identification and nomination of executive and non-executive directors.	A Nominations Committee is in place on the Board to oversee Executive appointments and is appointed ad hoc for non-executive appointments
B.2.2	Directors on the board of directors and governors on the council should meet the “fit and proper” persons test described in the provider licence.	Confirmed. Governors and Directors are requested at each public meeting to confirm this individually
B.2.3	The nominations committee(s) should regularly review the structure, size and composition of the board and make recommendations for changes where appropriate.	A review would normally arise from a change of circumstances.
B.2.4	The chairperson or an independent non-executive director should chair the nominations committee(s).	Confirmed – This is detailed in the Council of Governors’ Standing Orders. The Chairman does not “chair” the Nominations Committee set up to appoint a new Chairman.
B.2.5	The governors should agree with the nominations committee a clear process for the nomination of a new chairperson and non-executive directors.	Confirmed - This is established in the setting up of the Nominations Committee,



	Code provision	Trust Response
B.2.6	Where an NHS foundation trust has two nominations committees, the nominations committee responsible for the appointment of non-executive directors should consist of a majority of governors.	Confirmed - reflected in the Constitution
B.2.7	When considering the appointment of non-executive directors, the council should take into account the views of the board and the nominations committee on the qualifications, skills and experience required for each position.	Confirmed – board members are able to describe the board's needs for specific skills and appropriately to influence the recruitment process
B.2.8	The annual report should describe the process followed by the council in relation to appointments of the chairperson and non-executive directors.	Confirmed – this is set out in the Annual Report.
B.2.9	An independent external adviser should not be a member of or have a vote on the nominations committee(s).	Confirmed – this is not the Trust's practice
B.3.3	The board should not agree to a full-time executive director taking on more than one non-executive directorship of an NHS foundation trust or another organisation of comparable size and complexity.	Confirmed – this is monitored through the declaration of interests process
B.5.1	The board and the council governors should be provided with high-quality information appropriate to their respective functions and relevant to the decisions they have to make.	Confirmed – the Trust has developed the performance, workforce, quality and financial information provided to the Board and Council
B.5.2	The board and in particular non-executive directors, may reasonably wish to challenge assurances received from the executive management. They need not seek to appoint a relevant adviser for each and every subject area that comes before the board, although they should, wherever possible, ensure that they have sufficient information and understanding to enable challenge and to take decisions on an informed basis.	Confirmed – independent external advice would be made available if required.
B.5.3	The board should ensure that directors, especially non-executive directors, have access to the independent professional advice, at the NHS foundation trust's expense, where they judge it necessary to discharge their responsibilities as directors.	Confirmed – Independent external advice would be made available if required.
B.5.4	Committees should be provided with sufficient resources to undertake their duties.	Confirmed – committees have the Board's authority to investigate matters in their terms of reference and are able to access necessary resources.
B.6.3	The senior independent director should lead the performance evaluation of the chairperson.	Confirmed – the SID is commissioned by the Performance Committee to undertake this.



	Code provision	Trust Response
B.6.4	The chairperson, with assistance of the board secretary, if applicable, should use the performance evaluations as the basis for determining individual and collective professional development programmes for non- executive directors relevant to their duties as board members.	Confirmed – training and development opportunities are circulated to NEDs and the need for training development are discussed regularly.
B.6.5	Led by the chairperson, the council should periodically assess their collective performance and they should regularly communicate to members and the public details on how they have discharged their responsibilities.	Confirmed - This is undertaken by an internal review sub-group
B.6.6	There should be a clear policy and a fair process, agreed and adopted by the council, for the removal from the council of any governor who consistently and unjustifiably fails to attend the meetings of the council or has an actual or potential conflict of interest which prevents the proper exercise of their duties.	Confirmed. This is set out in the Constitution
B.8.1	The remuneration committee should not agree to an executive member of the board leaving the employment of an NHS foundation trust, except in accordance with the terms of their contract of employment, including but not limited to service of their full notice period and/or material reductions in their time commitment to the role, without the board first having completed and approved a full risk assessment.	Confirmed – directors are aware of this provision
C.1.2	The directors should report that the NHS foundation trust is a going concern with supporting assumptions or qualifications as necessary.	Confirmed This is given in the annual plan and annual report
C.1.3	At least annually and in a timely manner, the board should set out clearly its financial, quality and operating objectives for the NHS foundation trust and disclose sufficient information, both quantitative and qualitative, of the NHS foundation trust's business and operation, including clinical outcome data, to allow members and governors to evaluate its performance.	This is given in the annual plan and annual report
C.3.1	The board should establish an audit committee composed of at least three members who are all independent non-executive directors.	Confirmed – an Audit Committee of four independent non-executive directors is in place
C.3.3	The council should take the lead in agreeing with the audit committee the criteria for appointing, re-appointing and removing external auditors.	Confirmed – the last appointment round was in 2011/12
C.3.6	The NHS foundation trust should appoint an external auditor for a period of time which allows the auditor to develop a strong understanding of the finances, operations and forward plans of the NHS foundation trust.	Confirmed – the auditor was appointed from 1 April 2012 for five years, with a review clause after three years.
C.3.7	When the council ends an external auditor's appointment in disputed circumstances, the chairperson should write to Monitor informing it of the reasons behind the decision.	Confirmed



	Code provision	Trust Response
C.3.8	The audit committee should review arrangements that allow staff of the NHS foundation trust and other individuals where relevant, to raise, in confidence, concerns about possible improprieties in matters of financial reporting and control, clinical quality, patient safety or other matters.	Confirmed. The Trust's Raising Concerns policy is developed and approved by the Joint Board of Directors
D.1.1	Any performance-related elements of the remuneration of executive directors should be designed to align their interests with those of patients, service users and taxpayers and to give these directors keen incentives to perform at the highest levels.	It is not the Trust's practice to use performance related pay
D.1.2	Levels of remuneration for the chairperson and other non-executive directors should reflect the time commitment and responsibilities of their roles.	Confirmed - benchmark information is reviewed by the Performance Committee each year
D.1.4	The remuneration committee should carefully consider what compensation commitments (including pension contributions and all other elements) their directors' terms of appointments would give rise to in the event of early termination.	Confirmed
D.2.2	The remuneration committee should have delegated responsibility for setting remuneration for all executive directors, including pension rights and any compensation payments.	Confirmed – delegated authority is in the terms of reference
D.2.3	The council should consult external professional advisers to market-test the remuneration levels of the chairperson and other non-executives at least once every three years and when they intend to make a material change to the remuneration of a non-executive.	The current NED remuneration was set in 2009 and a professional adviser would be engaged if a major change to this was envisaged. The Performance Committee finds the results of the annual remuneration survey very helpful in advising the Council.
E.1.2	The board should clarify in writing how the public interests of patients and the local community will be represented, including its approach for addressing the overlap and interface between governors and any local consultative forums.	A statement setting this out has been approved by the board
E.1.3	The chairperson should ensure that the views of governors and members are communicated to the board as a whole.	Confirmed. Governors attend the public board meeting and are able to ask questions. The Board receives a report on the Council of Governors meetings through the Chair.
E.2.1	The board should be clear as to the specific third party bodies in relation to which the NHS foundation trust has a duty to co-operate.	Confirmed – Good relationships are maintained with principal stakeholders



	Code provision	Trust Response
E.2.2	The board should ensure that effective mechanisms are in place to co- operate with relevant third party bodies and that collaborative and productive relationships are maintained with relevant stakeholders at appropriate levels of seniority in each.	Confirmed – the Trust has sound relationships with its major stakeholders, including the CCGs, local authority, Health & Wellbeing Board, Healthwatch and neighbouring Trusts. The state of relations with major stakeholders is kept under regular review.



Quality Report

Introduction

This is our annual report which looks at the quality of our services over the previous year and also includes plans for quality improvement next year.

Quality accounts, which are also known as quality reports, cover three components; patient safety, clinical effectiveness and patient experience. These reflect the quality of care adults, children and young people receive and each of our priorities is linked to one of these three components.

Part 1

Our commitment to quality - the Chief Executive's view

Not a day goes by without the NHS featuring heavily in the news following the events at Mid Staffordshire NHS Foundation Trust and a number of national reports highlighting areas for review across the whole of the NHS.

Poor leadership, not listening to patients and a lack of transparency were common themes throughout the Francis Report, which resulted in 290 improvement recommendations. This was followed by a report on quality of care by Sir Bruce Keogh and further recommendations in the Berwick Report to improve the culture of quality and safety within the NHS.

I believe that it is important that people have confidence in their own local hospital and the wider NHS. I also think it is essential that they receive good quality, safe, compassionate care when they come in for treatment. Following the Francis Report, all hospitals were required to carry out a local review of their own services in the light of the 290 national recommendations. Of these, 90 applied to hospitals such as ours, of which we were already meeting 80 and partly meeting 10 of them. We provided public assurance of the standards of care locally at our Annual General Meeting and highlighted the steps we were taking to address any areas that needed improvement.

High quality care, safety and patient experience are the main factors that drive our organisation and continued improvements in these areas will remain a key priority for the Board. I am pleased with the progress we have made over the last year in so many areas that affect the quality of care that we give to our patients. I also feel that we have done much to improve their experience with us and this extends to their families, friends and visitors to the hospital.

This can be seen in patient surveys, inspections and reviews and was highlighted by the Care Quality Commission (CQC), which found that the Trust had addressed the two minor concerns it had raised on staffing and records management during a previous inspection. We are now fully compliant on all essential quality and safety standards. As part of the CQC's intelligent monitoring system we are placed in band 6, which is the rating given to the safest hospitals. Monitor, the independent regulator, also gives us a Green (Best) Governance Risk Rating.

Good quality care is also reflected in a number of positive improvements that have taken place across the hospital and a key area for us continues to be care of older people. This year we introduced a number of changes that help support patients who have dementia and ensure that they receive the right food and nutrition. Mealtime volunteers provide social interaction and support people who need help to eat and drink. We have also brought in finger foods, pictorial menus and blue crockery, as our own audits found that people with dementia eat more if they are served food on a coloured plate. This complements the environmental changes we have made in other parts of the hospital and a programme of improvement to general wards to make the environment better for patients with dementia.

The Trust has also continued to make significant progress in other areas. Good examples of this can be seen in our low infection rates. There has also been a decrease in the number of serious pressure ulcers and in the number of falls resulting in harm.



As I mentioned earlier, high quality care is a key priority for the Trust and the Trust Board is committed to improving quality through a 'whole organisation approach'. Two years ago we developed a 'trigger tool' for each service, which is a method that enables teams to self assess against key quality performance criteria. This year we redesigned the trigger tool to ensure that it was more responsive to the wide range of risk factors to help the Trust and Directorates focus on key areas for improvement.

The Trust also uses clinical audit results, patient feedback and information from complaints and safety reports. These show where improvement is needed. For example all wards develop an action plan based on feedback from their patients. This could be through the Trust's own real-time feedback, where volunteers and Governors regularly gather views directly from patients on wards, or through comments made by patients as part of the new Friends and Family Test.

Quality of care is also included in Directorate level plans and reporting processes. It is measured as part of Directorate service reviews, and mid and end of year reports. Members of the Trust Board regularly walk round the hospital and interact with patients and staff to allow them to raise any quality or safety issues in their own areas with them. This also enables each service to review its own performance.

Quality is monitored regularly by the Board through a number of quality measures and indicators. For instance, the Trust Board receives a quality indicator report every month and a patient story is heard at Clinical Governance Committee meetings. These stories may have come from complaints, incidents or from service improvement projects. The quality indicators and patients' stories ensure that the Trust keeps focused on the things that are important to our patients.

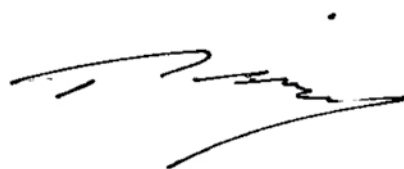
Patients and staff are also involved in service improvement work that covers their own areas. A Rapid Access to Physiotherapy Project for older patients is just one example of where this has taken place. Another is the joint programme of psychological and physical support that we now provide for patients with cancer.

While the Trust Board has overall responsibility for quality, safety and patient experience, leadership for these areas is delegated to the Director of Nursing and the Medical Director.

Our emphasis on quality will continue through a number of priorities for 2014/2015. Views and comments from clinical staff, local people, commissioners and the Trust's Governors have been used in the development of these priorities which will be addressed later in the Quality Account.

Our staff work hard to provide excellent standards of care, and constantly assess their practices in order to make any changes that could benefit their patients. On behalf of the Board, I want to thank them for their commitment and professionalism in 2013/2014 and the very positive contribution they make to the Trust and our patients.

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



Peter Hill
Chief Executive
23 May 2014

On behalf of the Trust Board, 23 May 2014



Part 2:

Priorities for improvement and statements of assurance from the Board

2.1 This section provides a review of the progress we have made in our 2013/2014 priorities as published in the last Quality Account and sets out our priorities for 2014/15.

The Trust's priorities in 2013/2014 were:

- | | |
|-------------------|---|
| Priority 1 | Continue to improve the quality of end of life care for patients. |
| Priority 2 | Ensure patients' privacy and dignity is maintained during their stay and improve responsiveness to their needs. |
| Priority 3 | Ensure that patients receive timely and effective hospital treatment. |
| Priority 4 | Ensure patients are able to rate the quality of care they received in hospital as very good or better. |
| Priority 5 | Continue to keep patients safe during their stay in hospital. |

Our priorities for quality improvement in 2014/2015 and why we have chosen them

Looking forward to 2014/2015 we have used a broad range of methods to gather information and determine our quality priorities. These include:

- Speaking to patients and asking them to give us feedback on their experience of care during their hospital stay.
- Information from the national inpatient survey and the Friends and Family test.
- Themes from comments, compliments, concerns and complaints.
- We have also used the learning from risk reports and listened to what staff have told us during Executive Safety and Quality walk rounds. These rounds give staff the opportunity to talk face-to-face about safety or quality concerns with Executive Directors and Non-Executive Directors.
- Responding to the recommendations made into the failings at Mid Staffordshire NHS Foundation Trust Public Inquiry chaired by Robert Francis QC (the Francis Report).
- Responding to the ambitions recommended in the 'Review into the quality of care and treatment provided by 14 hospital Trusts in England' by

Professor Sir Bruce Keogh (the Keogh Report).

- Responding to the recommendations made in 'A promise to learn, a commitment to act: improving the safety of patients in England' by Professor Don Berwick (the Berwick Report).

We have consulted widely on the priorities and involved Age UK, Warminster Health and Social Care Group, our staff, governors and members to help us make the final decisions on our priorities for 2014/2015. This also included our equality objectives. The priorities have been discussed with clinical teams as part of the service planning process. Our Clinical Commissioning Groups have also helped us work out what our priorities should be and the work we need to do together. Some of their comments are included in this report.

This process confirmed that the priorities for 2014/2015 are the areas where we need to continue to focus our quality improvement. Where we have changed them from 2013/2014 we have given an explanation. The Board has agreed these priorities.

The Trust has made good progress on last year's priorities however there are still further improvements that can be made and additional work has been identified for 2014/2015. A number of these areas are required for our Commissioning for Quality and Innovation (CQUIN) programme and support the Care Quality Commission (CQC) regulations.

The actions we plan to take in our quality priorities reflect the Trust's vision to ensure that every patient has an outstanding experience. We will continue to listen to our patients so that we can understand if we are meeting their needs and expectations. We will do this by acting on patient real time feedback, the Friends and Family test comments, national survey results, concerns and complaints and listen to patient stories at the Clinical Governance Committee. We will continue to make sure staff voices are heard and that they know how to raise concerns. We will do this through members of the Trust Board actively talking to staff at ward and departmental level about any issues or concerns they may have as part of our quality and safety walks. We actively promote a culture of openness and honesty so that our staff feel able to report adverse incidents and we take action to improve our national staff survey results.



We have taken a number of steps in our response to the Francis Report:

- We have looked at all 290 recommendations and how they apply to us. We have considered where we need to improve and have summarised them in a combined action plan with the Government response. Our response is available on our website at www.salisbury.nhs.uk

The NHS Outcomes Framework 2014/2015 provides a national overview of how well the NHS is performing by focusing on patient outcomes and experience. The framework sets out five domains where health improvement can be achieved over a number of years and we have linked one of our quality account priorities to each of these domains.

These domains are:

- Domain 1** Preventing people from dying prematurely – see priority 1.
- Domain 2** Enhancing quality of life for people with long term conditions – see priority 2
- Domain 3** Helping people to recover from episodes of ill health or following injury – see priority 3
- Domain 4** Ensuring that people have a positive experience of care – see priority 4
- Domain 5** Treating and caring for people in a safe environment and protecting them from avoidable harm – see priority 5

This year we have reported our performance against all of these domains. You can find this in Part 3.

Our priorities for 2014/2015* are:

- Priority 1** Reduce the number of patients dying from preventable conditions
- Priority 2** Ensure all patients receive high quality care including those with long term conditions
- Priority 3** Continue to help patients recover from illness or injury
- Priority 4** Ensure that every patient has individualised co-ordinated care
- Priority 5** Continue to keep patients safe from avoidable harm

*These priorities mirror the domains in the NHS Outcomes Framework 2014/2015 and are not ranked in order of priority. The Trust Board agreed the 2014/2015 priorities on 23 May 2014.

Progress in our priority areas will be measured and monitored through the Trust's quality governance process. To enable the Trust Board, the Clinical Governance Committee and Clinical Management Board to do this they will receive monthly reports and ask for further work where it is needed. The Trust Board minutes and reports can be viewed on the Trust website.

Both the Director of Nursing and the Medical Director have responsibility to lead in these priority areas. The Medical Director leads on Domain 1, 2 and 3 and the Director of Nursing leads on Domain 4 and 5.

The following sections describe the work undertaken in 2013/2014 to achieve or improve the priority areas.

- Domain 1** Preventing people from dying prematurely
- Priority 1** Continue to improve the quality of end of life care for patients

What we did in 2013/2014:

Description of the issue and reason for prioritising it:

The Trust has continued its work to reduce the number of deaths in hospital. We have done this by monitoring the Hospital Standardised Mortality Ratio (HSMR), the Summary Hospital Level Mortality Indicator (SHMI) and the actual number of deaths.

During 2012/2013 the Trust's HSMR was 114 which was higher than expected. HSMR is a complex indicator and compares the number of deaths in hospital with the expected number of deaths. The expected number takes into account the age of the patient, their complicating medical problems and whether they were admitted for end of life care. SHMI compares the number of deaths in hospital and within 30 days of discharge with expected levels. It is not "corrected" for patients admitted for end of life care, for example to Salisbury Hospice. Currently 28.9% of our deaths are in patients admitted for palliative or end of life care compared to 26.0% in 2012/2013.

If the number of deaths was exactly as expected the HSMR and 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. Our HSMR for April 2013 to January 2014 is 107 and our

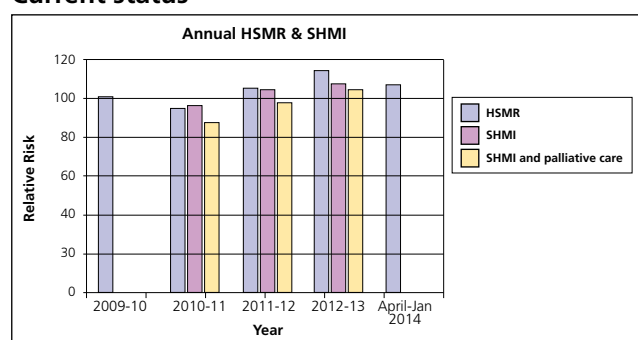


SHMI for October 2012 to September 2013 is 108. Both these levels are within the expected range.

We regularly review all deaths within the hospital and following a review of the 2013/2014 figures we did not identify a pattern of preventable deaths or patient care and safety issues that were contributing to our HSMR.

As part of the review we started to make further improvements that benefit patients and their care. We have started to implement the Sepsis Six campaign which ensures that patients admitted with severe sepsis receive antibiotic treatment, fluids and oxygen within an hour of admission. We are reducing patient moves and handovers within the hospital and worked with our commissioners and community partners to reduce unnecessary admissions. We have also improved the availability of community palliative care at the weekend.

Current status



HSMR per year from 2009/2010 to 2013/2014

SHMI was introduced in 2011. It is published 6 months in arrears

In response to the Francis Report, Professor Sir Bruce Keogh, the NHS Medical Director reviewed the quality of care and treatment provided to patients at 14 hospitals that had persistently higher than average mortality rates. The aim was to understand whether there were any serious failings that needed immediate action, whilst setting the hospitals on the road to improvement.

In his report Keogh sets out eight ambitions for improvement. The Trust has used these ambitions to improve the way we review and learn from deaths more promptly. We regularly use data to alert us to potential quality problems. We have reviewed the nursing staff levels to ensure patients receive the right level of care. We have invited junior doctors and student nurses to our Clinical Governance Committee to listen to their experiences to drive improvements. We provide open forums where junior doctors can alert us to safety concerns and describe their experience of front line care.

It is important to ensure patients receive high quality care as they approach the end of life and that they want a choice of where to be cared for and where to die. Keeping patients and their families involved and informed is key to our work in improving end of life care.

What we did last year to support this improvement priority:

The bullet points below indicate the quality priority set for 2013/2014; the paragraph that follows is the progress made towards its achievement.

- We will continue to work with GPs to ensure patients who wish to record their wishes about their end of life care have an advance care plan which is used and respected by the doctors and nurses.

The number of patients with an advance care plan remains very low. We set up a working group to look at how we can work more closely with GPs so that we better meet patient's needs and wishes at the end of life.

- We will review the use of the Liverpool Care Pathway and other end of life care documentation to improve patient care and communication with families.

A national review of the Liverpool Care Pathway was published in July 2013 and recommended that it should be phased out over the next 6 to 12 months and the Trust has already started to phase it out. New guidance on symptom management, communication with families, pain relief and nutrition has been written to ensure that the best care is given to patients at the end of life. The Palliative Care Team and Chaplaincy team are playing a crucial part in supporting ward staff to identify when a patient is nearing the end of their life and checking key actions have taken place with the use of a 'prompt card'.

- We will work in partnership with local people to talk about death and dying and take part in the national dying awareness week in May 2013.

Trust and Hospice staff held a campaign to highlight the work that they do to support patients, carers and relatives and gave key messages for people who are nearing the end of their life. The awareness campaign concentrated on simple steps that can be taken which could make a big difference to people when they are dying. Sharing their wishes with someone close



dying. Sharing their wishes with someone close to them, registering to be an organ donor or simply talking about their situation were some of the areas covered in the week.

- We will continue to provide education for the link nurses in an extensive training programme planned to last to March 2014 and we will introduce an education programme for senior doctors.

We have continued to provide two training days for each link nurse and they have spent time working alongside nurses in the Hospice and with the community palliative care team. An education session for senior doctors took place January 2014.

- We will expand our community and hospital palliative care service from 5 to 7 days a week.

The planned 7 day service started on 1 November 2013. The aim is to support patients near the end of their life in their homes and on the wards and to help get them home as quickly as possible if this is their wish and continue to support them in their own home.

- We will investigate the care of patients who were admitted at weekends and who later died, to see if there are any changes or improvements to be made.

We looked into the deaths of 84 patients who were admitted at weekends who later died. We found the death rate for patients admitted at a weekend was the same as for those admitted during the week. We did not find any evidence of harm caused by delays in care due to out-of-hours or weekend admission. The main area for improvement is the information we communicate to community teams, particularly for patients at high risk of readmission to hospital. We are in the processing of rolling out an electronic, rather than paper, discharge summary to give GPs better information about their patients. We are also working with the new community care co-ordinators to help patients with complex needs when they go home.

- We also plan to work with GPs and clinicians in the hospital to review a further 100 deaths. The care before admission, in hospital and discharge arrangements will be included to see if there are any improvements we need to make.

We worked with GPs and senior doctors and reviewed 75 deaths. We found that some admissions could have been avoided if there had been more out-of-hours community palliative care in place. Our

community palliative care service became a 7-day a week service in November 2013. We also found that if people in nursing homes had better care plans in place they might not have been admitted at all. In hospital, we found one or two cases where a patient's condition had deteriorated but was not referred quickly enough to a senior doctor. We are continuing an education programme for nurses and doctors to ensure deteriorating patients are identified and reviewed by a senior decision maker quickly. We have also started to introduce the 'Sepsis Six' campaign to ensure antibiotics, fluids and oxygen are given to patients with a severe infection within an hour of admission.

- We will introduce a bereavement and palliative care team to provide support for families who have lost a baby.

The Benson Suite was opened earlier this year to provide a dedicated private space for families who sadly experience the death of a baby. It ensures the precious time families spend together is as dignified and personal as possible. The Suite is also available for families who have experienced the birth of a critically ill child or for fathers and babies when a mother is very unwell.

- We will continue to ensure the themes from child death reviews across Wiltshire are used to learn and improve.

We have used information from serious case reviews to ensure our practice is current and so that we can keep children who come to the hospital safe. The named nurse for safeguarding children is working with other agencies to develop guidelines to make sure that safeguarding risks to unborn babies are assessed and that referral to appropriate agencies happens uniformly. We are also working on improving discharge from hospital. This means that when there are safeguarding concerns about a child, the child is discharged in a safe and planned way.



What our patients and public have told us?

- 'My lovely mother-in-law was cared for in the last days of her life by staff who did everything in their power to enable her to spend her last days at home. The whole family felt supported by the Palliative Care team, her GP and her Consultant. It was a very dignified death, without exception all staff concerned in her care were exemplary in their kindness and compassion.'
- 'Sadly Dad passed away on Friday evening. Thank you for finding him a side room so that we could all be with him night and day, through his last days. Dad was very fortunate to be well cared for and to be able to pass away peacefully with dignity, with his family next to him.'
- 'I still have no idea what medicine, if any, was given to my husband at the end and if he suffered in any way or was frightened and not able to tell us'

What we will do in 2014/2015:

- Priority 1** Reduce the numbers of people dying from preventable conditions

Description of the issue and reason for prioritising it:

Too many people die too soon from illnesses that can be prevented or treated. We want to continue to work with GPs in supporting people to stay healthy and to take a proactive role in managing the health of their patients. This involves identifying people most at risk, ensuring fast access to specialist advice and care but also supporting people to better manage their own care.

What we will do in 2014/2015:

- With our community partners we will focus on helping patients to stop smoking, drink less alcohol, eat healthily, exercise more to tackle obesity and improve bone health.
- With our community partners we will continue to support women to stop smoking in pregnancy and breast feed their babies for as long as possible.
- We will continue to improve the health of our staff through the 'Shape-up at Salisbury' campaign.
- We will continue to work with GPs to ensure that patients who want to record their wishes about their end of life care have an advance care plan in place which is used and respected by doctors and nurses.

- We will continue to improve patient care at the end of life and improve communication with families.
- We will continue to work with GPs and senior doctors to investigate the care of patients who died in hospital to see if there are any changes or improvements we need to make.

How will we report progress throughout the year?

We will measure improvements from baselines in 2013/2014, monitor and report our progress through the our Maternity Services dashboard, our Public Health Steering Group, the End of Life Care Strategy Steering Group and the Mortality Working Group. These groups report to the Clinical Management Board every six months and to the Clinical Governance Committee annually.

- Domain 2** Enhancing quality of life for people with long term conditions

- Priority 2** Ensure patients' privacy and dignity is maintained during their stay and improve responsiveness to their needs

What we did in 2013/2014:

Description of the issue and reason for prioritising it:

All our patients will be treated with compassion, dignity and respect and with care that is personal to their individual needs. We have worked with local GPs, Age UK and Governors who have all told us that the care of vulnerable older people, people with dementia and people with learning disabilities need to be key priorities. In particular, giving priority to ensure that all patients have help to eat and drink, that staff have time to meet relatives and that all patients know what is happening in their care.

What we did to support this improvement priority:

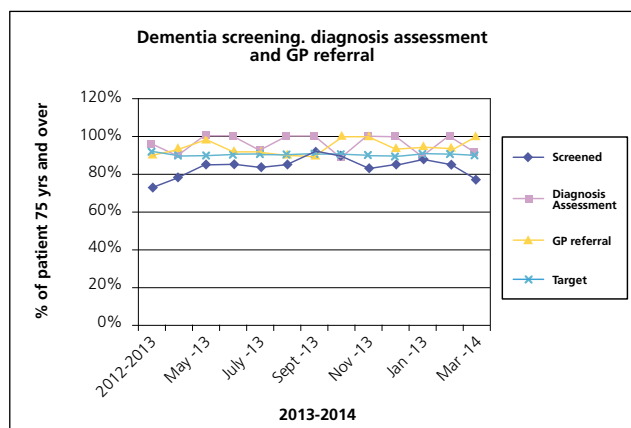
- We will continue to improve the identification and diagnosis of patients with suspected dementia in hospital and outpatients and refer them on to their GP or specialist mental health team when needed, to ensure they receive effective care and treatment.

With the support of our dementia champions we have steadily improved the number of patients screened for a diagnosis of dementia when they are admitted as an emergency to hospital. If a patient



is screened and dementia is suspected we refer them for further advice or treatment to our hospital specialist mental health team or to their GP.

The table below shows how we have improved



A set of outpatient standards has been developed to reflect the needs of people with dementia who attend clinic appointments. A survey to assess the environment and style and manner of the person seeing patients in outpatients was undertaken. The survey showed that 85 patients (100%) felt they were treated with respect, dignity, kindness and understanding at their appointment.

- We will improve the support of carers of people with dementia by giving advice and information. We will ask carers whether they feel supported and take action to improve what we provide where needed.

Carers of people with dementia are asked questions which focus on whether they get the right support to provide care, their access to advice and information and whether they know how to seek respite care. So far 33 carers have given their feedback and have been offered information or advice on support services. Two dementia advisors employed by the Alzheimer's Society and a Carer Support Liaison Worker started work within the hospital in September 2013. They provided an improved level of support for carers of people with dementia.

- In partnership with the Alzheimer's Society we will continue to train our dementia champions and staff in dementia care.

All our new staff receive dementia awareness training in their first week in the hospital. Basic dementia awareness training is also available for all other staff. Since April 2013 210 (100%) people who received training said they were more confident in being able to understand and communicate

sensitively with a person with dementia and are more able to involve and value the input of carers. Four dementia champion workshops have been held to sustain their commitment and build on their ideas for improving the care for patients with dementia.

- We will continue to expand our 'Engage' project which uses volunteers to spend time in conversation with older people and patients with dementia to help improve patients' moods.

'Engage' uses specially trained volunteers to help support the psychological needs of older adults during their hospital stay and works to alleviate anxiety and depression. The volunteers cover nine wards and see 80 to 100 patients a week. So far, an evaluation of 62 patients showed a significant reduction in their level of depression following volunteer input and an improvement in satisfaction with activities on the ward, the ward environment and the care received on the ward. The 62 patients each spent on average 17 hours less time in hospital compared with patients who were not seen by the volunteers. This project is now part of a research trial and the initiative has been nominated for a national award.

- We will introduce finger foods which are small bite size portions to make it easier for older patients and patients with dementia to eat and picture menus to make it easier to choose what they would like to eat.

