NHS

Salisbury
NHS Foundation Trust

Annual Report and Accounts
2016 to 2017

Salisbury NHS Foundation Trust

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Presented to Parliament pursuant to Schedule 7, paragraph 25 (4) (a)

of the National Health Service Act 2006

Contents

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Salisbury NHS Foundation Trust
Salisbury District Hospital, Odstock Road, Salisbury, Wiltshire SP2 8BJ
01722 336262   www.salisbury.nhs.uk

Trust Values and Behaviours

The Trust's vision is to provide an outstanding experience for every patient. It has four strategic goals of choice, care, staff and value (more details and how these are applied can be found in the performance section of this Annual Report). The effective operation of all organisations 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 other stakeholders. There are four core values which staff should follow:

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.
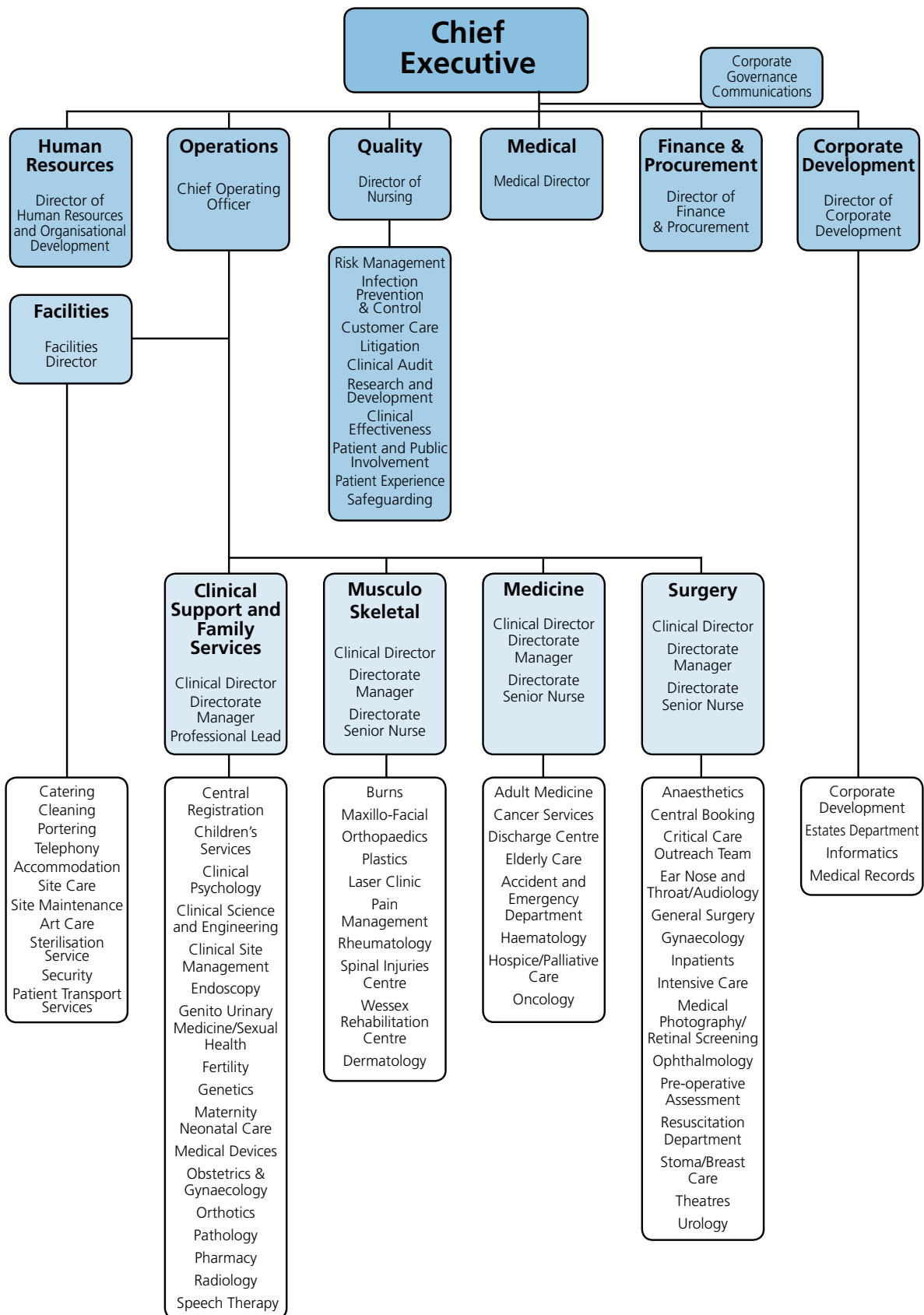
Responsive:

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

Chief Executive

Corporate Governance Communications

Human Resources
Director of Human Resources and Organisational Development

Operations
Chief Operating Officer

Quality
Director of Nursing

Medical
Medical Director

Finance & Procurement
Director of Finance & Procurement

Corporate Development
Director of Corporate Development

Facilities
Facilities Director

Risk Management
Infection Prevention & Control
Customer Care
Litigation
Clinical Audit
Research and Development
Clinical Effectiveness
Patient and Public Involvement
Patient Experience
Safeguarding

Clinical Support and Family Services
Clinical Director
Directorate Manager
Professional Lead

Musculo Skeletal
Clinical Director
Directorate Manager
Directorate Senior Nurse

Medicine
Clinical Director
Directorate Manager
Directorate Senior Nurse

Surgery
Clinical Director
Directorate Manager
Directorate Senior Nurse

Catering
Cleaning
Portering
Telephony
Accommodation
Site Care
Site Maintenance
Art Care
Sterilisation Service
Security
Patient Transport Services

Central Registration
Children's Services
Clinical Psychology
Clinical Science and Engineering
Clinical Site Management
Endoscopy
Genito Urinary Medicine/Sexual Health
Fertility
Genetics
Maternity Neonatal Care
Medical Devices
Obstetrics & Gynaecology
Orthotics
Pathology
Pharmacy
Radiology
Speech Therapy

Burns
Maxillo-Facial
Orthopaedics
Plastics
Laser Clinic
Pain Management
Rheumatology
Spinal Injuries Centre
Wessex Rehabilitation Centre
Dermatology

Adult Medicine
Cancer Services
Discharge Centre
Elderly Care
Accident and Emergency Department
Haematology
Hospice/Palliative Care
Oncology

Anaesthetics
Central Booking
Critical Care Outreach Team
Ear Nose and Throat/Audiology
General Surgery
Gynaecology
Inpatients
Intensive Care
Medical Photography/Retinal Screening
Ophthalmology
Pre-operative Assessment
Resuscitation Department
Stoma/Breast Care
Theatres
Urology

Corporate Development
Estates Department
Informatics
Medical Records

Performance Report

Overview of Performance

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

Chief Executive's Statement on Performance

This has been a challenging year for the Trust, with a number of operational and financial issues. However, staff have worked hard to provide good quality care.

Throughout the year we experienced unprecedented pressure on our services which had an impact on our emergency department, main diagnostic and treatment waiting times. This also led to a number of cancelled operations and an increase in our short term bed capacity to meet the demand. We did meet our cancer waiting time targets and achieved low infection rates which included no reported instances of hospital acquired MRSA bacteraemia, which is an important factor in keeping our patients safe while in hospital.

The Trust has a long history of sound financial management, but is not immune from the financial pressures facing the whole of the NHS, which is dealing with a £30 billion financial gap between 2015 and 2020. Our staff worked incredibly hard to support our financial situation and with their continued support, we were able to improve our overall financial position. Like other Trusts, we received a number of one-off payments, totalling more than £7.8 million from NHS Improvement, which took us to a surplus of £4.5 million. This funding, which is unlikely to be repeated in future years, means that we face an even greater financial challenge in 2017/2018.

We have responded well to the Care Quality Commission report in 2015 and its overall rating of Requires Improvement. We are making steady progress on the action plan and have continued with our skill mix reviews to ensure safe staffing levels on all our wards. This has included investment in more nurses and nursing assistants in three medical wards, our Accident and Emergency Department and spinal wards. An improved booking process for critical care beds and measures to ensure a timely discharge from the Critical Care Unit are among other action we have taken in response to the inspection. As part of its follow up visit to the spinal unit the CQC were satisfied with the progress that the spinal team had made since the first report in reducing the backlog of patients who needed follow up following discharge from the centre with the embedding of good governance and performance arrangements. The CQC felt that the requirements around the spinal centre outpatient issues were met in full. We will be looking closely at what needs to be done to improve our current rating in 2017/2018 and prepare for planned changes in the inspection process. More detail on our CQC action plan can be found later in this Annual Report and in our Quality Account.

During the year we made improvements that have delivered real benefits to our patients, their relatives and carers. This includes better facilities, changes to services and additional support at ward level. A good example of this can be seen in the new breast unit where our patients can now get the support that they need in brighter, calmer and more sensitive surroundings thanks to the generosity of local people and their support of the Stars Appeal.

It's important that patients get the right care in the right place and the Trust has experienced difficulties in discharging patients home or to an appropriate setting in the community once their treatment has been completed and we continue to work closely with our partners. To help improve this we have also introduced new services with the aim of improving the flow of patients through the hospital and giving them additional support when they are ready to be discharged. This is being achieved through several models of early supported discharge (ESD).

Efforts are now underway to increase collaboration between organisations, as all areas across the country look to provide more integrated, responsive and efficient services as part of the Sustainability and Transformation Plans. This includes the NHS, local authorities and other community providers and over the next few years this will drive many of the changes within the NHS. A good example of partnership working this year was seen in the establishment of Wiltshire Health and Care which now provides adult community services across Wiltshire. This is a collaboration between the hospital Trusts in Salisbury, Bath and Swindon. More details on the Trust's performance, achievements and plans for the future can be viewed throughout this Annual Report.

Purpose and Activities of the Trust

Salisbury NHS Foundation Trust is one of around 150 NHS secondary care providers of acute hospital services in England. The Trust delivers a range of clinical care, which includes general acute and emergency services, to approximately 240,000 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. In total, the Trust employed 4,255 staff at 31 March 2017, including full and part-time staff.

The Trust has two subsidiary companies. The first is called Odstock Medical Ltd. This was set up in 2005 to market worldwide its experience and knowledge of functional electrical stimulation and its own pioneering electrical devices for patients who have had a stroke or other neurological disorders. This is so that income generated could be used to further research and create new developments that help NHS patients in this country. The other is Salisbury Trading Limited, which provides a laundry service to Salisbury District Hospital and other NHS organisations. The Trust also works with other organisations in joint ventures. For instance, it works with the Great Western Hospitals NHS Foundation Trust and the Royal United Hospitals Bath NHS Foundation Trust to provide adult community services across Wiltshire through Wiltshire Health and Care. It also works with Sterile Supplies Ltd to provide sterilisation and disinfection services to Salisbury District Hospital and other NHS organisations. The Trust has its own registered charity called the Salisbury District Hospital Charitable Fund which, for marketing purposes, fundraises locally under the name of the Stars Appeal. Salisbury NHS Foundation Trust is the beneficiary of the charity.

History of the Trust

Salisbury Health Care NHS Trust provided a wide range of clinical care and consistently high standards and excellent financial management enabled the 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.

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

The Trust has in place an assurance framework which identifies the principal risks to the organisation and positive assurances and actions taken to minimise the risk to the organisation. In general the key issues and risks that could affect the Trust in delivering its objectives revolve around:

*   Operational and capital investment funding
*   Staff recruitment
*   Waiting time targets
*   Maintaining Quality improvements
*   Patients' experience
*   Availability of appropriate onward care for patients ready for discharge

The Trust performance in these areas and other aspects of its business are covered in more detail in the performance analysis.

Trust approach to risk

The Trust acknowledges that some of its activities may, unless properly controlled, create organisational risks and/or risks to staff, patients and others. The Trust will therefore make all efforts to eliminate risk or ensure that risks are managed and controlled so that they are as low as reasonably practicable.

However, it is not always possible to reduce an identified risk completely and it may be necessary to make judgements about achieving the correct balance between benefit and risk. A balance needs to be struck between the costs of managing a risk and the benefits to be gained from eliminating it. A decision must therefore be made regarding the level which a risk would be deemed acceptable.

The levels and types of risk that the organisation are prepared to accept or not accept in pursuance of our goals, taking into account stakeholder expectations is known as the Risk Appetite.

Going Concern

IAS 1 requires management to assess, as part of the accounts preparation process, the Trust's ability to continue as a going concern. The Department of Health Group Accounting Manual (GAM) 2016/17 states that financial statements should be prepared on a going concern basis unless management either intends to apply to the Secretary of State for the dissolution of the NHS foundation trust without the transfer of the services to another entity, or has no realistic alternative to do so. There has been no application to the Secretary of State for the dissolution of the Trust and financial plans have been developed and published for future years.

The Trust has submitted a financial plan for 2017-18 to NHS Improvement which delivers a £7m deficit after

delivery of a £7.5 million savings programme, which has been agreed by the Trust Board and is embedded in the budget. The Trust Board have recognised that this is a highly demanding plan, which is subject to a high degree of risk, and dependent upon the full delivery of cost reduction targets, realisation of recurrent savings, and the adherence to agreed budgets. The plan includes a requirement for up to £7.5 million cash support from the Department of Health to maintain the Trust's cash flows in 2017-18.

The Directors have received confirmation from NHS Improvement that it is reasonable for the Directors of Salisbury NHS Foundation Trust to assume that NHS Improvement will make sufficient cash financing available to the Trust over the next 12 month period such that the organisation is able to meet its current liabilities, and on this basis fully supports the view that the Trust's accounts are prepared on a going concern basis.

The Directors have concluded that there is a reasonable expectation the Trust will have access to adequate resources to continue in operational existence for the foreseeable future. Therefore, these accounts have been prepared under a going concern basis as set out in IAS 1.

Performance Analysis

The Trust's annual performance is measured against a number of operational and financial targets and objectives which are included in this performance analysis. While the Trust is scheduled to carry out a review of its strategy in 2017/2018, performance is currently assessed against its strategic vision of offering an outstanding experience for every patient and is set out in the following four key strategic principles of Choice, Care, Our Staff, Value.

Choice

We will provide a comprehensive range of high quality local services enhanced by our specialist centres

Good access to high quality treatment plays an important part in patient choice and during the year staff worked hard to provide the very best care for their patients throughout its general and specialist services. Whilst the Trust received an overall rating of Requires Improvement from the Care Quality Commission (CQC) following an inspection in December 2015, the CQC did rate the overall care and effectiveness of services as Good. The rating was also Good in 27 of the 39 elements in the individual domains of safe, effective, caring, responsive and well led. The CQC recognised areas of good practice, highlighting positive feedback from patients and compassionate care provided by staff.

The CQC identified areas for improvement, mainly around the follow up of patients discharged from the spinal unit, ward staffing levels, mandatory training and some aspects of documentation, and a dedicated steering group reviews progress against the detailed action plan with individual directorates.

HIGHLIGHT OF THE YEAR
GOOD PROGRESS AGAINST CQC ACTION PLAN
CQC improvement plan on track and a number of key milestones completed

In terms of the spinal unit, immediate action was taken to review the follow up of spinal patients and put in place plans to ensure patients are seen according to their needs. The patient pathway for spinal patients has also been revised with the help of external experts to improve the management of waiting lists and the quality of care. During the year the CQC revisited the spinal unit and was satisfied that the Trust had met all its requirements in this area. The Trust continued with its skill mix reviews to ensure that staffing levels and competencies matched the needs of each area and invested in more nurses and nursing assistants on some medical wards and in its Emergency Department. Following a review of electronic training and appraisal systems, compliance in both areas has also improved (See staff section of the performance report for more details). Directorate Senior Nurses have introduced Confidence in Care rounds on all wards to monitor nursing documentation and safety checks are completed and improvement actions taken if needed. It is also an opportunity to speak to patients directly about their experience of care.

The action plan is monitored by the Trust Board and more detailed information on progress against this plan can be found in the Quality Report later on in this Annual Report and on the Trust's website at www.salisbury.nhs.uk.

HIGHLIGHT OF THE YEAR
CARE OF OLDER PEOPLE
Trust makes good progress against dementia care standards

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 an environment, which is sensitive to the needs of people with dementia. Throughout the year the Trust continued to make good progress against all eight standards and introduced improvements that help ensure that patients with dementia 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. In 2017/2018 the Trust will continue to maintain its focus on dementia care as improvements in dementia diagnosis rates in hospital become an increasing priority.

To continue to be the hospital of choice the Trust must provide high quality services and ensure that patients are seen promptly and efficiently. Use of networks and partnerships will be crucial as we work more collaboratively within in our own organisation and with other hospitals to develop new innovative ways of delivering services and increase specialist cover arrangements. For instance, the Trust has continued to work closely with University Hospitals Southampton in a number of areas including the trauma network, which provides specialist trauma care and rehabilitation across the region. With its centre at Southampton and specialist units in other hospitals, the network treats multiple serious injuries that could result in significant physical harm or death such as head, chest, abdominal and skeletal injuries. Salisbury's plastic surgery department successfully delivers the this element to the trauma network, providing the only regional re-implantation surgery for traumatic amputations, treatment for severe open fractures needing skin or soft tissue coverage, and a Burns Unit for moderate and severe burns patients.

Waiting times and access to treatment are part of a number of performance indicators and quality measures that are monitored monthly by the Trust Board. As part of this 91.4% (target 92%) of patients on a waiting list have been waiting less than 18 weeks of the GP referring the patient to hospital. (During 2016/2017, the Trust implemented the first phase of a new Electronic Patient Record. This increased the number of patients being recorded as waiting for treatment, when they had already been treated. The Trust is validating these entries to return the total waiting list to a stable position. More details can be found later in the Value section of this Annual Report).
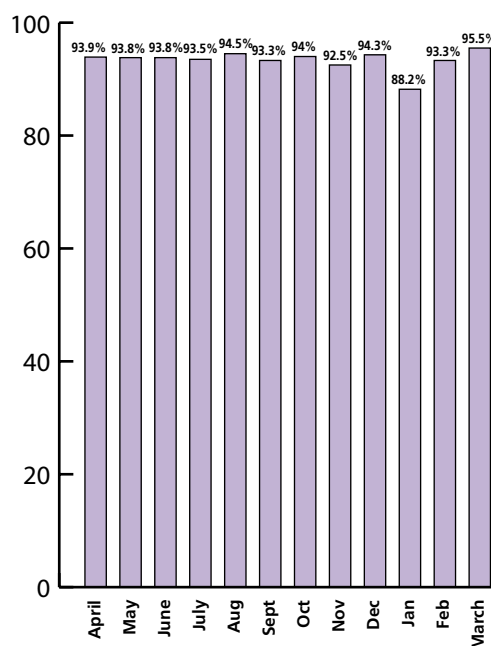
At the end of the 2016/2017 financial year the Trust met its main cancer waiting time targets.

KEY PERFORMANCE INDICATOR
APRIL 2016 – MARCH 2017
Cancer Waiting Times – Patients seen within two weeks of referral from GP:
Target 93% for the year:
Total 93.5%

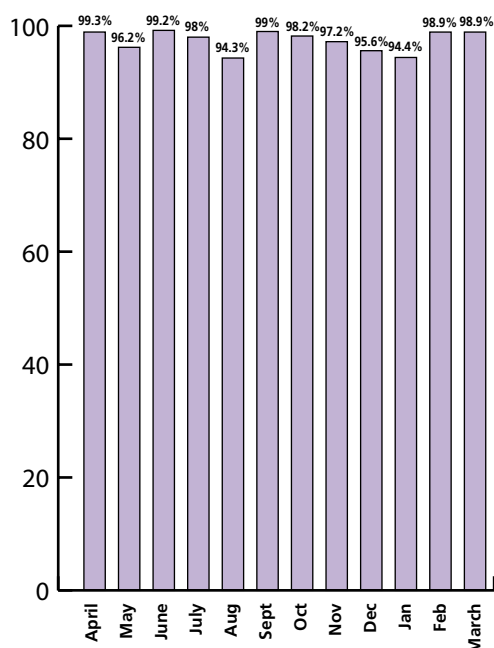| Month	Value
April	93.9%
May	93.8%
June	93.8%
July	93.5%
Aug	94.5%
Sept	93.3%
Oct	94%
Nov	92.5%
Dec	94.3%
Jan	88.2%
Feb	93.3%
March	95.5%

KEY PERFORMANCE INDICATOR
APRIL 2016 – MARCH 2017
Cancer Waiting Times – Patients who had treatment started within 31 days of decision to treat.
Target: 96% for the year: Total 97.4%

Chart (monthly values, April–March):
99.3%, 96.2%, 99.2%, 98%, 94.3%, 99%, 98.2%, 97.2%, 95.6%, 94.4%, 98.9%, 98.9%

KEY PERFORMANCE INDICATOR
APRIL 2016 – MARCH 2017
Cancer Waiting Times – Patients treated within 62 days of referral.
Target: 85% for the year: Total 85.7%

Chart (monthly values, April–March):
82.6%, 85.3%, 90.5%, 93.5%, 92.8%, 84.7%, 84.1%, 95.8%, 81%, 82.8%, 86.5%, 83.8%

As mentioned in the Chief Executive summary of performance, the Trust experienced unprecedented pressure on its services, which had an impact on its emergency department and main diagnostic and treatment waiting times. For instance staff shortages and the use of the endoscopy unit for escalation had an impact on waiting times for procedures in this area, which were resolved. There were also issues in MRI which resulted in the Trust having to purchase external capacity. All patients were seen within 6 weeks for a CT scan and the vast majority of patients were seen within six weeks for a routine MRI scan (96%). Like many other hospitals across the country the Trust did not meet its main Accident and Emergency of 95% of people admitted, treated or discharged within four hours.

In response to the pressure experienced throughout the last year the Trust started a major project that will see significant changes to the site to help manage the way emergency and planned patients are cared for in hospital. This includes the creation of more medical beds by changing the sue of some wards, expanding the Acute Medical Unit, introducing a short stay surgical unit and creating a new area for ophthalmology outpatients, freeing up space on level three of the hospital to create more ward accommodation. This will help ensure that patients are cared for in the right environment; reduce cancellations and the number of short term escalation beds in clinical areas. This work will be a priority throughout the 2017 calendar year,
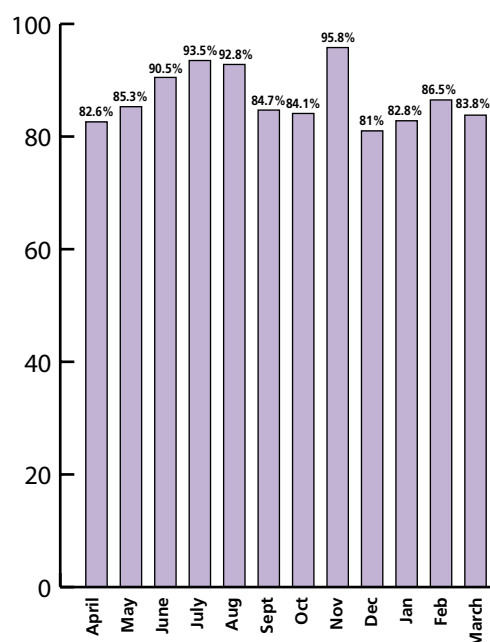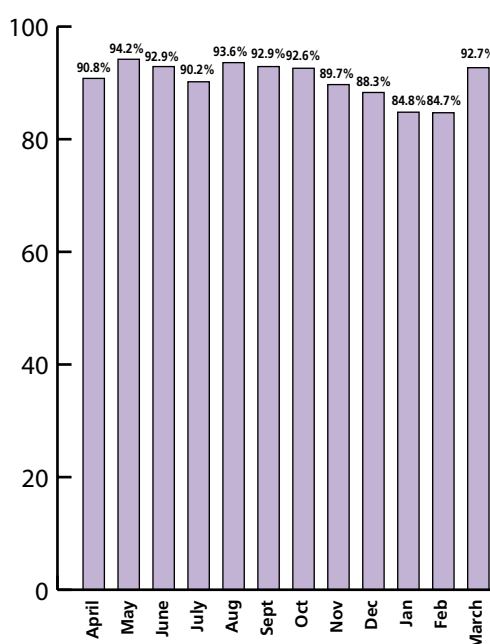
putting the hospital in a better position to manage increasing demand on its services by next winter.

KEY PERFORMANCE INDICATOR
APRIL 2016 – MARCH 2017
Proportion of A&E attendees who were admitted, treated or discharged within four hours. Target: 95% for the year:
Total 90.8%

Chart (monthly values, April–March):
90.8%, 94.2%, 92.9%, 90.2%, 93.6%, 92.9%, 92.6%, 89.7%, 88.3%, 84.8%, 84.7%, 92.7%

Care

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

It is essential that we treat patients with care, kindness and compassion and keep them safe from avoidable harm. Safety remains the highest priority and is monitored regularly through the Safety Steering Group and the Clinical Governance Committee, with safety performance reported at the Trust Board.

HIGHLIGHT OF THE YEAR
STAFF ENGAGEMENT
IN SAFETY CAMPAIGN
Trust gathers views, experiences and actions that can be used to continually improve patient care

The Trust has been active in the national Sign Up To Safety Campaign, which aims to halve avoidable harm within the NHS over the next three years. We have signed up to five pledges that strengthen patient safety under the following headings:

- Put patient safety first
- Continually learn
- Honesty
- Collaborate
- Support

Work under these headings continues and additional clinical work programmes have been added thanks to our active partnership with Wessex Patient Safety Collaborative. In 2015/2016 we worked with them on their Transfers of Care programme where, amongst other improvements, one of our ward leaders worked with patients and carers to devise a patient/carer completed form to help with timely discharge planning. In 2016/2017 we are participating in the deteriorating patient programme and are working to improve the way we record patients' fluid intake and output. In addition, staff had an opportunity to share their stories and experiences around what they are doing to keep patients safe as part of the national Sign Up to Safety, National Kitchen Table Week. As part of the campaign week, staff carried out a "trolley dash" each day across all wards, gathering views, experiences and actions that can be used to continually improve patient care across the hospital. More information can be found later in the Quality Report.

We are committed to high standards of 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. There were no reported instances of hospital acquired MRSA bacteraemia, which is an important factor in keeping our patients safe while in hospital. The number of clostridium difficile cases also reduced from the previous year. While this represents a good performance, the Trust will still continue to work closely with wards and departments in 2017/2018, as part of its strategy to have one of the lowest infection control rates across the region.
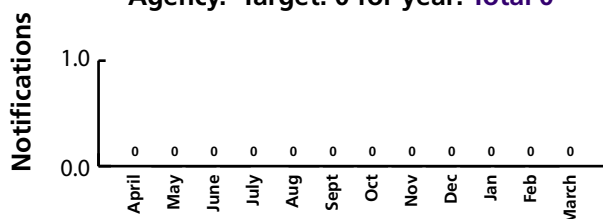
**KEY PERFORMANCE INDICATOR
APRIL 2016 – MARCH 2017
Clostridium Difficile. Target for Trust apportioned cases is 19. Total: 13**
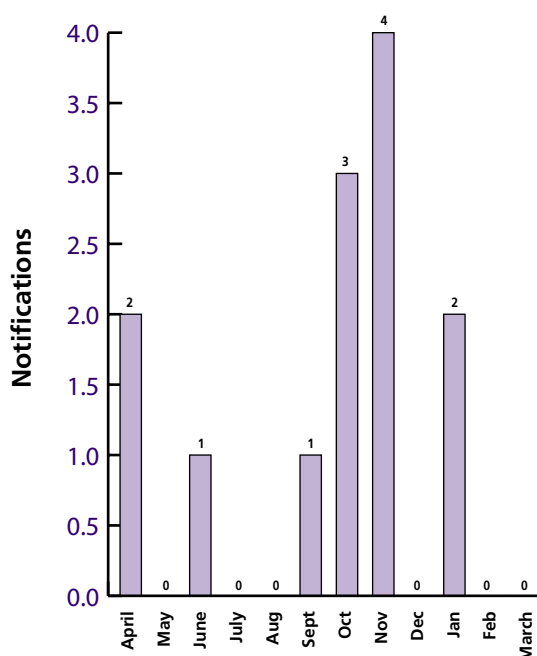
**KEY PERFORMANCE INDICATOR
APRIL 2016 – MARCH 2017
Number of notifications of MRSA Bacteraemia made to the Health Protection Agency. Target: 0 for year: Total 0**

During the year all hospitals had a Patient Led Assessment of the Care Environment audit. The PLACE audit is wide ranging, challenging and covers food services, cleanliness, privacy and dignity, as well as the condition, appearance and maintenance of hospital buildings. There were also three new areas covered. These were organisational food, ward food and support for patients at mealtimes and the provision of a disability supportive environment. This year's assessment saw improvement on what were already good scores in the previous year and in all areas the Trust scored above the national average. In summary the scores were as follows:

- Cleanliness – scored 99.3% (national average 98.1%)
- Food – scored 94.8% (national average 88.2%)
- Privacy, dignity and wellbeing – scored 92.8% (national average 84.2%)
- Condition, appearance and maintenance – scored 96.1% (national average 93.4 %)
- Dementia supportive environment - scored 86.2% (national average 75.3%)

Other areas not scored before:
- Organisational food – scored 99.3%
- Ward food provision and support for patients at mealtimes– scored 93.5%
- Disability supportive environment – scored 85.7%

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. We analyse this information, which is reported quarterly to the Trust Board and is used by departments to improve their services.

In the national inpatient survey the Trust scored well in a number of areas, including confidence and trust in doctors and nurses, the level of privacy when being examined or treated and whether patients felt well looked after when in hospital. Questions around whether people were asked for their views on the quality of their care and staff response to call bells formed part of the Trust's action plan. In the previous year noise at night had been an action for the Trust and a greater awareness among staff to keep noise to a minimum at night had resulted in an improvement in this area. However, better information on discharge had not improved and this will be an area for further improvement. A full action plan has been developed and will be monitored at Board level at six-monthly intervals.

Cancer patients rated the quality of their care highly in the national cancer patient survey with 92% feeling their care was very good or good and 90% felt they were always treated with respect and dignity by staff. The development of individual care plans will be covered in the action plan.

The Trust has maintained a strong focus on the local and national public health agenda, which aims to reduce the number of people dying from preventable conditions. This includes the provision of information for patients on smoking and alcohol consumption and access to the smoking cessation nurse and the alcohol liaison nurse, together with a network of hospital alcohol advisers. Initiatives to reduce obesity and promote healthy lifestyles including the Counterweight programme are also ongoing.

Staff worked hard on providing additional support or advice through health promotion campaigns. This was complemented by Self Care Week, which gave hospital staff and local people an opportunity to find out more about how they can improve their own health and pick up potential signs of serious illnesses. This year the theme was health literacy with a focus on helping people to understand how to stay healthy all their life and think carefully about self-care for the important people in their life. Throughout the week staff were on hand to provide information on a wide range of areas, from how to protect against flu, preventing illness and healthy eating to more specific advice around alcohol, smoking and cancer prevention.

As part of HIV Testing Awareness Week, specialist staff in the hospital's sexual health services provided information and advice on sexual health, HIV and the importance of testing for this condition. The key aim of the national HIV Testing Awareness Week, was to encourage people to get tested so that they know their HIV status, even if they think they are at low risk of catching the infection to allow them treatment and reduce the chances of them passing the infection on to others.

Staff raised awareness of the dangers we all face of antimicrobial resistance by encouraging colleagues and patients to think carefully about their use of antibiotics as part of Antibiotic Awareness Week. This year members of the Antimicrobial Stewardship team, consultants and pharmacy staff toured wards wearing 'Antibiotic Guardian' T-shirts, carrying out audits of antibiotic prescribing and reminding staff of best practice in this area.

During the year, the Trust held two Perfect Week initiatives where staff across health and social care worked together to test small changes that could improve the way patients move through health and social care or better understand any delays they may be experiencing. The first initiative gave staff a better understanding of the needs of patients when they return to the community and actions for all organisations to improve processes and pathways. The second used the #endPJparalysis campaign to highlight the benefits of helping patients to become more mobile by encouraging them to get dressed and move around.

Throughout the previous year the Trust had been working with acute hospitals in Bath and Swindon to set up Wiltshire Health and Care LLP, which now provides adult community services across Wiltshire, and the implementation of the contract took place in July 2016. This helps the Trust to provide more "joined up care" and expand the amount of care being offered in the community through a five year contract with Wiltshire CCG.

Several models of early supported discharge (ESD) have been introduced. In collaboration with Wiltshire Health and Care LLP, planning for ESD for patients who have suffered a stroke is underway and for patients who have fractured neck of femur, an ESD model has been introduced, with the aim discharging patients from hospital earlier and carrying out a large part of their rehabilitation at home - reducing length of stay and improving patient experience and outcomes for this group of patients. Early indications are that this has reduced the length of stay significantly.

A new Older Person's Assessment and Liaison Team (OPAL) now assesses patients with complex needs or moderate to severe frailty in the Emergency Department and the Acute Medical Unit on Whiteparish Ward. With additional input, the

HIGHLIGHT OF THE YEAR
NEW HOSPICE
AT HOME SERVICE
New service for patients at the end
of the life who wish to spend their
final days at home

majority of these patients can be discharged with the support of the frailty team or Wiltshire Health and Care Community Services.

Support for patients and their families when planning for end of life care provides the cornerstone of our aim to ensure that patients approaching the end of their life are able to die where they choose and with dignity. In the previous year the Trust introduced Medical and Nursing Personalised Care Plans across the Hospice and all other wards. Personalised Care Plans ensure that patients receive clear communication on decisions and actions, that there is sensitive communication between staff, the patient and those important to them, that their needs are explored and acted upon and there is an individual care plan.

This year the Trust also worked with Hospice Care Trust to provide a new Hospice at Home Service. This gives support and high quality care for people who are coming to the end of their life and wish to spend their final days in their own home. It also provides support for carers and families and more help around 'crisis intervention' - preventing any unnecessary and distressing admissions to hospital, the hospice or an alternative care setting.