We have trialled the use of finger foods to make it easier for patients to eat and feedback was positive. We have tested the use of blue plates to see if this helps patients to eat more food. A three-week study on two older people's wards in June and July 2013 showed that patients ate 30 grams of food more when food is served on blue plates rather than white plates. Picture menus were introduced in October 2013.

- We will continue to involve senior staff and volunteers who are trained to help patients eat and drink at meal times.

We have continued to involve specially trained hospital staff as volunteers to assist patients to eat and drink at meal times.



- We will introduce a 'Keep active campaign' for older people on Winterslow ward to help them maintain their independence.

We have introduced a campaign on Winterslow ward to help older people to keep active and maintain their independence. Patients are encouraged to help with their recovery by being active throughout the day. This helps to stop their muscles from becoming weak and can help patients go home more quickly. Staff are trained to help patients walk around the ward. We have introduced a chart on the wards so that the nurses can monitor how much a patient moves around during the day.

Our audit results show that we have increased the percentage of patients helped to move from 68% to 78% and increased the number of times patients have been helped to move from twice a day to three to four times a day during the week. At weekends we have increased the percentage of patients helped to move from 40% to 69%.

- In partnership with the Patients Association we will continue our in depth observations of how staff interact and care for patients on their ward. We will continue to use this to improve care.

The tool from the Patients Association has proved to be an effective way to measure standards of care in real time (as it happens). The tool is used by Artcare to see whether using art with patients with dementia improves their mood. It is also used on Redlynch and Winterslow wards to help staff to understand how their attitude and behaviour impacts on patients. This helps individuals improve their approach to patients.

- We will provide psychological screening for anxiety and depression for all women in the antenatal period and offer advice on services to support them.

Around 1 in 10 women experience anxiety and depression during pregnancy and shortly after giving birth. Midwives have taken part in psychological training and improved their assessment skills to help them differentiate between women with normal levels of worry and those with more serious anxiety or depression. Midwives now feel more confident to ask more difficult questions and give women the opportunity to speak more openly about their concerns in pregnancy. If women do have a problem support and treatment is available.

- We will introduce an improved care pathway for children with diabetes

Significant changes have occurred in the pathway to manage children and young people with diabetes. This means that any newly diagnosed child with diabetes is seen by a senior member of the paediatric team within 24 hours, has a minimum of four outpatient appointments a year and at least eight additional contacts by telephone, email or a visit at school with a member of the diabetes team. All children and young people now have an annual assessment by a multidisciplinary team, an annual eye check and the choice of attending a patient education programme. All these measures are designed to keep the blood sugar levels of children and young people with diabetes within a normal range and enable action to be taken on problems quickly to avoid potential complications later in life.

What our patients and public have told us?

- 'My father needed a day case procedure and my sister and I accompanied him as he has dementia and needs complete nursing care. Whilst we were on the unit we were deeply touched by the respect, care, kindness and dignity that was shown to Dad by all the staff who looked after him. We cannot thank you enough for your kindness and for showing him such care and compassion'
- 'Our father has advanced vascular dementia and the hospital experience is confusing for him. During his recent admission my father was dealt with kindly and respectfully by all the staff. Never once did we get the impression that at nearly 92, our father was considered less important than younger patients or not deserving of the best possible care'
- 'We know that you run a busy hospital, but surely the most important thing is that your patients are treated as you would wish yourself, your family and your friends to be treated once in hospital. The top priority is after all "customer care"'

What we will do in 2014/2015:

Priority 2 Ensure all patients receive high quality care including those with long term conditions

Description of the issue and reason for prioritising it:

We want to ensure all our patients have an outstanding experience of care. We also want to empower and support people living with long term conditions such as diabetes, dementia and depression. People should expect the right support to help them manage their



long term condition so that they do not end up in hospital needlessly. We need to work effectively with GPs, community partners and social care to improve joined-up care and help people have much better control over the care they receive.

What we will do in 2014/2015:

- We will work with GPs, care co-ordinators and senior doctors to support people with heart failure, diabetes and chronic breathing problems to stay healthier for longer and seek help earlier to better manage their own care.
- We will continue to improve the identification of patients with dementia and delirium and refer them to their GP or specialist mental health team when needed to ensure they receive effective care and treatment.
- We will continue to improve the support we offer carers of people with dementia by giving advice and information.
- In partnership with the Alzheimer's Society we will continue to train our dementia champions and staff in dementia care.
- With funding from the Arts Council and Salisbury Charitable Trustees we will continue to support a programme called 'Elevate' to help lift people's spirits by using music and movement, creative stories, nature, poetry and reminiscence.
- We will help patients manage their own care so that they are able to arrange their own outpatient follow up appointment, only if they feel they need it or simply receive telephone advice from a nurse or doctor.
- We will introduce an improved care pathway for children with cystic fibrosis and eating disorders.

How will we report progress throughout the year?

We will measure, monitor and report progress through the Dementia Steering Group, the Patient Flow Transformation Board and the Children's Quality and Safety Board. They report to the Clinical Management Board and Operational Management Board every six months and to the Clinical Governance Committee annually.

Domain 3 Helping people recover from episodes of ill health or following injury

Priority 3 Ensure patients receive timely and effective hospital treatment

What we did in 2013/2014:

Description of the issue and reason for prioritising it:

The length of stay in hospital can vary between patients with similar conditions for a number of reasons including the way in which we manage ward rounds and arrange tests and medicines. There can also be delays when patients are ready to be discharged, but the support they need at home is yet available.

Reducing length of stay and preventing unnecessary admission to hospital are key aims of the NHS reforms. We are working with our community and social care colleagues to integrate services and to make changes which will benefit our patients. Key to achieving this will be better management of their care while in hospital and providing care closer to home

- We will review the diagnostic part (X-rays and scans) of a patient's stay in hospital and make improvements where there are delays.

The Medicine Directorate has lead work to look at delays patients experience such as waiting for a scan or X-ray, waiting for equipment at home or waiting for a referral to another senior doctor in the hospital. We have found very few delays but where we have, for example in stroke care where patients must have a scan within 12 hours of admission, we have introduced a fast track approach.

- We will continue to work with GPs, community and social care teams to support people with long term conditions at home to reduce emergency admissions to hospital.

We have set up clinics where older people and patients with jaundice can have a rapid assessment and tests in the outpatient setting rather than being admitted to hospital. So far 103 patients have been seen in the clinics and an unnecessary admission avoided in 93 (90%) cases. We have looked at patients with heart failure, diabetes and asthma and found that often patients needed to see their GP earlier when symptoms arise so they could start treatment sooner. Senior doctors are working with GPs to jointly plan these patients' care. We are also supporting GPs through an education programme with the care of patients in nursing homes who are often admitted to hospital following a fall or with a urine infection.



- With GPs we will continue to reduce the number of children and young people admitted to hospital as an emergency with diabetes, asthma and epilepsy.

A senior paediatric doctor has reviewed all the children and young people admitted as an emergency to hospital with diabetes, asthma and epilepsy. We found that children are not admitted unless there was good reason and their stay in hospital was one day or less.

- With our community partners we want to concentrate efforts on providing better support at home for patients who are frequently admitted to hospital.

The Clinical Commissioning Group (CCG) has appointed eight new care co-ordinators who are based in GP surgeries. They support people with long term conditions at home and help co-ordinate appointments and services. In addition, Wiltshire Council have appointed a discharge care worker who can provide three hours of help for shopping and settling a person in when they first go home from hospital.

- To help older people remain safe and independent at home we will continue to work with Wiltshire Council and Wiltshire Medical Services to increase the number of patients we refer to Telecare.

Telecare uses personal and environmental sensors such as lifeline pendants in the home. 24-hour monitoring ensures that should anything happen to the person, the information is acted upon straight away and the most appropriate response put in place. We have continued to increase the number of patients referred from the Orthopaedic wards to Telecare and have started to do the same for patients in medical and surgical wards and the Hospice.

- We will continue to encourage the uptake of the measles, mumps and rubella (MMR) immunisation for women who have had a baby.

All women are screened for measles, mumps and rubella in pregnancy and those women who are not immune are offered immunisation after the birth of their baby. Between April 2013 and March 2014 236 women were offered the vaccine of which 177 accepted.

What we will do in 2014/2015:

Priority 3 Continue to help patients recover from illness or injury

What our patients and public have told us?

- 'I visited my GP following the discovery of a breast lump. Within a week I had received my appointment and been given the all clear. From the receptionist to the nurses, doctors and radiographers, I have received exceptional service and attention making the whole experience so stress free. Everyone remembered that there was a worried human being behind the referral letter and nobody dismissed my fears or made me feel like I was wasting their time.'
- 'I would like to express my appreciation for the treatment and care my wife received. The care, professionalism and compassion she received was superb. Her treatment involved all aspects of the hospital services from wards, X-ray department, pharmacy and surgery. Everywhere she went all the staff were pleasant and caring. One hears much about the failings of the NHS but our experience was nothing less than outstanding which made the whole process a good experience.'
- 'I need to know what is happening about going home as my relatives have arranged to get time off work.'

Description of the issue and reason for prioritising it:

Every year people rely on us to help them recover after an illness or rehabilitate after injury. We do this not only through effective treatments but also through ongoing help in recovering quickly and regaining independence – whether from a hip or knee replacement, an injury from a fall, a chest infection or a stroke. To help people get back as quickly and as much as possible to their everyday lives requires us to work in partnership with patients, families and carers, social care, community partners and GPs.

What we will do in 2014/2015:

- With our community partners we will enable early supported discharge for stroke patients so they spend less time in hospital and continue rehabilitation at home.
- We will improve access to rehabilitation for patients who have suffered a major traumatic injury and ensure they have a named therapist co-ordinating their care.
- We will introduce a specialist fragility fracture clinic to ensure patients are investigated and have bone protection medication, information and advice to prevent more serious fractures in the future.



- We will expand the 'Keep active campaign' for older people to another ward to help them maintain their independence.
- We will continue the Rapid Access to Rehabilitation for the Elderly project (RARE) so that older people with problems such as a simple fracture are moved directly from the Emergency Department to Winterslow ward to start immediate rehabilitation.
- We will continue to support patients undergoing cancer treatment with a programme of physical activities, information and shared support to help decrease anxiety, tiredness and feelings of helplessness.
- With GPs and the community network we will continue to reduce the number of children and young people with diabetes, asthma and epilepsy admitted to hospital as an emergency.

How will we report progress throughout the year?

We will measure, monitor and report progress through the Dementia Steering Group, Stroke Strategy Group, Patient Flow Transformation Board and the Children's Quality and Safety Board. They report to the Clinical Management Board and Operational Management Board every six months and to the Clinical Governance Committee annually.

Domain 4 Ensuring that people have a positive experience of care

Priority 4 Ensure patients are able to rate the quality of care they received in hospital as very good or better.

What we did in 2013/2014:

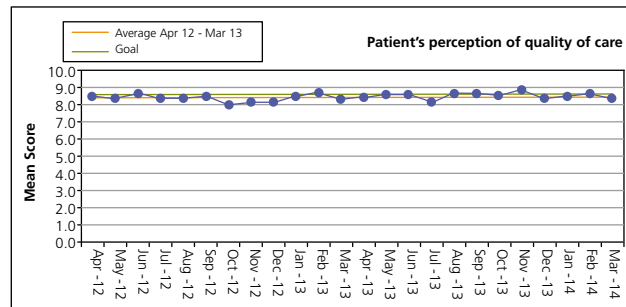
Description of the issue and reason for prioritising it:

It is important the Trust does everything it can to provide high quality care for all our patients and make sure that the care is effective, personal, safe and patients are treated with compassion, dignity and respect. Patients have told us that we do not get everything right every time and we must therefore find out what happened, learn from it, and work to improve care. Please see table at foot of the page.

We recognise that these results show we need to make improvements and these are included in our action points for 2014/2015. Further analysis of these results with patients tells us that:

- Not all patients found the food was hot enough.
- Patients did not always know about plans for when they left hospital.
- Not all patients had their medicines explained to them.
- Patients were concerned about not being kept cooler in the hot weather.

The real time feedback chart below shows patient responses to the question 'Overall how would you rate the quality of care you received?' in this hospital from April 2012 to March 2014



The table below shows the percentage of patients who rated their care as excellent or very good in the National Inpatient Survey from 2010 to 2013

National Inpatient Survey question

Overall, how would you rate the quality of care you received?	2010	2011	2012	2013
Average score of patients who rate their care as excellent or very good	79	78	81	81



What we did last year to support this improvement priority:

- We will continue to review the numbers and skill mix of staff available on wards to make sure that patients receive compassionate and competent care.

We have reviewed the number and skill mix of nurses and reported this to the Board in January 2014 and reported it again in April 2014. We employed 64 more nurses in June and October 2013. This has helped us to fill our vacancies and means that we will reduce the number of agency nurses and nursing assistants working at the hospital.

- We will continue to support staff to take pride in the care they give to all their patients by holding a celebration day.

Staff enjoyed an opportunity to share best practice, celebrate their achievements and highlight improvements to patient care at the Trust's Pride into Practice – Making Every Contact Count event. The event focused on the national values of care and compassion and the factors that ensure staff have the skills and knowledge they need to provide the very best care that they can for their patients.

The Director of Nursing launched The Nursing, Midwifery and Allied Health Professionals Strategy at the Annual General Meeting in September and at a Trust event with staff, governors and commissioners in October 2013. It describes the vision for improving patient care over the next 4 years and beyond. The vision has 3 elements:

- o an outstanding experience for every patient
- o putting pride into our practice
- o making every contact count

- Real time (at the time it happens) feedback from all the wards is collected from patients by volunteers and governors. We will continue to use this feedback and use themes from the national patient survey, incidents and complaints to take action and make improvements when issues are identified.

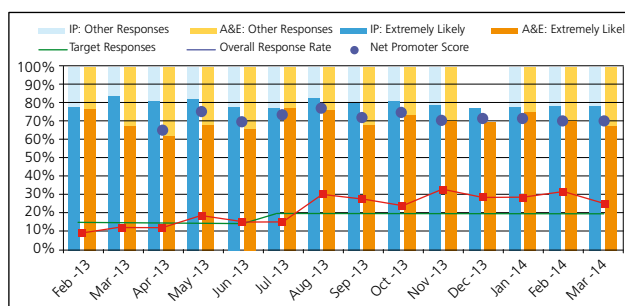
We have increased the number of volunteers and governors collecting real time feedback, thus increasing the number of patients seen each week. We have included the Spinal Unit and Maternity Unit. Ward leaders are given immediate feedback which enables them, where appropriate to talk to patients face-to-face, to deal with issues immediately and make improvements where required. In particular, where patients have raised concerns about the cleanliness of the toilets and bathrooms a cleaning

team has been called to the ward to do further cleaning. When patients have raised concerns about their food, the catering manager has visited patients on the ward and made arrangements to provide alternative food.

- We will introduce the Friends and Family Test for all inpatients and patients discharged from the Emergency Department (A&E) in April 2013 to monitor the quality of care.

Since April inpatients and emergency patients cared for in A&E have been asked how likely they would be to recommend the ward or A&E department to friends and family if they needed similar care or treatment. Of those patients who responded, 93% said they were extremely likely or likely to recommend the hospital to friends and family. Patients are also invited to comment and the vast majority of comments were very positive, with care, compassion, professionalism and friendliness common themes and cleanliness of the hospital a consistent factor.

The bar chart below shows the response rate and score* of patients discharged from inpatient care and from the A&E department



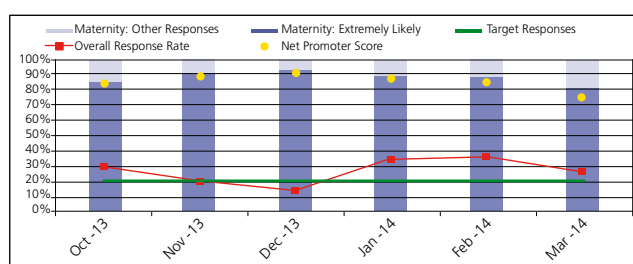
* The net promoter score is calculated by analysing responses and categorising them into promoters, detractors and neutral (passive) responses. The proportion of responses that are promoters and the proportion that are detractors are calculated and the proportion of detractors is then subtracted from the proportion of promoters to provide an overall score. Those that say they are 'extremely likely' are counted as promoters. 'Likely' is neutral, 'neither unlikely nor likely', 'unlikely' and 'extremely unlikely' are all counted as detractors. The green line represents a 20% target response rate to be achieved by March 2014. No target was set for the net promoter score.



- We will introduce the Friends and Family test for all women who have had a baby in the Maternity Unit from October 2013.

Women are asked for their feedback on four occasions; during their pregnancy, after the birth of their baby and before they leave hospital and again when they are discharged from their community midwife. Women have also commented very positively on the kindness and support they received from midwives during pregnancy, labour and after the birth of their baby.

The bar chart below shows the response rate and score of women's experience of the Maternity Services



- We will ask our staff if their friends or family needed inpatient or emergency care whether they would recommend Salisbury District Hospital.

In 2013 a random sample of 800 staff were asked their views of working for the Trust. Staff rated the hospital well in recommending the Trust to friends or family. When compared to other hospitals, the Trust scored above average 4.01 (on a scale of 1 to 5) an improvement from 3.73 in 2012. This puts the Trust in the best 20% of hospitals nationally.

- We will redesign the two key public entrances in the hospital to provide a modern, bright and friendly welcome to the hospital.

The main entrance to the hospital will see a more welcoming environment in and around a new reception area. Work started in January 2014 with completion expected by the end of May.

The Springs entrance will see a major improvement to the area so that patients and visitors are easily guided through the hospital. The work is expected to start in September 2014 and be completed within 6 months.

- We will continue to improve the support of vulnerable families by better liaison between midwives and health visitors in the antenatal and postnatal period.

Midwives and health visitors meet regularly to discuss vulnerable families who may need extra support after the birth of their baby.

- We want to improve the transition process from child to adult services for young people with long term conditions.

As part of the new pathway for young people with diabetes we have ensured that a diabetes consultant undertakes joint clinics with the paediatrician. In this way the consultant gets to know the young person before they move to the adult service when they are 19 years old. Other young people with Turners Syndrome continue to attend a multidisciplinary clinic to discuss fertility and their diabetes. Our approach makes sure that there is continuity of care from diagnosis throughout life.

What our patients and public have told us?

- 'The last few years I have made many trips to hospital with my Mum and Dad. Last Christmas Mum had cancer following a long stay in hospital. This Christmas my Dad was diagnosed with cancer and is undergoing chemotherapy. The hospital is amazing – the care the staff give, everything is just first class and what really stands out is the fact that the staff care.'
- 'My pain is being managed very well. They sort my worries out for me. The staff make time to talk to me about my problems'
- 'I feel that I could have had more explanation about my condition.'

What we will do in 2014/2015?

Priority 4 Ensure that every patient has individualised co-ordinated care

Description of the issue and reason for prioritising it:

Individualised co-ordinated care has been described as 'I can plan my care with people who work together to understand me and my carers, allow me control and bring together services to achieve the outcomes important to me' (National Voices. People shaping health and social care).

Patients and their families and carers have told us that often their care breaks down because it has not been co-ordinated well or falls between gaps of different services. Sometimes patients do not always feel involved in their plans of care and the needs of their families and carers are also not taken into account.



A key theme that has arisen from patient feedback is the impact on patients on the number of ward moves in their stay which interferes with their quality and continuity of care. Families have also raised concerns about the quality and effective co-ordination of discharge plans when patients return home.

What we will do in 2014/2015:

- We will ensure that all patients have a named consultant in charge of their care.
- We will also ensure that every patient has a care plan that they have been involved in developing which recognises their individual needs and that of their families and carers.
- We will ensure that on every shift every patient has a known nurse who is co-ordinating and responsible for their care.
- We will ensure that the known nurse reviews and is familiar with every patient's care plan on every shift.
- We will introduce an in-depth enquiry into poor discharge planning and multiple ward moves to learn and improve.
- We will introduce an audit programme to review and improve care plan and discharge plan documentation.
- We will introduce the Friends and Family test in day case areas and outpatient departments to monitor the quality of care.

How will we report progress throughout the year?

Real time feedback and the Friends and Family test score will be measured and reported to the Trust Board, Clinical Management Board, Operational Management Board and our commissioners monthly and every quarter to the Clinical Governance Committee. Care and discharge planning will be reported to the Nursing, Midwifery and Allied Health Professionals Forum every six months.

Domain 5 Treating and care for people in a safe environment and protecting them from avoidable harm

Priority 5 Continue to keep patients safe during their stay in hospital

What we did in 2013/2014:

Description of the issue and reason for prioritising it:

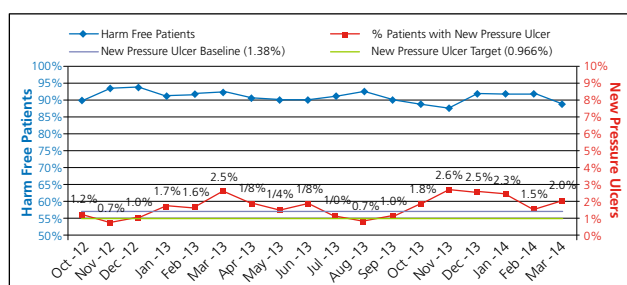
The safety of our patients is a key aim in our quality improvement work. We continue to run a patient safety programme. Our aim is to reduce levels of harm to patients whilst in hospital and we measure this through things like pressure ulcer rates, infection rates, thrombosis events, and the number of patients falling in hospital. All of these can lead to pain and distress for our patients and extra days or weeks in hospital. Our aim fits with a continuing national priority across the NHS to measure the incidence of pressure ulcers (sores), falls, urine infections from catheters, and blood clots through a system called the Safety Thermometer.

Patients continue to tell us that they want a clean hospital and that they do not want to get any infections during their stay with us. We will continue to focus on infection prevention and control as an important area of care.

- We will start to report the level of harm-free care in the Safety Thermometer to our commissioners and NHS England.

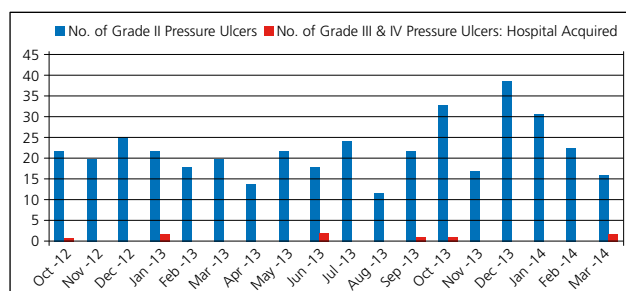
We have reported on harm-free care since April 2013. This means there are fewer patients with a new pressure ulcer acquired in hospital and fewer patients having fallen and injured themselves. We have seen a small increase in the number of patients acquiring a new pressure ulcer in hospital as measured by the Safety Thermometer. However, our actual number of pressure ulcers has reduced by 10% this year. This will be a priority action for 2014/2015.

The Safety Thermometer chart below shows we have sustained a high percentage of harm free care and slightly increased the number of patients acquiring a new pressure ulcer in hospital.



- We will continue to reduce the number of patients who develop grade 2, 3 and 4 ulcers and work with our partners in the community to reduce the number of pressure ulcers.

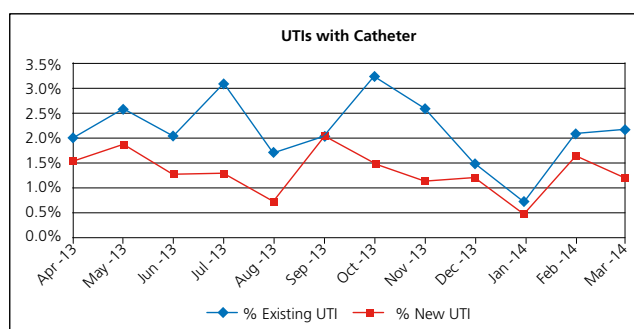
This year we have reduced by 10% the number of grade 2 pressure ulcers from 301 in 2012/2013 to 269 in 2013/2014. This year four patients have developed a more serious grade 3 pressure ulcer and two patients have developed a grade 4 ulcer. Last year 7 patients developed a grade 3 pressure ulcer and no patients developed a grade 4 ulcer.



- We will reduce the number of catheter acquired urine infections.

We have introduced the catheter care bundle. These are a set of practices which, when used together, help reduce urine infections when a catheter is first placed and in ongoing catheter care. We will continue to work to improve this in 2014/2015.

The chart below shows a small reduction in the number of patients with an existing urine infection and those with a newly acquired urine infection with a catheter.



UTI = Urinary Tract Infection

- We will continue our work to make sure that all patients are assessed for their risk of developing a blood clot in hospital. We will conduct a detailed enquiry into any patient who develops a blood clot in hospital to ensure we learn and improve.

We have continued to meet the target set and assess over 95% of patients for their risk of developing a blood clot during a stay in hospital. We have

reviewed the care of all patients who developed a blood clot and found that the majority have been managed appropriately.

- We will continue to reduce the number of preventable falls whilst acknowledging that active rehabilitation for some patients will involve an element of risk and that some patients may still fall.

There has been a 35% decrease in the number of patients who have had a fall resulting in a fracture. 21 incidents were reported between April 2013 and March 2014 compared to 32 for the same period last year. New equipment, such as lower level beds and chairs, and one to one nursing care when needed are in use to help prevent falls.

- To support effective parenting we will continue to make sure there is a multiagency plan in place for all babies born into vulnerable families.

A new named midwife for safeguarding children started in October 2013. She leads the development of a monitoring tool so that women and families can be referred to the right agency and receive the right support to help effective parenting.

- We want to make sure we manage the care of young people with eating disorders effectively.

National guidance has been released and a new policy for use in the Trust has been written. A risk assessment tool has also been written and has been tested on Sarum ward. Comments from the Community and Mental Health Services team will be sought, following which the policy and assessment tool will be submitted to Clinical Management Board for approval. The dietetics team are now involved so that we can provide an emergency plan for young people with eating disorders who are admitted out of hours.

- We will continue to maintain low numbers of patients with avoidable MRSA blood stream infections and avoidable C. difficile.

In 2013/2014 two patients had an MRSA blood stream infection. These were investigated and found to be contaminants which are not true blood stream infections. 21 patients developed C. difficile. This is within the target of 21 and demonstrates that our infection control practices are making a difference.

- To ensure we treat patients with severe infections within an hour of their arrival in hospital we will introduce the 'Sepsis Six' campaign.



Sepsis Six is the name given to a set of practices designed to reduce the numbers of people with severe sepsis who die. We have introduced Sepsis Six in the Emergency Department through an education programme. The patient must have their blood count, blood culture and blood acid measurement taken in the first hour. Treatment with oxygen, antibiotics and fluids must also begin in the first hour and urine output measured. Progress will start to be measured and reported in our Patient Safety programme in 2014.

- We will review cleaning products in housekeeping to ensure that we continue to use the best available.

The Housekeeping Department has trialled different cleaning products on two wards. They have continued to use a new floor cleaning product and will continue to try different products for cleaning sinks and bathrooms.

- As a result of ATP monitoring (our hygiene monitoring system) we will have a programme of replacement of bedside tables.

We continue to monitor the cleanliness of equipment and the environment using this system. It is used before and after a 'deep clean' to highlight the standard of cleaning and has demonstrated the need for bedside tables to be replaced. New bed tables are now in use and more are expected to be replaced in 2014/2015.

- Following a successful trial of the Glosair system we will introduce it as standard practice in the decontamination of all rooms.

Two Glosair machines were bought this year and are routinely used to ensure beds, rooms and surfaces are properly decontaminated after use.

- We will continue to monitor hand hygiene practice following the introduction of a new type of soap. We will also continue to review hand wash stations to encourage staff and visitors to wash their hands.

We continue to monitor hand hygiene practice which shows a high level of compliance. A new handwash soap has been installed across the hospital for patients, visitors and staff to use. A review of the public alcohol hand rub gel dispensers has been completed and a replacement programme arranged.

- We will review outpatient dirty utility rooms to make sure they are up to the required standard

The final replacement of bedpan washers and dirty utility room upgrades for the Spinal Unit has been completed. Work to review outpatient facilities and plan a replacement programme is in progress.

What our patients and public have told us?

- 'The ward is always clean'
- 'The nurses and doctors always clean their hands'
- 'The toilets are not always clean but the bathrooms are'

What will we do in 2014/2015?

Priority 5 Continue to keep patients safe from avoidable harm

Description of the issue and reason for prioritising it:

Patients should be able to expect to be treated in a safe and clean environment and be protected from avoidable harm. Improving patient safety involves many things, treating patients with dignity and respect, high quality nursing care and creating a culture of learning from incidents to prevent them happening again. As a Trust this is our key aim and we will always continue to keep patients safe from avoidable harm and continue to report the level of harm free care in the Safety Thermometer.

What will we do in 2014/2015?

- We will continue to make sure patients are assessed for their risk of developing a blood clot and given preventative treatment if at high risk. We will conduct a detailed enquiry of patients who develop blood clots to ensure we learn and improve.
- We will continue to reduce the number of preventable falls and undertake a detailed enquiry of patients who fall and injure themselves to ensure we learn and improve.
- We will continue to reduce the number of patients who develop grade 2, 3 and 4 pressure ulcers (sores) in hospital. We will continue to conduct a detailed enquiry of patients who develop grade 3 and 4 pressure ulcers in hospital so we learn and improve. We want to do more work with our community partners to undertake enquiries of patients who come into hospital with pressure ulcers.



- We will reduce the number of catheter acquired urine infections by continuing the use of the catheter care bundle and on-going catheter care.
- We will ensure adults and children are protected by increasing to 80% the number of staff who are trained to safeguard adults and children.

Infection prevention and control – work plan for 14/15

- We will continue to use the 'Sepsis Six' campaign to treat patients with severe infections within an hour of arrival in hospital.
- We will continue to maintain low numbers of patients with avoidable MRSA bloodstream infections and avoidable C. Difficile infections through good infection control practice.
- We will continue to monitor infection control practice through audit and report findings to the Infection Prevention and Control Committee.
- We will continue to review technologies into the prevention and control of infections and introduce new technologies where appropriate.
- We will continue to use ATP monitoring (our hygiene monitoring system) to ensure the cleanliness of equipment and the environment.
- We will continue to monitor hand hygiene practice, including a review of hand wash and alcohol hand rub facilities, to encourage staff and visitors to wash their hands.
- We will review cleaning products for use in sinks and bathrooms to use the best available.
- We will complete the review of outpatient dirty utility rooms to make sure they are up to the required Trust standard.

How will we report progress throughout the year?

We measure our infection rates, blood clot assessment and treatment, pressure ulcers, falls resulting in harm and report them every month to the Trust Board, Clinical Management Board, Operational Management Board and to the Clinical Governance Committee at every meeting as well as our commissioners. Progress on adult and children safeguarding is reported to the Trust's Safeguarding Committee quarterly and to our commissioners.

2.2 Statements of assurance from the Board

Review of Services

During 2013/2014 Salisbury NHS Foundation Trust provided and/or subcontracted 46 relevant health services. Salisbury NHS Foundation Trust has reviewed all the data available to them on the quality of care in these 46 relevant health services. The income generated by the relevant health services reviewed in 2013/2014 represents 100% of the total income generated from the provision of relevant health services by Salisbury NHS Foundation Trust for 2013/2014.