As we move into 2017/2018 good relationships and collaborative working with stakeholders will be key as we continue to develop patient pathways and work with our partners to provide care closer to home. Much if this will be driven through the Sustainability and Transformation Plan (STP). As part of the Five Year Forward View all NHS organisations and local authorities are working in partnership within geographical areas to develop STPs, which aim to transform health and care services within available resources over the next five years. There are 44 geographical nationally known as footprints and we are working with our partners including: Wiltshire and other County Councils; hospital Trusts in Bath, Swindon and the Avon and Wiltshire Mental Health Partnership; Bath and North East Somerset, Wiltshire and Swindon CCGs; South West Ambulance Service; the providers of community services – Wiltshire Health and Care, Seqol and Sirona and the Wessex Local Medical Committee (representing GPs from across the BSW area). A key theme throughout the STP is an increased focus on preventing ill health and promoting peoples' independence through the

provision of more joined up services in or closer to peoples' homes and five emerging priority areas have been identified as key programmes of work:

• More focus on prevention of ill health and earlier intervention
• Transforming primary care
• Making best use of technology and our public estate
• A modern workforce
• Improved collaboration across our hospital trusts

The plan recognises that we are still at a relatively early stage in the process and the aim is that patients, public and staff will be involved in helping shape and build on these priorities in 2017/2018. While the footprint covers a defined area the Trust will also collaborate with other health care organisations to the west in the development and delivery of the objectives set out in the STP and continue to have strong clinical connections with two other footprints – Hampshire and Isle of Wight and Dorset – as well as with the specialist commissioners.

Our Staff

We will make SFT a place to work where staff feel valued to develop as individuals and as teams

The Trust remains successful by continuing to attract and retain the best possible staff. Innovation, reputation, top quality training, support and recognition are key factors in ensuring that the Trust has an excellent workforce that continues to provide the very best care that they can to local people and the wider community.

In order to assure itself that the Trust is meeting its workforce objectives and monitoring these rigorously and regularly, workforce information is discussed in the Executive Workforce Committee through a more comprehensive and detailed overarching performance report developed within the year. This is presented monthly to the Trust Board and covers:

• **Substantive workforce:** Numbers
• **Temporary workforce:** Numbers and spend
• **New starters:** Source of recruitment and skills
• **Turnover and vacancies:** Numbers including reason for leaving, resignations and skills group
• **Staff sickness:** Numbers, skills group and reasons
• **Mandatory training and appraisals:** Compliance rates and targets
• **Agency cap breaches:** Numbers
• **Safe staffing:** Ward staffing levels, hours and mitigation of risks

The key area again has been nursing and the Trust has continued with its recruitment campaign. This included its presence at recruitment fairs, schools and colleges,

advertising on its courier vans, use of social media and an extended local newspaper campaign. This year the Trust also held open days for registered nurses and midwives, attended careers events and carried out recruitment exercises in the Philippines and Italy. The Trust will continue with its campaign in order to reduce the vacancy rate, employ more nurses in specialist areas and reduce its reliance on agency usage.

In the previous year the Trust bolstered its nurse bank, which helps with staff deployment and maintenance of safe staffing levels across the Trust. Within the year the Trust also started to work with external consultants and a specialist staffing agency to recruit to hard to fill medical vacancies and reduce the amount spent on temporary staff. In 2015 NHS Improvement brought in a national "agency cap" to reduce the amount the NHS spends on agency staff. NHS Improvement cap breaches for the supply of nursing agency shifts have reduced, with a number of new contracts successfully negotiated with agencies for the supply of agency staff. Booking of all agency locum staff has been re-sited in the bank office so there is more resilience around identifying and supplying agency shifts.

While staff turnover remains low compared with other Trusts across the country, the Trust has continued to promote the benefits of working in Salisbury, both locally and nationally, with the greatest number of staff joining us coming from other hospitals in the area. The overall vacancy rate remained at 6%, at 31 March 2017.

In terms of mandatory training and appraisals, while compliance can fluctuate from month to month, the Trust saw improvement in both areas over the previous year. This area remains a challenge, however, and work is ongoing to meet the Trust's targets through an internal

publicity campaign and greater awareness of the importance and benefits of holding appraisals for staff that they manage. Staff sickness information for 2016/2017 can be found in the staff section of this Annual Report

Staff gave a positive view of the hospital and what it is like to work in Salisbury, as part of the national staff survey. They rated Salisbury District Hospital as one of the best places in the NHS to work and receive treatment, with Salisbury ranked 7th best in the country on this question. The percentage of staff who felt that their role made a difference to patients, overall staff engagement, and recognition of their value to the organisation and staff motivation at work were other areas where the Trust scored highly in the survey, in which Salisbury was among the best performing Trusts in the country in 18 of the 32 key findings. This was followed by excellent results in the Staff Friends and Family Test. The Trust acknowledges that in the national staff survey it was average for work related stress and above average for the percentage of staff who work extra hours in the staff survey. Staff reporting errors, near misses or incidents in the last 12 months was also an area for further improvement. These are areas that it will look at in more detail as part of its action plan. More detailed information on the staff survey can be found in the Staff Report later in this Annual Report.

Throughout the year staff have made an outstanding contribution to the hospital, our patients and the local community and their efforts are key to the success and objectives of the Trust. Our Striving for Excellence awards give us an opportunity to celebrate their achievements highlight our Trust values and behaviours and hear about truly inspiring work that has made a difference to patients, their relatives and carers. This

KEY PERFORMANCE INDICATOR APRIL 2016 - MARCH 2017
At 31 March 2017, the number of nurse agency breaches dropped to 20 shifts from its peak of 218 in April 2016. Medical breaches dropped from a peak of 98 in September 2016 to 58 at the 31 March 2017.

KEY PERFORMANCE INDICATOR APRIL 2016 - MARCH 2017
The Trust has a target of around 10% turnover to maintain a healthy balance between staff leaving and new staff joining bringing in new skills, knowledge and experience. The turnover rate at 31 March 2017 was 9.8%.

KEY PERFORMANCE INDICATOR APRIL 2016 - MARCH 2017
At 31 March 2017, overall staff mandatory training compliance was 83% against a target of 85%. At 31 March 2017, the number of medical staff who had an appraisal in the last 12 months was 86% (target 100%), non medical was 79% (target 85%).

HIGHLIGHT OF THE YEAR
STAFF GIVE POSITIVE VIEW OF HOSPITAL IN STAFF SURVEY
Salisbury one of best places to work or receive treatment

HIGHLIGHT OF THE YEAR
OUTSTANDING CONTRIBUTIONS HIGHLIGHTED IN AWARDS
Awards presented to staff for each the four values and an overall winner highlighting significance to staff in their work

year the winners in the Living the Values Award category were Lynne Constable, Jonathan Borwell, Valerie Windmill, the Paediatric Diabetes Team and the Infection, Prevention and Control Team. The overall winner in this category was Renu Thapa. Good customer care, leadership, special achievements, mentoring and equality and diversity were also covered, with service improvement presentations and awards which gave staff an opportunity to share best practice and showcase their work with colleagues and the Trust's Foundation members.

There were also a number of external successes and achievements. The Engage team of volunteers who provide additional stimulation and support for elderly patients in hospital were presented with the Queen's award for voluntary service. Community Liaison Charge Nurse Damian Smith won a Spinal Injuries Association Outstanding Achievement Award and Directorate Senior Nurse Henry Wilding was shortlisted for a national Health Service Journal Award in the rising star category. The work of Urology Lead Nurse Jonathan Borwell and Clinical Simulation Lead Claire Levi was also recognised by Wessex Health Education England. They were commended finalists in the Shine Awards which celebrate excellence in education and training in the NHS.

The Trust continues to take a positive approach to Equality and Diversity (E&D). This encompasses all aspects of E&D, including social, community and human rights issues. As part of its commitment in this area, the Trust continues to work with the British Institute of Human Rights and has a number of Equality champions who can provide advice to staff and act as a focal point on equalities issues. The Trust also used every opportunity to create greater awareness of equality through an Equality is for Everyone event. This enabled staff to celebrate the diversity in Salisbury and recognise the value placed on people from a range of cultures and backgrounds. At Salisbury District Hospital there are over 400 members of staff who have a non-British nationality and around 9% of staff consider themselves to come from a black, minority or ethnic background (BME). Information stands for staff and patients covered different cultural groups, religion, disability and Lesbian Gay Bisexual and Transgender issues. There was also food tasting and arts and crafts, reflecting the inclusivity that

exists within the hospital. Further information on the Trust's policies and approach to E&D can be found later in the Annual Report.

It is essential that staff feel empowered to raise issues about their work, whether this relates to bullying and harassment or raising concerns about medical practice or treatment. The Trust continued to raise awareness of its policy in this area and the channels for raising a concern. This has resulted in more staff feeling able to approach the Trust's Freedom to Speak up Guardians. There are three guardians who are available to staff to speak to regarding issues around quality and patient safety, or the wider hospital. Staff have also benefited from greater support from the 15 Dignity at Work Ambassadors who offer a confidential, supportive and impartial service to staff and managers, enabling them to discuss any concerns they may have about issues such as difficulties with colleagues discrimination or general concerns.

There is evidence to show that the health and wellbeing of staff can have a positive impact on the care that they are able to give to patients. During the year the Trust re-launched its programme of activities and 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 to get advice on a number of health issues, the physiotherapy service for staff who have muscular or back problems and a range of mental health initiatives for staff, including stress management, psychological support, mindfulness and meditation. Staff are also able to see a specialist mental health advisor. During

the year we also introduced a range of measures to offer healthier choices of food and drink for sale in our restaurants and cafes, which not only benefits our staff, but also patients and visitors.

During the year, the Trust highlighted the enormous contribution nurses have made to the hospital and the NHS over the years as part of International Nurses Day. Poster displays highlighting the innovation, quality of care and professionalism of nursing staff across all wards and departments were displayed across the hospital, with historical photographs showing how services, practices and patient care has developed over the years. The Trust also held its annual Pride in Practice event where nurses, midwives and therapists had an opportunity to share best practice, celebrate their achievements and highlight improvements to patient care. As part of the Pride in Practice theme, senior nursing assistant Emma Ward, Britford Ward and Dr Anna Woodman won Pride in Practice Awards to recognise their individual and ward contribution to the hospital and patients. This was yet another example of the outstanding work taking place in Salisbury, which also has a real impact on the recruitment and retention of staff.

Value

We will be innovative in the use of our resources to deliver efficient and effective care

The 2016/2017 year has been challenging for the Trust, with unprecedented operational pressures and a difficult local financial position. This reflects the overall financial pressure facing the whole of the NHS, which is dealing with a £30 billion financial gap between 2015 and 2020.

Many acute Trusts have an underlying financial deficit as the national tariff, under which they get paid, has not kept pace with costs. All trusts were offered Sustainability and Transformation Funding (STF) at the start of 2016/2017 year, provided they accepted a 'control total' - an end of year financial position that they would have to achieve.

Although the Trust raised real concerns around the calculation of the control total, and also put forward a number of caveats in accepting it, the final plan for 2016/2017 was for a £1.8 million surplus to be delivered, supported by £6.3 million of Sustainability and Transformation Funds (STF). With a deficit from the previous year, non-recurrent savings and the effect of continued real terms funding reductions, the Trust had to target £9.5 million of savings and income generation initiatives in order to achieve the control total. The Trust delivered a surplus of £4.5 million. This was supported by the inclusion of £1.5 million of additional stocks, which was made possible through the new Scan4 Safety system. This allows disparate stocks across the Trust to be identified, counted and managed. In arriving at the total surplus, "bonus" STF funds of £1.5 million were received from NHS Improvement at the end of the year, giving a total of £7.8 million of support from STF funding.

Savings and income generation schemes totalling £6.1 million were delivered by directorates, but of this £2.2 million was non-recurring. A further £1.9 million was addressed through accounting and strategic schemes, including the additional stocks mentioned before. Whilst the full savings target was not delivered, the Trust was able to benefit from additional income from clinical activity, which contributed to the financial outcome.

In meeting its year-end position, there was a combination of factors that had made the situation more challenging. This included the continued real-terms reduction in the national tariff, which determines the amount we are paid for most of our work. Unavoidable cost pressures and non-recurring savings from 2015/2016 were also a factor.

The surplus was achieved despite an increase in non-elective (urgent) activity, where we only get paid 70% of the national tariff for this extra work. This, together with delayed transfers of care (DTOCs), where patients are medically fit to be discharged and need further care in an appropriate community setting, resulted in more temporary bed accommodation to be opened, often requiring expensive agency nurses to be used. The extra non-elective work also displaced elective work, which is paid at the full national tariff rate and resulted in delays and cancellations.

These factors will also impact on our financial plans for 2017/2018. At the time of writing, the Trust has not accepted the control totals for 2017/2018 and 2018/2019, as to do so would have required annual savings of over £14 million which the Trust believes is not achievable. If this position is unchanged, it is unlikely that the Trust will receive STF money in the new financial year and any other earmarked national funds. In 2017/2018, the Trust will have a savings target of £7.5 million in order to deliver a deficit of £7 million,

putting even greater pressure on the Trust's cash position and improvements it would like to make through its capital programme. The Trust will, therefore, need cash support through loans in 2017/2018 and, at the start of the 2017/2018 financial year, the Trust was applying for these through NHS Improvement.

As mentioned earlier, the Trust delivered £6.1 million of savings and income generation, apart from the benefits from technical changes. Savings targets are linked to the Trust's cross organisational Cost Improvement Programmes (CIPs), which cover patient flow, outpatient productivity, theatre transformation, diagnostics, non-pay and drugs, the nursing and medical workforce and transformation in therapy services. It also includes the Lord Carter efficiency programme. These are all part of the Trust's Transformation Plan supported by the Programme Management Office (PMO).

This year the focus in theatres has been on improving start times for theatre lists, minimising cancellations caused by equipment issues and better use of theatre slots. This programme has been a key focus in 2016/2017. Our outpatient services have focused on reducing Did Not Attends (DNAs), by introducing a revised text messaging service and offering patients an online system to change appointments. We have also introduced more patient initiated follow up services to reduce unnecessary follow up appointments, if patients feel they are not needed.

A key activity this year has centred on equipping our staff with quality improvement skills to provide a rapid pace of change in support of programmes such as Save 7, whereby all staff are encouraged to save £7 a week in their area of work. A new quality improvement modular training programme has been launched, which is equipping our service and clinical leaders with the core skills they need to make quality improvements, many of which can support financial improvements.

HIGHLIGHT OF THE YEAR
SCAN 4 SAFETY
IMPROVES EFFICIENCY
High quality procurement recognised with more barcode technology introduced across the Trust

It is clear that in recognising the financial challenge in 2016/ 2017 and beyond the Trust is undertaking a significant amount of work to ensure that it is providing good quality care and efficient services.

Salisbury was in the first 22 Trusts in the UK to be involved in developing more standardised hospital systems through the NHS Productivity and Efficiency Programme

Efficiency and Use of Resources - Good levels of efficiency maintained

Each year the NHS carries out a NHS benchmarking exercise to produce a national average for the cost of treatment. For 2016/2017 the Trust was 9% lower than the national average, reflecting the efficiency of the organisation. The Trust has consistently benchmarked well in this exercise, due to a number of factors including ongoing review of working practices, its relationship with suppliers and staffing costs.

led by Lord Carter. The principles of the Carter review have been embraced fully by the Trust and the Trust is represented nationally on a number of work streams such as procurement, therapies and nursing. Work is ongoing to ensure services are as efficient as possible including: "back office" services, radiology, pathology, pharmacy, facilities, and estates.

The Trust is also moving forward with its Scan4Safety project. Salisbury is a national demonstrator site for the introduction of new barcode standards based on GS1, reflecting the excellent 'quality standards' already present in Salisbury. The new standards under our Scan4Safety initiative are similar to those used in shops to manage the flow of goods, but are being used to track interventions with patients so that in due course it will be possible to know every item used to treat a patient, who was involved with the treatment, where interventions took place and when. This will help to improve patient safety and provide a more efficient and effective service across the hospital.

In terms of the number of patients seen this year there was an overall increase in the number of people needing inpatient urgent or emergency treatment. There was a significant increase in Emergency Department attendances during 2016/2017.

We receive additional income for achieving Best Practice Tariffs (BPTs) for specific types of work. Best Practice Tariffs (BPTs) help the NHS to improve quality of care by reducing variations and making best practice universal across NHS organisations. In 2016/2017 the Trust secured 78% of income that could be gained through this source. We aim to increase this further in 2017/2018 to maximise the benefit for the Trust and patients.

In the current climate it is important that the Trust builds on its reputation for innovation and uses every opportunity to bring in new technology that adds value to the organisation. One of its objectives for 2015/2016 was to commission a new electronic patient record

Patients Treated			
	2016/2017	2015/2016	2014/2015
Elective inpatient (spells)	5,328	5,929	6,405
Day cases	21,560	24,223	22,855
Non elective (spells)	29,583	29,388	28,494
Regular day attendees	9,404	8,223	6,631
Outpatients (consultant led)	160,464	180,110	183,732
New attendances	(62,594)	(71,389)	(72,322)
Follow up	(97,870)	(108,721)	(111,410)
Accident and Emergency	50,087	45,011	43,988
New attendances	46,303	(43,837)	(42,936)
Follow up	(3,784)	(1,174)	(1,052)
Spells are the main way in which hospital activity is recorded. A spell is the period of time from Admission to Discharge.			

(EPR) to replace the existing patient administration system (PAS) and many other Trust IT systems. In October 2016 the first phase in the implementation of the new EPR took place, going live on wards, outpatient areas and the Emergency Department. The new system, called Lorenzo, records both clinical and operational information and the aim is that this will eliminate the regular use of paper patient notes. The Trust acknowledges that there was an administrative impact of the new system that led to pressure in a numberof areas. These are being addressed though robust stabilisation and operational plans, which are monitored by the monitored through the Trust's Information Strategy Steering Group . As mentioned earlier in the Annual Report, the new system also increased the number of patients being recorded as waiting for treatment, when they had already been treated and the Trust is validating these entries to return the total waiting list to a stable position. The aim is that further phases will be introduced in 2017/2018, with the overall project taking two to three years to fully implement.

It is also important that the Trust looks to generate more income from its own commercial activities and a good example of this can be seen in the launch of the 'My Trusty' skin care products several years ago. Since then the My Trusty product range has expanded and continued to pick up national awards for the quality of the products. This year Tesco and Superdrug decided to stock the range in its larger stores across the country. This increased the current number of outlets to around 600, with other retail chains actively considering stocking the range.

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

The Trust treats private patients through a partnership with Odstock Private Care Limited (OPCL). 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

HIGHLIGHT OF THE YEAR
LAUNDRY SERVICE PROVIDING SERVICE TO WIDER NHS
Salisbury Trading Limited now provides a laundry service to five other Trusts

HIGHLIGHT OF THE YEAR
MY TRUSTY NOW AVAILABLE FROM LEADING RETAILERS
Sunflower cream now stocked in larger Tesco and Superdrug stores

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.

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

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

Capital Expenditure
Capital expenditure of over £12.7 million was overseen by the Group in 2016/2017 and was spent on a range of service developments. Projects included:

Electronic patient record	£3,638,000
Medical equipment	£1,755,000
IT systems and technology	£1,459,000
New "modular" Unit	£1,282,000
Ward upgrades and improvements	£ 541,000
Scan for Safety	£ 710,000

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 2016 to 31 March 2017

NHS England Core: Sustainability and Transformation Fund £7.826m
West Hampshire CCG £15.340m
Subsidiaries £5.067m
Other NHS £12.263m
Other Non NHS £15.292m
Health Education England £6.186m
NHS England Wessex Commissioning Hub £1.637m
Charitable funds £1.955m
NHS England South Central Local Office £8.504m
Dorset CCG £20.071m
NHS England South West Commissioning Hub £29.766m
NHS England Wessex Local Office £1.279m
Wiltshire CCG £97.289m

Total £222.475 million

Sources of Income - 1 April 2015 to 31 March 2016 (Group)

NHS England South West Commissioning Hub £27.728m

West Hampshire CCG £14.518m

Dorset CCG £19.605m

Other NHS £11.069m

NHS England Wessex Local Office £1.446m

NHS England Wessex Commissioning Hub £1.767m

Health Education England £6.012m

Other Non NHS £13.559m

NHS England South Central Local Office £8.674m

Subsidiaries £5.693m

Charitable funds £2.299m

Wiltshire CCG £92.550m
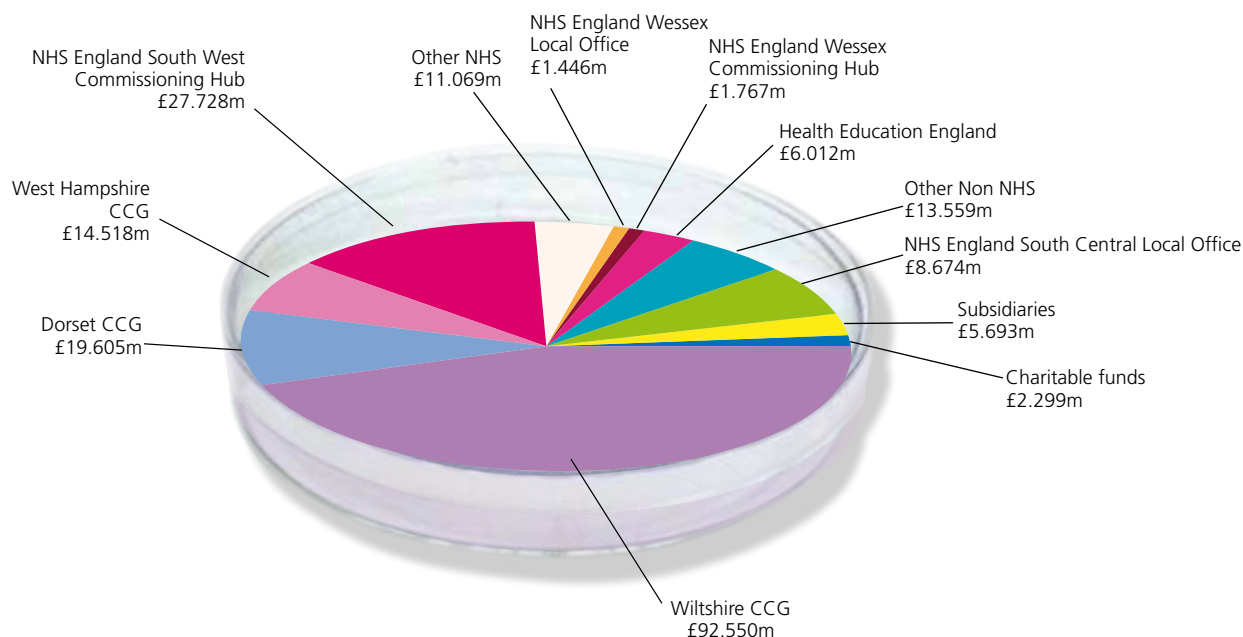
Total £204.920 million

During the year the Trust took steps to ensure that staff are fully aware of the financial issues facing the Trust now and the future, and staff continued to receive regular updates, with key operational and financial information cascaded throughout the organisation, as well as the day to day communications that takes place at different levels of the Trust. This included the Save 7 campaign which has increased staff engagement in the financial issues facing the Trust and enables them to put forward ideas that save money and take specific action in their own areas. During the year the Trust received over 430 ideas from staff.

The Chief Executive regularly sends out a personal message to all staff as part of the wider communication process and also held ad-hoc open sessions for staff on the current Trust priorities, the financial challenges faced by the NHS and the Trust's strategy. 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, NHS Improvement.

Recycling volunteers in the Trust's Asset Recycling Centre (ARC) at Salisbury District Hospital also did their bit to help the Trust's financial position donating £10,000 towards a SimMan - a high-tech manikin used in clinical staff training. Fifteen volunteers work in the hospital's

ARC and have a range of skills that benefit the hospital. The team check, clean and refurbish walking aids. The centre also provides a 'hub' for the recycling of toner cartridges and milk bottle tops, with books and DVDs available for a donation. Any items which cannot be used in the hospital are made available in return for a donation to the hospital from staff, members of the public and local businesses. Recycling of items has enabled the Trust to save over £100,000 alone this year.

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

HIGHLIGHT OF THE YEAR
RECYCLING VOLUNTEERS SAVE THE TRUST OVER £100,000
Volunteers generate income and save money by recycling and refurbishing items across the hospital

Sustainability Development Plan

Introduction

As an NHS organisation we recognise that we have an obligation to work in a way that has a positive effect on the communities we serve. Sustainability means spending public money well, the smart and efficient use of natural resources and building healthy, resilient communities. By making the most of social, environmental and economic assets we can improve health in the immediate and long term, even in the context of the rising cost of natural resource. Demonstrating that we consider the social and environmental impacts ensures that the legal requirements in the Public Services (Social Value) Act (2012) are met. We acknowledge this responsibility to our patients, local communities and the environment by working hard to minimise our footprint.

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

Trust Strategy on Sustainability

Sustainability Development is an important objective for society and also represents an opportunity to reduce costs at the Trust. For example, expenditure on energy, waste disposal and water supply was around £2.4 million in 2015/16.

The Trust measures a number of key indicators to help with the monitoring of environmental performance such as utility usage and waste generation. Key indicators are measured and reported regularly within the Trust and to the Department of Health through 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 Trust has achieved previous Carbon Reduction targets and is continuing to work towards a more challenging target of a 28% reduction by 2020, from the 2013 baseline.

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

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

Policies

The Trust currently uses the Good Corporate Citizenship tool to inform its current policy and reporting of performance and objectives around sustainability. The Trust continues to promote sustainability through its corporate documents (Annual Report and Annual Review) and individual initiatives as they arise. A good example of this can be seen in the way in which the Trust promoted its use of renewable energy through the use of solar panels and made other improvements to its on-site lighting and central water cooling systems. The Trust has also promoted the Trust's Asset Recycling Centre that recycles unused or unwanted office equipment and furniture through a scheme run by volunteers.

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

The Trust acknowledges that one of the ways it can embed sustainability is through the use of a sustainable development management plan and during 2017/2018 the Trust will revise and promote its sustainability policy. This will form the basis of the Trust's management plan to deliver sustainability targets for the main areas it can influence. It will therefore have to be viewed in the light of what is achievable based on the current financial position and will be a working document that will develop over time.

Partnerships

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

Performance

Projects and Initiatives in 2016/2017

The Trust has been investing for the future by carrying out a series of sustainability and energy management projects and initiatives. Investment has been made where possible in capital schemes, to include improved environmental controls, LED lighting and upgrading of ventilations systems, and the feasibility of introducing further photo-voltaic arrays to reduce the imported electricity / carbon are being explored. The Trust's Save 7 campaign, which was set up to engage staff in the current financial challenges and provide ideas on how the Trust can save money, has also resulted in staff identifying issues and examples of waste that are included in Trust's plans around sustainability. The Trust has also made good progress on reducing emissions and efficient use of its resources. See summary performance below.

Summary Performance

Area		Non Financial data	Non Financial data		Financial data	Financial data
		2015/2016	2016/2017		2015/2016	2016/2017
Greenhouse Gas Emissions	Scope 1 (Direct) GHG Emissions	Gas: 5,656 Tonnes CO_{2e} 30,535,688 kWhs Transport; 65 tonnes CO_{2e}	Gas: 6,585 Tonnes CO_{2e} 35,549,725 kWhs Transport; 59 tonnes CO_{2e}		*Gas; £834,349 Transport; £33,862	*Gas; £976,128 Transport; £36,597
	Scope 2 (Indirect) GHG Emissions	4,278 tonnes CO_{2e} 7,849,060 kWhs	3,282 tonnes CO_{2e} 6,020,521 kWhs		£967,805	£812,309
	Scope 3 ** Official Business Travel Emissions	161 tonnes CO_{2e}	142 tonnes CO_{2e}		£294,813	£272,551

Area		Non Financial data	Non Financial data		Financial data	Financial data
		2015/2016	2016/2017		2015/2016	2016/2017
Waste minimisation and management	Absolute values for total amount of waste produced by the Trust	1,339 tonnes	1,215 tonnes	Expend-iture on waste disposal	£284,431	£301,273
	Methods of disposal	High Temperature. Non Burn Treatment. Landfill. Recovery /Recycling	High Temperature. Non Burn Treatment. Landfill. Recovery /Recycling			
Finite Resources	Water & Sewerage	141,406 m3	171,201m3	Water & Sewerage	£335,275	£431,863

Note:-
The 2015-16 figures are based on the final submission of the 2015-16 ERIC data submitted after the 2015-16 Annual Report was printed
The 2016-17 figures are based on the first draft of the 2016-17 ERIC data and may change slightly when the final figures are submitted

*Includes £1,290 annual CRC subsistence fee, and £192,660 CRC allowances in 2015/16
*Includes £1,290 annual CRC subsistence fee and £188,370 CRC allowances in 2016/17
** Please note that Scope 3 reporting includes business mileage rates but not public transport travel

Current performance and ongoing priorities and targets

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

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

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

Travel

Policies and performance: The Trust set itself an objective to reduce the carbon that it is responsible for, from its vehicle fleet. In line with this objective, new vehicles that have been leased for the courier fleet have Euro 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. Electric vehicles are being considered for some duties where appropriate. However, range is a limiting factor until technology improves.

Active Travel: The Trust had a vision to engage with staff and the local community and develop a plan to encourage active travel with supporting facilities. The Trust ran the cycle to work schemes for staff and has introduced cost effective schemes for staff to buy cycles should they wish. This will continue in 2017/2018.

Traffic management: The Trust has plans to reduce traffic impact and promote public transport and active travel which is supported by information and incentive schemes. On-site car parking is managed through the use of enforcement measures by the Trust and this will continue in 2017/2018.

Procurement

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

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

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

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

Facilities Management

Minimising waste: The Trust has been trialling systems in the management of waste, such as sharps in order to reduce the cost and environmental impact of the waste generated. The Trust has a dedicated facility (Asset Recycling Centre) that recycles unused or unwanted office equipment and furniture through a scheme run by volunteers. This has proved very popular with staff and has directly reduced the level of waste from the site that goes to landfill. The Trust has avoided the cost of buying new equipment, by sorting waste and using suitable recycling operators.

Energy and water usage: This is a key area where the Trust has plans to invest in technical staff to manage and monitor these utilities. The site's Building Management system, is a vital tool to monitor and control utilities and their impact on the environment. The development of staff within the Trust to manage these areas is key to the success in this area, and specialist training has and will be undertaken to support this. Survey work (step test) has been completed on the site's main water systems to identify potential leaks, areas where investment is required and work with the suppliers is on-going in this area.

Workforce

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

Community Engagement

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

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

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

Facilities and New Buildings

Policies and performance: A review of the south side of the site has taken place, and development opportunities are being investigated to utilise this area of the site more effectively.

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.

Performance Report

Additional Reporting Requirements

Preparation of accounts.

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

The Performance Report has been approved by the Trust Board.

Cara Charles-Barks
Chief Executive (Accounting Officer)
19 May 2017 (on behalf of the Trust Board)

Accountability Report

Directors' Report

Directors of Salisbury NHS Foundation Trust during 2016/2017

Nick Marsden	Chairman
Cara Charles-Barks	Chief Executive (From 4 February 2017)
Laurence Arnold	Director of Corporate Development
Tania Baker	Non Executive Director (From 1 June 2016)
Michael von Bertele OBE	Non Executive Director (from 1 November 2016)
Christine Blanshard	Medical Director
Lydia Brown MBE	Non Executive Director (Vice Chairman and Senior Independent Director until 31 October 2016)
Malcolm Cassells	Director of Finance and Procurement
Ian Downie	Non Executive Director (Associate Non Executive Director from 1 November 2016)
Peter Hill	Chief Executive (Until 3 February 2017)
Andy Hyett	Chief Operating Officer
Paul Kemp	Non Executive Director
Alison Kingscott	Director of Human Resources and Organisational Development
Stephen Long	Non Executive Director (Associate Non Executive Director from 1 November 2016)
Dr Michael Marsh	Non Executive Director (From 1 November 2016)
Kirsty Matthews	Non-Executive Director (from 22 April 2016. Vice Chairman and Senior Independent Director from 1 November 2016)
Professor Jane Reid	Non Executive Director (From 1 September 2016)
Lorna Wilkinson	Director of Nursing

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.

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

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

Political Donations

The Trust has made no political donations of its own.

Better Payment Practice Code

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

Better Payment Practice Code		
	Number	**£000s/Amount**
Total Non-NHS trade invoices paid in the period	78,559	89,078
Total Non-NHS trade invoices paid within target	65,145	72,459
Percentage of Non-NHS trade invoices paid within target	82.9%	81.3%
Total NHS trade invoices paid in the period	2,221	4,576
Total NHS trade invoices paid within target	1,554	4,863
Percentage of NHS trade invoices paid within target	70.0%	73.3%
The Better Payment Practice Code requires the Trust to aim to pay 95% of undisputed invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later.		

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 NHS Improvement's Quality Governance Framework. NHS Improvement 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 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.

Income Disclosure

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

Other Income and Impact on Provision of Services

The Trust provides a variety of services to patients, visitors, staff and external bodies that generate income which cover the cost of the service and makes a contribution towards funding patient care. Services that generate income include: payroll services, accommodation, catering, car parking, private patient treatment, pharmacy products including My Trusty range and sterile supplies. The total income from all of these areas amounted to around £ 7.9 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 £3.2 million from Salisbury Trading Ltd (excluding laundry undertaken for the Trust) and £2.1million from Odstock Medical Ltd.

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 experiences and the quality of 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 Performance Analysis are summarised within the following themes:

IMPROVING SERVICES AND FACILITIES FOR OUR PATIENTS

New breast unit open to patients

Patients needing specialist treatment from the Salisbury District Hospital breast care team now receive their care in a new dedicated Stars Appeal funded Breast Unit, following the completion of building work. Around 4,500 local breast patients will benefit from the unit, which was made possible by the generosity of local people.