The Trust has published a Quality Strategy 2012 – 2015 which sets out a quality governance framework for the review of individual services. This includes the completion of the Salisbury Organisational Risk Tool which alerts us to risks relating to quality of care. Where risks are identified, plans are put in place for improvement. It also includes a review of quality information to provide assurance of effectiveness, safety and a good patient experience in each individual service. Information reviewed includes a Directorate Quality Indicator report, clinical audit results, patient survey feedback, real time patient feedback, the friends and family test, comments, complaints and compliments and a risk report highlighting adverse events. This information is discussed quarterly at Directorate performance meetings and the Department Executive Safety and Quality walk rounds. The Directorate Management Team present their quality and safety outcomes and improvement work to the Clinical Governance Committee every year as part of the assurance process.

There is a clear quality reporting structure in the Trust where scheduled reports are presented and discussed at the Clinical Management Board or Clinical Governance Committee. Many of the reports are also reported to our commissioners as part of our requirement to provide assurance on contract and quality performance compliance.

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, the Trust had a colposcopy quality assurance inspection of the Gynaecology team in February 2014. The team found a high quality service with good outcomes with a high standard of equipment, facilities and staff. Some improvement actions are required to ensure succession planning and a database back up system.



Areas where problems or concerns have been identified have action plans for improvement and these are monitored through the Trust Directorate performance management meetings. Any recurrent themes can be included as key objectives for improvement in the Trust service plan or the following year's Quality Account priority areas.

Participation in Clinical Audits

During 2013/2014, 32 national clinical audits and 3 national confidential enquiries covered relevant health services that Salisbury NHS Foundation Trust provides.

During 2013/2014, Salisbury NHS Foundation Trust participated in 30 (94%) national clinical audits, and 3 (100%) national confidential enquiries of the national clinical audits and national confidential enquiries which it was eligible to participate in.

The national clinical audits and national confidential enquiries that Salisbury NHS Foundation Trust was eligible to participate in during 2013/2014 are listed in the table below. The national clinical audits and national confidential enquiries that Salisbury NHS Foundation Trust participated in during 2013/2014 are listed in the same table below.

The national clinical audits and national confidential enquiries that Salisbury NHS Foundation Trust participated in, and for which data collection was completed during 2013/2014, are listed below alongside the number of cases submitted to each audit or enquiry as a percentage of the number of registered cases required by the terms of that audit or enquiry.

National Clinical Audit	Eligible	Participation	% of cases submitted to each audit	Category
Acute coronary syndrome or Acute myocardial infarction - MINAP	Yes	Yes	100%	Heart
Adult cardiac surgery audit –ACS	No	N/A	N/A	Heart
Adult critical care (Case Mix Programme) - ICNARC CMP	Yes	Yes	100%	Acute
Bowel cancer – NBOCAP	Yes	Yes	100%	Cancer
Cardiac arrhythmia - HRM	Yes	Yes	100%	Heart
Chronic Obstructive Pulmonary Disease - COPD	Yes	Yes	On target to complete by 31/5/14	Long-term Conditions
Congenital heart disease (Paediatric cardiac surgery) – CHD	No	N/A	N/A	Heart
Coronary angioplasty	Yes	Yes	100%	Heart
Diabetes (Adult) ND(A), includes National Diabetes Inpatient Audit (NADIA) - ANDA	Yes	Yes	100%	Long-term Conditions
Diabetes (Paediatric) - PNDA	Yes	Yes	97%	Long-term Conditions
Elective surgery (National PROMs Programme)	Yes	Yes	100%	Other



National Clinical Audit	Eligible	Participation	% of cases submitted to each audit	Category
Emergency use of oxygen	Yes	Yes	100%	Acute
Epilepsy 12 audit (Childhood Epilepsy)	Yes	Yes	On target to complete by 14/5/14	Women's & Children's Health
Falls and Fragility Fractures Audit Programme, includes National Hip Fracture Database - FFFAP	Yes	Yes	100%	Older People
Head and neck oncology - DAHNO	Yes	Yes	100%	Cancer
Heart failure - HF	Yes	Yes	100%	Heart
Inflammatory bowel disease - IBD	Yes	Yes	100%	Long-term Conditions
Lung cancer - NLCA	Yes	Yes	100%	Cancer
Moderate or severe asthma in children (care provided in emergency departments)	Yes	Yes	100%	Women's & Children's Health
National audit of schizophrenia - NAS	No	N/A	N/A	Mental Health
National Audit of Seizure Management (NASH)	Yes	Yes	100%	Acute
National Cardiac Arrest Audit - NCAA	Yes	No*	No*	Heart
National comparative audit of blood transfusion	Yes	Yes	100%	Blood and Transplant
National emergency laparotomy audit - NELA	Yes	Yes	100%	Acute
National Joint Registry - NJR	Yes	Yes	100%	Acute
National Vascular Registry, including CIA and elements of NVD - NVR	Yes	Yes	100%	Heart
Neonatal intensive and special care - NNAP	Yes	Yes	100%	Women's & Children's Health
Oesophago-gastric cancer - NAOGC	Yes	Yes	100%	Cancer
Paediatric asthma	Yes	No*	No*	Women's & Children's Health



National Clinical Audit	Eligible	Participation	% of cases submitted to each audit	Category
Paediatric intensive care - PICANet	No	N/A	N/A	Women's & Children's Health
Paracetamol Overdose (care provided in emergency departments)	Yes	Yes	100%	Acute
Prescribing Observatory for Mental Health (POMH-UK)	No	N/A	N/A	Mental Health
(Prescribing in mental health services)				
Prostate cancer	Yes	Yes	Organisational survey completed. Data collection starts 1/4/14 for 5 years	Cancer
Pulmonary hypertension	No	N/A	N/A	Heart
Renal replacement therapy (Renal Registry)	No	N/A	N/A	Blood and transplant
Rheumatoid and early inflammatory arthritis	Yes	Yes	100%	Older People
Sentinel Stroke National Audit Programme (SSNAP), includes SINAP	Yes	Yes	100%	Older People
Severe sepsis & septic shock	Yes	Yes	100%	Acute
Severe trauma (Trauma Audit & Research Network) - TARN	Yes	Yes	Data completeness 94.5% (1/4/13 to 14/3/14)	Acute
Maternal, infant and newborn clinical outcome review programme - MBRRACE-UK	Yes	Yes	100%	Women's & Children's Health
Medical and Surgical programme: National Confidential Enquiry into Patient Outcome and Death - NCEPOD	Yes	Yes	100%	Acute
Mental Health programme: National Confidential Inquiry into Suicide and Homicide for people with Mental Illness (NCISH)	No	N/A	N/A	Mental Health



*Salisbury NHS Foundation Trust did not participate in these audits as they were from similar topic areas where audits were already planned or underway. We may participate in them in 2014/2015.

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 audits:

- NICE-British Association of Dermatologists national audit on Psoriasis

- National Comparative Audit of the Use of Anti-D
- National Care of the Dying Round 4
- Heavy Menstrual Bleeding
- Accidental Awareness during Anaesthesia
- Prostate Cancer

The reports of 14 (100%) national clinical audits that were published in 2013 were reviewed by Salisbury NHS Foundation Trust in 2013/2014. Of these 12 (86%) were formally reported to the Clinical Management Board by the clinical lead responsible for implementing the changes in practice and Salisbury NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided.

The table below shows examples of national clinical audit reports reviewed during 2013/2014 and examples of resulting action being taken by Salisbury NHS Foundation Trust.

Audit report	Reviewed by whom	Action taken or required to improve
NCEPOD - Alcohol Related Liver Disease: Measuring the Units	Clinical Management Board - Nov 2013	<p>The team made good progress in identifying patients at risk of alcohol misuse and referral to specialist services or GP. The main improvement actions required are:</p> <ul style="list-style-type: none"> • To form an Alcohol Care Team with weekend cover of specialist nurses. • Prepare an alcohol detoxification policy • Continue with ongoing education and training programme for doctors and nurses
Diabetes (Adult): National Diabetes Inpatient Audit (NADIA)	Clinical Management Board - May 2013	<ul style="list-style-type: none"> • Patients perception of care - patients felt they were being supported to achieve good diabetic control whilst in hospital. This was reflected in the reporting of low glucose levels which has increased significantly (improvement) • 48% of patients reported they were able to take control of their diabetes whilst in hospital. The aim is for most insulin treated patients to self manage their injections.



Audit report	Reviewed by whom	Action taken or required to improve
		<ul style="list-style-type: none"> Staff knowledge - patients reported a significant improvement in staff knowledge about diabetes and their ability to answer questions about it. <p>Actions required to improve:</p> <ul style="list-style-type: none"> Consultant inpatient care time to be increased to two sessions per week. Inpatient podiatry to be increased to twice a week to reduce the risks of amputation.
NCEPOD Time to Intervene – patients who underwent resuscitation following a cardiac or respiratory arrest	Clinical Management Board - September 2013	<p>The report recommends that patients admitted with acute illness are reviewed by a consultant within 12 hours of admission 7 days a week.</p> <p>A local audit of patients admitted to the Medical Assessment Unit or via the Emergency Department showed that 95% were seen within 12 hours by a consultant. This was true regardless of the day of the week. This was an improvement on 70% in 2008 of patients admitted to the Medical Assessment Unit.</p> <p>Actions required to improve:</p> <ul style="list-style-type: none"> The NHS 7 day service report published 10 clinical standard in December 2013. The Trust intends to work towards implementation of these in 2014/15.

The Trust expects to formally review all national audits at the Clinical Management Board within two 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 confidential enquiries published during the year. Monitoring of these actions is through the Trust's quality performance management structure or through designated working groups. Examples are given in the table above.

The reports of 190 (100%) local clinical audits were reviewed by the Trust in 2013/2014 and Salisbury

NHS Foundation Trust intends to take or has already taken the following actions to improve the quality of healthcare provided.

- Patients undergoing cancer treatment can experience worries around treatment, body image and financial and family difficulties. To lift mood and aid recovery, the team developed a programme of physical activities, information and shared support that has, following audit, showed a decrease in anxiety (35%), severity of tiredness (20%) and feeling of helplessness (36%). This initiative was highly commended in the Trust's service improvement awards.



- The Eye clinic team wanted to improve patient and staff experiences by reducing waiting times and providing better management of the eye clinic. Following audit, the team set up an appointment system with referral to an on-call eye doctor to assess urgency, an online diary and triage protocol that reduced waiting times and better clinic management. The audit showed that 90% of patients had been formally referred compared with 25% of patients prior to the new system being introduced and 89% of patients were seen within 48 hours of referral. This initiative was highly commended in the Trust's service improvement awards.
- All infection control audits are reported to the Infection Control Working Group. Examples are the continued focus on good hand hygiene practice, the cleanliness of commodes and the environment. 90% to 95% of patients admitted as an emergency are screened for MRSA, an improvement on 87% to 92% in 2012/2013.

Research

The number of patients receiving relevant health services provided or subcontracted by Salisbury NHS Foundation Trust in 2013/2014 that were recruited during that period to participate in research approved by a research ethics committee was 908 patients into 42 studies*. This compares to 611 patients into 45 studies in 2012/2013.

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 our contribution to wider health improvement. Our clinical staff stay abreast of the latest possible treatment possibilities and active participation in research leads to

successful patient outcomes. Summary information and contact details of study co-ordinators of all clinical research trials our patients are recruited to are available at <http://public.ukcrn.org.uk/search/>

*End of year recruitment figures will not be finalised until later in the year.

Goals agreed with Commissioners

A proportion of Salisbury NHS Foundation Trust's income in 2013/2014 was conditional upon achieving quality improvement and innovation goals agreed between Salisbury NHS Foundation Trust and any person or body they entered into a contract, agreement or arrangement with for the provision of relevant health services, through the Commissioning for Quality and Innovation payment framework. Further details of the agreed goals for 2013/2014 are set out in the table below. The planned income through this route for 2013/2014 was £3,756,771 (In 2012/13 it was £3,623,180). The amount the Trust received in 2013/2014 was £3,756,771 (in 2012/2013 it was £3,478,623).

CQUIN contracts were signed with our commissioners during 2013/2014 as part of their overall contract. The Trust achieved most of the quality improvements as set out in the table below except for 2a which was a 30% reduction in new hospital acquired pressure ulcers and 3a dementia screening which achieved 84% (In 2012/13 the Trust achieved 73%). Whilst all relevant patients are being screened for dementia this was not always within 72 hours of admission and remains a challenge. The Trust received full payment of CQUINs in recognition of the 10% reduction in the actual numbers of pressure ulcers and 90% for dementia screening within 120 hours.

CQUIN indicators (Wiltshire, Hampshire, Dorset, Bournemouth Poole, Somerset, Southampton City, Isle of Wight, Portsmouth) 2013 – 2014

Goals	Description of goal & number	Target	Performance in 13/14
High Impact Innovations	Gateway to the rest of the CQUINS	50% of each scheme must be achieved	
3 million lives	Increase the planned use of Telecare technology	a) Increase referrals in orthopaedics from 24 in 2012/13 to 36 in 2013/14 b) Roll out to general medicine and surgery to achieve 12 referrals in 2013/14	a) 36 referrals b) 12 referrals



Goals	Description of goal & number	Target	Performance in 13/14
Intra-operative fluid management (IOFM)	Optimise fluid management during surgery in high risk patients and major surgical cases	Reach 80% by Q4 of a group of relevant high risk patients defined by OPCS codes	73%
Digital First	Telephone clinic for follow up for urology post surgery patients. Haematology consultant daily email and telephone advice for GP	Increase in the number of patients reviewed at the weekly telephone clinic (from 154 patients) Monitor activity	193 patients 919 emails received 820 replies
Post gateway			
Friends and Family Test	1a) Phased expansion (all adult patients discharged from hospital and the Emergency Department) 1a) Maternity services – all women who have had a baby – to start by the end of October 2013	Q1 response rate must be 15% of total discharges	1a) 15.0% 1a) commenced 1/10/14 reported monthly. Q3 & Q4 26.1%
Friends and Family Test	1b) Increased response rate	By end of Q4 achieve a response rate that improves on Q1 and is 20% or over	24.3%
Friends and Family Test	1c) Improved response rate on the staff response to the friends and family test.	The hospital to remain in top quartile of Trusts	The hospital remained in the top quartile of Trusts
NHS Safety Thermometer	2a) Data collection	Maintain monthly data collection	Monthly data collected consistently
NHS Safety Thermometer	2b) Reduction in the prevalence of hospital acquired new pressure ulcers. 2c) Collaborative working with the health community to contribute towards reduction of old pressure ulcers	By end of Q4 30% reduction in new pressure ulcers from a median value of 0.966	b) 1.77 median value c) 4 cases jointly reviewed
Dementia - find, assess, investigate and refer	3a) 90% of patients admitted as an emergency over 75 years to be screened for dementia. 3b) If a positive screen 90% of patients had a diagnostic assessment 3c) Referred to their GP for further review	90% 90% 90%	a) 84% b) 96% c) 94%



Goals	Description of goal & number	Target	Performance in 13/14
Dementia – clinical leadership	3d) Named lead clinician for dementia and a training programme for staff	Clinical lead already in place. Outcome is based on the planned training programme being delivered	A Consultant Physician in the care of Older People continued as the clinical lead. Training programme delivered
Dementia – supporting carers of people with dementia	3e) Ensuring carers feel supported	Monthly audit will find out if carers feel supported, were given advice and information	33 carers surveyed over 12 months
Venous Thromboembolism risk assessment	4a) All adult inpatients must have a VTE risk assessment on admission to hospital	95%	98.7%
Venous Thromboembolism root cause analysis	4b) The number of root cause analysis carried out on patients who develop a hospital associated thrombosis (blood clot)	95%.	100%
Out of hospital care Emergency Department non elective emergency admissions	5a) 1) Reduce emergency admissions to hospital for patients with a long term condition. 2) Reduce emergency paediatric admissions for epilepsy, diabetes, asthma. 3) Hospital consultants to engage with locality professionals to provide advice and support in managing individual patients and on a population basis. 4) Support GPs in managing patients in care homes and link with care co-ordination services	For 1, 2 and 3: • Establish a baseline by 30/6/13 • Identify patients and agree action plan by 30/7/13 • Produce activity report by 31/9/13 • Update action plan by 31/3/14 • Undertake an Interqual audit in year. • Ensure clinical time is available to support pathway development. • Monitor referrals to Neighbourhood teams. • Provide 8 training events for GPs in management of agreed conditions	Q1 baseline established Patients identified and action plans agreed Q3 report submitted to CCG Q4 report submitted to CCG Completed by CCG in June 2013 Hospital consultants involved in pathway development Hospital consultants attended over 8 training events



Goals	Description of goal & number	Target	Performance in 13/14
Out of hospital care Emergency attendances – follow up of frequent attendees	5b) i) Identify and provide acute and community actions for frequent adult and paediatric attendees to hospital emergency services with a view to reducing frequent attendees. ii) Achieve an increase in the number of frequent attendees referred to appropriate community services.	For 1 and 2: <ul style="list-style-type: none"> Establish a baseline by 30/6/13 Identify patients and agree action plan by 30/7/13 agreed Produce activity report by 31/9/13 Update action plan by 31/3/14 	Q1 baseline established Patients identified and action plans Q3 report submitted to CCG Q4 report submitted to CCG
Functional movement in hospital for elderly care patients	6) To reduce the functional decline of elderly patients whilst in hospital through increased mobilisation	Q1 baseline audit of number of patients appropriate to mobilise and frequency of mobility during the day. Q2 implement a mobility plan and staff education Q4 increase numbers of patients with a mobility plan.	Q1 baseline audit showed 68% of patients were mobilised twice a day during the week 40% at the weekend. Q2 mobility plan and education plan implemented Q4 re-audit showed 78% of patients were mobilised 3 to 4 times a day during the week and 69% at weekends.
Rapid access to specialist advice and guidance through improved same day and appointments within 48 hours for GP referrals to reduce emergency admissions	7) a) Gastroenterology clinic specific for patients with jaundice and hepatitis clinic slots next day/24 hour access b) Elderly care specific clinic for next day/24 hour access	For a) and b) Available number and utilisation of clinic slots per week.	a) 103 out of 402 slots utilised b) 17 out of 77 slots utilised



Goals	Description of goal & number	Target	Performance in 13/14
Maternity services - to support vulnerable families	8) To improve support for vulnerable families through monthly liaison meetings between community midwives and health visitors	90% of vulnerable women /families referred to a health visitor or other health professional in the antenatal period.	98%
		90% of vulnerable women have a formal written discharge summary written by the midwife to the health visitor 6 days after the birth of the baby.	96%

Specialist Commissioning CQUIN indicators 2013 – 2014

The Trust achieved the quality improvements as set out in the table below except for Goal 2a and 3a as described in the section above. The indicators were finally agreed with Specialist commissioning in January 2014.

Goals	CQUIN indicators	Target 13/14	Performance in 13/14
1 – 4	Same as CQUIN table above	See table above	
5	To maintain and further enhance quality dashboards for the following services: <ul style="list-style-type: none"> • Burns care • Spinal Cord Injury • Neonatal care • Bone Marrow Transplant • Haemophilia • Cystic Fibrosis 	Quarterly publication of quality dashboards	Data submitted for all 6 dashboards
6	Spinal cord injury Acute outreach team to visit newly injured patients in other hospitals within 7 days of referral.	50% of patients to be visited within 7 days of referral	78%
7	Neonatal care – to achieve 95% screening of retinopathy of prematurity	95%	95%
7	Neonatal care – simple discharge scheme of babies 30 – 33+6 weeks	90%	95%
8, 9 ,10	Haemophilia a) Use of joint scores	Q1 implementation Q2 commence data entry Q3 – Q4 report against 50% target	Q1 66% Q2 100% Q3/Q4 100%
b)	Patients self reporting on haemtrack	Q2 commence data entry Q3 – Q4 report against 50% target	Q1 66% Q2 66% Q3/Q4 66%



Goals	CQUIN indicators	Target 13/14	Performance in 13/14
11	HIV notification to GPs a) % of patients diagnosed with HIV registered with and disclosed to GP. b) Annual (at least) letter to GP of HIV patient registered with and disclosed to GP	a) 70% b) 100%	a) 92% b) 100%

Our quality priorities in 2014/2015 reflect the need to continue to work with our partners to improve these aspects of care. The Trust has agreed CQUINs for 2014/2015 as set out in the table below:

CQUIN indicators (Wiltshire, Dorset, Bournemouth Poole, Somerset, Southampton City, Isle of Wight, Portsmouth) 2014 – 2015. West Hampshire has separate local CQUINs

Goal name	Description of goal	Target	Quality domain
National Goals			
Friends and Family Test – implementation of staff Test	1a) All staff groups are asked the Friends and Family test quarterly	Staff are given the opportunity to answer the Friends and Family test questions once in quarter 1, 2 and 4.	Domain 4: ensuring that people have a positive experience of care
Friends and Family Test – early implementation	1b) Early implementation of outpatients and day cases	Implementation in all outpatients and day case departments by 1 October 2014	Domain 4: ensuring that people have a positive experience of care
Friends and Family Test – increased or maintained response rate	1c) Increased or maintained response rate in A&E and inpatient services	By quarter 4 at least 20% for A&E services and at least 30% for inpatient services	Domain 4: ensuring that people have a positive experience of care
Friends and Family test: increased response rates in acute providers	1d) Increased response rate	A response rate of at least 40% of inpatients in the month of March 2015	Domain 4: ensuring that people have a positive experience of care
NHS Safety Thermometer – improvement goal	2) Reduction in the prevalence of new hospital acquired grade 2 to 4 pressure ulcers	10% reduction on the median value of 1.77 from the last 6 months of 2012/13	Domain 5: treating and caring for people in a safe environment and protecting them from avoidable harm
Dementia – find, assess, investigate and refer	3a) 1. Number of patients over 75 years admitted as an emergency who have a known diagnosis of dementia or clinical diagnosis of delirium who have been asked the Mental Test Score. 2. Number of above patients who underwent a diagnostic assessment for dementia	1) 90% 2) 90%	Domain 2: enhancing quality of life for people with long term conditions



Goal name	Description of goal	Target	Quality domain
National Goals			
	3. Number of above patients who were referred on to specialist services.	3) 90%	
Dementia – clinical leadership	3b) Named lead clinician for dementia and a training programme for staff	Clinical lead in place. Outcome is based on the planned training programme being delivered	Domain 2: enhancing quality of life for people with long term conditions
Dementia – supporting carers of people with dementia	3c) Ensuring carers feel supported	Monthly audit to find out if carers feel supported, were given advice and information	Domain 2: enhancing quality of life for people with long term conditions
Local Goals			
Functional movement in hospital for elderly care patients	4) To reduce the functional decline of elderly patients whilst in hospital through increased mobilisation on two wards	Q1 audit of number of patients appropriate to mobilise and frequency of mobility during the day Q4 increase numbers of patients with a mobility plan.	Domain 2: enhancing quality of life for people with long term conditions
End of life care	5) To improve the care of patients and families as end of life approaches by implementing the conversation project	Quarterly audit of implementation of standards associated with the conversation with patients and families.	Domain 4: ensuring that people have a positive experience of care
Sepsis 6	6) To increase the percentage of acute patients admitted through A&E with severe sepsis who receive the Sepsis 6 bundle within 1 hour.	Monthly audit of 3 measures – proforma use, lactate measured and IV antibiotics. Q1 establish a baseline and trajectory	Domain 5: treating and caring for people in a safe environment and protecting them from avoidable harm
Appropriate antibiotic prescribing	7) To measure whether antibiotics are prescribed and reviewed appropriately.	Annual South West region prevalence audit and a monthly audit of prescribing on two wards.	Domain 5: treating and caring for people in a safe environment and protecting them from avoidable harm
West Hampshire CCG Local Goals			
Outpatient follow up reform	Reduce routine face to face follow up and commence patient initiated follow up.	Monthly audit Q1 establish a baseline and trajectory	Domain 4: ensuring that people have a positive experience of care



System wide delayed transfer of care and excess bed days	To ensure effective joint working of hospital services and community based care in facilitating timely and appropriate transfer from hospital for all adults	Monthly audit Q1 set up a Task and Finish Group to agree a revised model. Q3 & Q4 test the model.	Domain 4: ensuring that people have a positive experience of care
Reducing ward moves	To minimise clinically unnecessary ward moves for patient within their hospital stay	Monthly audit Q1 establish a baseline and trajectory	Domain 4: ensuring that people have a positive experience of care
Time from arrival to initial consultant assessment	To ensure patients admitted via the Acute Medical Assessment Unit and Surgical Assessment Unit are seen by a consultant within a maximum of 14 hours of initial arrival at hospital	Monthly audit Q1 establish a baseline and trajectory	Domain 4: ensuring that people have a positive experience of care

Specialist Commissioning CQUIN 2014 – 2015

Goal name	Description of goal	Target	Quality domain
National Goals			
3 national CQUINs	Friends and Family Test Safety Thermometer Dementia care	The same as the Wiltshire, Dorset and West Hampshire CQUINs above	Domains 2, 4 and 5
Local goals			
Quality dashboards	To maintain and further enhance quality dashboards for the following services: <ul style="list-style-type: none"> Adult Critical Care Specialised vascular Specialised orthopaedics Complex spinal surgery 	Quarterly publication of quality dashboards	Domain 5: treating and caring for people in a safe environment and protecting them from avoidable harm
Patient held records	To introduce patient held self care plan including contacts to access care in emergencies in breast cancer and haematology patients	30% of patients to have a patient held self care plan by year end	Domain 2: enhancing quality of life for people with long term conditions
Improved access to breast milk in preterm infants	Increase in the percentage of preterm babies born at less than 34 weeks gestation who are receiving some of their own mother's breast milk at final discharge home from the neonatal unit by year end.	8% increase on baseline	Domain 3: helping people to recover from episodes of ill health or following injury



Reduction of chemotherapy wastage	Implementation of a programme of improvements that deliver measured reductions in chemotherapy drug wastage	Cost of waste reduction within 15% of target	Domain 3: helping people to recover from episodes of ill health or following injury
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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.

The Care Quality Commission has not taken enforcement action against Salisbury NHS Foundation Trust during 2013/2014.

Salisbury NHS Foundation Trust has not participated in any special reviews or investigations by the Care Quality Commission during 2013/2014.

In February 2013 the CQC made a routine unannounced inspection and found that we met all care and cleanliness standards. However, the CQC raised two minor concerns around staffing and the management of paper records.

During the inspection the CQC visited a wide range of clinical areas, talked to our staff and patients and observed the care we provide. The inspection team were clearly impressed with the motivation and professionalism of our staff and the report opens with the following comment that they recorded from an older patient: "No one likes staying in hospital, but the time comes when we might end up here. I've been fortunate. It's the best conditions and food that anyone could wish for. The staff are most pleasant and helpful"

In its report the CQC found that we met the following essential standards:

Respecting and involving people who use services

CQC judgement: People's privacy, dignity and independence were respected. People's views and experiences were taken into account in the way the service was provided and delivered in relation to their care

Care and welfare of people who use the service

CQC judgement: People experienced care, treatment and support that met their needs and protected their rights

Meeting nutritional needs

CQC judgement: People were protected from the risks of inadequate nutrition and dehydration.

Cleanliness and infection control

CQC judgement: People were protected from the risk of infection because appropriate guidance had been followed. People were cared for in a clean hygienic environment.

Assessing and monitoring the quality of services

CQC judgement: The Trust had an effective system to regularly assess and monitor the quality of service that people receive. The Trust had an effective system in place to identify, assess and manage risks to the health, safety and welfare of people using the service and others.

Follow up visit in October 2013

With regard to the two areas of minor concern identified in the initial inspection the CQC made a follow up visit in October 2013 and concluded that we met the essential standards for staffing and the management of paper records and found that the planned improvement actions had been undertaken. The assessment in these two areas is as follows:

Staffing

CQC judgement: There were enough qualified, skilled and experienced staff to meet people's needs.

Records

CQC judgement: People were protected from the risks of unsafe or inappropriate care and treatment because accurate and appropriate records were maintained.

Care Quality Commission intelligent monitoring

The Care Quality Commission are using a new report based on a wide range of indicators which they use to analyse the quality and performance, patient and staff experience of acute hospitals.

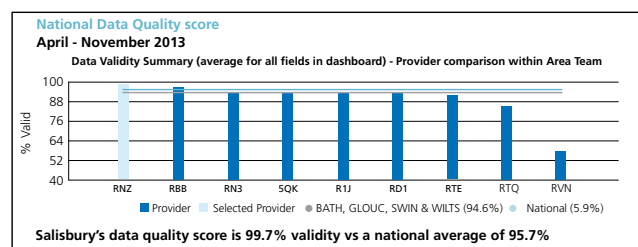
In October 2013 Salisbury NHS Foundation Trust had an overall risk score of 4 and in March 2014 an overall risk score of 3. This puts the Trust in band 6, which is the rating given to hospitals with the lowest risk.



Data quality

Good quality information (data) underpins the effective delivery of patient care and is essential if improvements in the quality of care are to be made. Improving data quality will improve the delivery of patient care and improve value for money.

The table below shows the Trust has good data quality when compared to other local hospitals and nationally



RNZ = Salisbury NHS Foundation Trust

Salisbury NHS Foundation Trust will continue to take the following actions to improve data quality:

- Continue to increase the number of reports sent to clinicians and managers to help them make decisions on areas in their service which need to improve.
- Continue to integrate IT systems to reduce duplication and risk of errors.
- We will continue to focus on data quality errors and use the themes to improve training and processes.
- We will implement new national best practice data quality guidance to improve patient care.

To ensure our data quality is able to support the assurance of overall care quality the Trust manages a Data Quality

Service. The Data Quality Service aims to ensure staff record clinical information accurately on every occasion. The service achieves this by supporting good practice in the process of data collection, this ensures the person coding the episode of care has the right information about the care given and the appropriate training to ensure accurate data capture. The Data Quality Service staff spend time working with doctors and administrative staff to demonstrate best practice as well as correct errors made. Errors are detected through the use of automatic electronic data quality reports and rectified by the person who recorded the data incorrectly. Data quality reports include volumes and types of errors and are reported to the Data Quality Improvement Group, Directorate performance meetings and the Information Governance Steering Group. The Data Quality Service continually monitors and audits data quality locally and participates in an external audit which enables the Trust to benchmark its performance against other Trusts.

The use of these techniques gives the Trust assurance that the information regarding quality of care given is an accurate representation of performance.

Salisbury NHS Foundation Trust submitted records during 2013/2014 to the Secondary Uses Service for inclusion in the Hospital Episode Statistics which are included in the latest published data. The table below shows the percentage of records in the published data which includes the patient's valid NHS number and General Practitioner Registration code. These are important because the NHS number is a key identifier for patient records and an accurate record of the General Practitioner Registration code is essential to enable the transfer of clinical information about the patient.