Older person's assessment and liaison team

An Older Person's Assessment and Liaison Team (OPAL) now assesses and provides specialist care to elderly patients with complex needs or moderate to severe frailty in the Emergency Department and the Acute Medical Unit. With this additional input, the majority of these patients are discharged home with the support of the frailty team or Wiltshire Health and Care Community services. If this is not appropriate, they would then go on to an intermediate care bed or a community hospital.

Integrated discharge bureau

The Trust set up an Integrated Discharge Bureau to provide a comprehensive discharge service across south Wiltshire. This includes the Trust, Wiltshire Social Services, Wiltshire Health and Care, Medvivo (Access to Care) and Mears (main care providers). The main aim of the team is to reduce length of stay for patients, reduce duplication and ensure continuity of discharge planning across all providers and all patients are categorised into four pathways reflecting their medical and rehabilitation needs.

Salisbury team awarded research grant

Salisbury clinical scientists and specialist staff were awarded an initial £244,000 grant to lead new research that will look at whether Functional Electrical Stimulation (FES) could improve co-ordination and movement for patients with Parkinson's disease. The work will test a new device that aims to improve walking for people who have Parkinson's disease as they often have difficulty in walking.

Hospice at Home service

In conjunction with Salisbury Hospice Charity, a new Hospice at Home Service was launched providing support and high quality care for people who are coming to the end of their life and wish to spend their final days in their own home. It also provides support for carers and families and more help around 'crisis intervention' - preventing any unnecessary and distressing admissions to hospital, the hospice or alternative care setting.

Early supported discharge therapy service

The Orthopaedic Therapy Team started a new outreach therapy service for hip fracture patients, with the aim discharging patients from hospital earlier and carrying out a large part of their rehabilitation at home - reducing length of stay and improving patient experience and outcomes for this group of patients.

Improvements to paediatric diabetes care

As part of a project to improve paediatric diabetic care, the Paediatric Diabetes Team wanted to ensure that diabetes care was responsive, individualised and empowered children and parents to take control. Through enhanced psychological and dietetic support, increased education and peer support, the team improved treatment targets, increased satisfaction levels and reduced diabetic admissions.

Better access to ultrasound for inpatients

With high outpatient needs, access to ultrasound imaging for inpatients had reduced and was becoming fragmented. The radiology department restructured imaging with one room set aside daily for internal referrals. This improved the management of inpatient scanning, reduced delays and made it more efficient.

Changes to scar management clinic

High DNA rates, multiple appointments and issues around the effectiveness of treatment in the scar management clinic resulted in a service review. The team engaged with patients and improved scar management pathways based on the latest best practice. They reduced non attendances by patients (DNAs) and follow ups, stopped inefficient treatment and introduced a scar management database.

Improved medical handovers

Junior doctors started a project to improve the quality and efficiency of medical handovers. The doctors introduced a face to face handover time involving the night Foundation year one (F1) doctor, the H@NT coordinator and day F1 to replace the existing telephone handover. This improved the efficiency, quality and safety of the handover and improved the experience for the doctors.

TAKING CARE OF OUR PATIENTS

Successful PLACE assessment

Cleanliness, food quality and patient's overall experience of facilities and support have been rated highly in the latest national report on the Patient Led Assessment of the Care Environment (PLACE). The PLACE inspection assess how an organisation is performing against a range of non-clinical activities. This includes cleanliness, the condition, appearance and maintenance of the hospital. It also covers other factors that support the delivery of care.

Nursing assistant wins pride in practice award

Senior nursing assistant Emma Ward won a Trust Pride in Practice Award for her enthusiasm and passion for nursing and her compassion and care for her patients on Farley Ward. Emma was nominated by Senior Sister Kirsty Anderson who praised her care and high standards and her commitment to her role on Farley Ward to ensure every patient experience is a positive one.

Successful staff seasonal flu campaign

The Trust carried out its seasonal flu campaign as part of its approach to reduce the risk of flu spreading across patient areas and affecting vulnerable patient groups during the winter. A staff walk in clinic, booked vaccinations and peer group vaccinators increased frontline staff vaccination rates from 41% in the previous year to 59%.

Stay Well This Winter Campaign

The Trust supported the Stay Well this Winter campaign which helped ensure that people who are most at risk of preventable emergency admissions to hospital were aware of any actions that they could take to avoid being admitted to hospital. This was promoted through social media and link to campaign advice from the Trust's website.

Catering services receive top mark

The Catering Department received a maximum score of five following an unannounced inspection from Wiltshire Council. The top rating means that the Trust has 'very good' hygiene standards, measured on its handling of food, the condition of buildings and the management and records that ensure food safety.

Salisbury shortlisted for patient experience award

Salisbury was shortlisted in the CHKS Patient Experience award and was one of only five acute trusts in England to have excelled in a range of patient experience indicators including inpatient, outpatient, maternity and emergency department surveys, the Patient Led Assessment of the Care Environment audit patient outcomes and feedback from Friends and Family tests.

RECOGNISING INNOVATION THAT IMPROVES PATIENT CARE

New electronic whiteboards

The Trust introduced new electronic whiteboards that show plans and progress for patients at a glance, provides easy to use touch-screen updates and ensures we have the right patient located in the right place on all our IT systems. The old whiteboard system did not update transfers or record all the information needed by staff.

Pembroke staff nurse shortlisted in national patient safety awards

Richard Laughton, staff nurse on Pembroke Ward, was successfully shortlisted for a National Patient Safety Award, highlighting his commitment to innovation and the difference he makes to healthcare. Richard developed a patented and trademarked 'safe break' 'device which improves the quality of patient care and reduces infection risk and costs.

My Trusty® wins national award for best over the counter product

The My Trusty® skincare range won the Best Over the Counter Product award at the Pharmacist Awards. This

award highlights the innovation and success of an NHS own brand moisturiser, developed by our staff to improve the quality of newly healing skin.

Successful transformation day

Our staff have the ideas and knowledge that can make a real difference to our patients and as part of this they had an opportunity to find out about the latest projects and provide invaluable feedback at a Transformation Day. This included large Trust projects from the implementation of the electronic patient record to others such as the recycling centre where staff can get used items.

Challenge Award

The Trust acknowledged the significant contribution that save 7 champions had made to the Trust's internal Save 7 savings and efficiency campaign aims. Stacy Blake, Capital Accounting Assistant was rewarded for her work and commitment in engaging with colleagues and encouraging ideas.

Save 7 Campaign

The Save 7 scheme encourages staff to submit ideas that help achieve efficiency savings and identify better ways of working. The campaign has produced significant results with 430 ideas submitted and scoped for change projects. Savings and changes to practice have been made in a number of areas following the start of the campaign.

Successful procurement savings project

Working with orthopaedics, the procurement department aimed to deliver a 4.8% non pay orthopaedic budgetary saving and increase patient benefits through standardisation, reduction in stock and reductions in loan kits. The team identified variation in suppliers, systems and components and introduced changes in practice and significant savings.

Salisbury team in key research on treatment for rare form of cancer

Researchers at Salisbury District Hospital have played a key role in a life changing study that will improve the way patients are treated for a rare form of blood cancer called chronic myeloid leukaemia. Medication needs to be taken lifelong and can cause a number of unpleasant side effects. The team were involved in new research to reduce the dosage. Of the 174 patients throughout the UK who took part in the study, 162 showed no evidence of leukaemia returning one year later. For the remaining 12 who showed signs of a recurrence in the condition, all went into remission within four months of resuming their original dose.

PROMOTING BETTER HEALTH AND SUPPORT FOR OUR PATIENTS

NHS pride and passion on International Nurses Day

Staff highlighted the enormous contribution nurses have made to the hospital and the NHS over the years as part of International Nurses' Day. Poster displays highlighting the innovation, quality of care and professionalism of nursing staff across all wards and departments were on level four of the hospital, with historical photographs showing how services, practices and patient care has developed over the years.

Staff celebrate local achievements at putting Pride into Practice event

Nurses, midwives and therapists at Salisbury District Hospital had an opportunity to share best practice, celebrate their achievements and highlight improvements to patient care at Salisbury NHS Foundation Trust's Putting PRIDE into Practice event. The event centres on the national six key values of Care, Compassion, Communication, Courage, Commitment and Competence that influence the way patients are treated within the NHS.

Maternity Unit signs up to two national campaigns

The Maternity Unit signed up to two new campaigns highlighting our commitment to the promotion of a healthy workplace for our midwives and the wellbeing of pregnant women and their babies. The Royal College of Midwives' Caring for you Campaign, focuses on initiatives that support the health, safety and wellbeing of midwives. The unit also signed up to the Foetal Alcohol Spectrum Disorder (FASD) Trust's campaign to highlight the importance of women having an alcohol free pregnancy.

Self Care Week

Staff and local people had an opportunity to find out more about how they can improve their own health during Self Care Week. This year the theme was Health Literacy with a focus on getting people to understand how to stay healthy all their life and think carefully about self-care for the important people in their life. Throughout the week staff were on hand to provide information on a wide range of areas, from how to protect against flu, preventing illness and healthy eating to more specific advice around alcohol, smoking and cancer prevention.

Staff work together to tackle antimicrobial resistance

With antibiotic resistance now one of the biggest threats facing us today, staff encouraged colleagues and patients to think carefully about their use of antibiotics as part of Antibiotic Awareness Week. This year members of the Antimicrobial Stewardship team, consultants and pharmacy staff toured wards wearing 'Antibiotic Guardian' T-shirts, carrying out audits of antibiotic prescribing and reminding staff of best practice in this area.

Specialist information and advice on HIV and sexual health

As part of HIV Testing Awareness Week, specialist staff in the hospital's sexual health services provided information and advice on sexual health, HIV and the importance of testing. The key aim of the national HIV Testing Awareness Week, was to encourage people to get tested so that they know their HIV status, even if they think they are at low risk of catching the infection to allow them treatment and stop passing the infection on to others.

SUPPORTING OUR STAFF TO PROVIDE BEST CARE

Salisbury one of best for work and treatment say NHS staff

Staff have continued to rate Salisbury District Hospital as one of the best places in the NHS to work and receive treatment as part of the latest national staff survey. The percentage of staff who felt that their role made a difference to patients, overall staff engagement, and recognition of their value to the organisation and staff motivation at work were other areas where the Trust scored highly in the survey, in which Salisbury was among the best performing Trusts in the country in 18 of the 32 key findings.

Work experience award

The Trust received a Silver Award from Health Education Wessex for the quality of work experience it offers students at Salisbury District Hospital. The assessment carried out in conjunction with Fair Train covered induction, health and safety, safeguarding and equality training, as well as the placement itself.

New shape up@salisbury programme launch

As part of the Trust's commitment to health and wellbeing of staff at home and work, the Trust launched a new programme of activities to support staff, including running club, mindfulness courses, health trainers to support staff with lifestyle changes

Visitors and staff celebrate equality, diversity and inclusion

Visitors and staff learnt more about the diversity that exists as part of the Trust's Equality is for Everyone event. The event enabled staff to celebrate the diversity in Salisbury and recognise the value placed on people from a range of cultures and backgrounds. At Salisbury District Hospital there are over 400 members of staff who have a non-British nationality and around 9% of staff consider themselves to come from a black, minority or ethnic background (BME).

Living the Values

The Trust recognises staff that consistently demonstrate all of the love to see behaviours that support the corporate values of being professional, patient centred and safe, friendly and responsive. The winners were Lynne Constable, Upper GI Clinical Nurse Specialist Jonathan Borwell, Urology Specialist Nurse (joint professional), the Paediatric Diabetes (Team Patient Centred and Safe), Valerie Windmill, Cleaning Assistant (Friendly) and the Infection, Prevention and Control Team (Responsive). The overall winner was Renu Thapa, who is a Radiology Receptionist.

Trust support group for EU staff

The Trust is supporting the NHS Employers #LoveOurEUStaff campaign highlighting its support for staff following the Brexit referendum. During the year the Trust held a number of events which provided information for staff on the Trust's position and the way in which it values staff across a wide range of backgrounds and nationalities through its broader equality and diversity strategy.

Theatres sister wins mentoring award

The Pinder Award recognises the role experienced nurses play in supporting students throughout their training programme. In mentoring a student nurse, Caroline Davy, Senior Sister in Theatres had a significant impact on the knowledge and confidence of a student nurse giving them the correct knowledge and feedback to improve their ability work independently and confidently in theatre.

RECOGNISING AND REWARDING THE BEST

Engage team receives Queen's Award for Voluntary Service

Engage volunteers were honoured with the Queen's Award for Voluntary Service, the highest award a voluntary group can receive in the UK. The award recognises excellence in voluntary activities and the

outstanding contribution they have made to supporting older patients in hospital.

Emergency care senior sister wins leadership award

Senior sister Nicky Heydon won the Trust's Leadership Award. Nicky is an experienced and knowledgeable senior nurse in the emergency department who provides excellent leadership and high quality care to patients.

Lung cancer nurse wins chairman's outstanding contribution award

Pat Baber, Lung Cancer Specialist Nurse won the Trust's outstanding contribution Award Pat has been a nurse for 26 years and worked with lung cancer patients and their families for 16 years – providing outstanding, caring support for patients by sharing their 'journey' with them.

Porter recognised as unsung hero

Hospital porter Ebrima Markess was rewarded for his kindness and compassion with an unsung hero award. Ebrima, who is a popular figure across the hospital, often went beyond his duties for people in need.

Customer care awards

The Maternity Unit and Claire Pilkington, Staff Nurse in the Emergency Department won the Trust's team and individual customer care awards respectively. The maternity unit received a number of nominations for outstanding care and the sensitive way they looked after pregnant women and their families. Claire received her nomination for the friendly, professional way she put a patient and their son at ease when faced with a difficult diagnosis.

Salisbury spinal nurse wins national award

Community liaison charge nurse Damian Smith won a Spinal Injuries Association (SIA) Outstanding Achievement Award for the significant difference he has made to the care, treatment and lives of spinal cord injured people across the South West. Damian has worked in Salisbury for nearly 26 years. The last 20 years have been spent in the Duke of Cornwall Spinal Treatment Centre.

Equality and Diversity Award

Ellie Gibson, Informatics Business Analysis and Support Lead, won the Trust's Equality and Diversity Award. As part of the implementation of the Electronic Patient Record, Ellie worked tirelessly to support staff who had visual problems and needed specialist software to use IT systems.

CELEBRATING ACHIEVEMENTS

Salisbury patients runners up in Inter Spinal Unit Games

Patients on the spinal unit were runners up in the Inter Spinal Unit Games. The six-strong team was pitted against 12 other teams from spinal units across Great Britain and Ireland. This was an excellent achievement for patients and staff who gave them the support that they needed to compete.

Team Salisbury retain NHS military Challenge

"Team Salisbury" won the South West NHS Military Challenge on Dartmoor for the second year running. The eight-strong team, including senior nurses, therapists, a consultant surgeon and other clinical staff beat 16 other hospitals in seven of the nine challenges. These included the assault course led by the Royal Marines, a number of physical and mental tests, the building of communication systems and the delivery of care under fire.

Long service awards

Thirty four 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.

Distinctions for Salisbury Healthcare Scientists

Healthcare scientists Lindsey Freeman, Ben Sanders, Belinda Ball, Jessica Norton and Millie Mitchell successfully completed their scientific training programme MSCs with distinction - highlighting the quality and commitment of our scientific staff.

ArtCare celebrates 25th anniversary

ArtCare celebrated its 25th anniversary, recognising the enormous contribution the team has made to the hospital environment and additional support to patients in hospital. Over the years they have organised over 400 projects, delivered workshops and participatory arts activities provided professional advice on interior design, including consultations with patients and community groups.

Staff do well in Shine awards

Salisbury District Hospital staff made their mark in a number of regional and national awards Urology Lead

Nurse Jonathan Borwell and Clinical Simulation Lead Claire Levi, were commended finalists in the Wessex Health Education England's Shine Awards. The Awards celebrate excellence in education and training in the NHS.

National journal shortlisted finalist

Henry Wilding was shortlisted in the Rising Star category of the national Health Service Journal Awards which attracts entrants from all types of NHS organisation right across the country.

Hospital staff do well in catering competition

Hospital chef Sering Jammeh won Gold for his plated meat dish in the Hospital Caterers Association Regional Hot Cookery Competition in Bournemouth, with other Salisbury chefs winning bronze and merit awards. Hospitals from across the region took part in the competition entering staff in a range of categories.

Governors recognise contribution of volunteers

The governors recognise the dedication, adaptability and reliability that volunteers bring to their role and this year Michael Beck (AKA Wally Wheelbarrow) and David Chalk were rewarded for their services to the hospital through the Governor's award. Since Michael Beck first started fundraising for the hospital 13 years ago, he and David Chalk have raised over £275,000 for the hospital.

Staff shortlisted for regional leadership awards

Four members of staff were shortlisted for Thames Valley and Wessex Leadership Academy Awards. The awards celebrate leaders within the NHS and to have four members of staff from Salisbury shortlisted was an excellent achievement. The four candidates and categories were Lisa Brown, Sexual Health Nurse, Peter Hill, former Chief Executive, Vanessa Mooney, Durrington Ward Sister and Cris Mulshaw, Head of Therapies.

Research support manager wins regional award

Louise Bell, Research Support Manager won the Support Excellence category in the Clinical Research Network (CRN) Wessex awards, recognising good quality research at Salisbury District Hospital. CRN is part the national Institute of Health Research, which supports NHS staff who carry out leading-edge research that is focused on the needs of patients and the public. Ruth Casey, Clinical Trials Assistant and Paul Taylor were also shortlisted.

Procurement team shortlisted for multiple awards

The Procurement and Commercial Services Department were shortlisted in three award categories for the National Government Opportunities (GO) Excellence in Public Procurement Awards. This was a significant achievement for the team. These awards are highly competitive and recognise the excellent and innovative work being carried out across the Trust.

LISTENING AND LEARNING FROM OUR PATIENTS AND STAFF

Patients give a positive view in inpatient survey

In the national inpatient survey the Trust has scored well in a number of areas, including confidence and trust in doctors and nurses, the level of privacy when being examined or treated and whether patients felt well looked after when in hospital. Questions around whether people were asked for the views on the quality of their care and staff response to call bells formed part of the Trust's action plan.

Salisbury cancer patients rate their care highly

Cancer patients rated the quality of their care highly in the national cancer patient survey with 92% feeling their care was very good or good and 90% always treated with respect and dignity by staff. The development of individual care plans will be covered in the action plan.

Improvements to lift interiors and wayfinding

Feedback from visitors showed that many had difficulty finding their way round the site. The team created a simplified map similar to a London underground design. Versions were used in lifts and stairwells and incorporated into the history project with pictures and healthcare stories resulting in positive feedback.

Comments, concerns, complaints and compliments

The Trust received 1,666 thank you letters and cards sent to the chairman, chief executive or customer care department, with many more sent directly to staff on wards and units. There were 168 general enquiries, 1,164 comments, 437 concerns and 305 complaints. The overall number of enquiries, comments, concerns and complaints responded to within 10 working days was 1,604 (77%), in 11-25 working days 208 (10%) and above 25 working days 262 (13%). All comments, concerns and complaints were acknowledged either verbally or in writing within three working days. Two complaints were referred to the Parliamentary and Health Service Ombudsman for independent review. One was partially upheld and the Trust is awaiting a decision on the other case.

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

- Implementation of an orthopaedic expansion business case to separate the management of elective and non-elective patients
- The plastic surgery department has started using a single operating theatre for some minor trauma to free up day surgery unit capacity
- All patients who have attended the Accident and Emergency Department overnight and are seen by a junior doctor have their notes reviewed by a consultant the following morning. Any X-ray that needs an additional view from a consultant is reviewed by them within 24-28 hours

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

Improvements following staff survey

The Trust has implemented a number of improvements for staff following the last staff survey.

Following the introduction of Dignity at Work Ambassadors (DAWAs), work has continued to develop the DAWA's and embed and promote their roles within the organisation. DAWAs provide an informal and confidential support service for staff who are experiencing problems at work. This role complements the existing trades union support and the Freedom to Speak Up Guardian.

In recognition of the diversity of our staff the Chapel has been developed as a multi-faith space with facilities for different faith communities to use it. The Chapel continues to offer space for meditation and mindfulness support, particularly for staff suffering from stress.

Following feedback from staff regarding issues that cause stress, the Trust has now started to work with Transave UK Credit Union, in addition to Wiltshire Savings and Loans, to provide staff access to these organisations.

WORKING WITH OUR STAKEHOLDERS, PARTNERS AND LOCAL COMMUNITY

Carers' week

As part of Carers' Week staff held a special Carers' Café tea party with homemade cakes and an information stand in Springs Restaurant. Carers' Week is an annual campaign which raises awareness of caring and the challenges that all carers face.

Maternity and Neonatal Unit retains baby friendly status

The Maternity and Neonatal Unit retained its Baby Friendly status following a successful re-assessment by the United Nations Children's Fund (UNICEF). The Baby Friendly Initiative is a global programme provides a practical and effective way for health services to improve the care given to mothers and babies and recognises the way staff in Salisbury continued to increase breastfeeding rates among new mothers and promote awareness of the benefits.

Bed boards to support patient care

Previously, the Trust introduced bed boards so patients and their families can see who their responsible consultant is and which nurse is providing their care. Thanks to funding from the Salisbury Hospital League of Friends, we introduced a set of magnets that can also be used on the bed boards. These identify key information for clinical staff about patients' care plans or any special dietary requirements or communication needs they may have.

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 is also working with the Action on Hearing loss Charity in Salisbury to provide training and support to patients and staff experiencing hearing loss.

Patient information at Salisbury District Hospital

The Trust recognises the value of good quality information and continues to build up and update its patient information library. A large group of volunteers comment on all patient information including leaflets and web pages as part of the work carried out by the Readership Panel. We continue to be certified under NHS England's Information Standard. Any organisation achieving the Information Standard has undergone a rigorous assessment to check that the information they produce is clear, accurate, balanced, evidence-based and up-to-date.

Additional Directors' Report Disclosures

Consultation with local groups and organisations

As part of the development of the Trust's Quality Account, the Trust consulted with commissioners, local authorities and Healthwatch. No other formal consultations took place within 2016/2017.

Patient and Public Involvement (PPI) Initiatives

Patient and public involvement continues to play an important part in the development of hospital services. Patients were involved in 26 projects this year, using many different methods including patient stories, focus groups and questionnaires.

One example involved staff in the audiology service who wanted to assess the efficacy of using a modified form of tinnitus retraining therapy in the treatment of patients with significant tinnitus. Patients referred to the clinic were asked to complete a questionnaire covering pre and post treatment at three months.

The results enabled staff to establish which patients had Tinnitus Retraining Therapy and it was sufficient to meet their needs, those that are able to manage their tinnitus with a hearing aid, additional counselling and a modified form of the therapy and patients who are already managing their tinnitus without any further clinical intervention.

Statement on disclosure to the auditors.

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

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 in the 2016/2017 financial year was 1,599 people taking part in 86 NIHR and Clinical Research Network studies hosted by the Trust across 23 specialities , compared to the Trust target set by the NIHR of 1,022. 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.

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.

Directors' Report Accompanying Note

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

Remuneration Report

Chairman of the Remuneration Committee's Annual Statement on Remuneration

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

The Remuneration Committee reviewed the salaries and the individual reward packages of the Executive Directors for 2016/2017. Salaries are set in comparison with those given to holders of equivalent posts within the NHS. Advancement within the individual salary scales of Executive Directors is based on successful appraisal outcomes and this is the only performance-related element of the Executive Director's remuneration. The Remuneration Committee works closely with the Chief Executive in reviewing each executive director's performance and the Director of HR and Organisational Development advises the committee on the performance of the Chief Executive.

Senior Manager's Remuneration Policy

The policy described in this section applies to the executive and non executive directors and is periodically reviewed so that it remains aligned to the Trust's requirements, recruitment needs and practices.

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

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

- Attract, motivate and retain senior managers with the necessary abilities to manage and develop the Trust's activities fully for the benefit of patients

- Align remuneration with objectives that match the long term interests of the Trust

- Drive appropriate behaviours in line with the Trust's values

- Focus senior managers on the business aims and appraise them against challenging objectives

Future Policy Table
Executive Directors

Element of pay (Component)	How component supports short and long term strategic objective /goal of the Trust	Operation of the component	Performance metric used and time period
Basic salary	Provides a stable basis for recruitment and retention, taking into account the Trust's position in the labour market and a need for a consistent approach to leadership.	Individual pay point is set within a pre designed pay band which has a minimum and maximum limit. (See salary scales at the end of the Future Policies table which sets out the rates payable.	Pay is reviewed annually in relation to individual performance based on agreed objectives set out prior to the start of that financial year which runs between 1 April and 31 March.

Element of pay (Component)	How component supports short and long term strategic objective /goal of the Trust	Operation of the component	Performance metric used and time period
	Stability, experience, reputation and widespread knowledge of local needs and requirements supports the Trust's short term strategic objectives outlined in its annual priorities and its long term strategic goals of: Choice - providing a comprehensive range of high quality local services enhanced by our specialist centres Care - treating our patients with care, kindness and compassion and keep them safe from avoidable harm Our Staff - making the Trust a place to work where staff feel valued to develop as individuals and as teams Value - being innovative in the use of our resources to deliver efficient and effective care	Please note that this does not include additional payments over and above the role such as clinical duties, Clinical Excellence Awards. Total remuneration can be found in the Remuneration tables in the Annual Report on Remuneration. Initial positioning on this pay band is based on experience and research into pay in other NHS Foundation Trusts.	
Benefits	Benefits in kind relate to either the provision of a car, training or additional pension contributions. Salary for executive Directors includes any amount received (See Basic salary on how this component supports short and long term strategic objective/goal of the Trust)	(See above)	(see above)

Element of pay (Component)	How component supports short and long term strategic objective /goal of the Trust	Operation of the component	Performance metric used and time period
Pension	Provides a solid basis for recruitment and retention of top leaders in sector.

Supports the Trust's short term strategic objectives outlined in its annual priorities and its long term strategic goals stated in the basic salary component. | Contributions within the relevant NHS pension scheme | Contribution rates are set by the NHS Pension Scheme |
| Bonus | N/A | N/A | N/A |
| Bonus | N/A | N/A | N/A |

Note 1: The components above apply generally all Executive Directors in this table and there are no particular arrangements that are specific to an individual executive director.

Note 2: While a review-point was introduced in 2013/2014 for newly-appointed Executive Directors after two years in post, no new components were introduced in 2016/2017. There were also no changes made to the existing components of the remuneration package.

Note 3: The Remuneration Committee adopts the principles of the Agenda for Change framework when considering executive director's pay. However, unlike Agenda for Change, there is no automatic salary progression within the salary scale, even if individual directors meet their annual objectives. See statement of consideration of employment conditions elsewhere in the Trust for more detail.

Note 4: The performance measures were chosen to reflect the Trust's adopted values and its strategic goals form the basis for Directors' objectives. There is no specific minimum level of performance that affects the payment and no further levels of performance which would result in additional amounts being paid.

Note 5: There is no specific provision for the recovery of sums paid to directors or for withholding the payment of sums to senior managers that relate to their basic salary. However, the Remuneration Committee in respect of the Executive Directors and the Council of Governors for the Non Executive Directors does have the authority to decide on whether any pay increase should be awarded each year based on performance. The review point described above in Note 2 is subject

to satisfactory performance.

Note 6: No Executive Directors have been released to undertake other paid work elsewhere.

Note 7: Where an individual Director is paid more than the Prime Minister, the Trust has taken steps to assure itself that remuneration is set at a competitive rate in relation to other similar NHS Foundation Trusts and that this rate enables the Trust to attract, motivate and retain senior managers with the necessary abilities to manage and develop the Trust's activities fully for the benefit of patients.

Note 8: The Trust benchmarks Executive Directors salaries with those paid to holders of equivalent posts within the NHS and is satisfied that it has taken steps to assure itself that where an Executive Director is paid more than £142,500 per year, this remuneration is reasonable.

Non Executive Directors

Element of pay (Component)	How component supports short and long term strategic objective /goal of the Trust	Operation of the component	Performance metric used and time period
Basic salary	The pay level reflects the part time nature of the role. It is set at a level that gives recognition for the postholder's commitment and responsibility of the role. Supports the Trust's short and long term strategic objectives outlined in its annual priorities and its long term strategic goals of: Choice - providing a comprehensive range of high quality local services enhanced by our specialist centres Care - treating our patients with care, kindness and compassion and keep them safe from avoidable harm Our Staff - making the Trust a place to work where staff feel valued to develop as individuals and as teams Value - being innovative in the use of our resources to deliver efficient and effective care	It is one single pay point based on research of NHS pay for Non Executive Directors in other NHS Foundation Trusts	The pay level is reviewed annually by the Council of Governors, advised by the Performance Committee
Benefits	N/A	N/A	N/A
Pension	N/A	N/A	N/A
Bonus	N/A	N/A	N/A
*Fees	N/A	N/A	N/A

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

Salary scales for senior managers

Senior Manager/Executive Directors role	Salary scale £
Chief Executive	143,531 - 175,235
Medical Director	134,835 - 155,075
Director of Finance and Procurement	110,090 - 126,603
Chief Operating Officer	105,000 - 120,750
Director of HR and Organisational Development	86,385 - 99,353
Director of Nursing	90,900 - 104,030

Senior Manager/Non Executive Directors	Role	Fixed Salary
Nick Marsden	Chairman	43,500
Tania Baker	Non Executive	13,100
Michael von Bertele	Non Executive	13,100
Paul Kemp	Non Executive	13,100
Michael Marsh	Non Executive	13,100
Kirsty Matthews (Vice Chairman)	Non Executive	16,100
Jane Reid	Non Executive	13,100

Service contracts obligations

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

Policy on payment for loss of office

This is subject to individual negotiation and takes into account the circumstances and merits of the individual case and the likely treatment by an employment tribunal.

Statement of consideration of employment conditions elsewhere in the Trust

While the Trust did not consult with employees on the remuneration policy regarding senior managers, it did take into account the national pay and conditions on NHS employees. On this basis, the Remuneration Committee adopts the principles of the Agenda for Change framework when considering executive directors' pay. However, unlike Agenda for Change, there is no automatic salary progression within the salary scale even if individual directors meet their annual objectives (see Annual Statement on Remuneration for decisions taken for the 2016/2017 year). The initial position on the salary scale will depend on the Executive Director's previous relevant experience and any progression within that scale is determined by the Remuneration Committee (See Annual Statement on Remuneration). Performance objectives for the Executive Directors is identified and agreed with the Chief Executive, or by the Chairman in the case of the Chief Executive, and signed off by the Remuneration Committee. Objectives are set for individual Executive Directors based on strategic aims within the annual plan.

Responsibility for setting the terms and conditions of appointment for Non Executive Directors rests with the Council of Governors, which is advised by the Performance Committee and takes into account remuneration in other NHS organisations by reviewing available national comparisons in NHS Employers information. This was determined when the Trust was authorised, on the basis of independent advice. A pay award was given to the Chairman (£500) and Non Executive Directors (£100) in 2016/17, which reflected the general pay award given to all staff who work under Agenda for Change terms and conditions. Please note that no additional fees are paid to the Chairman and the Non Executives Directors, other than travel and subsistence costs incurred.

Annual Report on Remuneration

Senior Manager's Service Contracts

None of the current Executive Directors is subject to an employment contract that stipulates a length of appointment. The appointment of the Chief Executive is made by the Non-Executive Directors and approved by the Council of Governors. The Chief Executive and Executive Directors have a permanent employment contract and the contract can be terminated by either party with 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 in 2016/2017. As stated in the Annual Statement on Remuneration, salaries are set in comparison with those given to holders of equivalent posts within the NHS. There is no bonus scheme for Executive Directors and any pay progression is based solely on individual performance, as noted above and to recognise new responsibilities.

The Chairman and Non-Executive Directors of the Trust are appointed by the Council of Governors for a term of office of up to four years for all new appointments. This can be renewed for a second term with the agreement of both parties. The Council of Governors can terminate the appointment at any time during this period of office. For those who were in post during 2016/ 2017 please see Directors Report for details of service period.

Remuneration Committee

Name	Role	Attendance from three meetings
Nick Marsden	Chairman	3
Tania Baker	Non Executive Director	2 from 2
Lydia Brown	Non Executive Director	2 from 2
Ian Downie	Non Executive Director	3
Paul Kemp	Non Executive Director	2 from 3
Stephen Long	Non Executive Director	3
Michael Marsh	Non Executive Director	1 from 1
Kirsty Matthews	Non Executive Director	2 from 2

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

The Work of the Remuneration Committee and the Trust's Statement on Pay Policy

The Remuneration Committee reviews the salaries and where relevant, the individual reward packages of the Executive Directors. Most other staff within the NHS have contracts based on Agenda for Change national terms and conditions, which is the single pay system in operation in the NHS. Doctors, dentists, very senior managers and directors have separate terms and conditions. Pay circulars inform of changes to pay and terms and conditions for medical and dental staff, doctors in public health medicine and the community health service, along with staff covered by Agenda for Change. The Trust follows these nationally set pay polices in negotiating with Trade Unions on areas of local discretion.

Expenses for Senior Managers and Governors

Year	Number of Directors in Office	Number of Directors Reimbursed	Amount Reimbursed to Directors	Number of Elected Governors in Office	Number of Elected Governors Reimbursed	Amount Reimbursed to Elected Governors
2015/2016	14	9	£6,700	21	9	£4,501
2016/2017	17	9	£7,600	21	9	£4,296.