Data item	Salisbury District Hospital *12/13	National benchmark *12/13	Salisbury District Hospital 13/14 As at M11	National benchmark 13/14 As at M11
% for admitted patient care with a valid NHS number	99.5%	99.1%	99.7%	99.1%
% for outpatient care with a valid NHS number	99.7%	99.3%	99.8%	99.3%
% for Emergency Department care with a valid NHS number	98.2%	95.1%	98.7%	95.8%
% for admitted patient care with a valid General Medical Practice code	100%	99.9%	99.0%	99.9%



Data item	Salisbury District Hospital *12/13	National benchmark *12/13	Salisbury District Hospital 13/14 As at M11	National benchmark 13/14 As at M11
% for outpatient care with a valid General Medical Practice code	100%	99.9%	98.79%	99.9%
% for Emergency Department care with a valid General Medical Practice code	99.9%	99.7%	98.9%	99.1%

*2012/13 month 11 data was reported in the quality account and is now reported as at year end

Information Governance Toolkit Attainment levels

Salisbury NHS Foundation Trust's Information Governance Assessment report overall score for 2013/2014 was 81% and was graded as satisfactory (green). The assessment provides an overall measure of the quality of data systems, standards and processes within the organisation. The Trust's score declined from 83% in 2012/2013. Two standards required an audit to demonstrate compliance and these will be undertaken in 2014/2015. The Trust achieved the necessary standard for all areas assessed.

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 is a fundamental indicator of the accuracy of the patient records and underpins payments and financial flows within the NHS. The Trust introduced new coding software in 2012. This has improved consistency of coding and provides an audit tool which enables local improvement actions to be taken.

Salisbury NHS Foundation Trust was subject to an external Information Governance coding audit during 2013/2014 by an independent audit company and the error rate reported in the latest published audit for that period for diagnoses and treatment coding can be seen in the table at the foot of this page.

The services reviewed within the sample in February 2014 were Orthopaedics and General/Elderly Medicine. The results should not be extrapolated further than the actual sample audited.

The following improvement actions were progressed in 2013/2014:

- We ensured discharge letters contained information regarding active co-morbidities and other conditions treated whilst an inpatient.
- We continued to improve the coding of co-morbidities of patients. A coder is present at the weekly mortality review and we have successfully used a co-morbidity checklist to record long term conditions accurately and have started to extend its use in pre-admission clinics.
- An audit of palliative care coding of patients who had died was undertaken. We found in a sample of 212 health care records that 40 patients should have had a palliative care code assigned to their care. This was corrected retrospectively and further training provided to the coders.

Salisbury NHS Foundation Trust will be taking the following actions to improve data quality in 2014/2015:

- Improve the quality of filing in health care records.
- Increase the percentage of health care records coded within five days of the patient being discharged whilst maintaining the accuracy of the information coded.

	Primary diagnosis	Secondary diagnosis	Primary procedure	Secondary procedure
2014	96.5%	95.4%	93.8%	94.6%
2013	98%	97.5%	98.6%	97.5%



2.3 Reporting against core indicators

Summary Hospital Level Mortality (SHMI)

Salisbury NHS Foundation Trust considers that the SHMI data is as described for the following reasons:

- See explanation under description of the issue and reason for prioritising it in priority one.

Salisbury NHS Foundation Trust has taken the following actions to improve the SHMI of 108) to improve the quality of its services by:

- Since November 2013 a senior doctor has led weekly mortality reviews with clinicians and coders. We did not find any serious failings in care but have found areas where we could improve. For example reducing patient moves and handovers within the

hospital and working with nursing homes to reduce unnecessary admissions to hospital.

- We reviewed the deaths of patients with a urinary tract infection but did not find any serious failings in care. We plan to take the actions below to improve further.

Salisbury NHS Foundation Trust intends to take the following actions to improve the SHMI of 108 to improve the quality of its services by:

- Continue with the implementation of the Sepsis Six campaign.
- Continue to reduce missed doses of medication.
- Continue to reduce patient moves and handovers and improve early senior review of acutely ill patients seven days a week.
- Reducing avoidable admissions from nursing homes.

NHS Outcomes Framework Domain	Indicator	2011/12	2012/13	2013/14	National average	Highest average other Trusts 2013/14	Lowest average other Trusts 2013/14
Domain 1: preventing people from dying prematurely	a) SHMI value	105	107*	108 to Sept 2013	100	113	89
Domain 2: Enhancing quality of life for people with long term conditions	a) SHMI banding	As expected	As expected	As expected	As expected	Higher than expected	Lower than expected
	b) Percentage of patient deaths with palliative care coded at either diagnosis or speciality level for the Trust.	29.5%	26%	28.9%			

* In 2012/2013 SHMI was reported as 105 to September 2012. The full year SHMI was 107.

Patient Reported Outcomes Measures (PROMs)

Salisbury NHS Foundation Trust considers that the Patient Reported Outcomes Measures (PROMs) are as described for the following reasons:

- We introduced PROMs in 2010 for patients who had hip and knee replacement surgery, groin hernia and varicose vein surgery. These measure a patient's health gain after surgery. The information is gathered from the patient who completes a questionnaire before and after surgery. The responses are analysed by an independent company and compared against other Trusts.



Salisbury NHS Foundation Trust has taken the following actions to improve the health gain of patient's having groin surgery to improve the quality of its services by:

- The senior doctor for groin hernia repair continued to make improvements to patient information about what to expect after the operation. Patients

needing treatment for hernia and gall bladder disease can now be prepared for surgery without having to come to the hospital before the day of the operation by a telephone consultation with the surgeon before and after the operation. Of the 200 patients so far there were no readmissions and a 95% patient satisfaction rate.

NHS Outcomes Framework Domain	Indicator	2011/12	2012/13 Provisional	2013/14 Provisional	National average 2013/14	Highest average other Trusts 2013/14	Lowest average other Trusts 2013/14
Domain 3: helping people to recover from episodes of ill health or following injury	Patient reported outcome scores (PROMs) of total health gain as assessed by patients for elective surgical procedures:				Average health gain where full health = 1		
	i) groin hernia	0.148	0.042	0.082	0.085	0.118	0.020
	ii) varicose vein	0.078	0.070	0.098	0.093	0.098	0.083
	iii) hip replacement	0.418	0.484	0.427	0.438	0.517	0.335
	iv) knee replacement	0.300	0.337	0.287	0.319	0.410	0.213

Emergency readmissions within 28 days of discharge

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 readmitted to hospital the staff code the episode of care. The Data Quality Service continually monitors and audits data quality locally and we participate in external audits which enables the Trust to compare its performance against other Trusts.

Salisbury NHS Foundation Trust has taken the following actions to reduce readmissions of patients within 28 days of discharge to improve the quality of its services:

- In 2012 we undertook an audit with our community partners to understand why patients are re-admitted to hospital. We found a number of patients were re-admitted after surgery because they were unable to pass urine. In 2013 the Trust opened a new urology clinic where patients are able to attend if they unable to pass urine. This avoids an unnecessary admission to hospital.



- In addition, a number of post operative urology patients are followed up by a telephone call from a specialist nurse after the operation. Patients often prefer a call in the privacy of their own home. This avoids an unnecessary visit or admission to hospital.
- The haematology team have developed a daily email advice service for GPs which has helped reduce re-admissions.

Salisbury NHS Foundation Trust intends to take the following actions to reduce readmissions to improve the quality of its services:

- We will continue to review groups of patients with diagnoses and procedures where readmission rates are higher than expected and take improvement actions.

NHS Outcomes Framework Domain	Indicator	2011/12	2012/13	2013/14	National average 2013/14	Highest average other Trusts 2013/14	Lowest average other Trusts 2013/14
Domain 3: helping people to recover from episodes of ill health or following injury	Percentage of patients readmitted within 28 days of discharge from hospital of patients aged:						
	i) 0 to 14	4.88%	5.11%	4.6%	5.41%	Not available	Not available
	ii) 15 or over	5.89%	5.87%	5.59%	9.63%		

Responsiveness to the personal needs of patients

Salisbury NHS Foundation Trust considers that the mean score of responsiveness to inpatient personal needs is as described for the following reasons:

- Each year the Trust participates in the National Inpatient Survey. A random sample of 850 patients is sent a nationally agreed questionnaire and the results are analysed independently by the Patient Survey Co-ordination Centre.

Salisbury NHS Foundation Trust has taken the following actions to improve responsiveness to inpatient personal needs and improved the quality of its services by:

- We have reviewed the recommendations in the Francis enquiry and the Government's response in 'Hard Truths – The Journey to Putting Patients First' and taken improvement actions where needed. Progress is reported to the Clinical Governance Committee and the Board.
- We have published the Nursing, Midwifery and Allied Health Professionals Strategy which describes our vision for improving patient care. It supports

the delivery of compassion in practice and the vision based on the 6Cs – care, compassion, competence, communication, courage and commitment. Every nurse, midwife and allied health professional has demonstrated their commitment to achieving an outstanding experience for every patient by signing up to our pledge.

- Continued to eliminate mixed sex accommodation.
- Continue to assist patients with eating and drinking and personal care needs.

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:

- Continue to ensure food is served at the right temperature through a range of work led by the Food and Nutrition Steering Group.
- Ensure that each patients care and discharge plans are reviewed at the daily whiteboard meetings and the information is discussed with the patient.
- Ensure patients have their medicines explained to them before they go home.
- In hot weather provide fans for patients to help keep them cool.



NHS Outcomes Framework Domain	Indicator	2011/12	2012/13	2013/14	National average 2013/14	Highest average other Trusts 2013/14	Lowest average other Trusts 2013/14
Domain 4: ensuring that people have a positive experience of care	Responsive-ness to the personal needs of its patients (mean score)	69.2	71.4	72	70	86	54

Venous thromboembolism

Salisbury NHS Foundation Trust considers that the percentage of patients admitted to hospital and who were risk assessed for venous thromboembolism (blood clots) is as described for the following reasons:

- Patient level data is collected monthly by the ward pharmacist from the patient's prescription chart. The data is captured electronically and analysed by a senior nurse linked to the 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 venous thromboembolism to improve the quality of its services:

- Salisbury NHS Foundation Trust is an exemplar site for the prevention and treatment of venous thromboembolism (blood clots) and has continued

to achieve 95% or higher of patients being assessed for the risk of developing blood clots and receiving appropriate preventative treatment. We will continue to monitor our progress and feedback the results to senior doctors and nurses.

- We will continue to conduct detailed enquiries of patients who develop blood clots to ensure we learn and improve.

Salisbury NHS Foundation Trust intends to take the following actions to improve the percentage of patients admitted to hospital who were risk assessed for venous thromboembolism and improve the quality of its services:

- Develop the role of a ward based anti-coagulant nurse to provide patient and staff education in the light of new anti-coagulant medicines coming onto the market.

NHS Outcomes Framework Domain	Indicator	2011/12	2012/13	2013/14	National average 2013/14	Highest average other Trusts 2013/14	Lowest average other Trusts 2013/14
Domain 5: treating and caring for people in a safe environment and protecting them from avoidable harm	Percentage of patients who were admitted to hospital and who were risk assessed for Venous Thrombo-embolism	92%	98%	98.7%	95.8% (to 31/12/13)	100% (to 31/12/13)	77.7% (to 31/12/13)



C.difficile infection

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 submitted our data to the Health Protection Agency and are compared nationally against other Trusts. C. difficile data is subject to external audit for assurance purposes.

Salisbury NHS Foundation Trust has taken the following actions 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 practice including hand hygiene and taking action to improve.
- Maintaining and monitoring standards of cleanliness and taking actions to improve.
- Designated ward rounds to ensure best practice in antibiotic prescribing.
- In depth analysis of patients who develop C difficile in hospital to learn and improve.

Salisbury NHS Foundation Trust intends to take the following actions 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
- See 'what we will do in 2014/2015' in priority 5.

NHS Outcomes Framework Domain	Indicator	2011/12	2012/13	2013/14	National average 2013/14	Highest average other Trusts 2013/14	Lowest average other Trusts 2013/14
Domain 5: treating and caring for people in a safe environment and protecting them from avoidable harm	The rate per 100,000 bed days of C difficile infection reported within the Trust of patients aged 2 or over	30.0	16.9	14.2	17.3	30.8	1.2

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 are ranked against other Trusts in respect of the rate of reporting and category of harm.
- We work in partnership with our commissioners to share learning and improvement actions.

- The Trust complies 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 clinical incidents and serious incidents and sharing the lessons learnt across the Trust and ensuring recommendations are implemented through the Directorate quality performance meetings.
- Continuing to monitor the completion of recommendations of clinical reviews and serious incidents at the Clinical Management Board and Clinical Governance Committee.



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 resulted in severe harm or death to improve the quality of its services by:

- Our staff survey indicated that a higher than average number of staff reported that they had witnessed potentially harmful errors, near misses or incidents. Data from the National Reporting Learning System

(see table below) shows that the Trust is higher than average at reporting patient safety incidents but has decreased levels of harm and therefore the Trust will continue to actively promote reporting, investigation of clinical incidents and serious incidents and share learning across the Trust and with our commissioners to ensure improvement.

- Ensuring more timely identification of themes and trends with the implementation of Datix web.

NHS Outcomes Framework Domain	Indicator	2011/12	2012/13	2013/14	Median for small acute organisations	Highest average other Trusts	Lowest average other Trusts
Domain 5: treating and caring for people in a safe environment and protecting them from avoidable harm	Rate of patient safety incidents reported.	7.7 incidents per 100 admissions	7.4* incidents per 100 admissions	8.0 incidents per 100 admissions (to 30/9/2013)**	7.68 incidents per 100 admissions (to 30/9/2013)**	17.1 incidents per 100 admissions (1/4/2013 – 30/9/2013)	3.80 incidents per 100 admissions (1/4/2013 – 30/9/2013)
	The percentage of such incidents that resulted in severe harm or death	1.7%	0.8%*	0.65% (to 30/9/2013)			

*In 2012/2013 7.9 incidents per 100 admissions and 0.8% of such incidents results in severe harm or death were reported. Data was only available to 7/9/2012. The full year is now reported.

**The number of incidents per 100 admissions is taken from the National Reporting Learning System (NRLS) report. This shows the latest actual figures reported nationally for the Trust which are always 6 months in arrears.

+ 2013/14 is the first year that the number of patient safety incidents reported in the Quality Account.

The Friends and Family Test – Staff taken from the annual staff survey

Salisbury NHS Foundation Trust considers that the percentage of staff who would recommend the hospital to friends and family needing treatment is as described for the following reason:

- Each year the Trust participates in the National Staff Survey. A random sample of 800 staff are sent a nationally agreed questionnaire by an independent company. The results are analysed by the Staff Survey Co-ordination Centre.

Salisbury NHS Foundation Trust has taken the following actions to improve the percentage of staff who would recommend the hospital to friends and family needing care and improve the quality of its services by:

- Reviewing the Trust's values and behaviours with staff.

Salisbury NHS Foundation Trust intends to take the following actions to improve the percentage of staff who would recommend the hospital to friends and family needing care and improve the quality of its services by:

- In April 2014 we will introduce the Friends and Family test for staff and ask all staff every quarter two questions and ask them for their comments on areas for improvement.
- Ensure the values and behaviours are part of every day practice by measuring staff against them at their annual appraisal.



NHS Outcomes Framework Domain	Indicator	2011/12	2012/13	2013/14	National average in 2013/14	Highest average other Trusts	Lowest average other Trusts
Domain 4: ensuring that people have a positive experience of care	Percentage of staff who would recommend the hospital to friends or family needing care	77%	76%	82%	64%	Not available	Not available

The Friends and Family Test – Patients

Salisbury NHS Foundation Trust considers the data collected from inpatients who would recommend a ward or Accident and Emergency department 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 net promoter score of patients discharged from inpatient care and from the Accident and Emergency Department.
- The Internal Audit department reviewed the processes for the delivery and monitoring of the Friends and Family Test in 2013 to provide assurance that the test was appropriately and robustly controlled throughout the organisation. This provided limited assurance. Improvements were made immediately to ensure the validity of data input.

Salisbury NHS Foundation Trust has taken the following actions to improve the response rate and net promoter score 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, the Trust website, a Friends and Family Test App for patients with a smartphone and a counter system.
- Publishing the response rate and net promoter score every month by ward and department with patient comments and the improvements we have made in response to feedback.

Salisbury NHS Foundation Trust intends to take the following actions to improve the response rate and net promoter score of patients who would recommend the hospital to friends and family needing care and improve the quality of its services by:

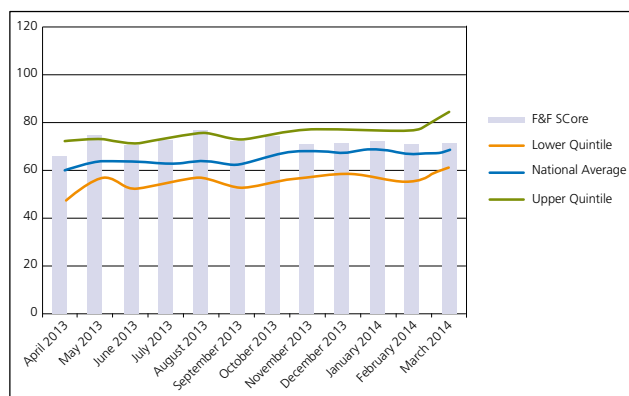
- In 2014/2015 we will introduce the Friends and Family test for patients attending day case areas and outpatient departments.

NHS Outcomes Framework Domain	Indicator	*2013/14	National average 2013/14	Highest average other Trusts	Lowest average other Trusts
Domain 4: ensuring that people have a positive experience of care	Response rate and net promoter score (graph below) of patients who would recommend the ward or A&E department to friends or family needing care	Response rate Wards: 44.2% A&E: 14% Trust overall response rate: 24.3%	Response rate Wards: 28.6% A&E: 12.6% Overall response rate: 18.0%	Response rate Wards: 68.7% A&E: 50.9% Overall response rate: 38.0%	Response rate Wards: 7.2% A&E: 0.4% Overall response rate: 5.7%

* The Friends and Family test was introduced on 1 April 2013



The graph below shows the Trust's Friends and Family score for wards and the A&E department compared to the national average



Part 3: Other information

Review of Quality Performance

This section gives information relating to the quality of services that Salisbury NHS Foundation Trust provides through a range of selected measures of 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 monthly quality indicator and measures report that is reported to the Board and Clinical Governance Committee.

Patient Safety Indicators	2009/10	2010/11	2011/12	2012/13	2013/14	National average	What does this mean?	Source of measure
1. Mortality rate (HSMR)	100*	95*	104	114*	107 to 30/1/14	100	Lower than 100 is good	Based on the national definition of Dr Foster's HSMR. Based on the national definition in the NHS Information Centre
SHMI (new measure 2011/12)	n/a	n/a	105	107 * & *	108 to 30/9/13	100		
2. MRSA notifications**	4 (5)	0 (5)	4 (5)	3 (3)	2 (2)	Not available	0 is excellent	National definition
3. C. difficile infection per 1,000 bed days	0.45	0.32	0.51 Trust and non Trust apportioned 0.29 Trust apportioned only	0.25 Trust and non Trust apportioned 0.16 Trust apportioned only	0.19 Trust and non Trust apportioned 0.14 Trust apportioned only	Not available	Lower than national average	National definition
4. Global Trigger adverse events rate	42	31***	41	32 ***	34 to 31/1/14	40	Lower score the better	Definition based on Patient Safety First Campaign



Patient Safety Indicators								
	2009/10	2010/11	2011/12	2012/13	2013/14	National average	What does this mean?	Source of measure
5. 'Never events' that occurred in the Trust.****	0	2 (These were associated with surgery & rectified with no long term harm)	1 (This was associated with surgery with no patient harm)	2	0	Not available	0 is good	Definition from National Patient Safety Agency
6. Patient falls in hospital resulting in a fracture or major harm	24	21	32	32	21	Not available	Low number is good	Definition from National Patient Safety Agency
Clinical Effectiveness indicators								
7. Patients having surgery within 36 hours of admission with a fractured hip	75%	74%*****	87%	80%	81%	90%	Higher number is good	Based on national definition with data taken from hospital system and national database.
8. % of patients who had a risk assessment for VTE (venous thromboembolism)	72%	91%	92%	98%	98.7%	90%	Higher number better	Based on national definition with data taken from hospital system and national database.
9. % patients who had a CT scan within 24 hrs of admission with a stroke	89%	90%	92%	94.6%	91.6%	Not available	Higher number better	Based on national definition with data taken from hospital system and national database.
10. Compliance with NICE Technology Appraisal Guidance published in year	92%	80%	70%	72%	68%	Not measured	Higher number better	Local indicator



Patient experience indicators								
11. Number of patients reported with grade 3 & 4 pressure ulcers	58	19	12	7	6	Not available	Lower number is better	National definition with data taken from hospital reporting systems
12. % of patients who felt they were treated with dignity and respect	80%	81%	79% Yes always 19% Yes sometimes	83% Yes always 15.5% Yes sometimes	82% Yes always 15.5% Yes sometimes	Not available	Higher number is better	Data taken from national inpatient survey
13. Means score of patients stating the quality of care was very good or better.	74 #	79 #	78 #	81 #	81 #	Not available	Higher number is better	Data taken from national inpatient survey
14. % of patients in mixed sex accommodation	14%	11%	11%	7%	3%	Not available	Lower number is better	Data taken from national inpatient survey
15. % of patients who stated they had enough help from staff to eat their meals	55%	67%	63%	74%	75%	Not available	Higher number is better	Data taken from national inpatient survey
16. % of patients who thought the hospital was clean	65%	66%	65%	66%	69%	Not available	Higher number is better	Data taken from national inpatient survey

- In previous annual reports the HSMR was reported as 101 in 2009/10 and 97 in 2010/11. However, in 2011/2012 HSMR was rebased and our figures were rebased to 100 in 2009/2010 and 95 in 2010/2011. In 2012/2013 HSMR was reported as 104 to 31/1/2013. The full year rate was 114.
- * & * In 2012/2013 SHMI was reported as 105 to 30/9/2012. The full year rate was 107.
- ** 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.
- *** The Global Trigger/adverse events rate was published as 33 up to 31 January 2011 in the 2010/11 quality report. The total figure for the full year in 2010/11 was 31. Similarly, the rate in 2012/2013 was published as 33 up to 28 February 2013. The total figure for the full year in 2012/2013 was 32.
- **** 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 never events list increased from 8 to 25 on 1 April 2011.
- ***** In 2010/2011 Quality Account the Trust quoted 80% of patients having surgery within 36 hours of admission with a fracture neck of femur (hip). The National Hip Fracture report 2011 indicated the Trust achieved this with 74% of patients based on full year figures.
- # In the national inpatient survey in 2012 the way patients were asked to answer the question was changed. To enable a year on year comparison the average score has been substituted for the percentage of patients asked the question.



National Targets and Regulatory Requirements

	2009/10	2010/11	2011/12	2012/13	2013/14	Target for 2014/15
Maximum time of 18 weeks from point of referral to treatment in aggregate - admitted	90%	94.9%	93.5%	93.4%	94%	90%
Maximum time of 18 weeks from point of referral to treatment in aggregate – non-admitted	95%	98.6%	98.2%	97.9%	98.2%	95%
Maximum time of 18 weeks from point of referral to treatment in aggregate – patients on an incomplete pathway	n/a	92.9%	91.5%	94.7% * *(94.5% reported in 12/13)	96.3%	92%
A&E: maximum waiting time of four hours from arrival to admission /transfer/discharge	98.3%	97.8%	97.86%	96.9%	96.3%	95%
All cancers: 62 day wait for first treatment from urgent GP referral for suspected cancer	85%	92.7%	93.3%	90.5%	92.85%	85%
All cancers: 62 day wait for first treatment from NHS cancer screening service referral	93.8%	100%	97.2%	100%	100%	90%
All cancers: 31 day wait for second or subsequent treatment – surgery	98.1%	98.5%	98.9%	98.9%	97.6%	94%
All cancers: 31 day wait for second or subsequent treatment – anti cancer drug treatments.	99.4%	100%	100%	100%	100%	98%
All cancers: 31 day wait for second or subsequent treatment – radiotherapy	n/a	n/a	n/a	n/a	n/a	94%
All cancers: 31 day wait from diagnosis to first treatment	96%	98.5%	97.9%	97.9%	98.4%	96%
Cancer: two week wait from referral to date first seen for all urgent referrals (cancer suspected)	94.5%	94.7%	94%	94.4%	94.4%	93%



	2009/10	2010/11	2011/12	2012/13	2013/14	Target for 2014/15
Cancer: two week wait from referral to date first seen for symptomatic breast patients (cancer not initially suspected)	89.2%	96.6%	97.3%	97.0% * *97.9% reported in 12/13)	94.9%	93%
C.difficile year on year reduction (from 10/11 positive samples taken within 72 hrs of admission are reported as non Trust apportioned)*	79	52 (31 Trust apportioned, 21 non Trust apportioned)	111 (44 Trust apportioned, 67 non Trust apportioned)	39 (25 Trust apportioned, 14 non Trust apportioned)	30 (21 Trust apportioned, 9 non Trust apportioned)	18
MRSA – maintaining the annual number of MRSA bloodstream infections at less than half of the 03/04	4 (5)	0 (5)	4 (5)	3 (3)	2 (2)	0
Certification against compliance with requirements regarding access to health care for people with a learning disability	Not measured	Compliant	Compliant	Compliant	Compliant	Maintain compliance

* In 2009/2010 the Trust quoted total number of positive samples recorded at the hospital based on national definitions in place at the time. This included community hospital, GP patients and Trust inpatients. This is reflected in the figures above from 2009 to 2010. From 2010/2011 the definition changed and this reflects the number of positive Trust in-patient cases split between Trust apportioned (over 72 hrs after admission) and non-Trust apportioned (less than 72 hrs of admission).

Statement from NHS Wiltshire Clinical Commissioning Group for Salisbury NHS Foundation Trust Quality Account – 6 May 14

NHS Wiltshire CCG have reviewed the information provided by Salisbury Hospital Foundation Trust in this report. In so far as we have been able to check the factual details, our view is that the report is materially accurate and is clearly presented in the format required by the Department of Health Toolkit and the information it contains accurately represents the Trust's quality profile.

Our view is that Salisbury Hospital Foundation Trust provides, overall, high-quality care for patients. The results from the National Inpatient Survey have remained fairly static over the last year but both the National Maternity and the National Staff survey have shown a significantly improved position.

In the last year a number of seminal reports and recommendations have influenced the quality and safety agenda, most notably the Winterbourne View

Concordat, the report of Robert Francis QC, the Government's response "Hard Truths Patients first and foremost" and the Berwick Review of patient safety: "A promise to learn – a commitment to act: Improving the safety of Patients in England".

The Trust has embraced the recommendations of the Francis Report, from its development of a Customer Care Service, the identification and monitoring of trends and early warning signs of changes and staffing levels. The workforce with robust clinical leadership is key to delivering services effectively. Emphasis will be placed on monitoring nursing and clinical skill mix and the impact that staff shortages have on patient experience and outcomes.

We will continue to support Salisbury to drive improvements in patient safety through projects such as Harm Free Care and the National Safety Thermometer with a particular focus on local priorities and clinical risks. We have a structured monthly quality review meeting with Salisbury Hospital using a range of indicators and metrics from a number of sources.



NHS Wiltshire CCG welcomes the specific priorities for 2014/2015 which the Trust has highlighted in this report. All are appropriate areas to target for continued improvement and link with the Clinical Commissioning priorities.

Statement from Wiltshire Council Health Select Committee – 7 May 2014

The Health Select Committee (HSC) has been given the opportunity to review the final draft Quality Account for Salisbury Foundation Trust for 2013 – 2014. This is a very detailed report, which in our view and, given a number of face to face meetings over the last year, provides an accurate description of the high quality of care provided by the Trust. These meetings, outside of Committee, have proved invaluable in providing assurance on a number of issues raised; in turn this has engendered further confidence and provided other lines of enquiry in helping to improve other partnerships within Wiltshire. A good example involved the patient transport experience, impacting on all the acute hospitals serving Wiltshire, where evidence provided by the Salisbury Trust helped Wiltshire HSC in its own enquiries.

One of these issues, as reported in the local media, concerned the Hospital Standard Mortality Ratio, which was higher than expected during the reporting period. The Trust was quickly able to provide reassurance on this complex issue; HSC in turn was then able to further publicise that fact, giving further reassurance to the public at large without waiting for a committee meeting. For our part HSC was able to provide support to the Trust in highlighting the delayed transfer to care figures relating to Wiltshire Council social care services, which has seen a continual improvement since additional measures were introduced by both parties. However, the HSC is concerned at the Trust's increase in delayed days for health reasons, which exceeds that of other providers serving Wiltshire. It welcomes joint working between the two parties and hopes that this will impact positively on the figures.

It is clear that the Salisbury Foundation Trust has been making great strides in dealing with sepsis and infection control, to name a few, and is not afraid of being self critical in its approach in improving the quality of care to patients; it is not surprising that the Trust is in band 6 of the Care Quality Commission's priority for inspection and is seen as fully compliant by them. We are also impressed with the high importance given to patients who are identified with dementia, the use of volunteer Dementia Champions and the ENGAGE programme. In summary, we believe that Salisbury NHS Foundation Trust is providing a very high quality service for the patients of Wiltshire and beyond, underpinned by

good governance, dedicated staff and clinicians with well maintained modern facilities. We welcome the opportunity to work with the Trust in helping to improve the public health agenda for Wiltshire.

Hampshire County Council's Health Overview and Scrutiny Committee – 7 May 2014

Hampshire County Council's Health Overview and Scrutiny Committee (HOSC) has been invited to submit their view of the Salisbury NHS Foundation Trust Quality Account to the Trust and for this statement to form part of its final document.

The HOSC does not contribute to the Quality Accounts of any of the providers it works with. It is not required to do so and its members are satisfied that they have direct methods of raising concerns and discussing issues with Salisbury NHS Foundation Trust.

Dorset County Council

No comments received.

Statement from Healthwatch – 2 May 2014

Healthwatch Wiltshire welcomes the opportunity to comment on Salisbury NHS Foundation Trust's Quality Account for 2013/2014. During the period Healthwatch Wiltshire was established as a new organisation to promote the voice of patients and the wider public in respect to health and social care services. As such, Healthwatch Wiltshire has sought to develop a relationship with the Trust in order to understand its approach to patient and carer engagement and to satisfy itself that the Trust takes seriously all feedback from the people it serves.

The report sets out clearly its approach to quality improvement and there is evidence that patients and, to a degree, carers have been involved in providing feedback in different forms to assist in the planning of quality improvements. The new Friends and Family Test, although yielding above average results are based on a relatively low overall response rate from patients, particularly those being discharged from A&E. We would encourage targeting a higher response rate for both inpatients and A&E patients, but particularly the latter. Healthwatch Wiltshire notes that the percentage of staff who would recommend the hospital to family or friends needing care is 82% which is significantly above the national average of 64%. This is a good indicator of the confidence of staff in the service they are providing. There is only limited evidence of engagement with local



communities. If more engagement has occurred than is presented in the report, it could be drawn out more. If not, perhaps consideration could be given to engaging with more relevant groups in the wider community area which the Trust serves.

Healthwatch Wiltshire recognises that this is a period of significant and challenging change for NHS Trusts. Despite this, Salisbury NHS Foundation Trust has still managed to deliver quality services and innovative practices in 2013/14. Healthwatch Wiltshire notes that the Trust has met the great majority of its targets, is fully compliant on all essential quality and safety standards, and has a rating given to the safest and best governed hospitals. It is clear that the Trust benefits from strong and effective leadership, a commitment to clinical effectiveness and to patient care and engagement.

The Trust has set out a number of priorities for 2014/15. Healthwatch Wiltshire will work closely with patients, carers, and the wider community to help support the Trust in meeting its targets against the priority areas. Furthermore, Healthwatch Wiltshire recognises that the wider health care community has a role to play in the Trust's performance and as such will take a particular interest in monitoring the partnership effort to provide patients with a seamless experience of acute and primary health services and social care services.

Statement from the Governors – 10 May 2014

The Council of Governors appreciate the opportunity to comment on the Quality Account 2013/2014. The report demonstrates improvements in patient care across a wide range of services over the past twelve months. The Governors are pleased with the developments and improvements in dementia care, particularly the refurbishment of one of the medical wards which is now a bright, welcoming dementia friendly environment. It is good to see the level of stakeholder engagement in quality initiatives such as the creation of the Benson Suite within the Maternity Unit which provides a sensitively designed bereavement suite for parents. We are pleased to note the implementation of the sepsis six campaign, good compliance with infection control and a reduction in pressure ulcers.

The Governors are involved in gaining real time feedback from patients; patients led assessments of the care environment and we have access to all survey results. We are confident that the quality report reflects the quality improvements we see first hand when we are in the hospital and in the information we are provided with. The CQC rating endorses the Governor's views that the hospital is focused on quality and safety.

The Governors are conscious the year ahead will bring significant financial challenge and we want the emphasis on safe, patient-centred compassionate care to be maintained whilst the savings are delivered. The Governors are particularly concerned that the care of older people, vulnerable patients of all ages and children is compassionate and caring. The report demonstrates that these are priority areas in the coming year. We are pleased to see that discharge process, communication about patients hospital stay with other agencies and GP's at the time of discharge will be improved. The Governors note the intention to continue to maintain and improve the safe care of patients, infection control rates, reduction in pressure ulcers and other key quality targets.

The Governors support the priorities for 2014/2015 and encourage the Trust to build on its reputation for listening to patients and their carers. We would like see the results summaries of published research from Salisbury as this is an important part of the quality of medical practice. We are delighted to see the emphasis of seeking staff views and embedding the new values and beliefs. Special attention to getting the right skill mix and establishment on the wards in line with recommendations from the Francis report provides the governors with reassurance that the Trust is committed to well being of staff so they can provide a positive experience for patients.

The Governors will continue to support the Trust and represent the interests of our members of the Trust as a whole and the interests of the public.

How to provide feedback

All feedback is welcomed and 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.

Statements of Directors Responsibilities in Respect of the Quality Report

The Directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations to prepare Quality Accounts for each financial year. Monitor has issued guidance to NHS Foundation Trust Boards on the form and content of annual quality reports (which incorporate the above legal requirements) and on the arrangements that 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 2013/2014;
- 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 2013 to May 2014;
 - Papers relating to quality reported to the Board over the period April 2013 to May 2014;
 - Feedback from the commissioners dated 6 May 2014.
 - Feedback from the governors dated 10 May 2014.
 - Feedback from Local Healthwatch organisations dated 2 May 2014.
 - Feedback from local Health Select Committees dated 7 May 2014.
 - The Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009 presented to the Trust Board on 8 April 2013, 10 June 2013, 7 October 2013, 3 February 2014.
 - The 2013 national patient survey dated 8 April 2014.
 - The 2013 national staff survey dated 25 February 2014.
 - The Head of Internal Audit's annual opinion over the Trust's control environment dated 23 May 2014.
 - Care Quality Commission quality and risk profiles. Presented to the Clinical Management Board dated 24 April 2013 and 26 June 2013. Care Quality Commission intelligent monitoring report replaced the quality and risk profile were presented to the Clinical Management Board and Clinical Governance Committee on 12 November 2013 and 27 February 2014.

The quality report presents a balanced picture of the NHS Foundation Trust's performance over the period covered;

- The performance information reported in the quality report is reliable and accurate;
- There are proper internal controls over the collection and reporting of the measures of performance included in the quality report, and these controls are subject to review to confirm that they are working effectively in practice;
- The data underpinning the measures of performance reported in the quality report is robust and reliable, conforms to specified data quality standards and prescribed definitions, is subject to appropriate scrutiny and review; and
- The quality report has been prepared in accordance with Monitor's annual reporting guidance (which incorporates the Quality Accounts regulations (published at www.monitornhsft.gov.uk/annualreportingmanual) as well as the standards to support data quality for the preparation of the quality report (available at www.monitornhsft.gov.uk/annualreportingmanual).

The Directors confirm to the best of their knowledge and belief they have complied with the above requirements in preparing the quality report.

By order of the Board



Nick Marsden
Chairman
23 May 2014



Peter Hill
Chief Executive
23 May 2014



Independent Auditor's Report to the Council of Governors of Salisbury NHS Foundation Trust on the Annual Quality Report

We have been engaged by the Council of Governors of Salisbury NHS Foundation Trust to perform an independent assurance engagement in respect of Salisbury NHS Foundation Trust's Quality Report for the year ended 31 March 2014 (the "Quality Report") and certain performance indicators contained therein.

Scope and subject matter

The indicators for the year ended 31 March 2014 subject to limited assurance consist of the national priority indicators as mandated by Monitor:

- Clostridium Difficile – all cases of Clostridium Difficile positive diarrhoea in patients aged two years or over that are attributed to the Trust; and
- 62 Day cancer waits – the percentage of patients treated within 62 days of referral from GP.

We refer to these national priority indicators collectively as the "indicators".

Respective responsibilities of the Directors and auditors

The Directors are responsible for the content and the preparation of the Quality Report in accordance with the criteria set out in the *NHS Foundation Trust Annual Reporting Manual* issued by Monitor.

Our responsibility is to form a conclusion, based on limited assurance procedures, on whether anything has come to our attention that causes us to believe that:

- the Quality Report is not prepared in all material respects in line with the criteria set out in the *NHS Foundation Trust Annual Reporting Manual*;
- the Quality Report is not consistent in all material respects with the sources - specified in the *Detailed Guidance for External Assurance on Quality Reports*; and
- the indicators in the Quality Report identified as having been the subject of limited assurance in the Quality Report are not reasonably stated in all material respects in accordance with the *NHS Foundation Trust Annual Reporting Manual* and the six dimensions of data quality set out in the *Detailed Guidance for External Assurance on Quality Reports*.

We read the Quality Report and consider whether it addresses the content requirements of the *NHS Foundation Trust Annual Reporting Manual*, and consider the implications for our report if we become aware of any material omissions.

We read the other information contained in the Quality Report and consider whether it is materially inconsistent with:

- Board minutes for the period April 2013 to May 2014;
- Papers relating to Quality reported to the Board over the period April 2013 to May 2014;
- Feedback from the Commissioners dated May 2014;
- Feedback from local Healthwatch organisations dated May 2014;
- The Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, 2013/14;
- The 2013/14 national patient survey;
- The 2013/14 national staff survey;
- Care Quality Commission intelligent monitoring reports 2013/14; and
- The 2013/14 Head of Internal Audit's annual opinion over the Trust's control environment.

We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with those documents (collectively, the "documents"). Our responsibilities do not extend to any other information.

We are in compliance with the applicable independence and competency requirements of the Institute of Chartered Accountants in England and Wales (ICAEW) Code of Ethics. Our team comprised assurance practitioners and relevant subject matter experts.

This report, including the conclusion, has been prepared solely for the Council of Governors of Salisbury NHS Foundation Trust as a body, to assist the Council of Governors in reporting 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 2014, 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 save 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.
- Testing key management controls.
- Limited testing, on a selective basis, of the data used to calculate the indicator back to supporting documentation.
- Comparing the content requirements of the NHS Foundation Trust Annual Reporting Manual to the categories reported in the Quality Report.
- Reading the documents.

A limited assurance engagement is smaller in scope than a reasonable assurance engagement. The nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement.

Limitations

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information.

The absence of a significant body of established practice on which to draw allows for the selection of different but acceptable measurement techniques which can result in materially different measurements and can impact comparability. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision thereof, may change over time. It is important to read the Quality Report in the context of the criteria set out in the NHS Foundation Trust Annual Reporting Manual.

The scope of our assurance work has not included governance over quality or non-mandated indicators which have been determined locally by Salisbury NHS Foundation Trust.

Conclusion

Based on the results of our procedures, nothing has come to our attention that causes us to believe that, for the year ended 31 March 2014:

- the Quality Report is not prepared in all material respects in line with the criteria set out in the *NHS Foundation Trust Annual Reporting Manual*;
- the Quality Report is not consistent in all material respects with the sources specified above; and
- the indicators in the Quality Report subject to limited assurance have not been reasonably stated in all material respects in accordance with the *NHS Foundation Trust Annual Reporting Manual*.

KPMG LLP

Chartered Accountants
100 Temple Street
Bristol
BS1 6AG



Sustainability / Climate Change Report

Trust Strategy on Sustainability

It is recognised that the NHS has a role to play in reducing the UK's carbon dioxide emissions. The running of Salisbury NHS Foundation Trust involves many activities which can have an impact on the environment. These include the use of energy and water, the production and handling of waste and the use of natural resources. The Trust continues to investigate ways in which their environmental impact can be reduced.

The Trust measures a number of key indicators to assist with the monitoring of environmental performance such as utility usage and waste generation. Key indicators are measured and reported within the Trust through regular reports and to the Department of Health through ERIC returns.

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 NHS Sustainable Development Unit (SDU) has also

set targets for the NHS of a 10% reduction in carbon emissions by 2015 from a 2007 baseline. The Trust has achieved this target reduction in 2014 and is now working towards a more challenging target of a 34% reduction from the 1990 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.

Summary Performance Table

Area		Non Financial data	Non Financial data		Financial data	Financial data
		2012/2013	2013/2014		2012/2013	2013/2014
Greenhouse Gas Emissions	Scope 1 (Direct) GHG	Gas: 7790 Tonnes CO ₂ e 42,058,402 kWhs Transport; 148 tonnes CO ₂ e	Gas: 7143 Tonnes CO ₂ e 38,560,401 kWhs Transport; 135 tonnes CO ₂ e		* Gas; £1,374,820 Transport; £105,434	* Gas; £1,377,003 Transport; £103,411
	Scope 2 (Indirect) GHG Emissions	2997 tonnes CO ₂ e 5,497,581 kWhs	3270 tonnes CO ₂ e 5,998,208 kWhs		£584,494	£,742,877



Area		Non Financial data	Non Financial data		Financial data	Financial data
		2012/2013	2013/2014		2012/2013	2013/2014
	Scope 3 ** Official Business Travel Emissions	197 tonnes CO ₂ e	88 tonnes CO ₂ e		£339,063	£144,940
Waste minimisation and management	Absolute values for total amount of waste produced by the Trust Methods of disposal	1,287 tonnes High Temperature. Non Burn Treatment. Landfill. Recovery /Recycling	1,367 tonnes High Temperature. Non Burn Treatment. Landfill. Recovery /Recycling	Expenditure on waste disposal	£294,892	£319,942
Finite Resources	Water & Sewerage	156,023 m ³	139,873 m ³	Water & Sewerage	£385,572	£385,097

Source: Final Estates Return Information Collection (ERIC) information for 2012/2013 and 2013/2014

*Includes £1,290 annual CRC subsistence fee and £148,647 CRC allowances for 2012/13

*Includes £1,290 annual CRC subsistence fee and £145,560 CRC allowances for 2013/14

** Please note that Scope 3 reporting includes business mileage rates but not public transport travel

Projects and initiatives in 2013

The Trust has been investing for the future by carrying out a series of sustainability and energy management projects and initiatives. The major schemes have included the replacement of some heating boilers, with efficient condensing units and the installation of efficient LED lighting in the main hospital corridors. The replacement of the main cooling equipment has been carried out to ensure that the hospital can provide a suitable clinical environment in a cost and energy efficient way. Investment has been made in renewable technology with the installation of Solar Thermal and Photo Electric arrays on the roof of the buildings, these will provide both power and heating to help further reduce the carbon footprint.

Future Priorities and Targets

As already stated, the Trust is working towards the

achievement of the NHS Sustainable Development Unit targets of carbon reduction, which in line with the Climate Change Act 2008 gives an ambitious aspiration for the health and care system is to achieve a 34% reduction by 2020 in carbon dioxide equivalent emissions from building energy use and the travel and procurement of goods and services.

To achieve this target the Trust has developed a Sustainable Development Strategy and SDMP to improve the sustainability of the Trust's operations by establishing clear objectives and targets. This will provide the basis for long term improvements in sustainability within the Trust. Regular reviews of the SDMP will be undertaken by the Trust's Sustainability Working Group, to ensure that the Trust's commitments to sustainable development are being fully integrated into all areas. These include.



Travel

Policies and performance: The Trust set itself an objective to reduce the carbon that it is responsible for from the vehicle fleet it has. In line with this objective, new vehicles which have been leased for the courier fleet have Euro 5 engines which have the lowest emissions in their class. In addition, a vehicle review ensured that the correct sized vehicle appropriate for the workload were leased, which contributed to further savings.

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 has continued with its commitment to run the cycle to work schemes for staff and has introduced cost effective schemes for staff to buy cycles should they wish.

Traffic management: The Trust has plans to reduce traffic impacts 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.

Procurement

Policies and performance: Work is ongoing to develop a sustainable procurement policy 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 and also create an understanding of our objectives and help improve their understanding of sustainable development.

Sustainable procurement: We have added sustainable development clauses in tendering documents and contracts. When bids are evaluated, we now include a Carbon Reduction Strategy and Sustainability weighting. The next stage is to benchmark the impact of CO₂ from a procurement perspective and agree an action plan to reduce this.

Facilities Management

Minimising waste: The Trust has an active campaign to recycle 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: The Trust has made use of specific funding set aside internally and government-backed loans to invest in energy efficient equipment. These schemes include low energy lighting LED, high efficiency condensing boilers, highly efficient coolers and renewable energy through PV and solar thermal arrays.

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 has been upgraded during 2013/14 to increase the number of staff who can benefit from this.

Community Engagement

Policy and performance: The Trust 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.

Facilities and New Buildings

Policies and performance: During the year a review of the south side of the site took place. A partnership with development companies is being sought to explore possibilities for this section of land.

Design: Work to minimise whole life costs of building and refurbishment projects through design will continue, with work to produce design briefs that encourage low carbon, low environmental impact proposals from suppliers and partners.



Equality and Diversity Report

Approach to Equality and Diversity

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 Equality and Diversity (E&D), which helps improve patient services and promote equality of opportunity for staff. The Equality and Diversity Steering Group (EDSG) reports to the Trust Board and determines the strategic direction on E&D, based on current legislation and national initiatives.

The group reports to the Trust Board twice a year on its work and progress against action plans and provides information on the make up of staff and patients. The Trust also has several equality networks :

- Reaching Equality Aspiring Confident Hope (REACH) group for Black Asian Minority Ethnic (BAME) staff
- Lesbian, Gay Bisexual and Transgender (LGBT) network (Rainbow SHED) for staff to discuss issues that relate to their employment experiences and hospital services
- Disability Employees Network (DEN) which covers disability issues and policies. For instance, the Trust has the 'Positive About Disabled' people 'two ticks standard' and has policies that apply to the recruitment, retention, training and development of staff with disabilities.

We have used the Equality Delivery System 2 (EDS 2) to engage with local and national interest groups who have offered feedback and the opportunity for involvement in the Trust's EDS assessment.

Public Sector Equality Duties (PSED)

The Trust has to prepare and publish one or more objectives that help the organisation further the three aims of the Equality Duty. The Trust used the refreshed NHS equality assessment tool (EDS 2 Equality Delivery System) to support the collection of evidence on equality practises and measure its progress in the different

equality groups: age, gender, religion/or belief, sexual orientation, marriage/ civil partnership, race, disability, pregnancy and maternity, gender reassignment.

The Trust also carries out equality analysis to ensure that Trust policies, procedures, developments or activities do not have an unintentional adverse impact on patients or staff from equality groups.

The Trust is compliant with its PSED duties and has published its Equality Delivery System gradings, equality objectives and supporting documents. This can be found at www.salisbury.nhs.uk/about-us/equality and diversity along with other E&D information.

Priorities and Targets Going Forward

We have adopted the EDS 2 (Equality Delivery System) model and are working with local interest groups on four equality objectives for 2013/14:

Objective 1 - To develop a fundraising campaign that will raise awareness in the community of the needs of elderly people which will result in improvements to our medical wards.

Objective 2 – Use the fundraising campaign to challenge the views of the community on how much we should do as a society to improve the profile of the elderly.

Objective 3 - To design and implement a programme of positive action for our staff to ensure that they are able to perform their duties free from abuse, harassment, bullying, violence from patients, other members of the public and colleagues.

Objective 4 - To develop and implement a plan to enable and encourage managers and staff to understand the benefits of diversity in the workplace, which will ensure our work environment is free from discrimination.



In addition we are also:

- Holding several awareness events throughout the year on various Equality and Diversity themes
- Publishing a quarterly Equality and Diversity newsletter for internal and external organisations

- Working with local interest groups delivering bespoke training. For instance, training for staff to assist partially sighted visitors and patients. This will be run by the National Guide Dogs Association

These priorities are regularly reviewed, monitored and measured through the EDSG which is chaired by a non-executive director of the Trust.

Staff Survey Report

Approach to Staff Engagement

The Trust has well established processes for staff communications and consultation and there is a good working relationship between Trust management, Trade Unions and staff. Regular communication through face to face briefings, the Intranet and publications are enhanced by topic based communications where and when appropriate.

Trade union representatives are actively involved in discussions around the future financial challenges facing the Trust, as are staff themselves through a number of open events. These also provide opportunities to feedback ideas and comments. The Trust has an open and honest culture of involvement and engagement and effective feedback mechanisms for staff. In more general terms, staff are able to provide feedback through the monthly Cascade Brief,

the Chief Executive's message and executive led 'quality and safety walk rounds', as well as the national staff survey. The 2013 staff survey included a measure of 'staff engagement' – a combination of questions relating to the ability of staff to contribute towards improvements, staff recommending the Trust as a place to work or receive treatment, and staff motivation at work. The Trust score placed it in the best 20% of acute Trusts.

Summary of performance – NHS Staff Survey

	2012/2013		2013/2014		Trust Improvement/deterioration
Response rate	Trust	National average	Trust	National Average	
	53%	50%	59%	Not Specified	6% improvement

	2012/2013		2013/2014		Trust Improvement/deterioration
Top 5 ranking scores	Trust	National average	Trust	National Average	
Staff job satisfaction	3.67	3.58	3.74	3.60	0.07 improvement



Support from immediate manager	3.71	3.61	3.80	3.64	0.09 improvement
Percentage of staff suffering work related stress in last 12 months	32%	37%	32%	37%	Same
Percentage of staff experiencing discrimination at work in last 12 months	10%	10%	7%	11%	3% Improvement
Staff recommendation of the Trust as a place to work or receive treatment	3.73	3.57	4.01%	3.68	0.28 improvement

	2012/2013		2013/2014		Trust Improvement/deterioration
Bottom 5 ranking scores	Trust	National average	Trust	National Average	
Percentage of staff witnessing potentially harmful errors, near misses or incidents in the last month	35%	34%	37%	33%	2% deterioration
Percentage of staff experiencing physical violence from patients, relatives or the public in the last 12 months	16%	15%	17%	15%	1% deterioration
Percentage of staff working extra hours	73%	70%	70%	70%	3% improvement
Percentage of staff reporting errors, near misses or incidents witnessed in the last month	86%	90%	90%	90%	4% improvement
Work pressure felt by staff	3.00	3.08	3.06	3.06	0.6 deterioration



In addition to the top and bottom ranking scores above, there had been significant changes in the scores from the previous year in the following areas.

	2012/2013		2013/2014		Trust Improvement/ deterioration
	Trust	National average	Trust	National Average	
Staff recommendation of the Trust as a place to work or receive treatment	3.73	3.57	4.01	3.68	0.28 Improvement
Percentage of staff appraised in the last 12 months	80%	84%	86%	84%	6% Improvement

Future Priorities and targets

National staff survey scores measure how the Trust performs in relation to other acute Trusts and in terms of staff perceptions. Scores are not absolute scales or targets of good or bad performance. However, following publication of the staff survey, the Trust has an action plan that focuses on seven key areas for improvement, which are listed below. These will be monitored by the Trust Board, reported on in Trust Board meetings that are held in public and measured through the 2014 staff survey.

Percentage witnessing potentially harmful errors, near misses or incidents in the last month: Our results show that slightly more staff report that they are witnessing potentially harmful errors, near misses or incidents than last year. This is more than the average acute Trust. Whilst this increase can be interpreted as staff being aware of the potential for harm, in a culture where patient safety is paramount, this is not how it is interpreted nationally. We need to investigate and understand better the reasons for these results.

Appraisals: Our results showed that we had not only sustained, but improved further on our performance since 2010, reflecting the continued management focus in this area. For the first time this meant that our scores were better than the average acute Trust. However, we are not meeting our own target and wish to continue to work on improving our performance in both the quality and quantity of appraisals - seeking to retain our overall Trust performance to above average by the time of the next staff survey.

Experience of violence from patients, relatives or the public in last 12 months: This result is worse than average for an acute Trust and is an area for Trust improvement, in line with the Trust's values and behaviours. The actions developed this year will focus on 'hot spots', with more focused remedies for these areas. Our target for 2013/2014 is to reduce the number of instances of violence and to move our scores to at least average compared with other acute Trusts.

Percentage suffering work related stress: This score has increased since 2011 and, despite our score still being in the best 20% of acute Trusts, we feel this is an area for further improvement. We aim to improve our score to at least average by the 2014 staff survey.



Regulatory Ratings Report

Financial Rating

The Foundation Trust's Authorisation was replaced by a provider Licence from 1 April 2013. From 1 October 2013, the Risk Assurance Framework (RAF) replaced the annual Compliance Framework. The Financial Risk Rating became the Continuity of Service rating from this time and the approach to Governance ratings changed.

Financial Rating

When assessing financial risk, Monitor assigned a risk rating using a scorecard which compares key financial metrics on a consistent basis across all NHS Foundation Trusts. These indicators under the Compliance Framework were:

- achievement of plan
- underlying performance
- financial efficiency
- liquidity

The risk rating, on a scale of 1 to 5 with 5 representing the least risk and 1 the highest risk, is intended to reflect the likelihood of a financial breach of the Authorisation or Licence conditions.

The Continuity of Services assessment, used for Q3 and Q4 is based on a narrower range of financial ratios and is scored 1-4 which describes the level of risk of financial failure.

Governance Risk Rating

Monitor's assessment of governance risk is based predominantly on the Trust's plans for ensuring compliance with its Licence, but will reflect historic risk performance where this may be indicative of future risk.

The governance rating is determined by an assessment of governance elements, which are:

- performance against national measures
- compliance with Care Quality Commission requirements
- any declared risk of, or actual, failure to deliver mandatory or commissioner requested services
- any other factors not covered above that the regulator may regard as a breach of the Trust's authorisation or provider Licence

NHS Foundation Trusts will, in general, supply the information that forms the basis for their governance risk rating. In particular, they are responsible for self-certification on a quarterly basis on areas of governance and for supplying any required exception reports.

Under the Compliance Framework, Monitor assessed the Risk Rating as one of four measures - green, amber-green, amber-red and red, based on the self-assessment described above. Under the Risk Assurance Framework, the quarterly information is assessed as Green (no concerns), Red (regulatory action underway) or Concerns, which are described in narrative.

The Trust then submits quarterly reports on which it is assessed by Monitor against the agreed plan. The Annual Plan forecast ratings and the quarterly performance against these ratings for 2012/2013 and 2013/14 are set out below.

	Annual Plan 2012/2013 forecast	Q1 2012/2013 actual	Q2 2012/2013 actual	Q3 2012/2013 actual actual	Q4 2012/2013
Financial Risk Rating	3	3	3	3	3
Governance Risk rating	Green	Green	Amber-Green	Amber- Green	Green



	Annual Plan 2013/2014 forecast	Q1 2013/2014 actual	Q2 2013/2014 actual	Q3 2013/2014 actual	Q4 2013/2014 actual
Financial Risk (Continuity of Service Risk Rating from Q3)	3	3	3	4	4
Governance Risk rating	Green	Green	Green	Green	Green

At no time since the Trust was authorised as a Foundation Trust on 1 June 2006, has Monitor formally intervened under any of the powers that are available to the Regulator.

Public Interest Disclosures

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: accommodation, catering, laundry, car parking, private patient treatment, pharmacy products, sterile supplies, equipment, and professional health care advice. The total income from all of these areas amounted to around £ 5.9 million. Some areas, such as day nursery and the Staff Club, aim to break even. The other areas contributed surpluses, which have been applied to meeting patient care expenditure. In addition, the Trust received £3.2m from Salisbury Trading Ltd and £1.5m from Odstock Medical Ltd.

Partnership Working

The Trust works in partnership with other statutory, non statutory and voluntary sector organisations to commission and develop work to support diverse communities. Current work includes the Equality and Diversity Wiltshire Public Sector Lead Officer Group, which brings together lead officers from statutory organisations working together collaborative on a collective Equality & Human Rights Charter and

understanding the needs of local people so that there is an integrated approach to our PSED (Public Sector Equality Duties). The Trust has a working relationship with SCAR (Salisbury Coalition against Racism) which raises awareness of racism and highlights the diverse nature of the local community. The Trust is also working with learning disability groups to improve these patients' and their carers' experiences of hospital care.

Occupational Health and Safety

Each member of staff has access to a comprehensive in-house Occupational Health Service that includes a full-time staff counsellor. The Trust has an active Health and Safety Committee, where management and staff Health and Safety representatives meet regularly to consider the Trust's performance against a range of indicators and to discuss actions and developments for improvement.

Policies and Procedures to Counter Fraud

As part of its communications with staff and the public, the Trust acknowledges that it has a responsibility to ensure that public money is spent appropriately and that it has policies in place to counter fraud and corruption. The Trust has detailed Standing Financial Instructions and a Counter Fraud and Corruption Policy to ensure probity. In addition, the Trust raises awareness of fraud in its staff communications and through displays in public and staff areas.



Better Payment Practice Code

Better Payment Practice Code		
	Number	£000s/Amount
Total Non-NHS trade invoices paid in the period	78,986	69,694
Total Non-NHS trade invoices paid within target	65,639	56,082
Percentage of Non-NHS trade invoices paid within target	83.1%	80.5%
Total NHS trade invoices paid in the period	2,173	5,608
Total NHS trade invoices paid within target	1,640	4,601
Percentage of NHS trade invoices paid within target	75.5%	82.9%
The Better Payment Practice Code requires the Trust to aim to pay all undisputed invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later.		

Management Costs

Management Costs (excluding subsidiary)	
	£000
Total Trust Management Costs	7,157
Total Trust Income	194,269
% of total Income	3.68

Provision of Information and Involvement of Employees

The Trust continues to build on its existing processes for staff communication and consultation, and this includes the involvement of Trade Unions and staff on issues that affect them. Regular communication through face to face briefings, the Intranet, a Chief Executive's message and publications are enhanced by topic based communications where and when appropriate. It is essential that organisations work to strong values and this year the Trust consulted widely on a new set of corporate values and behaviours which guide staff and gives them clear direction on what we would expect when communicating with colleagues, patients and the general public. These are summarised earlier in this Annual Report. The Trust has continued to create awareness of the financial and economic factors that affect the performance of the Trust as well as information that relates to the development of the Trust, and the quality of its services through its normal communication channels. This is supported by executive led safety and quality walk rounds that not only enable staff to share any concerns, but also give the Executive

team the opportunity to feedback their views on these key areas to ward staff. Financial information and the Trust's position is also shared regularly with the Trust's Trade Union representatives.

Patient and Public Involvement Initiatives

Patients were involved in over 30 projects this year, using many different methods including patient stories, focus groups, questionnaires, real time feedback along with the results of the National Patient Survey and the Friends and Family Test. The main focus this year has been on the introduction of the Friends and Family Test and ensuring that it has a high profile across the Trust. This is a government led initiative which has targets that must be achieved. Overall the Trust has achieved all of the targets and the majority of feedback from patients has been positive.



Sickness Absence Information

The Trust has robust procedures for the management and monitoring of sickness absence with regular reporting at departmental, directorate and Trust Board level.

Policies Adopted with Suppliers

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

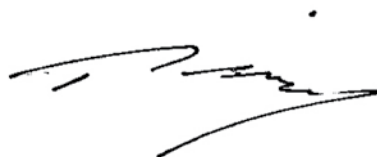
Sickness Absence

	1 April 2013 to 31 March 2014	1 April 2012 to 31 March 2013
Days lost (long term)	15,828	16,493
Days lost (short term)	12,471	15,827
Total days lost	28,299	32,320
Total staff years	4,062	4,397
Average working days lost	7.0	7.4
Total staff employed in period (Headcount)	3,273	3,230
Total staff employed in period with no absence (headcount)	1,058	898
Percentage of staff with no sick leave	32.3%	27.8%

Compliance with HM Treasury and Office of Public Sector Information Guidance

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.

The Annual Report has been approved by the Trust Board on 23 May 2014.



Serious Untoward Incidents involving data loss or confidentiality

During 2013/2014 there were no reported Serious Untoward Incidents involving data loss or confidentiality breaches.

Peter Hill
Chief Executive
23 May 2014

Review of Effectiveness of Trust's System of Internal Control

The Trust Board has carried out a review of the effectiveness of its systems of Internal Control. This is covered in the Annual Governance Statement in the Annual Accounts.



Salisbury NHS Foundation Trust Consolidated Financial Statements For The Year To 31 March 2014

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FOREWORD TO THE ACCOUNTS

These consolidated accounts for the year ended 31 March 2014 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, and comply with the annual reporting guidance for NHS Foundation Trusts within the NHS Foundation Trust Annual Reporting Manual (FT ARM) for the financial period.

Salisbury NHS Foundation Trust Annual Report and Accounts are presented to Parliament pursuant to Schedule 7 paragraph 25(4) of the National Health Service Act 2006.

The results of the Trust's subsidiary companies, Odstock Medical Limited for the year to 31 March 2014 and Salisbury Trading Limited for the six months from its commencement of trading to 31 March 2014, and their assets and liabilities as at that date have been consolidated into these financial statements. Details of the subsidiary companies can be found in note 35.

Following Treasury's agreement to apply IAS 27 to NHS Charities from 1 April 2013, the Trust has consolidated the income and expenditure of Salisbury District Hospital Charitable Fund for the year ended 31 March 2014 and its assets and liabilities as at that date. The figures for the year ending 31 March 2013 have been restated to provide comparatives calculated on the same basis; the effects of the prior year adjustment can be found in note 39 to the accounts.

Signed:

A handwritten signature in black ink, appearing to read 'Peter Hill', with a long horizontal stroke extending to the right.

Peter Hill - Chief Executive

Date: 23 May 2014

Statement of the Chief Executive's responsibilities as the Accounting Officer of Salisbury NHS Foundation Trust

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

Under the NHS Act 2006, Monitor has directed Salisbury NHS Foundation Trust to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of Salisbury NHS Foundation Trust and of its income and expenditure, total recognised gains and losses and cash flows for the financial year.