Expenses incurred during the course of their duties relate to travel, accommodation and subsistence. Directors include those who were in post in an interim capacity during the year

Salary and Pension Entitlement

	Salary and fees (Bands of £5,000) £000	Taxable Benefits Rounded to the nearest £100	Annual Performance Related Bonus (Bands of £5,000) £000	Long term Performance Related Bonus (Bands of £5,000) £000	Pension Related Benefits (Bands of £2,500) £000	Total (Bands of £5,000) £000
Remuneration 1 April 2016 – 31 March 2017						
Cara Charles-Barks Chief Executive	20-25	-	-	-	0-2.5	20-25
Tania Baker Non Executive	10-15	-	-	-	-	10-15
Michael von Bertele Non Executive	5-10	-	-	-	-	5-10
Christine Blanshard Medical Director	170-175	-	-	-	30-32.5	200-205
Lydia Brown Non Executive	5-10	-	-	-	-	5-10
Malcolm Cassells Director of Finance	125-130	-	-	-	-	125-130
Ian Downie Non Executive	10-15	-	-	-	-	10-15
Peter Hill Chief Executive	130-135	-	-	-	27.5-30	160-165
Andy Hyett Chief Operating Officer	110-115	-	-	-	32.5-35	140-145
Paul Kemp Non Executive	10-15	-	-	-	-	10-15
Alison Kingscott Director of HR & Organisational Development	95-100	-	-	-	27.5-30	125-130
Stephen Long Non Executive	10-15	-	-	-	-	10-15
Michael Marsh Non Executive	5-10	-	-	-	-	5-10
Nick Marsden Chairman	40-45	-	-	-	-	40-45
Kirsty Matthews Non Executive	10-15	-	-	-	-	10-15
Jane Reid Non Executive	5-10	-	-	-	-	5-10
Lorna Wilkinson Director of Nursing	95-100	-	-	-	37.5-40	135-140

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

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

Kirsty Matthews took up her post as Non Executive Director on 22 April 2016. Tania Baker took up her post as Non Executive Director on 1 June 2016. Jane Reid took up her post as Non Executive Director on 1 September 2016. Lydia Brown completed her term as Non Executive Director on 31 October 2016. Ian Downie and Stephen Long completed their terms as Non Executive Directors on 31October 2016 and stayed on as Associate Non Executive Directors into the 2017/2018 financial year. Peter Hill retired as Chief Executive on 3 February 2017 and was replaced by Cara Charles-Barks who took up her post on 4 February 2017.

This table is subject to audit

Remuneration 1 April 2015 – 31 March 2016						
	Salary and fees (Bands of £5,000) £000	Taxable Benefits Rounded to the nearest £100	Annual Performance Related Bonus (Bands of £5,000) £000	Long term Performance Related Bonus (Bands of £5,000) £000	Pension Related Benefits (Bands of £2,500) £000	Total (Bands of £5,000) £000
Laurence Arnold Interim Chief Operating Officer	0-5	-	-	-	0-2.5	0-5
Christine Blanshard Medical Director	165-170	-	-	-	15-17.5	185-190
Lydia Brown Non Executive	15-20	-	-	-	-	15-20
Malcolm Cassells Director of Finance	125-130	-	-	-	-	125-130
Ian Downie Non Executive	10-15	-	-	-	-	10-15
Andrew Freemantle Non Executive	10-15	-	-	-	-	10-15
Andy Hyett Chief Operating Officer	105-110	-	-	-	47.5-50	150-155
Peter Hill Chief Executive	155-160	-	-	-	27.5-30	180-185
Stephen Long Non Executive	10-15	-	-	-	-	10-15
Nick Marsden Chairman	40-45	-	-	-	-	40-45
Sarah Mullally Non Executive	10-15	-	-	-	-	10-15
Paul Kemp Non Executive	10-15	-	-	-	-	10-15
Alison Kingscott Director of HR & Organisational Development	95-100	-	-	-	-	95-100
Lorna Wilkinson Director of Nursing	90-95	-	-	-	60-62.5	150-155

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

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

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

Laurence Arnold was Interim Chief Operating Officer until 12 April 2016. Andy Hyett took over as Chief Operating Officer on 13 April 2016. Andrew Freemantle stepped down as a Non Executive Director on 19 January 2016 and Sarah Mullally completed her term of office as a Non Executive Director on 31 March 2016.

This table is subject to audit

Pension Benefits 1 April 2016 – 31 March 2017								
	Real increase in pension at pension age (Bands of £2,500) £000	Real increase in pension lump sum at pension age (Bands of £2,500) £000	Total accrued pension and related lump sum at age 60 at 31 March 2017 (Bands of £5,000) £000	Lump sum at age 60 related to accrued pension at 31 March 2017 (Bands of £5,000) £000	Cash Equivalent Transfer Value at 31 March 2017 £000	Real increase in Cash equivalent Transfer Value £000	Cash Equivalent Transfer Value at 1 April 2016 £000	Employers contribution to Stakeholder pension To nearest £100
Christine Blanshard	0-2.5	5-7.5	280-285	210-215	1,429	86	1,343	0
*Malcolm Cassells	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Cara Charles-Barks	0-2.5	0-2.5	45-50	30-35	220	7	173	0
Peter Hill	0-2.5	5-7.5	270-275	205-210	1,434	78	1,343	0
Andy Hyett	0-2.5	0-2.5	125-130	90-95	490	35	455	0
Alison Kingscott	0-2.5	0-2.5	105-110	75-80	493	37	456	0
Lorna Wilkinson	0-2.5	5-7.5	125-130	95-100	550	52	498	0

* Malcolm Cassells is not a current member of the NHS Pension Scheme and so no additional benefits have accrued in the year.

This table is subject to audit

Notes to Remuneration and Pension Tables

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

Cash Equivalent Transfer Values

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

Real Increase in CETV

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

Median Remuneration that Relates to the Workforce (Including Fair Pay Multiple)

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 2016/2017 was £170,000 (£167,500 in 2015/2016). This was 6.7 times (6.7 times 2015/2016,) the median remuneration of the workforce, which was £25,300 (£25,000 in 2015/2016). In 2016/2017, one (one in 2015/2016,) employee received total remuneration in excess of the highest paid director. Remuneration ranged from £12,585 to £190,000, (£10,363 to £176,000 in 2015/2016,). 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 stayed the same in 2016/2017. 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.

Payments for loss of office

There were no payments made for loss of office in either 2015/2016 or 2016/2017.

Payments to past senior managers

None to report in 2016/2017

The Remuneration Report has been approved by the Trust Board

Cara Charles-Barks
Chief Executive
19 May 2017

Staff Report

Analysis of average staff costs

	Total 2016/2017 £000	Permanently employed Total £000	Other Total £000
Salaries and wages	106,037	103,317	2,720
Social security costs	9,555	9,555	0
Pension cost- defined contribution plans employer's contributions to NHS pensions	12,680	12,680	0
Pension cost - other	8	80	
Temporary staff/agency contract staff	7,993	N/A	7,993
NHS Charitable funds	363	363	0
TOTAL GROSS STAFF COSTS	136,636	125,923	10,713
TOTAL STAFF COSTS	136,636	125,923	10,713
Less: Costs capitalised as part of assets	(2,281)	(2,281)	(0)
TOTAL STAFF COSTS IN OPERATING EXPENDITURE	134,355	123,642	10,713
Analysed into operating expenditure			
Employee expenses - staff	133,042	122,329	10,713
Employee expenses – executive directors	950	950	0
NHS charitable funds: Employee expenses	363	363	0
Total employee benefits excluding capitalised costs	134,355	123,642	10,713

Analysis of average staff numbers

	Total 2017 number	Permanently employed 2017 number	Other 2017 number	Total 2016 number	Permanently employed 2016 number	Other 2016 number
Medical and Dental	335	322	13	342	314	28
Ambulance staff	N/A	N/A	N/A	N/A	N/A	N/A
Administration and Estates	726	707	19	743	714	29
Healthcare assistants and other support staff	242	237	5	259	255	4
Nursing, midwifery & health visiting staff	1,497	1,436	61	1,539	1,382	157
Scientific, therapeutic and technical staff	392	381	11	385	364	21
Total	3,192	3,083	109	3,268	3,029	239

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

The number of male and female directors, senior managers and employees at 31 March 2017

Head Count	Female	Male	Total
Directors	7	6	13
*Senior managers	3	5	8
All other staff	3,309	925	4,234

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

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.

	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016
Total days lost	22,320	19,687
Total staff years	2,881	2,791
Average working days lost per WTE	8	7

Policies relating to disabled employees

The Trust has in place policies that provide full and fair consideration to disabled applicants, their training, career development and the promotion of disabled issues. This includes appropriate training for staff who have become disabled during the year. For further information please see the Trust's Equality Report, which can be found later in this Annual Report.

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 so that their views can be taken into account. 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. Examples this year include communications around the NHS Five Year Forward View, the Trust Care Quality Commission inspection and the specific financial and economic factors that have affected the performance of the Trust. This resulted in an ongoing dedicated campaign called Save 7 to increase staff engagement in the financial position of the Trust and come up with money saving ideas. Information relating to the development of the Trust, and the quality of its services has also been well publicised 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. The Chief Executive also holds regular coffee morning sessions with a range of staff so that they have an opportunity to provide feedback or the personal views on any matter, directly to the Chief Executive. Monthly consultant breakfast meetings were also set up by the Chief Executive to increase engagement with this staff group.

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, staff physiotherapy service and a mental health nurse advisor. 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.

Staff Survey Report

Approach to Staff Engagement

The Trust is proud to engage with staff through a number of well-established processes focused on effective staff communications and consultation. Staff engagement occurs at a variety of levels through-out the organisation and includes monthly face to face cascade briefings led by the Executive Team, corporate messages shared though the intranet, Broadcast emails and quarterly Chief Executive open sessions. Dedicated Directorate Quality and Safety Walkrounds provide staff with opportunities to highlight areas of good practice as well as concerns. We also provide topic based communications where and when appropriate.

Our Staff Survey and Staff Friends and Family Test provide opportunities for regular staff feedback which is used to plan developments and improvements across the Trust. This is monitored through the internal Operational Management Board.

There is a good working relationship between Trust management, Trade Unions and staff, and Trade union representatives are actively involved in discussions around the future challenges facing the Trust, as are staff through a number of open events. These events 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. The Trust remains in the top 20% of Trust against the measure of 'staff engagement' which reveals how staff feel about contributing to improvements at work, whether the Trust is somewhere they would recommend to work and whether they feel motivated.

Summary of performance – NHS Staff Survey

Response rate				Trust Improvement/ deterioration
	2015/16	**2016/17**		
	Trust	**Trust**	**Acute Trust average**	
Response rate	31%	35%	43%	Increase 4%

Top five ranking scores				Trust Improvement/ deterioration
	2015/16	**2016/17**		
	Trust	**Trust**	**Acute Trust average**	
Staff confidence and security in reporting unsafe clinical practice	3.86*	3.82*	3.65*	Deterioration of 0.04
Percentage of staff attending work in the last 3 months despite feeling unwell because they felt pressure from their manager, colleagues or themselves	48%	48%	56%	No change
Percentage of staff / colleagues reporting most recent experience of violence	77%	75%	67%	Deterioration of 2%

Top five ranking scores				Trust Improvement/ deterioration
	2015/16	2016/17		
	Trust	Trust	Acute Trust average	
Organisation and management interest in and action on health and wellbeing	3.89*	3.84*	3.61*	Deterioration of 0.05
Percentage of staff able to contribute to improvements at work	80%	76%	70%	Deterioration of 4%

*Scored from 0 to 5 with a higher score being better

Bottom five ranking scores				Trust Improvement/ deterioration
	2015/16	2016/17		
	Trust	Trust	Acute Trust average	
Percentage of staff working extra hours	74%	77%	72%	Deterioration of 3%
Percentage of staff reporting errors, near misses or incidents witnessed in the last month	94%	88%	90%	Deterioration of 6%
Percentage of staff feeling unwell due to work related stress in the last 12 months	30%	36%	35%	Deterioration of 6%
Staff satisfaction with the quality of work and care they're able to deliver	3.91*	3.94*	3.96*	Improvement of 0.03
Percentage of staff experiencing physical violence from staff in the last 12 months	1%	2%	2%	Deterioration of 1%

Notes
The first two of the bottom ranking scores were assessed as being in the bottom 20% of acute Trusts, all others were assessed as being average.

*Scored from 0 to 5 with a higher score being better.

Future priorities and improvement plans

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 develops a corporate action plan and directorate plans. These will be monitored by the Trust Board, reported on in Trust Board meetings that are held in public and measured through the 2017 staff survey.

Response rates
Whilst there has been an improvement in the response rate since the 2015 survey this remains below the national average for acute trusts and further work needs to be undertaken to understand how we can encourage more staff and all staff groups to complete the survey.

Working Extra Hours
74% of respondents stated this with the national

average being 72%, and it forms one of the two areas where the Trust performance is seen as being in the worst 20% of acute Trusts. This issue will require some further investigation as it is not clear from the data whether staff fell they are required to work extra hours or whether they are choosing to do so.

Staff reporting errors, near misses or incidents in the last 12 months
The Trust scored 88% on this measure against a national average of 90% with a higher score being better. What is interesting about this measure is that staff recorded in all other measures in this category, higher (better) results than in 2015. An increased number of staff reported that they have witnessed potentially harmful errors, near misses or incidents and that the Trusts reporting arrangements are fair and effective and that they are confident and secure in reporting unsafe clinical practice. We therefore need to understand why staff are not reporting errors.

Staff experiencing harassment, bullying or abuse.
The Trust scored 38%, against a national average of 37%, with a higher score being better. In this case the Trust is performing better than the national average. However, the work in supporting staff in the working environment to a) be protected from bullying, harassment or abuse, b) to feel supported and have access to services and processes should they experience bullying, harassment or abuse c) to report such incidences will be continued.

Appraisals
There has been significant progress on the percentage of staff reporting that they have been appraised in the last 12 months, and we are now better than average in comparison with other acute trusts. The focus needs to be on continuing to improve on this and to focus on the quality of appraisals.

Equal opportunities for career progression/ promotion
Continuing work on tackling discrimination during 2016/2017 has produced some improved results, and the Equality and Diversity Steering Group will continue to work to improve still further during 2017/2018.

Consultancy expenditure - Off Pay Roll Payments

Off-payroll engagements as of 31 March 2017, for more than £220 per day and that last for longer than six months

No. of existing engagements as of 31 March 2017	0
Of which...	
No. that have existed for less than one year at time of reporting.	0
No. that have existed for between one and two years at time of reporting.	0
No. that have existed for between two and three years at time of reporting.	0
No. that have existed for between three and four years at time of reporting.	0
No. that have existed for four or more years at time of reporting.	0

*All existing off-payroll engagements, outlined above, have at some point been subject to a risk based assessment as to whether assurance is required that the individual is paying the right amount of tax and, where necessary, that assurance has been sought.

New off-payroll engagements, or those that reached six months in duration, between 1 April 2016 and 31 March 2017, for more than £220 per day and that last for longer than six months

No. of new engagements, or those that reached six months in duration, between 1 April 2016 and 31 March 2017	5
No. of the above which include contractual clauses giving the trust the right to request assurance in relation to income tax and National Insurance obligations	0
No. for whom assurance has been requested	0
Of which...	
No. for whom assurance has been received	0
No. for whom assurance has not been received	0
No. that have been terminated as a result of assurance not being received.	0

Off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2016 and 31 March 2017

Number of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year.	0
Number of individuals that have been deemed 'board members and/or senior officials with significant financial responsibility' during the financial year. This figure must include both off-payroll and on-payroll engagements.	17

Statement on the Trust's policy on high paid off payroll arrangements

The Trust makes use of these arrangements only in exceptional circumstances. For instance, where there is a requirement for short term specialist project management experience which cannot be filled within the existing workforce because of capacity or in-house knowledge and experience. Where an executive director post becomes vacant, the Trust looks to put in place an "acting-up" arrangement, but may select an interim manager to provide cover for up to a year pending recruitment.

Exit Packages

None to report in 2016/2017

Exit Agreements

None to report in 2016/2017

NHS Foundation Trust Code of Governance

Disclosure Statement

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

The way in which the Board applies the principles and provisions is described in the various sections of the report. For example, in the way the Board and Council of Governors operate, how key appointments are made and how matters are reported to the regulator. The directors consider that for the 2016/2017 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 usually 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 Committee.

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 through a monthly Cascade Brief, Members' newsletter and a weekly

Chief Executive's message 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 fourteen posts 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

The Council consists of 27 Governors:
• 15 Public Governors
• 6 Staff Governors
• 6 Nominated 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 General Meeting. The Chief Executive normally attends the Council meetings to present a performance report and respond to questions.

Non-Executive Directors attend the Council of Governors by invitation on a rota basis to develop their own understanding of the work of the Governors and their issues.

The work of the Governors is divided between their statutory and non-statutory duties.