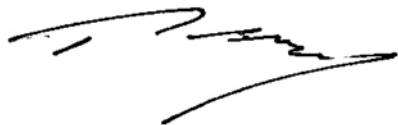
In preparing the accounts, the Accounting Officer is required to comply with the requirements of the NHS Foundation Trust Annual Reporting Manual and in particular to:

- observe the Accounts Direction issued by Monitor, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the NHS Foundation Trust Annual Reporting Manual have been followed, and disclose and explain any material departures in the financial statements;
- ensure that the use of public fund complies with the relevant legislation, delegated authorities and guidance; and
- prepare the financial statements on a going concern basis.

The Accounting Officer is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the NHS Foundation Trust and to enable him to ensure that the accounts comply with requirements outlined in the above mentioned Act. The Accounting Officer is also responsible for safeguarding the assets of the NHS Foundation Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Signed:



Peter Hill - Chief Executive

Date: 23 May 2014

Annual Governance Statement

1. SCOPE OF RESPONSIBILITY

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of 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. I am also responsible for ensuring that the NHS Foundation Trust is administered prudently and economically and that resources are applied efficiently and effectively. I also acknowledge my responsibilities as set out in the NHS Foundation Trust Accounting Officer Memorandum.

2. THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide 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 2014 and up to the date of approval of the annual report and accounts.

3. CAPACITY TO HANDLE RISK

As Accounting Officer I have overall responsibility for risk management but day to day management has been delegated to an Executive Lead for Risk. The Executive Lead for Risk is 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. A Head of Risk Management supports the Executive Lead for Risk 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. There is also a Trust 'Whistleblowing Policy' in place. 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 indicator reports, survey feedback and comments, risk analysis exercises, and central guidance. Areas of good practice are identified through the above intelligence which feeds into the Directorate performance meetings (3:3s). This mechanism allows the organisation to identify, learn from, and share good practice.

4. THE RISK AND CONTROL FRAMEWORK

The Trust recognises the need for a robust focus on the identification and management of risks and therefore places risk within an integral part of our approach to quality.

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 clear expectations about the roles, responsibilities and requirements of all Trust staff.

The strategic goals are as follows: -

- To ensure that the Trust remains within its licence as defined by Monitor and to deliver a risk management framework which highlights to the Executive Team and Trust Board any risks which may prevent the Trust from complying with its licence.
- Continued development of the Assurance Framework as the main vehicle for informing the Statement on Internal Control.
- To ensure that Risk Management policies are implemented ensuring that:
 - > all risks, including principal risks, service development risks, and project risks, are being identified through a comprehensive and informed Risk Register and risk assessment process;
 - > the open reporting of adverse events is encouraged and learning is shared throughout the organisation.
- To monitor the effectiveness of Risk Management Policies and procedures via the monitoring of agreed Key Performance Indicators.
- To further develop the organisational safety culture and its effectiveness through implementation of Striving for Excellence, and the NHS South West Quality and Safety Improvement Programme.
- To develop an Annual Risk Management Plan, which is agreed, reviewed and monitored by the Trust Board.
- To ensure that all individuals within the organisation are aware of their role, responsibilities and accountability with regard to Risk Management.
- To ensure that the structure and process for managing risk across the organisation is reviewed and monitored annually.
- To ensure compliance with the NHSLA Risk Management Standards, Monitor, Care Quality Commission registration requirements, and Health and Safety Standards.

The risk assessment and risk register procedure is set out within the Trust's Risk Management Policy. This policy gives clear singular instruction on the risk assessment process including risk identification, evaluation, treatment, and monitoring. The Policy also describes how risk assessments and the register are operationally managed through centralised Datix software and how the risks are communicated up and down the organisation. Directorate risk registers are reviewed at the Directorate performance meetings three times a year. This clearly outlines the leadership, responsibility and accountability arrangements which are then taken forward through the Assurance Framework, Risk Registers and performance management processes enabling the coherent and effective delivery of risk management throughout the organisation.

Capacity is developed across the Trust through training commensurate with staff duties and responsibilities. Sharing learning through risk related issues and incidents is an essential component to maintaining the risk management culture within the Trust.

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 the costs of managing a risk and the benefits to be gained. New risks identified for inclusion on the Organisational Risk Register 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 at all levels (clinical risk, non-clinical risk, financial risk, human resource risk and information risk).

The Head of Risk Management reports to the Assurance Committees (Sub Committees of the Trust Board) on a quarterly basis those risks scoring 12 or above on the Trust Risk Register. The designated Assurance Committees of the Trust Board are the Clinical Governance Committee (Clinical Risk), the Finance Committee (Financial Risk), and the Joint Board of Directors (Organisational Risk including workforce, Health and Safety, IT). 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. They subsequently report to the Trust Board on a quarterly basis any new risks identified, gaps in assurance/control, as well as positive assurance on an exception basis. 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. The appropriate Assurance Committee or the Trust Board can recommend whether an extreme risk should be monitored via the Assurance Framework.

The Trust Risk Register (risks scoring above 12) is reviewed by the Trust Board twice a year, firstly through the summer Assurance Framework and Risk Management workshop, and secondly at the public meeting when the Assurance Framework is presented in its entirety.

A risk is considered acceptable when there are adequate control measures in place and the risk has been managed as far as is considered to be reasonably practicable.

Risks requiring a cost benefit analysis are fed into the Trust Risk Register for wider debate and decision on 'acceptability' through the Assurance Committees.

The Trust has identified the following risks which are being highlighted due to their potential impact on the delivery of the Trust's business plan but also the detrimental impact they could have on its reputation.

The potential for poor compliance with infection control policies leading to an increase in hospital acquired infection rates, loss of reputation and failure to meet targets is recognised and included within the Assurance Framework. This is monitored by the Director of Nursing in her role as Director of Infection Prevention and Control (DIPC) and a high level of scrutiny maintained at all levels of the organisation including root cause analysis of any cases of hospital acquired reportable infection.

One of the Trust's highest reported incidents is slips and falls and the potential for this to result in patient injury. Securing patient safety is recognised within the Assurance Framework and specifically slips and falls within the Medicine Directorate Risk Register. Any fall resulting in major harm or fracture is subject to root cause analysis, and reported externally where it meets the criteria for reporting a Serious Incident Requiring Investigation (SIRI). This information is utilised to identify trends and themes and support the change of practice or identification of equipment requirements to prevent recurrence. The Trust has a falls group and the falls report is also presented to the Clinical Risk Group and Clinical Management Board quarterly.

The Trust has identified that ongoing work is required to ensure that savings plans are robustly identified, described and enacted throughout the year. The Trust needs to be able to respond to the changing local healthcare priorities whilst achieving the Trust's own plans. A Programme Management Office is established to drive forward savings within the Trust. Positive assurance has also been received from Internal Audit.

The Trust recognises the importance of information assets and is committed to managing them through clear leadership and accountability underpinned by staff education. The Trust has identified a Senior Information Risk Owner (SIRO) at Board level to monitor and report on all information related risks. The Information Risk and Security Policy defines how the Trust manages information risk and how the effectiveness of the policy is assessed and measured.

The Information Risk and Security Policy fits within the overall risk management framework for the Trust. It identifies the roles and responsibilities of the Information Asset Owners and Administrators who work with the SIRO to ensure that all information risks are identified and monitored through the Trust Risk Register and risk assessment processes.

During 2013/14 work continued to ensure there is a comprehensive and robust evidence assurance programme linked to the work of information asset management. The Trust continues to ensure that the Information Asset Owners and Information Asset Administrators evidence is reviewed and updated on a regular basis. Any changes to processes and procedures are appropriately documented, risk assessed and approved prior to implementation.

Information Governance arrangements within the organisation have continued to improve in 2013/14. During the year there has been effective reporting of Information Governance incidents and near misses and follow up on all incidents has ensured corrective actions where necessary. There have been no serious untoward incidents of the Data Protection Act (level 3 or above) reported to the Trust which require reporting to the Information Commissioners Office (ICO).

The Trust completed self assessment against version 11 of the IG toolkit gaining an 81% compliance level and maintaining a Satisfactory rating across the entire Toolkit. A satisfactory rating is only achieved by the Trust maintaining level 2 or above in all 45 requirements.

Another 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.

Incident reporting is encouraged throughout the organisation under a single process described in the Adverse Events Reporting Policy. Numbers of incidents reported by professional group and department are monitored as a quality indicator within the risk management report cards at the directorate performance meetings. All departments and staff groups within the Trust report incidents and The National Reporting and Learning System (NRLS) Report (October 2012-September 2013) showed that the Trust is in the top half of the middle percentile for the reporting of incidents. Work continues with identified staff groups who report at low levels to improve this position.

The Trust has maintained its lines of communication between both the Board and Ward level. The Clinical Governance Committee, as an assuring Committee for the Board, regularly receives patient feedback through patient stories, Friends and Family Test and Real-time Feedback. This ensures that both positive and negative messages about the care being delivered within the Trust are visible to the Trust Board members. This is consolidated with an annual Patient Experience Report to the Board. Key risk areas are also discussed, where appropriate, through Governors meetings and Constituency meetings with the membership.

The Trust is fully compliant with the requirements of registration with the Care Quality Commission. Minor concerns identified by CQC inspectors in February 2013, in relation to staffing and records, were addressed by action plans and a revisit by CQC in October 2013 deemed the Trust to be compliant.

As an employer with staff entitled to membership of the NHS Pension Scheme, control measures are in place to ensure all employer's 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 the organisation's obligations under equality, diversity and human rights legislation are complied with.

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.

Quality Governance Arrangements

Quality is clearly embedded in the Trust's overall strategy and includes a number of goals:

- There will be a shared understanding of quality across the Trust.
- The achievement of quality is a core activity of all Trust staff who understand their individual roles and responsibilities.
- The Trust has a quality measurement system to support evaluation and improvement.
- To ensure the Trust continues to drive and innovate quality thinking.

The overall quality strategy is supported by the Quality Directorate whose service plan includes objectives that drive year on year improvement across patient safety, clinical effectiveness and outcomes as well as patient experience in line with national and local priorities. The strategy is further supported by the annual quality report where the key priorities have been identified using for example quality performance information such as trends in reported incidents or patient survey results.

The Trust has established a quality framework for the review of individual services which includes completion of the Salisbury Organisation Risk Tool as well as full review and analysis of the quality performance information available – this includes the directorate quality indicator report, clinical audit results, patient feedback from surveys, real time feedback, friends and family test, complaints and compliments, as well as risk reporting. This information is discussed at the Directorate quality meetings and performance meetings three times a year, department / ward quality walks, and is presented annually by the Directorate Management Teams as part of the assurance process to the Clinical Governance Committee.

There is a clear quality reporting structure in the Trust where scheduled reports are presented and discussed at the monthly Clinical Management Board (CMB) and/or the bi-monthly Clinical Governance Committee (CGC), and where appropriate, submitted to the Commissioners as part of the Trust contract performance compliance.

Any external agency/peer reviews during the year have the reports, recommendations and action plans discussed at the appropriate Assurance Committee and any risks identified are added to the Trust risk register.

Areas where risks have been identified through this approach, have agreed action taken/planned, which is then monitored through the Directorate performance management framework. Any recurrent themes can be included as key objectives for improvement in the Trust service plan or future Quality Report priority areas.

The CQC assurance processes during 2013/14 are clear. Each Outcome has been assigned to a Lead Manager and Executive Director who maintain an up to date Provider Compliance Assessment form which is subject to periodic review by an independent assuring committee. The independent assuring committees have this duty recorded in their Terms of Reference. The process and the individual Provider Compliance Assessment forms are overviewed by the Trust Board on an annual basis. Any areas of concern would be included in the Trust Risk Register. The Trust's approach has also been evaluated by the internal auditors, TIAA, and an opinion of significant assurance given.

The Assurance Framework

The Trust produces an Annual Governance Statement and has the evidence to support the statement. The Assurance Framework brings together this evidence.

The Assurance Framework is kept under quarterly review by the Assurance Committees and agreed annually by the Trust Board. The Framework identifies the principal risks facing the Trust and informs the Trust Board how each of these risks is being managed and monitored effectively. Each principal risk has an identified local risk manager who is responsible for managing and reporting on the overall risk, controls, gaps, and actions being taken to mitigate the risk. The identified local risk manager is normally an Executive Director. Assurance Committees are also identified to assure the Trust Board that each principal risk is being monitored, gaps in controls identified and processes put into place to minimise the risk to the organisation.

The designated Assurance Committees of the Trust Board are the Clinical Governance Committee, the Finance Committee and the Joint Board of Directors.

At the committees the Trust Risk Register (risks scoring 12 and above – high and extreme) is also presented so that the Assurance Committees can consider the breadth and depth of information included, the robustness of agreed mitigating actions, and whether there are risks which may impact on the principal risks within the Assurance Framework. The Assurance Committees can recommend inclusion of such risks on the Assurance Framework should there be sufficient concern as to their impact.

The Audit Committee, on behalf of the Trust Board, and Internal Audit formally review the Assurance Framework. Positive assurance was received at the Audit Committee in relation to the Assurance Framework remaining a 'live' document within the Trust.

Aligned to the headings in the Trust Service Plan the Assurance Framework has identified in-year strategic risks around:

- (i) Improving Safety – for example, compliance with infection control practices, compliance with patient safety standards, compliance with safeguarding requirements and compliance with dementia standards. These are all being managed/mitigated through a comprehensive programme of controls and reporting arrangements such as monthly PLACE audits, implementation of the Salisbury Organisational Risk Tool, on-going close involvement with the Wiltshire Safeguarding Boards and the Trust Dementia Steering Group. Internal groups such as the Infection Control Committee, Clinical Risk Group, Clinical Management Board and Clinical Governance Committee assess the impact of the control measures and actions in place.
- (ii) Service improvement – for example integrated governance processes, performance ratings, centralisation of services, planning of activity, procurement of IT systems and meeting equality duties. Actions are in place to mitigate these risks which are monitored and evaluated through internal groups such as the Operational Management Board, Information Strategy Steering Group and Joint Board of Directors who receive regular performance reports across these activities in order to consider the adequacy of the actions in place. External monitoring is also in place with the commissioning CCG and compliance with CQC outcomes.
- (iii) Customer Care – Listening to carers, patients and the public. Patient and public feedback is monitored and reported through the Joint Board of Directors. Actions are taken to ensure that feedback is responded to appropriately and action taken to maximise learning and improvement.
- (iv) Staff wellbeing – for example ensuring the maintenance of an appropriately skilled workforce to maintain staff wellbeing during the implementation of changes in organisational size and structure. Workforce plans are developed across the Trust to inform any service change. The staff well-being project and a workforce design steering group is in place to focus on this area and outcomes/performance is monitored through the Joint Board of Directors.
- (v) Finance - for example securing income, meeting savings targets, budgetary control, efficiency of services, activity levels and cost reduction. These financial risks are mitigated through performance management of the Directorates with robust financial information available so that outcomes of actions can be assessed. The Programme Steering Group oversees the breadth of the organisations savings programme which have been clustered into several key schemes with performance indicators reported at each monthly meeting.

Delayed transfer of care metrics are in place and progress is monitored at the Joint Board of Directors. All financial information is ultimately reported to the Finance Committee on a monthly basis.

Emerging risks will continue to be identified through the Annual Plan process as required by Monitor. In the current climate, future risks to the organisation include changes to the commissioning of services and the potential impact of this and continued emphasis on cost reductions and savings plans.

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 Assurance Framework and Risk Register.

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

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

The Trust assesses its compliance with the Code of Governance annually. 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 board assesses its own effectiveness and that of its committees. The Board's committees report into the public board meeting via their draft minutes and a covering report. The committee chair also highlights key points at the meeting.

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 Assurance Framework. There is additional regular review through the Audit Committee and the Clinical Governance Committee, through to the board.

Arrangements to operate efficiently economically and effectively are formally reviewed by external audit and are the subject of detailed review through the transformation programme and departmental cost improvement activity. Clinical Service Reviews also examine questions of service effectiveness and efficiency.

Arrangements are in place to support compliance with the CQC's standards. As noted below, the Trust is fully compliant with CQC requirements. The Trust is closely monitoring the emerging new CQC standards and there is considered to be minimal risk to continued compliance arising from this.

The Trust's finances are reviewed by the Finance Committee at its monthly meetings.

Monthly performance and quality outturn information is scrutinised each month by the Board and the Council and the range of information continues to develop. The approach to the review of complaints by the board has been improved and there are regular reports on patient feedback. Board members take part in walk-rounds regularly. This enables timely and appropriate corrective action to be taken when required.

In producing and certifying the Corporate 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 key Assurance Committees regularly receive and discuss their respective risk registers, for high level risks within the organisation. The Audit Committee has sought assurance that the Assurance Framework appropriately reflects the level of risk and incorporates mitigating action. Independent assurance on the effectiveness of risk management and internal control has been provided through Internal Audit reviews.

A wide internal audit programme encompassed (amongst others) the following areas:

- Assurance Framework & Risk Management
- Critical Financial Assurance – Financial Accounting and Payroll Controls
- CQC Outcome 9: Management of Medicines
- Monitor Compliance
- Ward Based Visits
- Clinical Audit
- Private Patients' Unit
- Data Quality - Robustness of Board KPIs

The Board has maintained an active programme of fraud prevention in accordance with the core activities required by NHS Protect.

The Trust Board, through its Sub-Committee the Finance Committee, reviews performance against savings plans and the delivery of efficient services within budget.

A Programme Steering Group has been established to drive forward savings across the Trust. Membership comprises the Executive Directors, Directorate Managers and other senior staff within the organisation. A systematic approach is used to monitor performance based on the work performed at the Trust by external consultants.

The Trust has also been successful in achieving cost savings through service improvement projects, which continue to optimise the efficient and effective use of resources whilst enhancing the patient experience.

Procurement of goods and services is undertaken through professional procurement staff and through working with neighbouring organisations within a Procurement Confederation. The cost of goods is regularly benchmarked. In year cost pressures are rigorously reviewed and challenged, and means of avoiding cost pressures are always considered.

The Trust's Reference Costs shows it to be approximately 8% below the national average costs, based on the last published data, which relates to 2012/13.

6. ANNUAL QUALITY REPORT

The Directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 to prepare Quality Accounts for each financial year. Monitor has issued guidance to NHS Foundation Trust Boards on the form and content of annual quality reports which incorporate the above legal requirements in the NHS Foundation Trust Annual Reporting Manual 2013/14.

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

- The Trust has a Quality Strategy in place which informs the organisation's direction of travel taking into account local and national priorities.
- There is clear corporate leadership for Quality. The Medical Director and Director of Nursing lead on the areas of work identified within the Quality Report.
- Progress against the priority areas within the Quality Report is monitored through the clinical governance framework and selected quality metrics are reported via the Quality Indicator report which is published every month for the Trust Board and Clinical Management Board.
- There is corporate leadership for data accuracy with the Director of Corporate Development holding responsibility for the quality of performance data which is reported monthly at the Joint Board of Directors and Trust Board.
- The Trust has a Data Quality Policy in place (underpinned by documented department based administrative processes) which details the steps taken to ensure data accuracy. Data Quality features within the roles and responsibilities (job descriptions) of key staff members for example those working in the Informatics Department.
- The Quality Report process is coordinated by the Head of Clinical Effectiveness. There is an established timetable of stakeholder engagement including staff, governors, and membership. 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 executive led Safety and Quality walk rounds. The priorities have been discussed with clinical teams as part of the service planning process, and views from staff, Trust Governors, and the membership have been sought. Commissioners have been asked for their feedback and the Quality Report is reviewed by our readership panel and external agencies such as Healthwatch to ensure ease of reading for the lay person.
- The Quality Report is only published following the above timetabled reviews and data scrutiny by internal and external stakeholders including KPMG.

7. REVIEW OF EFFECTIVENESS

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, and the executive managers within the NHS Foundation Trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the content of the quality report attached to this annual report and other performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the Audit Committee, Finance Committee, Clinical Governance Committee, and Joint Board of Directors, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The Head of Internal Audit has provided me with an opinion of significant assurance that there is a generally sound system of internal control, designed to meet the organisation's objectives, and that controls are generally being applied consistently. The main reason for this was the significant level of assurance that we could provide over all the Trust's key financial systems and robust arrangements in place for the Assurance Framework and Risk Management processes. However, some weaknesses in the design of controls and/or inconsistent application have been identified in the Internal Audit Annual Report. These include documentation in relation to NICE guidelines, management of drug fridges, medical device training records and management of patients cash at ward level, management of stock between SFT and New Hall, on-line entry of Friends and Family Tests results, Revalidation of medical staff, budgetary control and financial management and software patch issues. However, the positive findings outweighed these weaknesses and action plans have been put in place to address these and are monitored by the Audit Committee.

Executive Managers within the organisation who have responsibility for the development and maintenance of the system of internal control have provided me with assurance. The Assurance Framework itself provides me with evidence that the effectiveness of controls that manage the risks to the organisation achieving its principal objectives have been reviewed. Other sources of assurance on which reliance has been placed include the external audit opinion (KPMG), the Assurance Committees (including the Audit Committee), the self assessment process against the CQC essential standards of quality and safety, NHSLA Risk Management assessments (revalidation of Level 2 achieved in April 2011 for a further 3 years), TIAA and the Internal Clinical Audit Team who have provided me with information and comments.

8. 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. I conclude that no significant internal control issues have been identified for the year ended 31st March 2014.

Signed:



Peter Hill
Chief Executive

Date: 23 May 2014

Independent Auditor's report to the Council of Governors of Salisbury NHS Foundation Trust

We have audited the financial statements of Salisbury NHS Foundation Trust for the year ended 31 March 2014 on pages 1 to 44. These financial statements have been prepared under applicable law and the NHS Foundation Trust Annual Reporting Manual 2013/14.

This report is made solely to the Council of Governors of Salisbury NHS Foundation Trust 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 Council of Governors of the Trust, as a body, 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 Council of Governors of the Trust, as a body, for our audit work, for this report or for the opinions we have formed.

Respective responsibilities of the Accounting Officer and Auditor

As described more fully in the Statement of Accounting Officer's Responsibilities on page (ii) the accounting officer is responsible for the preparation of financial statements which give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practice's Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Trust's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the accounting officer and the overall presentation of the financial statements.

In addition we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Group and the Trust's affairs as at 31 March 2014 and of the Group and the Trust's income and expenditure for the year then ended; and
- have been prepared in accordance with the NHS Foundation Trust Annual Reporting Manual

Opinion on other matters prescribed by the Audit Code for NHS Foundation Trusts

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report where under the Audit Code for NHS Foundation Trusts we are required to report to you if, in our opinion, the Annual Governance Statement does not reflect the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual 2013/14, is misleading or is not consistent with our knowledge of the Trust and other information of which we are aware from our audit of the financial statements.

We are not required to assess, nor have we assessed, whether all risks and controls have been addressed by the Annual Governance Statement or that risks are satisfactorily addressed by internal controls.

Certificate

We certify that we have completed the audit of the accounts 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 Audit Code for NHS Foundation Trusts issued by Monitor.



Jonathan Brown for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
100 Temple Street
Bristol
BS1 6AG

Date: 23 May 2014

STATEMENT OF COMPREHENSIVE INCOME

For The Year Ended 31 March 2014

		Group		Trust	
			Restated		
		2013/14	2012/13	2013/14	2012/13
	Note	£000	£000	£000	£000
Revenue from patient care activities	3	178,954	166,734	178,954	166,734
Other operating revenue	5	20,539	17,783	15,315	15,185
Operating expenses	7	(191,321)	(178,114)	(186,885)	(175,403)
OPERATING SURPLUS		8,172	6,403	7,384	6,516
FINANCE COSTS					
Finance income	12	193	327	68	219
Finance costs - financial liabilities	13	(1,962)	(1,820)	(1,962)	(1,820)
Finance costs - unwinding of discount on provisions	13	(10)	(13)	(10)	(13)
PDC Dividends payable		(3,510)	(3,254)	(3,510)	(3,254)
NET FINANCE COSTS		(5,289)	(4,760)	(5,414)	(4,868)
Movement in fair value of investment property and other investments	18	42	(20)	-	-
RETAINED SURPLUS FOR THE YEAR		2,925	1,623	1,970	1,648
OTHER COMPREHENSIVE INCOME:					
Items that will not be reclassified to income and expenditure					
Revaluation gains/(losses) on property plant and equipment	17	10,166	(1,811)	10,008	(2,275)
Items that may be reclassified to income and expenditure					
Fair Value gains on Available-for-sale financial investments	18	262	658	-	-
TOTAL COMPREHENSIVE INCOME/(EXPENSE) FOR THE YEAR		13,353	470	11,978	(627)
NOTE: ALLOCATION OF PROFIT/(LOSSES) FOR THE YEAR					
(a) Surplus/(Deficit) for the period attributable to:					
(i) Minority interest, and		(6)	(5)	-	-
(ii) Owners of Salisbury NHS Foundation Trust		2,931	1,628	1,970	1,648
TOTAL		2,925	1,623	1,970	1,648
(b) Total comprehensive income/(expense) for the year attributable to:					
(i) Minority interest, and		(6)	(5)	-	-
(ii) Owners of Salisbury NHS Foundation Trust		13,359	475	11,978	(627)
TOTAL		13,353	470	11,978	(627)

The notes on pages 5 to 44 form part of these financial statements.

The 2013 comparative figures have been adjusted to reflect a change of accounting policy from 1 April 2013 as outlined in note 1.2

All revenue and expenditure is derived from continuing operations.

STATEMENT OF FINANCIAL POSITION
31 MARCH 2014

	Note	Group			Trust	
		31 March 2014	31 March 2013	1 April 2012	31 March 2014	31 March 2013
		£000	£000	£000	£000	£000
NON-CURRENT ASSETS						
Intangible assets	16	1,934	752	284	1,934	752
Property, plant and equipment	17	138,835	129,950	134,433	132,295	125,335
Investments in subsidiaries	35	-	-	-	-	-
Investments	18	5,235	5,035	4,358	-	-
Other financial assets	19	-	-	-	3,330	-
Total non-current assets		146,004	135,737	139,075	137,559	126,087
CURRENT ASSETS						
Inventories	20	3,140	2,393	2,517	1,792	2,323
Trade and other receivables	21	10,393	8,950	7,403	10,939	9,349
Other financial assets	19	290	114	87	-	-
Non-current assets held for sale	22	235	-	-	-	-
Cash and cash equivalents	23	20,061	18,834	22,269	16,949	16,911
Total current assets		34,119	30,291	32,276	29,680	28,583
Total assets		180,123	166,028	171,351	167,239	154,670
CURRENT LIABILITIES						
Trade and other payables	24	(17,470)	(16,385)	(19,777)	(17,140)	(16,206)
Borrowings	25	(1,515)	(2,254)	(2,263)	(1,515)	(2,254)
Provisions	26	(561)	(536)	(1,065)	(561)	(536)
TOTAL CURRENT LIABILITIES		(19,546)	(19,175)	(23,105)	(19,216)	(18,996)
TOTAL ASSETS LESS CURRENT LIABILITIES		160,577	146,853	148,246	148,023	135,674
NON-CURRENT LIABILITIES						
Borrowings	25	(19,931)	(21,333)	(23,595)	(19,931)	(21,333)
Provisions	26	(369)	(381)	(307)	(369)	(381)
TOTAL NON CURRENT LIABILITIES		(20,300)	(21,714)	(23,902)	(20,300)	(21,714)
TOTAL ASSETS EMPLOYED		140,277	125,139	124,344	127,723	113,960
FINANCED BY:						
TAXPAYERS' EQUITY						
Minority Interest		56	62	67	-	-
Public dividend capital	37	53,339	51,554	51,229	53,339	51,554
Revaluation reserve		58,452	49,106	52,260	58,452	49,106
Income and expenditure reserve		15,965	13,428	10,912	15,932	13,300
Charitable fund reserves	38	12,465	10,989	9,876	-	-
TOTAL TAXPAYERS EQUITY		140,277	125,139	124,344	127,723	113,960

The notes on pages 5 to 44 form part of these financial statements.

The 2013 comparative figures have been adjusted to reflect a change of accounting policy from 1 April 2013 as outlined in note 1.2

The financial statements on pages 1 to 44 were approved by the Board on 23 May 2014 and signed on its behalf by:

Signed:



Peter Hill - Chief Executive

Date: 23 May 2014

CONSOLIDATED STATEMENT OF CHANGES IN TAXPAYERS EQUITY
31 MARCH 2014

	Public dividend capital (PDC) £000	Income and expenditure reserve £000	Revaluation reserve £000	Minority interest £000	NHS Charitable Funds reserve £000	Total taxpayers' equity £000
Balance at 1 April 2012 as previously stated	51,229	10,912	52,260	67	-	114,468
Prior year adjustment	-	-	-	-	9,876	9,876
Taxpayers' and Others' Equity at 1 April 2012 - restated	51,229	10,912	52,260	67	9,876	124,344
Changes in taxpayers' equity for 2012-13						
Retained surplus/(deficit) for the year	-	619	-	(5)	1,009	1,623
Net gain/(loss) on revaluation of property plant and equipment	-	-	(2,275)	-	-	(2,275)
Transfer of the excess of current cost depreciation over historical cost depreciation to the Income and Expenditure Reserve	-	879	(879)	-	-	-
Revaluations and impairments - charitable fund assets	-	-	-	-	464	464
Fair Value gains/(losses) on Available-for-sale financial investments	-	-	-	-	658	658
Other reserve movements	-	1,018	-	-	(1,018)	-
Public dividend capital received in year	325	-	-	-	-	325
Balance at 31 March 2013 as restated	51,554	13,428	49,106	62	10,989	125,139
Changes in taxpayers' equity for 2013-14						
Retained surplus/(deficit) for the year	-	1,230	-	(6)	1,701	2,925
Net gain/(loss) on revaluation of property plant and equipment	-	-	10,008	-	-	10,008
Transfer of the excess of current cost depreciation over historical cost depreciation to the Income and Expenditure Reserve	-	662	(662)	-	-	-
Revaluations and impairments - charitable fund assets	-	-	-	-	158	158
Fair Value gains/(losses) on Available-for-sale financial investments	-	-	-	-	262	262
Other reserve movements	-	645	-	-	(645)	-
Public dividend capital received in year	1,785	-	-	-	-	1,785
Balance at 31 March 2014	53,339	15,965	58,452	56	12,465	140,277

The 2013 comparative figures have been adjusted to reflect a change of accounting policy from 1 April 2013 as outlined in note 1.2

**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED
31 MARCH 2014**

	Group		Trust	
		Restated		
	2014	2013	2014	2013
Note	£000	£000	£000	£000
CASH FLOWS FROM OPERATING ACTIVITIES				
Total operating surplus	8,172	6,403	7,384	6,516
NON-CASH INCOME AND EXPENSE				
Depreciation and amortisation charge	9,509	8,727	9,171	8,480
Impairments	-	795	-	795
Non-cash donations credited to income	-	-	(647)	(1,041)
Investment management charged to fund	38	33	-	-
(Increase) in trade and other receivables	(1,535)	(2,015)	(5,012)	(1,764)
(Increase)/decrease in inventories	(747)	124	531	(134)
Increase/(decrease) in trade and other payables	186	(3,130)	35	(3,487)
Increase/(decrease) in provisions	3	(455)	3	(455)
Net cash inflow from operating activities	15,626	10,482	11,465	8,910
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	83	228	68	219
Payments to acquire property, plant and equipment	(7,527)	(6,801)	(5,783)	(5,754)
Receipts from sale of property, plant and equipment	-	17	1,243	17
Payments to acquire intangible assets	(1,357)	(534)	(1,357)	(534)
Net cash inflow/(outflow) from investing activities	(8,801)	(7,090)	(5,829)	(6,052)
CASH FLOWS FROM FINANCING ACTIVITIES				
New public dividend capital received	1,785	325	1,785	325
Loans repaid	(1,565)	(1,565)	(1,565)	(1,565)
Capital element of finance lease rental payments	(91)	(85)	(91)	(85)
Capital element of Private Finance Initiative obligations	(485)	(621)	(485)	(621)
Interest paid	(28)	(65)	(28)	(65)
Interest element of finance lease rental payments	(26)	(36)	(26)	(36)
Interest element of Private Finance Initiative obligations	(1,908)	(1,732)	(1,908)	(1,732)
PDC dividend paid	(3,280)	(3,048)	(3,280)	(3,048)
Net cash (outflow)/inflow from financing	(5,598)	(6,827)	(5,598)	(6,827)
(Decrease)/increase in cash and cash equivalents	1,227	(3,435)	38	(3,969)
Cash and cash equivalents at the beginning of the financial year	18,834	22,269	16,911	20,880
Cash and cash equivalents at the end of the financial year	20,061	18,834	16,949	16,911

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The 2013 comparative figures have been adjusted to reflect a change of accounting policy from 1 April 2013 as outlined in note 1.2

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

Monitor has directed that the financial statements of NHS Foundation Trusts shall meet the accounting requirements of the NHS Foundation Trust Annual Reporting Manual which has been agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the 2013/14 NHS Foundation Trust Annual Reporting Manual (FT ARM) issued by Monitor. The accounting policies contained in that manual follow International Financial Reporting Standards and HM Treasury's Financial Reporting Manual to the extent that they are meaningful and appropriate to NHS Foundation Trusts. The accounting policies have been applied consistently in dealing with items considered material in relation to the accounts.

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.

After making enquiries, the directors have a reasonable expectation that the NHS foundation trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts.

1.2 Basis of Consolidation

NHS Charitable Fund

Following Treasury's agreement to apply IAS 27 to NHS Charities from 1 April 2013, the Trust has established that as the Trust is the corporate trustee of the linked NHS Charity, Salisbury District Hospital Charitable Fund, is therefore treated as a group entity and is consolidated.

As this is a change in the accounting policy, the prior year has been restated. 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 Generally Accepted Accounting Principles (UK GAAP). 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.

The effects of the prior period adjustment resulting from the consolidation of charitable funds can be found in note 39.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.2 Basis of Consolidation (continued)

Subsidiaries

Subsidiary entities are those over which the Trust has the power to exercise control or a dominant influence so as to gain economic or other benefits. 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 the 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 GAAP) then amounts are adjusted during consolidation where the differences are material. Inter-entity balances, transactions and gains/ losses are eliminated in full on consolidation.

Subsidiaries which are classified as held for sale are measured at the lower of their carrying amount and 'fair value less cost to sell'.

Unless otherwise stated the notes to the accounts refer to the group and not the Trust, as the Trust's balances are not materially different.

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 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.

Associates which are classified as held for sale are measured at the lower of their carrying amount and 'fair value less costs to sell'.

1.3 Income Recognition

Income in respect of services provided is recognised when, and to the extent that, performance occurs and is measured at the fair value of the consideration receivable. The main source of income for the Trust is under contracts from commissioners in respect of healthcare services. Income is recognised in the period in which services are provided, however, inpatient income is recognised in the accounts based on completed spells. Where income is received for a specific activity which is to be delivered in the following year, that income is deferred.

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 e.g. by an insurer. The Trust recognises the income when it receives notification from the Department of Work and Pension's Compensation Recovery Unit that the individual has lodged a compensation claim. The income is measured at the agreed tariff for the treatments provided to the injured individual, less a provision for unsuccessful compensation claims and doubtful debts.

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.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.3 Income Recognition (continued)

Legacy income is accounted for within the charity as incoming resources, either upon receipt, or where the receipt of the legacy is virtually certain; 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.

1.4 Expenditure on goods and services

Expenditure on goods and services is recognised when, and to the extent that they have been received, and is measured at the fair value of those goods and services. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment. Accruals at 31 March 2014 are based on estimates of invoices where services/goods were received but not invoiced at the year end. Included within these accruals is an estimated sum to cover invoices in the coming year where specific liabilities at 31 March 2014 had not been identified.

1.5 Intangible assets

Recognition

Intangible assets are non-monetary assets without physical substance, which are capable of sale separately from the rest of the trust's business or which arise from contractual or other legal rights. They are recognised only when it is probable that future economic benefits will flow to, or service potential be provided to, the trust; where the cost of the asset can be measured reliably, and where the cost is at least £5,000.

Internally generated

Expenditure on research is not capitalised. Expenditure on development is capitalised only where all of the following can be demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use;
- the intention to complete the intangible asset and use it;
- the ability to sell or use the intangible asset;
- how the intangible asset will generate probable future economic benefits or service potential;
- the availability of adequate technical, financial and other resources to complete the intangible asset and sell or use it; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Software

Software which is integral to the operation of hardware e.g. an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware e.g. application software, is capitalised as an intangible asset.

Measurement

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management.

Subsequently intangible assets are measured at fair value. Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse an impairment previously recognised in operating expenses, in which case they are recognised in operating income. Decreases in asset values and impairments are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses. Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of 'Other comprehensive income'.

Intangible assets held for sale are measured at the lower of their carrying amount or 'fair value less costs to sell'.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.5 Intangible assets (continued)

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 5 Years

1.6 Property, plant and equipment

Recognition

Property, plant and equipment is capitalised where:

- it is held for use in delivering services or for administrative purposes;
- it is probable that future economic benefits will flow to, or service potential 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, they 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, the components are treated as separate assets and depreciated over their own useful economic lives.

Valuation

All property, plant and equipment are measured initially at cost, representing the cost directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management. All assets are measured subsequently at fair value.

Land and Property assets are valued every 5 years with annual desktop valuations and annual impairment reviews carried out in all other years. The 5 yearly revaluations are carried out by a professionally 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. A full revaluation was carried out at 1 March 2010. Fair values are determined as follows:

- Land and non-specialised buildings – market value for existing use.
- Specialised buildings – depreciated replacement cost until 31 March 2014, when the assets were valued at modern equivalent value.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees but not borrowing costs, which are recognised as expenses immediately, as allowed by IAS 23 for assets held at fair value. Assets are revalued and depreciation commences when they are brought into use.

Until 31 March 2008, fixtures and equipment were carried at replacement cost, as assessed by indexation and depreciation of historic cost. From 1 April 2008 indexation has ceased. The carrying value of existing assets at that date will be written off over their remaining useful lives and new fixtures and equipment are carried at depreciated historic cost as this is not considered to be materially different from fair value.

Subsequent expenditure

Where subsequent expenditure enhances an asset beyond its original specification, the directly attributable cost is added to the asset's carrying value. 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 derecognised.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.6 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 infinite life and is not depreciated. All other assets are being depreciated as follows:

Buildings (excluding dwellings) 3 - 57 years

Dwellings 32 - 60 years

Plant and Machinery 5 - 43 years

Transport equipment 5 - 10 years

Information Technology 4 - 10 years

Furniture and Fittings 5 - 25 years

Property, plant and equipment which has been reclassified as 'held for sale' ceases to be depreciated upon the reclassification.

Revaluation gains and losses

Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease previously recognised in operating expenses, in which case they are recognised in operating income.

Revaluation losses are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses.

Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of 'Other comprehensive income'.

Each year the Trust makes a transfer from the Revaluation Reserve to the Income and Expenditure Reserve to reflect the excess of current cost depreciation over historical cost depreciation.

Impairments

In accordance with the FT ARM, impairments that are due to a loss of economic benefits or service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of (i) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before impairment.

An impairment arising from a loss of economic benefit or service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss is reversed. Reversals are recognised in operating income to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where at the time of the original impairment, a transfer was made from the 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.

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 dropped or significant changes made to it.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.6 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 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.

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 imposes 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.

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.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.6 Property, plant and equipment (continued)

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.

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.

1.7 Investment

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-div.

Unquoted investments are included at the charitable trustee's best estimate of market value.

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 purchase date if later).

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.8 Borrowing costs

Borrowing costs are recognised as expenses as they are incurred.

1.9 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.

1.10 Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Trust's cash management.

1.11 Provisions

The NHS Foundation 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 HM Treasury's discount rates of -1.9%, -0.65% and 2.2% in real terms where the expected payments would be in 0 - 5 years, 5 - 10 years and over 10 years respectively from the SOFP date, except for early retirement provisions and injury benefit provisions which both use the HM Treasury's pension discount rate of 1.8% in real terms.

Clinical negligence costs

The NHS Litigation Authority (NHSLA) operates a risk pooling scheme under which the Trust pays an annual contribution to the NHSLA, which, in return, settles all clinical negligence claims. Although the NHSLA is administratively responsible for all clinical negligence cases the legal liability remains with the Trust. The total value of clinical negligence provisions carried by the NHSLA on behalf of the Trust is disclosed at Note 26, but is not recognised in the NHS Foundation 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 the NHS Litigation Authority and in return receives assistance with the costs of claims arising. The annual membership contributions, and any 'excesses' payable in respect of particular claims are charged to operating expenses as and when the liability arises.

1.12 Employee benefits

Short-term employee benefits

Salaries, wages and employment-related payments are recognised in the period in which the service is received from employees. The cost of leave 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.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.12 Employee benefits (continued)

Pension costs

NHS Pension Scheme

Past and present employees are covered by the provisions of the NHS Pensions Scheme. The Scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. It is not possible for the NHS Foundation Trust to identify its share of the underlying scheme liabilities. Therefore the scheme is accounted for as a defined contribution scheme.

Employers 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.

Subsidiary pension scheme

The subsidiary companies, Odstock Medical Limited and Salisbury Trading Limited, 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.

1.13 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.

1.14 Corporation Tax

The group and trust do not have a corporation tax liability for the year 2013/14. Tax may be payable on activities described below:

- The activity is not related to the provision of core healthcare as defined under Section 14(1) of the HSCA.
- 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

1.15 Foreign Exchange

The Trust's functional currency and presentational currency is sterling. Transactions denominated in a foreign currency are translated into sterling at the exchange rate ruling on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the spot exchange rate on 31 March 2014. Resulting exchange gains and losses for either of these are recognised in the trust's surplus/deficit in the period in which they arise.

1.16 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 the HM Treasury Financial Reporting Manual, see note33.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.17 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.

The trust as lessee

Property, plant and equipment held under finance leases are initially recognised, at the inception of the lease, at fair value or, if lower, at the present value of the minimum lease payments, with a matching liability for the lease obligation to the lessor. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate on interest on the remaining balance of the liability. Finance charges are recognised in calculating the trust's surplus/deficit.

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.

The trust as lessor

Amounts due from lessees under finance leases are recorded as receivables at the amount of the trust's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the trust's net investment outstanding in respect of the leases.

The trust leases land to Salisbury District Hospital Charitable Fund at a nominal amount and, as a result, no separate disclosure has been made of this arrangement.

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 on a straight-line basis over the lease term.

1.18 Public Dividend Capital (PDC) and PDC dividend

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS trust. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

A charge, reflecting the cost of capital utilised by the NHS foundation trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the NHS foundation trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for (i) donated assets (including lottery funded assets), (ii) average daily cash balances held with the Government Banking Services (GBS) and National Loans Fund (NLF) deposits, excluding cash balances held in GBS accounts that relate to a short-term working capital facility, and (iii) any PDC dividend balance receivable or payable. In accordance with the requirements laid down by the Department of Health (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the "pre-audit" version of the annual accounts. The dividend thus calculated is not revised should any adjustment to net assets occur as a result the audit of the annual accounts.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.19 Losses and Special Payments

Losses and Special Payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way each individual case is handled.

Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had NHS trusts not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure). However, the note on losses and special payments is compiled directly from the losses and compensations register which reports amounts on an accruals basis with the exception of provisions for future losses.

1.20 Contingencies

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the trust, or a present obligation that is not recognised because it is not probable that a payment will be required to settle the obligation or the amount of the obligation cannot be measured sufficiently reliably. A contingent liability is disclosed unless the possibility of a payment is remote.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the trust. A contingent asset is disclosed where an inflow of economic benefits is probable.

Where the time value of money is material, contingencies are disclosed at their present value.

1.21 Financial assets

Financial assets are recognised when the trust becomes party to the financial instrument contract or, in the case of trade receivables, when the goods or services have been delivered. Financial assets are derecognised when the contractual rights have expired or the asset has been transferred.

Financial assets are initially recognised at fair value.

De-recognition

All financial assets are de-recognised when the rights to receive cash flows from the assets have expired or the Trust has transferred substantially all of the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

Classification

Financial assets are classified into the following categories: financial assets at fair value through income and expenditure; held to maturity investments; available for sale financial assets, and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Financial assets at fair value through income and expenditure

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial assets at fair value through profit and loss. They are held at fair value, with any resultant gain or loss recognised in calculating the trust's surplus or deficit for the year. The net gain or loss incorporates any interest earned on the financial asset.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.21 Financial assets (continued)

Held to maturity investments

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity, and there is a positive intention and ability to hold to maturity. After initial recognition, they are held at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. After initial recognition, they are measured at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method and credited to the Statement of Comprehensive Income.

Fair value is determined by reference to quoted market prices where possible, otherwise by valuation techniques.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, to the initial fair value of the financial asset.

At the end of the reporting period, the trust assesses whether any financial assets, other than those held at 'fair value through profit and loss' are impaired. Financial assets are impaired and impairment losses recognised if there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in expenditure and the carrying amount of the asset is reduced through a provision for impairment of receivables.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets which are either designated in this category or not classified in any of the other categories. They are included in long-term assets unless the trust intends to dispose of them within 12 months of the Statement of Financial Position date.

Available-for-sale financial assets are recognised initially at fair value, including transaction costs, and measured subsequently at fair value, with gains or losses recognised in reserves and reported in the Statement of Comprehensive Income as an item of "other comprehensive income". When items classified as "available-for-sale" are sold or impaired, the accumulated fair value adjustments recognised are transferred from reserves and recognised in "Finance Costs" in the Statement of Comprehensive Income.

1.22 Financial liabilities

Financial liabilities are recognised on the statement of financial position when the trust becomes party to the contractual provisions of the financial instrument or, in the case of trade payables, when the goods or services have been received. Financial liabilities are derecognised when the liability has been discharged, that is, the liability has been paid or has expired.

Loans from the Department of Health are recognised at historical cost. Otherwise, financial liabilities are initially recognised at fair value.

Financial liabilities at fair value through profit and loss

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial liabilities at fair value through profit and loss. They are held at fair value, with any resultant gain or loss recognised in the trust's surplus/deficit. The net gain or loss incorporates any interest payable on the financial liability.

1. ACCOUNTING POLICIES (CONTINUED)

1.22 Financial liabilities (continued)

Other financial liabilities

After initial recognition, all other financial liabilities are measured at amortised cost using the effective interest method, except for loans from Department of Health, which are carried at historic cost. The effective interest rate is the rate that exactly discounts estimated future cash payments through the life of the asset, to the net carrying amount of the financial liability. Interest is recognised using the effective interest method.

1.23 Critical Accounting Estimates and Judgements

International accounting standard IAS1 requires estimates, assumptions and judgements to be continually evaluated and to be based on historical experience and other factors including expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The purpose of evaluation is to consider whether there may be a significant risk of causing material adjustment to the carrying value of assets and liabilities within the next financial year, compared to the carrying value in these accounts. The following significant assumptions and areas of estimation and judgement have been considered in preparing these financial statements.

Value of land, buildings and dwellings £111.07 million: This is the most significant estimate in the accounts and is based on the professional judgement of the Trust's independent valuer 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.

Untaken annual leave: salary costs include a £0.15m estimate for the annual leave earned but not taken by employees at 31 March 2014, to the extent that staff are permitted to carry leave forward to the next financial year. (2012/13 £0.14m)

Provisions: Assumptions around the timing of the cash flows relating to provisions are based upon information from the NHS Pensions Agency and expert opinion within the Trust and from the external advisors regarding when legal issues may be settled.

1.24 Accounting standards that have been issued but have not yet been adopted

The following accounting standards, amendments and interpretations have been issued by the IASB and IFRIC but are not yet required to be adopted:

IFRS 9 Financial Instruments	Uncertain. Not likely to be adopted by the EU until the IASB has finished the rest of its financial instruments project.
– Financial Assets	
– Financial Liabilities	
IFRS 10 Consolidated Financial Statements	Effective from 2014/15
IFRS 11 Joint Arrangements	Effective from 2014/15
IFRS 12 Disclosure of Interests in Other Entities	Effective from 2014/15
IFRS 13 Fair Value Measurement	Effective date of 2013/14 but not yet adopted by HM Treasury.
IAS 27 Separate Financial Statements	Effective from 2014/15
IAS 28 Associates and joint ventures	Effective from 2014/15
IAS 32 Financial Instruments:	Effective from 2014/15
Presentation – amendment	
Offsetting financial assets and liabilities	

The Trust has considered the above new standards, interpretations and amendments to published standards that are not yet effective and concluded that they are either not relevant to the Trust or that they would not have a significant impact on the Trust's financial statements, apart from some additional disclosures.

1.25 Accounting standards, amendments and interpretations issued that have been adopted early

The Trust has not early adopted any new accounting standards, amendments or interpretations.

NOTES TO THE ACCOUNTS

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. Income is not allocated to each area of activity. 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, 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	2014 £000	2013 £000
Elective revenue	36,972	34,253
Non-elective revenue	63,215	61,512
Outpatient revenue	29,701	25,128
A & E revenue	4,915	4,759
Other types of activity revenue	36,714	34,773
Total revenue at full tariff	171,517	160,425
Revenue from activities		
Private patient revenue	1,865	1,807
Other clinical income	5,572	4,502
	178,954	166,734

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.

3.2 Revenue by Source	2014 £000	2013 £000
Foundation Trusts	3,242	2,911
NHS Trusts	878	797
Clinical Commissioning Groups and NHS England	168,570	-
Primary Care Trusts	-	156,468
Local Authorities	1,139	107
NHS Other	162	38
Non NHS:		
- Private patients	1,865	1,807
- Overseas patients (non-reciprocal)	53	106
- NHS Injury scheme (was Road Traffic Act)	1,322	1,298
- Other	1,723	3,202
	178,954	166,734

NHS Injury Scheme revenue is subject to a provision for doubtful debts of 15.8% (2013: 12.6%) to reflect expected rates of collection. Other income includes £1.1m (2013: £1.9m) income from Salisbury Hospice Charity.

3.3 Commissioner requested services

Under the terms of its Provider Licence, which commenced on 1 April 2013, 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 those where the Trust has a contractual obligation to provide patient services. This information is provided in the table below:

	2014 £000	2013 £000
Commissioner requested services	163,263	152,102
Non-commissioner requested services	15,691	14,632
	178,954	166,734

In 2012/13 the Trust held contractual arrangements with Primary Care Trusts (PCTs). PCTs ceased to exist on 31 March 2013 and were replaced by Clinical Commissioning Groups (CCGs). The comparative information is based on contracts with PCTs.

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 2013/14 (and 2012/13) was substantially below the revised level permitted.

5. Other operating revenue

	Group		Trust	
	2014	2013	2014	2013
	£000	£000	£000	£000
Research and development	789	743	789	743
Education and training	5,260	4,796	5,260	4,796
Non-patient care services to other bodies	959	1,214	959	1,214
Received from NHS charities - donated assets	-	-	648	1,042
Laundry income	3,191	1,726	876	1,726
NHS Charitable Funds: Incoming Resources excluding investment income	2,906	2,171	-	-
Odstock Medical Limited	1,546	1,508	-	-
Other	5,888	5,625	6,783	5,664
	20,539	17,783	15,315	15,185

Included within 'Other' revenue above are amounts received from lodgings £1,296k (2013: £1,210k), car parking £1,276k (2013: £1,128k), catering £861k (2013: £849k) and child care services £517k (2013: £494k).

6. Revenue

Total revenue is almost exclusively from the supply of services, with the exception of sales of My Trusty Little Sunflower Cream. My Trusty Little Sunflower Cream was launched in May 2013 and sales, net of VAT, in the period to 31 March 2014 were £117k.

6.1 Operating lease income

Group and Trust

6.1 As lessor

The Trust has entered into short term commercial leases on buildings. During 2012/13 the Trust entered an agreement to lease an area within the hospital main entrance to a high street retailer on commercial terms.

6.2 Receipts recognised as income

	Group		Trust	
	2014	2013	2014	2013
	£000	£000	£000	£000
Rental revenue from operating leases - minimum lease receipts	168	139	218	189

6.3 Total future minimum lease income

	Group		Trust	
	2014	2013	2014	2013
	£000	£000	£000	£000
Receivable:				
Within 1 year	173	99	173	149
Between 1 and 5 years	481	365	481	365
After 5 years	31	25	31	25
Total	685	489	685	539

NOTES TO THE ACCOUNTS

7. Operating Expenses

Operating expenses comprise:

	Group		Trust	
	2014	2013	2014	2013
	£000	£000	£000	£000
Services from other NHS Foundation Trusts	1,267	1,307	1,267	1,307
Services from NHS Trusts	521	573	521	573
Services from PCT's	-	44	-	44
Services from Clinical Commissioning Groups and NHS England	3	-	3	-
Services from other NHS bodies	229	242	229	242
Purchase of healthcare from non-NHS bodies	575	579	575	579
Executive directors costs	920	900	920	900
Non-executive directors costs	134	128	134	128
Staff costs	121,459	114,325	119,266	113,537
Drug costs	14,841	13,098	14,841	13,098
Supplies and services - clinical (excluding drug costs)	19,221	17,552	19,221	17,552
Supplies and services - general	3,098	3,085	3,510	3,085
Establishment	1,754	1,946	1,754	1,946
Transport	1,038	472	919	472
Premises	7,338	6,333	7,101	6,333
Provision for impairment of receivables	129	(184)	129	(184)
Increase in other provisions	13	(205)	13	(205)
Inventory write down	-	52	-	52
Depreciation and amortisation	9,509	8,727	9,171	8,480
Impairments of property, plant and equipment	-	795	-	795
Rentals under operating leases	128	135	170	177
Audit services - statutory audit	62	58	58	53
Fees payable to the Trust's auditor and its associates for other services:				
- further assurance services	8	10	8	10
- other services	-	2	-	2
Clinical negligence	3,926	3,272	3,926	3,272
Other	5,148	4,868	3,149	3,155
	191,321	178,114	186,885	175,403

The total employer's pension contributions are disclosed in note 9.1.

Redundancy payments totalling £0.022m (2013: £0.015m) are included in staff costs and further details are disclosed in note 9.4.

There is a limitation on the Auditor's liability of £1.0m.

Other expenses include payments for course fees £0.2m (2013: £0.3m), patient's travel £0.2m (2013: £0.1m), the service element of the PFI contract £0.9m (2013: £0.9m), consultancy fees £0.3m (2013: £0.4m), insurance fees £0.2m (2013: £0.1m), legal fees £0.1m (2013: £0.2m), internal audit fees £0.2m (2013: £0.2m), contracted out services £0.2m (2013: £0.1m) and costs attributable to the Trust's subsidiary companies, Odstock Medical Limited £0.7m (2013: £0.9m) and Salisbury Trading Limited £0.5m (2013: £nil). In addition it also includes charitable fund expenses of £0.8m (2013: £0.9m).

8. Operating leases expenditure

Group and Trust

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	
	2014	2013	2014	2013
	£000	£000	£000	£000
Minimum lease payments	128	135	170	177

8.3 Total future minimum lease payments

	Group		Trust	
	2014	2014	2014	2014
	£000	£000	£000	£000
Payable:				
Within 1 year	76	81	117	123
Between 1 and 5 years	110	101	233	265
After 5 years	-	-	31	52
Total	186	182	381	440

NOTES TO THE ACCOUNTS

9. Staff costs and numbers

9.1 Staff costs

Group	Total 2014 £000	Permanently Employed 2014 £000	Other 2014 £000	Total 2013 £000	Permanently Employed 2013 £000	Other 2013 £000
Salaries and wages	98,083	98,083	-	93,428	93,428	-
Social Security Costs	7,157	7,157	-	7,003	7,003	-
Employer contributions to NHSPA	11,469	11,469	-	10,681	10,681	-
Other pension costs	4	4	-	-	-	-
Agency and contract staff	6,038	-	6,038	4,441	-	4,441
	122,751	116,713	6,038	115,553	111,112	4,441
Less: costs of staff capitalised	(350)	(350)	-	(328)	(328)	-
	122,401	116,363	6,038	115,225	110,784	4,441

Trust	Total 2014 £000	Permanently Employed 2014 £000	Other 2014 £000	Total 2013 £000	Permanently Employed 2013 £000	Other 2013 £000
Salaries and wages	95,964	95,964	-	92,640	92,640	-
Social Security Costs	7,115	7,115	-	7,003	7,003	-
Employer contributions to NHSPA	11,437	11,437	-	10,681	10,681	-
Other pension costs	4	4	-	-	-	-
Agency and contract staff	6,038	-	6,038	4,441	-	4,441
	120,558	114,520	6,038	114,765	110,324	4,441
Less: costs of staff capitalised	(350)	(350)	-	(328)	(328)	-
	120,208	114,170	6,038	114,437	109,996	4,441

9.2 Average number of persons employed - WTE basis

Group	Total 2014 Number	Permanently Employed 2014 Number	Other 2014 Number	Total 2013 Number	Permanently Employed 2013 Number	Other 2013 Number
Medical and dental	328	310	18	327	308	19
Ambulance staff	6	6	-	10	10	-
Administration and estates	657	651	6	600	598	2
Healthcare assistants & other support staff	263	259	4	222	214	8
Nursing, midwifery & health visiting staff	1,280	1,150	130	1,247	1,166	81
Scientific, therapeutic and technical staff	438	428	10	398	397	1
Total	2,972	2,804	168	2,804	2,693	111

Trust	Total 2014 Number	Permanently Employed 2014 Number	Other 2014 Number	Total 2013 Number	Permanently Employed 2013 Number	Other 2013 Number
Medical and dental	328	310	18	327	308	19
Ambulance staff	6	6	-	10	10	-
Administration and estates	594	588	6	599	597	2
Healthcare assistants & other support staff	263	259	4	222	214	8
Nursing, midwifery & health visiting staff	1,280	1,150	130	1,247	1,166	81
Scientific, therapeutic and technical staff	421	411	10	384	383	1
Total	2,892	2,724	168	2,789	2,678	111

The figure shown under the 'Other' column relates to agency staff, disclosed under the operational areas where they worked.

NOTES TO THE ACCOUNTS

9. Staff costs and numbers (continued)

9.3 Directors' remuneration

	Group and Trust	
	2014	2013
	£000	£000
Salaries and wages	857	839
Social Security Costs	98	94
Employer contributions to Pension Schemes	99	95
	<u>1,054</u>	<u>1,028</u>

The total number of Directors accruing benefits under pension schemes is 6 (2013: 6).

9.4 Staff departure costs

Group and Trust

	2014 No. of compulsory redundancies	2014 No. of other agreed departures	2013 No. of compulsory redundancies	2013 No. of other agreed departures
Exit package cost band				
< £10,000	1	4	1	-
£10,001 - £25,000	1	-	1	-
£25,001 - £50,000	-	-	-	-
£50,001 - £100,000	-	-	-	1
Total number of exit packages by type	<u>2</u>	<u>4</u>	<u>2</u>	<u>1</u>
	£000	£000	£000	£000
Total resource costs	<u>22</u>	<u>16</u>	<u>15</u>	<u>52</u>

There were no compulsory redundancy costs relating to senior managers in the year.

The non-compulsory departure payments can be analysed as:

	2014 Agreements Number	2014 Value of agreements £000	2013 Agreements Number	2013 Value of agreements £000
Contractual payments in lieu of notice	<u>4</u>	<u>16</u>	<u>1</u>	<u>52</u>

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 £11.44m (2013: £10.68m). As at 31 March 2014, contributions of £1.58m (2013: £1.42m) 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 Pension costs

Past and present employees are covered by the provisions of the NHS Pensions Scheme. Details of the benefits payable under these provisions can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. The scheme is an unfunded, defined benefit scheme that covers NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS Body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

NOTES TO THE ACCOUNTS

10.1 Pension costs (continued)

a) Accounting valuation

A valuation of the scheme liability is carried out annually by the scheme actuary as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and are accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2014, is based on valuation data as 31 March 2013, updated to 31 March 2014 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the scheme actuary report, which forms part of the annual NHS Pension Scheme (England and Wales) Pension Accounts, published annually. These accounts can be viewed on the NHS Pensions website. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the scheme (taking into account its recent demographic experience), and to recommend the contribution rates.

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2004. Consequently, a formal actuarial valuation would have been due for the year ending 31 March 2008. However, formal actuarial valuations for unfunded public service schemes were suspended by HM Treasury on value for money grounds while consideration is given to recent changes to public service pensions, and while future scheme terms are developed as part of the reforms to public service pension provision due in 2015.

The Scheme Regulations were changed to allow contribution rates to be set by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and appropriate employee and employer representatives as deemed appropriate.

The next formal valuation to be used for funding purposes will be carried out at as at March 2012 and will be used to inform the contribution rates to be used from 1 April 2015.

b) Scheme provisions

The NHS Pension Scheme provided defined benefits, which are summarised below. This list is an illustrative guide only, and is not intended to detail all the benefits provided by the Scheme or the specific conditions that must be met before these benefits can be obtained:

The Scheme is a "final salary" scheme. Annual pensions are normally based on 1/80th for the 1995 section and of the best of the last three years pensionable pay for each year of service, and 1/60th for the 2008 section of reckonable pay per year of membership. Members who are practitioners as defined by the Scheme Regulations have their annual pensions based upon total pensionable earnings over the relevant pensionable service.

With effect from 1 April 2008 members can choose to give up some of their annual pension for an additional tax free lump sum, up to a maximum amount permitted under HMRC rules. This new provision is known as "pension commutation".

Annual increases are applied to pension payments at rates defined by the Pensions (Increase) Act 1971, and are based on changes in retail prices in the twelve months ending 30 September in the previous calendar year. From 2011-12 the Consumer Price Index (CPI) has been used and replaced the Retail Prices Index (RPI).

NOTES TO THE ACCOUNTS

10.1 Pension costs (continued)

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.

11. Retirements due to ill-health

During the year to 31 March 2014 there were 2 (2013: 2) early retirements from the Trust on the grounds of ill-health. The estimated additional pension liabilities of these ill-health retirements will be £0.114m (2013: £0.184m). The cost of these ill-health retirements will be borne by the NHS Business Services Authority - Pensions Division.

12. Finance income

	Group		Trust	
	2014	2013	2014	2013
	£000	£000	£000	£000
Interest revenue:				
Bank accounts	193	327	68	219
Other loans and receivables	-	-	-	-
	<u>193</u>	<u>327</u>	<u>68</u>	<u>219</u>

13. Finance costs

Group and Trust

	2014	2013
	£000	£000
Interest on loans from Foundation Trust Financing Facility	28	52
Interest on obligations under finance leases	26	36
Finance costs on obligations under Private Finance Initiatives	1,374	1,383
Contingent finance costs - PFI	534	349
Total finance expense - financial liabilities	<u>1,962</u>	<u>1,820</u>
Other finance costs - unwinding of discounts on provisions	10	13
Total	<u>1,972</u>	<u>1,833</u>

14. The Late Payment of Commercial Debts (Interest) Act 1998

There were no amounts payable arising from claims made by businesses under this legislation (2013: £Nil).

NOTES TO THE ACCOUNTS

15. Losses and special payments

	Group and Trust			
	2014 Number	Value £000	2013 Number	Value £000
Losses				
Cash losses	7	1	13	4
Fruitless payments and constructive losses	1	1	1	1
Bad debts and claims abandoned	572	24	340	18
Stores losses	1	-	5	1
	581	26	359	24
Special payments				
ex gratia payments	50	56	58	91
	50	56	58	91
Total losses and special payments	631	82	417	115

There were no case payments that exceeded £0.1m.

16. Intangible Assets

16.1 Intangible assets at the balance sheet date comprise the following elements:

Group and Trust

	Software Licences £000	Total £000
Cost or valuation		
At 1 April 2013	842	842
Additions - purchased	1,357	1,357
At 31 March 2014	2,199	2,199
Amortisation		
At 1 April 2013	90	90
Provided during the period	175	175
Amortisation at 31 March 2014	265	265
Net book value at 31 March 2013		
- Purchased at 31 March 2013	752	752
- Donated at 31 March 2013	-	-
Total at 31 March 2013	752	752
Net book value at 31 March 2014		
- Purchased at 31 March 2014	1,934	1,934
- Donated at 31 March 2014	-	-
Total at 31 March 2014	1,934	1,934

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 2013	5,527	90,322	6,491	2,609	55,834	698	15,537	1,865	178,883
Additions - purchased	-	749	-	2,276	3,264	12	766	339	7,406
Additions - donated	-	-	235	39	544	-	10	54	882
Impairments	-	-	-	-	-	-	-	-	-
Reclassifications	-	1,861	-	(1,861)	-	-	-	-	-
Revaluation	17	6,128	(5)	-	-	-	-	-	6,140
Disposals	-	-	(235)	-	(16)	-	-	-	(251)
At 31 March 2014	5,544	99,060	6,486	3,063	59,626	710	16,313	2,258	193,060
Accumulated depreciation									
At 1 April 2013	-	13	-	-	36,180	653	11,345	742	48,933
Provided during the period	-	3,908	126	-	3,811	14	1,332	143	9,334
Revaluation	-	(3,900)	(126)	-	-	-	-	-	(4,026)
Impairments	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	(16)	-	-	-	(16)
Accumulated depreciation at 31 March 2014	-	21	-	-	39,375	667	12,677	885	54,225
Net book value at 31 March 2014									
Owned	5,544	77,376	6,486	3,024	17,338	43	3,596	1,005	114,412
Finance leased	-	-	-	-	185	-	-	-	185
On balance sheet PFI	-	21,363	-	-	-	-	-	-	21,363
Donated	-	300	-	39	2,128	-	40	368	2,875
Total at 31 March 2014	5,544	99,039	6,486	3,063	19,651	43	3,636	1,373	138,835

On 31 March 2014 the District Valuer 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 fair value at 31 March 2014

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 2013									
At 1 April 2012	5,555	94,519	6,522	1,995	53,871	696	14,240	1,645	179,043
Additions - purchased	-	-	-	4,885	875	-	-	-	5,760
Additions - donated	-	-	-	1,041	-	-	-	-	1,041
Impairments	-	-	-	-	-	-	-	-	-
Reclassifications	-	2,687	-	(5,312)	1,089	14	1,302	220	-
Revaluation	(28)	(6,884)	(31)	-	-	-	-	-	(6,943)
Disposals	-	-	-	-	(1)	(12)	(5)	-	(18)
At 31 March 2013	5,527	90,322	6,491	2,609	55,834	698	15,537	1,865	178,883
Accumulated depreciation at 1 April 2013									
At 1 April 2012	-	139	44	-	33,189	639	9,981	618	44,610
Provided during the period	-	4,042	125	-	2,991	15	1,364	124	8,661
Revaluation	-	(4,963)	(169)	-	-	-	-	-	(5,132)
Impairments	-	795	-	-	-	-	-	-	795
Disposals	-	-	-	-	-	(1)	-	-	(1)
Accumulated depreciation at 31 March 2013	-	13	-	-	36,180	653	11,345	742	48,933
Net book value at 31 March 2013									
Owned	5,527	70,961	6,491	2,609	17,553	43	4,148	770	108,102
Finance leased	-	-	-	-	246	-	-	-	246
On balance sheet PFI	-	19,049	-	-	-	-	-	-	19,049
Donated	-	299	-	-	1,855	2	44	353	2,553
Total at 31 March 2013	5,527	90,309	6,491	2,609	19,654	45	4,192	1,123	129,950

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 2013	4,923	87,202	5,715	2,609	55,001	698	15,537	1,865	173,550
Additions - purchased	-	491	-	2,276	2,660	12	766	339	6,544
Additions - donated	-	-	-	39	544	-	10	54	647
Impairments	-	-	-	-	-	-	-	-	-
Reclassifications	-	1,861	-	(1,861)	-	-	-	-	-
Revaluation	17	6,136	(5)	-	-	-	-	-	6,148
Disposals	-	-	-	-	(2,464)	-	-	-	(2,464)
At 31 March 2014	4,940	95,690	5,710	3,063	55,741	710	16,313	2,258	184,425
Accumulated depreciation									
At 1 April 2013	-	-	-	-	35,475	653	11,345	742	48,215
Provided during the period	-	3,756	104	-	3,647	14	1,332	143	8,996
Revaluation	-	(3,756)	(104)	-	-	-	-	-	(3,860)
Impairments	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	(1,221)	-	-	-	(1,221)
Accumulated depreciation at 31 March 2014	-	-	-	-	37,901	667	12,677	885	52,130
Net book value at 31 March 2014									
Owned	4,940	74,027	5,710	3,024	15,527	43	3,596	1,005	107,872
Finance leased	-	-	-	-	185	-	-	-	185
On balance sheet PFI	-	21,363	-	-	-	-	-	-	21,363
Donated	-	300	-	39	2,128	-	40	368	2,875
Total at 31 March 2014	4,940	95,690	5,710	3,063	17,840	43	3,636	1,373	132,295

On 31 March 2014 the District Valuer 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 fair value at 31 March 2014

17. Property, plant and equipment (continued)

Trust

NOTES TO THE ACCOUNTS

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 2012									
At 1 April 2012	4,938	91,573	5,715	1,995	53,044	696	14,240	1,645	173,846
Additions - purchased	-	-	-	4,885	869	-	-	-	5,754
Additions - donated	-	-	-	1,041	-	-	-	-	1,041
Impairments	-	-	-	-	-	-	-	-	-
Reclassifications	-	2,687	-	(5,312)	1,089	14	1,302	220	-
Revaluation	(15)	(7,058)	-	-	-	-	-	-	(7,073)
Disposals	-	-	-	-	(1)	(12)	(5)	-	(18)
At 31 March 2013	4,923	87,202	5,715	2,609	55,001	698	15,537	1,865	173,550
Accumulated depreciation at 1 April 2012									
At 1 April 2012	-	-	-	-	32,567	639	9,981	618	43,805
Provided during the period	-	3,900	103	-	2,908	15	1,364	124	8,414
Revaluation	-	(4,695)	(103)	-	-	-	-	-	(4,798)
Impairments	-	795	-	-	-	-	-	-	795
Disposals	-	-	-	-	-	(1)	-	-	(1)
Accumulated depreciation at 31 March 2013	-	-	-	-	35,475	653	11,345	742	48,215
Net book value at 31 March 2013									
Owned	4,923	67,854	5,715	2,609	17,425	43	4,148	770	103,487
Finance leased	-	-	-	-	246	-	-	-	246
On balance sheet PFI	-	19,049	-	-	-	-	-	-	19,049
Donated	-	299	-	-	1,855	2	44	353	2,553
Total at 31 March 2013	4,923	87,202	5,715	2,609	19,526	45	4,192	1,123	125,335

NOTES TO THE ACCOUNTS

17. Property, plant and equipment (continued)

Group and Trust

Net Book Value of Assets Held Under Finance		Plant & Machinery £000	PFI Arrangements £000	Total £000
17.5 Leases				
Cost or valuation				
At 1 April 2013		616	19,049	19,665
Revaluations		-	2,314	2,314
At 31 March 2014		<u>616</u>	<u>21,363</u>	<u>21,979</u>
Accumulated depreciation				
At 1 April 2013		370	-	370
Provided during the period		61	493	554
Revaluation		-	(493)	(493)
Accumulated depreciation at 31 March 2014		<u>431</u>	<u>-</u>	<u>431</u>
Net book value at 31 March 2014				
- Purchased		185	21,363	21,548
- Donated		-	-	-
Total at 31 March 2014		<u>185</u>	<u>21,363</u>	<u>21,548</u>
Cost or valuation				
At 1 April 2012		616	20,112	20,728
Revaluation		-	(1,063)	(1,063)
At 31 March 2013		<u>616</u>	<u>19,049</u>	<u>19,665</u>
Accumulated depreciation				
At 1 April 2012		309	-	309
Provided during the period		61	523	584
Revaluation		-	(523)	(523)
Accumulated depreciation at 31 March 2013		<u>370</u>	<u>-</u>	<u>370</u>
Net book value at 31 March 2013				
- Purchased		246	19,049	19,295
- Donated		-	-	-
Total at 31 March 2013		<u>246</u>	<u>19,049</u>	<u>19,295</u>

NOTES TO THE ACCOUNTS

18. Investments

	Group		Trust	
	31 March 2014 £000	31 March 2013 £000	31 March 2014 £000	31 March 2013 £000
Non-current				
Financial assets designated as fair value through profit or loss	5,235	5,035	-	-
	<u>5,235</u>	<u>5,035</u>	<u>-</u>	<u>-</u>
Current				
Financial assets designated as fair value through profit or loss	290	114	-	-
	<u>290</u>	<u>114</u>	<u>-</u>	<u>-</u>

Non-current investments is an investment portfolio managed by HSBC Global Asset Management on behalf of the charitable fund.

Current asset investments are the cash balances held by HSBC Global Asset Management on behalf of the charitable fund and represents dividend income, interest income and the proceeds of fixed asset investment disposals which have not yet been reinvested.

19. Other financial assets

	Group		Trust	
	31 March 2014 £000	31 March 2013 £000	31 March 2014 £000	31 March 2013 £000
Non-current				
Loans and receivables	-	-	3,330	-
	<u>-</u>	<u>-</u>	<u>3,330</u>	<u>-</u>

Non-current other financial assets represent loans made to Salisbury Trading Limited to purchase laundry equipment and laundry stocks from Salisbury NHS Foundation Trust on the commencement of the subsidiary business.

The long term loan of £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 .

The short term loan of £1.3m to purchase the laundry stock is repayable over a 3 year term and attracts interest at 2% above the Bank of England base rate.

NOTES TO THE ACCOUNTS

20. Inventories

	Group		Trust	
	31 March 2014 £000	31 March 2013 £000	31 March 2014 £000	31 March 2013 £000
Materials	1,755	1,707	1,755	1,707
Consumables	1,385	686	37	616
	<u>3,140</u>	<u>2,393</u>	<u>1,792</u>	<u>2,323</u>
Inventories recognised as an expense in the period	17,782	16,583	17,138	16,189
Write-down of inventories (including losses)	-	52	-	52
Reversal of write-downs that reduced the expense	-	-	-	-
	<u>17,782</u>	<u>16,635</u>	<u>17,138</u>	<u>16,241</u>

21. Trade and other receivables

21.1 Amounts falling due within one year:

	Group		Trust	
	31 March 2014 £000	31 March 2013 £000	31 March 2014 £000	31 March 2013 £000
NHS receivables	3,862	3,298	3,862	3,298
Other receivables with related parties	467	87	467	87
Provision for impairment of receivables	(989)	(884)	(989)	(884)
Prepayments	1,107	800	1,081	800
PDC dividend receivable	-	92	-	92
Vat receivable	126	169	126	169
Other receivables	5,820	5,388	6,392	5,787
	<u>10,393</u>	<u>8,950</u>	<u>10,939</u>	<u>9,349</u>

The majority of transactions are with Clinical Commissioning Groups (CCGs) or NHS England's Specialist Commissioners (2013: Primary Care Trusts), as commissioners for NHS patient care services. As CCGs and Specialist Commissioners (2013: Primary Care Trusts) are funded by government to buy NHS patient care services, no credit scoring of them is considered necessary.

The average credit period taken on sale of goods is 19.0 days (2013: 17.4 days). No interest is charged on trade receivables.

Other receivables include non-NHS trade debts £1.3m (2013: £1.8m) and amounts due from the Compensation Recovery Unit of £2.9m (2013: £3.0m).

NOTES TO THE ACCOUNTS

21. Trade and other receivables (continued)

21.3 Movement in the provision for impairment of receivables

	Group		Trust	
	31 March 2014	31 March 2013	31 March 2014	31 March 2013
	£000	£000	£000	£000
Balance at beginning of year	884	1,144	884	1,144
Amount written off during the year	(24)	(184)	(24)	(184)
(Decrease)/increase in allowance recognised in income	129	(76)	129	(76)
Balance at end of year	989	884	989	884

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.

21.4 Impaired receivables past their due date

	Group		Trust	
	31 March 2014	31 March 2013	31 March 2014	31 March 2013
	£000	£000	£000	£000
By up to three months	365	271	365	271
By three to six months	112	78	112	78
By more than six months	512	535	512	535
Total	989	884	989	884

21.5 Non-impaired receivables past their due date

	Group		Trust	
	31 March 2014	31 March 2013	31 March 2014	31 March 2013
	£000	£000	£000	£000
By up to three months	739	2,742	739	2,742
By three to six months	163	82	163	82
By more than six months	2,989	2,874	2,989	2,874
Total	3,891	5,698	3,891	5,698

The sums included in receivables past due date by more than six months, but not impaired, relate to the amount due from the NHS Injury Scheme. The Department of Health issued guidance to provide for debts on the amount owed at 15.8% (2013: 12.6%). These debts relate to insurance claims and hence the date of receipt of monies is not known and so the debts are disclosed as due after one year.

NOTES TO THE ACCOUNTS

22. Non-current assets for sale

	Group		Trust	
	31 March	31 March	31 March	31 March
	2014	2013	2014	2013
	£000	£000	£000	£000
Assets classified as held for sale in the year	235	-	-	-
	235	-	-	-

During the year the charitable fund received a legacy in the form of a residential property. In accordance with the terms of the donor's last will and testament the property was placed with a local estate agent and made available for sale. The charitable fund trustee has accepted an offer of £235k from a third party purchaser, but the transaction had not completed by the end of the financial year.

23. Cash and cash equivalents

	Group		Trust	
	31 March	31 March	31 March	31 March
	2014	2013	2014	2013
	£000	£000	£000	£000
Balance at beginning of year	18,834	22,269	16,911	20,880
Net change in year	1,227	(3,435)	38	(3,969)
Balance at end of year	20,061	18,834	16,949	16,911
Made up of:				
Cash with Government Banking Service	16,778	16,714	16,778	16,714
Cash at commercial banks and in hand	3,283	2,120	171	197
Cash and cash equivalents as in balance sheet	20,061	18,834	16,949	16,911
Bank overdrafts	-	-	-	-
Cash and cash equivalents as in cash flow statement	20,061	18,834	16,949	16,911

NOTES TO THE ACCOUNTS

24. Trade and other payables

	Group		Trust	
	31 March 2014 £000	31 March 2013 £000	31 March 2014 £000	31 March 2013 £000
Amounts falling due within one year:				
NHS payables - revenue	1,180	1,049	1,180	1,049
Amounts due to other related parties - revenue	3,926	3,758	4,064	3,758
Non-NHS trade payables - revenue	4,263	4,231	4,073	4,052
Non-NHS trade payables - capital	1,413	652	1,413	652
Receipts in advance	1,879	2,451	1,879	2,451
Accruals and deferred income	843	519	565	519
Other	3,966	3,725	3,966	3,725
	17,470	16,385	17,140	16,206

NHS payables includes £1.5m outstanding pensions contributions due to the NHS Pensions Agency at 31 March 2014 (2013: £1.4m)

Amounts due to related parties includes income tax and national insurance contributions of £2.3m (2013: £2.3m). Included in 'Other' payables is £0.48m (2013: £0.48m) in respect of March enhancements earned in March but not paid until April, £0.26m (2013: £0.26m) payable to bank staff for work performed in March and £0.44m (2013: £0.53m) due for agency staff for the year to 31 March.

All Trade and other payables are current liabilities.

25. Borrowings

Group and Trust	Current		Non-current	
	31 March 2014 £000	31 March 2013 £000	31 March 2014 £000	31 March 2013 £000
Obligations under finance leases	98	91	190	288
Amounts due under on-SoFP PFI (note 31)	598	598	19,704	20,189
Foundation Trust Financing Facility loan	625	1,250	-	625
Other loans	194	315	37	231
	1,515	2,254	19,931	21,333

The finance lease relates to the purchase of microbiology equipment and is for a term of 10 years. For the year ended 31 March 2014 the effective borrowing rate was 7.7% (2013: 7.7%). Interest rates are fixed at the contract date. The lease is denominated in Euros.

The loan from the Foundation Trust Finance Facility is unsecured and for a 5 year period, repayable in equal instalments commencing on 15 March 2011. Interest is payable on the loan at a rate of 1.88% pa.

Other loans relate to three interest free 4 year loans from Salix Finance Limited, a not for profit company funded by the Department for Energy and Climate Change. These loans are repayable in equal instalments commencing on 1 March 2011.

Amounts payable under finance leases:	Minimum lease payments		Present value of minimum lease payments	
	2014 £000	2013 £000	2014 £000	2013 £000
Within one year	117	117	98	91
Between one and five years	204	321	190	288
After five years	-	-	-	-
	321	438	288	379
Less finance charges allocated to future periods	(33)	(59)		
	288	379		
Included within:				
Current borrowings			98	91
Non-current borrowings			190	288
			288	379

NOTES TO THE ACCOUNTS

26. Provisions for liabilities and charges

Group and Trust	Current		Non-current	
	31 March 2014 £000	31 March 2013 £000	31 March 2014 £000	31 March 2013 £000
Pensions relating to other staff	22	23	74	92
Legal claims	421	435	-	-
Other	118	78	295	289
	561	536	369	381
	Pensions relating to other staff	Legal claims	Other	Total
	£000	£000	£000	£000
At 1 April 2013	115	435	367	917
Change in the discount rate	-	-	13	13
Arising during the year	5	183	47	235
Utilised during the year	(27)	(91)	(21)	(139)
Reversed unused	-	(106)	-	(106)
Unwinding of discount	3	-	7	10
At 31 March 2014	96	421	413	930
Expected timing of cash flows:				
Within 1 year	22	421	118	561
1 - 5 years	74	-	78	152
5-10 years	-	-	217	217
	96	421	413	930

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 claims and employee claims outstanding at 31 March 2014. These are based on valuation reports provided by the Trust's legal advisers.

Other provisions include the following:

- £0.303m the Trust has provided for injury benefits payable to former employees as a result of an injury suffered whilst in the Trust's employment (2013: £0.310m).
- £0.057m (2013: £0.057m) in respect of a supplier claim arising at the end of the contractual term.

£37.46m is included in the provisions of the NHS Litigation Authority at 31 March 2014 in respect of clinical negligence liabilities of the Trust (2013: £32.00m).

NOTES TO THE ACCOUNTS

27. Prudential Borrowing Limit

The prudential borrowing code requirements in section 41 of the NHS Act 2006 have been repealed with effect from 1 April 2013 by the Health and Social Care Act 2012. Accordingly the disclosures that were previously required under this heading are no longer required.

28. Capital Commitments**Group and Trust**

Commitments under capital expenditure contracts at the balance sheet date were £1.758m (2013: £1.702m).

29. 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.

30. 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 is regarded as a related party. During the year ended 31 March 2014 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 are

	Income £000	Expenditure £000	Receivables £000	Payables £000
Year ending 31 March 2014				
NHS Dorset CCG	18,648	-	232	-
NHS West Hampshire CCG	14,393	-	-	269
NHS Wiltshire CCG	90,859	8	188	-
NHS England:				
Bath, Gloucester, Swindon & Wiltshire Area Team	8,762	-	503	-
Bristol, North Somerset, Somerset & South Gloucestershire Area Team	27,988	-	765	-
Wessex Area Team	2,613	-	159	-
Health Education England	4,766	-	9	-
NHS Litigation Authority	-	4,074	4	-
Year ending 31 March 2013				
Bournemouth and Poole PCT	2,151	-	42	-
Bristol PCT	10,487	-	221	-
Dorset PCT	19,081	-	612	-
Hampshire PCT	22,186	80	361	65
Southampton PCT	1,006	-	23	-
West Kent PCT	2,395	-	247	-
Wiltshire PCT	94,796	-	24	-
South West Strategic Health Authority	4,519	-	-	-
NHS Litigation Authority	120	3,393	1	-

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, further information is disclosed in note 34.

The Trust has also received revenue and capital payments from a number of charitable funds, for which it is the Corporate Trustee.

NOTES TO THE ACCOUNTS

31. Private Finance Initiative Schemes (PFI)

31.1 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, Orthopaedics, Elderly Medicine, Inpatient and Outpatient facilities. A replacement Laundry also forms part of the scheme, which brought the off-site service onto the District General Hospital premises.

At the end of the contract term the hospital buildings revert back to the Trust for Nil consideration.

	Group and Trust	
	2014	2013
	£000	£000
Amounts included within operating expenses in respect of the 'service' element of PFI schemes deemed to be on-Statement of Financial Position	936	921
Depreciation of PFI asset	493	523
Net charge to operating expenses	<u>1,429</u>	<u>1,444</u>

There were no changes to the terms and conditions of the PFI agreement during the year

Imputed finance lease obligations comprise:	Minimum lease payments		Present value of minimum lease payments	
	2014	2013	2014	2013
	£000	£000	£000	£000
Rentals due within one year	1,912	1,972	598	598
Rentals due within 2 to 5 years	7,053	7,284	2,077	2,166
Rentals due thereafter	30,230	31,799	17,627	18,023
	<u>39,195</u>	<u>41,055</u>	<u>20,302</u>	<u>20,787</u>
Less: interest element	<u>(18,893)</u>	<u>(20,268)</u>		
Total	<u>20,302</u>	<u>20,787</u>		

31.2 Annual commitments under Private Finance Transactions - On Statement of Financial Position

The Trust is committed to make the following service payments on the PFI:	2014	2013
	£000	£000
Due within one year	804	754
Due within 2 to 5 years	3,756	3,540
Due after 5 years	19,965	21,026
	<u>24,525</u>	<u>25,320</u>

The annual charge will be indexed each year. Indexation will be increased in line with the Retail Price Index.

32. Financial instruments

IFRS 7, IAS 32 and IAS 39, Financial Instruments: Disclosure, requires 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.

NOTES TO THE ACCOUNTS

32. Financial instruments (continued)

32.1 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 and therefore 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	
	2014	2013	2014	2013	2014	2013
	£'000	£'000	£'000	£'000	£'000	£'000
Euro	-	-	288	379	-	-
GBP	10,393	8,950	39,558	40,510	20,061	18,834
	10,393	8,950	39,846	40,889	20,061	18,834

The Euro denominated financial instruments relate to the Trust itself

32.2 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.

32.3 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.

32.4 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 2014

<u>Fixed rate</u>	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
Finance lease obligations	7.7	-	29	88	117	87		(33)	288
PFI obligations	6.5	250	250	1,412	1,896	5,157	30,230	(18,893)	20,302
Foundation Trust Financing Facility Loan	1.88	-	-	631	-	-	-	(6)	625
Salix Loan	-	-	-	194	37	-	-	-	231
<u>Floating rate</u>									
Trade and other payables	-	10,782	-	-	-	-	-	-	10,782

As at 31 March 2013

<u>Fixed rate</u>	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
Finance lease obligations	7.7	-	29	88	117	204		(59)	379
PFI obligations	6.5	250	250	1,472	1,896	5,388	31,799	(20,268)	20,787
Foundation Trust Financing Facility Loan	1.88	-	-	1,279	637	-	-	(41)	1,875
Salix Loan	-	-	-	315	231	-	-	-	546
<u>Floating rate</u>									
Trade and other payables	-	9,690	-	-	-	-	-	-	9,690

32.5 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 2014 are in receivables from customers, as disclosed in note 21.

NOTES TO THE ACCOUNTS

32. Financial instruments (continued)

32.6 Financial instruments by category

	At Fair value through income and expenditure account	Loans and receivables	Available for sale	Total
	£000	£000	£000	£000
Financial assets - Group				
Trade and other receivables excluding non financial assets	-	7,012	-	7,012
Cash and cash equivalents	-	17,332	-	17,332
Other financial assets	5,235	-	235	5,470
Total at 31 March 2014	5,235	24,344	235	29,814
Trade and other receivables excluding non financial assets	-	5,206	-	5,206
Cash and cash equivalents	-	17,113	-	17,113
Other financial assets	5,035	-	-	5,035
Total at 31 March 2013	5,035	22,319	-	27,354
Financial assets - Trust				
Trade and other receivables excluding non financial assets	-	7,268	-	7,268
Cash and cash equivalents	-	16,949	-	16,949
Other financial assets	-	-	-	-
Total at 31 March 2014	-	24,217	-	24,217
Trade and other receivables excluding non financial assets	-	5,518	-	5,518
Cash and cash equivalents	-	16,911	-	16,911
Other financial assets	-	-	-	-
Total at 31 March 2013	-	22,429	-	22,429
	Group		Trust	
	At 'Fair value through income and expenditure account'	Other	At 'Fair value through income and expenditure account'	Other
	£000	£000	£000	£000
Financial liabilities				
Borrowings	-	856	-	856
Private Finance Initiative	-	20,302	-	20,302
Finance lease obligations	-	288	-	288
Trade and other payables	-	13,118	-	12,650
Provisions under contract	-	930	-	930
Total at 31 March 2014	-	35,494	-	35,026
Borrowings	-	2,421	-	2,421
Private Finance Initiative	-	20,787	-	20,787
Finance lease obligations	-	379	-	379
Trade and other payables	-	11,632	-	11,453
Provisions under contract	-	917	-	917
Total at 31 March 2013	-	36,136	-	35,957

NOTES TO THE ACCOUNTS

32. Financial Instruments (continued)

32.7 Fair values of financial liabilities at 31 March 2014

	Group		Trust	
	Book Value	Fair Value	Book Value	Fair Value
	£'000	£'000	£'000	£'000
Provisions under contract	930	930	930	930
Loans	856	856	856	856
	1,786	1,786	1,786	1,786

33. Third Party Assets

The Trust held £0.001m cash at bank and in hand at 31 March 2014 (2013: £0.001m) 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.

34. Intra-Government and Other Balances

	2014		2013	
	Receivables: current and non-current	Payables: current and non-current	Receivables: current and non-current	Payables: current and non-current
	£000	£000	£000	£000
English NHS Foundation Trusts	882	330	863	784
English NHS Trusts	104	306	255	185
Department of Health	-	138	92	-
English Strategic Health Authorities	-	-	2	-
Clinical Commissioning Groups and NHS England	2,863	478	-	-
English Primary Care Trusts	-	-	2,177	71
Public Health England	-	21	-	-
Health Education England	9	-	-	-
Other Department of Health bodies	-	45	-	-
Special Health Authorities	4	-	-	-
NHS CGA bodies	-	-	-	8
Local Government bodies	373	-	-	-
Other WGA bodies	220	3,926	256	3,758
Bodies External to Government	5,938	12,226	5,305	11,579
	10,393	17,470	8,950	16,385

35. Investment in subsidiary

35.1 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 68% of Odstock Medical Limited.

Shares at cost	Trust £
At 31 March 2014 and 31 March 2013	34

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.

NOTES TO THE ACCOUNTS

35. Investment in subsidiary (continued)**35.2 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.

	Trust £
Shares at cost	
At 31 March 2014	<u>1</u>

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.

36. Investment in associate

Salisbury NHS Foundation Trust 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 2014 are deemed to be immaterial and have not been incorporated into these consolidated financial statements.

37. Movements on Public Dividend Capital

	2014 £000	2013 £000
Public Dividend Capital at 1 April	51,554	51,229
New public dividend capital received	1,785	325
Public Dividend Capital at 31 March	<u>53,339</u>	<u>51,554</u>

38. Charitable fund balances

	2014 £000	2013 £000
Restricted funds	4,531	3,132
Unrestricted funds	7,924	7,848
Endowment funds	10	9
	<u>12,465</u>	<u>10,989</u>

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.

NOTES TO THE ACCOUNTS

39. Effect of the prior period adjustment

39.1 Statement of Comprehensive Income

	Year end 31 March 2013 £000	Adjustment £000	Restated Year end 31 March 2013 £000
Operating income from continuing operations	183,427	1,090	184,517
Operating expenditure from continuing operations	(176,927)	(1,187)	(178,114)
OPERATING SURPLUS	<u>6,500</u>	<u>(97)</u>	<u>6,403</u>
FINANCE COSTS			
Finance income	219	108	327
Finance costs	(1,833)	-	(1,833)
PDC Dividends payable	<u>(3,254)</u>	<u>-</u>	<u>(3,254)</u>
NET FINANCE COSTS	<u>(4,868)</u>	<u>108</u>	<u>(4,760)</u>
Movement in fair value of investment property and other investments	-	(20)	(20)
RETAINED SURPLUS FOR THE YEAR	<u>1,632</u>	<u>(9)</u>	<u>1,623</u>
OTHER COMPREHENSIVE INCOME:			
Items that will not be reclassified to income and expenditure			
Revaluation gains/(losses) on property plant and equipment	(2,275)	464	(1,811)
Items that may be reclassified to income and expenditure			
Fair Value gains on Available-for-sale financial investments	-	658	658
TOTAL COMPREHENSIVE INCOME/(EXPENSE) FOR THE YEAR	<u><u>(643)</u></u>	<u><u>1,113</u></u>	<u><u>470</u></u>
Note:			
Surplus for the year	1,632	(9)	1,623
Less: net impairment (loss)/gain charged to operating income	<u>(795)</u>	<u>-</u>	<u>(795)</u>
Surplus prior to the technical accounting adjustment	<u><u>2,427</u></u>	<u><u>(9)</u></u>	<u><u>2,418</u></u>

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