The statutory duties are to:-

• Hold the Non-Executive Directors to account
• Advise the Board on the effect on the provision of NHS services of non NHS provision
• Set the Terms and Conditions of Non-Executive Directors together with their remuneration and allowances
• Appoint or remove the Chairman and Non-Executive Directors of the Trust
• Approve the appointment of future Chief Executives (in 2017, Cara Charles- Barks was appointed as the new Chief Executive and the Council of Governors approved this appointment)
• Appoint or remove the Trust's External Auditor
• At the AGM consider the Trust's annual accounts, auditor's report and annual report
• Be consulted by the Board of Directors on the development of forward plans for the Trust and any significant changes to the health care provided.
• To undertake training in the role

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

On the non-statutory side the Governors have been placed into groups to consider various topics over which they can have an influence. In 2016/2017 these covered:

- Communications and Membership
- Performance of Chairman and Non Executive Directors
- The Trust's Annual Plan for 2016/2017 prior to submission to the regulator
- Patient experience
- Governor's self-assessment
- The strategic direction of the Trust
- Volunteers

The Governors review their work programme and the make-up of their working groups annually. They appreciate that, statutory roles apart, their principal duties are to monitor, advise and inform.

Decisions Delegated to the Management by the Board of Directors

The Scheme of Delegation, which is included within the Trust's Standing Orders, 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.

The Executive Directors have established the Joint Board of Directors which consists of the Executive Directors, Clinical Directors and other senior post holders. The Joint Board of Directors 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 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.

Seven public constituencies were originally created to cover the Trust's general and emergency catchment area, using local government boundaries in place at the time. These have been reviewed to take account of minor changes to electoral wards. A further, Rest of England, Public Constituency was added in 2013.

The Trust's other public constituencies are called Salisbury City, South Wiltshire Rural, New Forest, Kennet, West Wiltshire, North Dorset and East Dorset. Governors from all 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 by postal ballot are carried out on behalf of the Trust by the independent Electoral Reform Services Ltd.

In addition, there are elected staff Governors representing six staff groups and Governors who are nominated by partner organisations that have an interest in how the Trust is run. 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; and the Wiltshire, West Hampshire and Dorset Clinical Commissioning Groups, who supplied nominations during the year. The Trust also appointed a representative from the Armed Forces to the Council of Governors.

The representatives of public 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 four meetings of the Council of Governors during the 2016/17 year.

Elected Governors – Public Constituency

Name	Constituency	Elected or Re-elected	Term of Office	Attendance from 6 meetings
Nick Alward	Salisbury City	Feb 2016	*Two years	4 from 6
Lucinda Herklots	Salisbury City	May 2015	Three Years	6 from 6
Jan Sanders	Salisbury City	May 2014	Three years	5 from 6
Sir Raymond Jack	South Wiltshire Rural	May 2015	Three years	6 from 6
Dr Alastair Lack (Lead Governor)	South Wiltshire Rural	May 2014	Three years	6 from 6
Jennifer Lisle	South Wiltshire Rural	May 2015	Three Years	6 from 6
Beth Robertson	South Wiltshire Rural	May 2015	Three years	5 from 6
Lynn Taylor	South Wiltshire Rural	May 2014	Three years	6 from 6
Isabel McLellan	North Dorset	May 2015	Three years	5 from 6
John Parker	North Dorset	May 2015	Three years	5 from 6
John Mangan	New Forest	Feb 2016	*Two years	4 from 6
Sharan White	Kennet	May 2015	Three Years	6 from 6
Michael Mounde	West Wiltshire	May 2015	Three Years	4 from 6
Ross Britton	East Dorset	May 2015	Three Years	3 from 6
Mary Clunie	Rest of England	Feb 2016	*Two Years	4 from 6

*Nick Alward, Mary Clunie and John Mangan were elected through bi-elections and will complete their first term in May 2018

Elected Governors - Staff Constituency

Jonathan Wright	Clerical, Administrative and Managerial	May 2015	Three Years	4 from 6
Pearl James	Volunteers	May 2015	Three years	4 from 6
Shaun Fountain	Medical & Dental	May 2015	Three years	5 from 6
Colette Martindale	Nurses & Midwives	Nov 2015	Three years	5 from 6
Paul Straughair	Hotel & Property Services	May 2015	Three Years	6 from 6
Christine White	Scientific & Therapeutic	May 2015	Three years	5 from 6

Nominated Governors

Name	Constituency	Appointed or Re-appointed	Term of Office	Attendance up to 6 meetings
Vacant	Wiltshire Council	N/A	N/A	N/A
Chris Horwood	Wessex Community Action	April 2014	Three years	5 from 6
Simone Yule	Dorset CCG	Aug 2013	Three years	0 from 6
Gill Crooke	Wiltshire CCG	July 2016	Three years	1 from 4
Rob Polkinghorne	West Hampshire CCG	Nov 2013	Three years	4 from 6
Vacant	Military	N/A	N/A	N/A
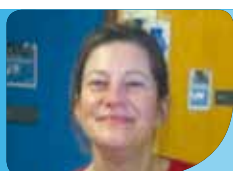
Please note that a register of interests is held in the Trust Offices. Information regarding the Governors' interests and whether they have undertaken any material transactions with Salisbury NHS Foundation Trust can be obtained by contacting David Seabrooke, Head of Corporate Governance, Trust Offices, 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 attended by the Chief Executive who 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.

There has been an informal meeting held of the governors and the non-executive directors a week after the public board meeting. Executive and Non-Executive Directors also attend some of the Governor working groups.

The Trust Board is aware of the work carried out by the governor working groups and information is fed back to the Directors. Relevant Directors attend constituency meetings and the annual general meeting and answer members' 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 and Governors alerted so that these can be viewed prior to the meetings.

The Trust has invited a governor to attend meetings as an observer of the Clinical Governance Committee and Part II meetings of the board. In line with legal requirements, the approved minutes of the part II meeting of the board are circulated to the governors.

The Board of Directors

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

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

All of the Non-Executive Directors are considered to be independent in accordance with the NHS Foundation Trust Code of Governance. 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.

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 Board is satisfied as to its balance, completeness and appropriateness but 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.

At a meeting in November 2014, the Board engaged the Thames Valley & Wessex Leadership Academy, which is independent from the Trust, to undertake a review of effectiveness taking account of the Care Quality Commission's Well Led methodology and the guidance provided by The Healthier Board. This reported to the Board in March 2015 and a number of actions are being considered in response to the findings, which will be covered in next year's Annual Report. Work continued through 2015, with a fresh round of board observation and 360 degree feedback to individual directors. A further evaluation is planned to take place in 2017/2018.

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.

Fit and Proper Persons Regulations

Under the Health and Social Care Act 2008, providers of services registered with the Care Quality Commission must ensure that all existing and new directors of the Trust meet and continue to meet the definitions of Fit and Proper Persons, as set out under the regulations. All existing Directors have affirmed their compliance in writing and continued compliance will be monitored through appraisal and the declaration of interest process during public Trust Board meetings. The continued application of due diligence procedures will be used in relation to new appointments.

The Board of Directors

Dr. Nick Marsden
Chairman (Independent)

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

Cara Charles-Barks
Chief Executive

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

Laurence Arnold
Director of Corporate Development

Laurence Arnold has almost 20 years NHS experience having worked in both commissioning and provider organisations. He joined the Trust in June 1999 from the Whittington Hospital in London and has since led on strategic planning and site redevelopment projects at Salisbury District Hospital.

Tania Baker
Non-Executive Director (Independent)

Tania Baker joined the Trust in June 2016. She was Chief Executive Officer at health analytics company, Dr Foster where she was involved in developing the business nationally and internationally. Before this Tania held senior appointments in private healthcare and was Commercial Director at Aviva Health insurance.

Michael von Bertele OBE
(Independent)

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

Dr. Christine Blanshard
Medical Director

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

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.

Andy Hyett
Chief Operating Officer

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

Paul Kemp
Non Executive Director (Independent)

Paul Kemp joined the Trust in February 2015 for a three year period, having completed 34 years in industry, initially as a development chemist before concentrating on finance, IT and business change leadership. Paul has worked for a number of large multinational companies, including British Airways and Cobham plc, the multinational aerospace and defence company.

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 for four years before joining the Trust in October 2012.

Dr Michael Marsh
Non-Executive Director (Independent)

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

Kirsty Matthews
Non-Executive Director (Independent)

Kirsty Matthews joined the Trust in April 2016, having been Chairman and then Chief Executive at the Royal National Hospital for Rheumatic Diseases (RNHRD), where she led the organisation through to its successful acquisition with another Trust in January 2015. Before joining the RNHRD, she had a background in NHS general management and business development in private Healthcare.

Professor Jane Reid
Non-Executive Director (Independent)

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

Lorna Wilkinson
Director of Nursing

Lorna qualified as a registered nurse at the Royal Free Hospital, London in 1989 and has over 25 years' NHS experience. She progressed through a number of nursing roles in London before moving into quality improvement and clinical governance. She was Deputy Director of Nursing, firstly in Salisbury and then in Portsmouth, before returning to the Trust in August 2014 as Director of Nursing.

Directors providing additional short term period as "Associate Director" during 2016/2017 and into the 2017/2018 financial year.

Ian Downie
Non Executive Director (Independent)

Ian Downie, who was a Strategic Development Director of Serco group, joined the Trust on 1 November 2009 for a four year term, which was renewed for a further three years. He is an Associate Non executive Director until 30 April 2017. He has considerable management experience within the aviation industry and more recently through a number of roles within the Serco group.

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.

Andy Hyett
Chief Operating Officer

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

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Non Executive Director (Independent)

Paul Kemp joined the Trust in February 2015 for a three year period, having completed 34 years in industry, initially as a development chemist before concentrating on finance, IT and business change leadership. Paul has worked for a number of large multinational companies, including British Airways and Cobham plc, the multinational aerospace and defence company.

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 for four years before joining the Trust in October 2012.

Dr Michael Marsh
Non-Executive Director (Independent)

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

Kirsty Matthews
Non-Executive Director (Independent)

Kirsty Matthews joined the Trust in April 2016, having been Chairman and then Chief Executive at the Royal National Hospital for Rheumatic Diseases (RNHRD), where she led the organisation through to its successful acquisition with another Trust in January 2015. Before joining the RNHRD, she had a background in NHS general management and business development in private Healthcare.

Professor Jane Reid
Non-Executive Director (Independent)

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

Lorna Wilkinson
Director of Nursing

Lorna qualified as a registered nurse at the Royal Free Hospital, London in 1989 and has over 25 years' NHS experience. She progressed through a number of nursing roles in London before moving into quality improvement and clinical governance. She was Deputy Director of Nursing, firstly in Salisbury and then in Portsmouth, before returning to the Trust in August 2014 as Director of Nursing.

Directors providing additional short term period as "Associate Director" during 2016/2017 and into the 2017/2018 financial year.

Ian Downie
Non Executive Director (Independent)

Ian Downie, who was a Strategic Development Director of Serco group, joined the Trust on 1 November 2009 for a four year term, which was renewed for a further three years. He is an Associate Non executive Director until 30 April 2017. He has considerable management experience within the aviation industry and more recently through a number of roles within the Serco group.

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 is an Associate Non Executive Director until 30 April 2017. He was a diversity champion within the constabulary and a national lead for Science and Technology.

Directors that left the Trust during 2016/2017

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.

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.

At the end of the first term of office, the Chairman and Non Executive Directors are subject to an evaluation by the Governors Performance Committee, which will make a recommendation to the full Council as to their individual suitability to serve a second term.

The removal of the Chairman or a Non Executive Director of the Trust requires the approval of three-quarters of the members of the Council of Governors at a general meeting.

Appointment of the Vice Chairman and Senior Independent Director is reviewed annually.

Employment terms for Executive Directors can be found in the Remuneration report earlier in this report.

Directors and Governors can be contacted by members through the Membership Manager.

Please note that no significant other commitments affecting the time that is required to devote to the role of Chairman were declared on appointment. This position has not changed in 2016/2017.

Board of Directors' Attendance

	Trust Board (6 meetings)	Audit Committee (4 meetings)	Remuneration Committee (3 meetings)	Finance & Performance Committee (12 meetings)	Clinical Governance Committee (9 meetings)
Laurence Arnold **Director of Corporate Development**	6	N/A	N/A	2 from 4	N/A
Cara Charles-Barks **Chief Executive**	1 from 1	N/A	N/A	2 from 2	2 from 3
Tania Baker **Non Executive**	5 from 5	N/A	2 from 2	5 from 5	5 from 6
Michael von Bertele **Non Executive**	2 from 2	1 from 1	N/A	N/A	2 from 2
Christine Blanshard **Medical Director**	6	N/A	N/A	N/A	7 from 9
Lydia Brown **Non Executive**	3 from 4	2 From 3	2 from 2	4 from 6	5 from 5

	Trust Board (6 meetings)	Audit Committee (4 meetings)	Remuneration Committee (3 meetings)	Finance & Performance Committee (12 meetings)	Clinical Governance Committee (9 meetings)
Malcolm Cassells Director of Finance	3 from 6	N/A	N/A	9 from 12	N/A
Ian Downie Non Executive	6	3 from 3	3	6 from 10	8 from 9
Peter Hill Chief Executive	5 from 5	N/A	N/A	9 from 10	5 from 7
Andy Hyett Chief Operating Officer	6	N/A	N/A	12	6 from 9
Paul Kemp Non Executive	6	4	2 from 3	8 from 8	N/A
Alison Kingscott Director of HR & Organisational Development	6	N/A	N/A	N/A	N/A
Stephen Long Non Executive	5 from 6	N/A	3	N/A	6 from 9
Michael Marsh Non Executive	2 from 2	N/A	1 from 1	N/A	4 from 4
Nick Marsden Chairman	6	N/A	3	11 from 12	N/A
Kirsty Matthews Non Executive	5 from 5	2 from 2	2 from 2	6 from 8	N/A
Jane Reid Non Executive	2 from 3	N/A	N/A	5 from 6	4 from 6
Lorna Wilkinson Director of Nursing	6	N/A	N/A	N/A	6 from 9

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
Paul Kemp	Chairman	4
Michael von Bertele	Non Executive Director	1 from1
Lydia Brown	Non Executive Director	2 from 3
Ian Downie	Non Executive Director	3 from 3
Michael Marsh	Non Executive Director	N/A
Kirsty Matthews	Non Executive Director	2 from 2

The Work of the Audit Committee in Discharging its Responsibilities

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

For the 2015/2016 accounts, the committee reviewed and approved the Head of Internal Audit (TIAA) Opinion. The Head of Internal Audit report concluded there was Reasonable Assurance as to the Trust's system of internal control. The committee received the Annual Management Letter, which is submitted to the Board.

An unqualified opinion on the financial statements 2015/16, including that the annual report was fair, balanced and understandable was received. The result of the 'limited assurance' audit of the performance indicators supporting the 2015/16 Quality Account was that the external auditor was unable to issue a limited assurance opinion in relation to the Trust's mandated indicators because in assessing the design and operation of the systems of control over the data, the operation of these systems was not considered to achieve compliance with one or more aspects of the dimensions of data quality. This report was scrutinised and discussed with the auditors when first received. Remedial actions to the Trust's Data Quality arrangements have been discussed through the year. At the March 2016 meeting, it was noted that NHS Improvement had changed the range of reporting available to the auditors, but continued to specify review in relation to key patient access targets. The committee has discussed this with management and corrective actions have been initiated.

Throughout the year, reports from the internal auditors covered their conclusions on a range of Trust activities within their 2016/2017 work plan as agreed by the Committee.

The Committee also oversees the work of the Local Counter-Fraud Specialist on proactive work to strengthen the Trust's counter-fraud awareness an arrangements and also the small amount of case-work associated with this.

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

It sought assurances including by interviewing the managers concerned, 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 at two points in the year, 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 Chief Executive is also invited to attend.

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.

Membership of the Audit Committee

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

Appointment of the Trust's External Auditors

The Trust's five year contract with KPMG came to an end on 31 March 2017 and during 2016/17 arrangements were made to re-tender this contract. The Council of Governors appointed two governors to work with the chair of the Audit Committee and Director of Finance & Procurement to take this forward through an open competition.

Of the three bids received and evaluated, that from BDO was recommended to the Council of Governors for appointment. The Council approved the report on 20 February 2017. The new contract will run for five years to 2022.

Revaluation of Property and Land

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

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

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

Recognition of Income

Of the Trust's income, 89.9% is received from other NHS organisations, with the majority being receivable from Wiltshire CCG. The Trust participates in the Department of Health's agreement of balances exercise. This exercise seeks to identify all income and expenditure transactions and payable and receivables balances that arise from Whole Government Accounting (WGA) bodies. The Audit Committee is satisfied that by participating with this exercise it helps to provide further assurance that the vast majority of income and expenditure with WGA have been properly recognised and WGA receivable and payable balances are appropriately recorded. The Trust's external auditors will review the outcome of the exercise and report their findings to the Audit Committee.

Financial Audit

The external auditors for the Trust are KPMG. During the 2016/2017 period, the Trust has incurred the following costs on external audit:

- Audit services: £68,000
- Further assurance services: £8,000 to audit Quality Account
- Other services: None

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

The Trust has an internal audit function delivered under contract by TIAA. The work programme is reviewed and approved by the Audit committee. 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. The internal audit fee for 2016/2017 was £143,000.

Directors' Responsibilities for Preparing the Accounts

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

Nominations Committee

Non-executive director appointments for those starting in 2016/17 were completed in the preceding year. In July 2016, the Chief Executive announced his retirement and a Nomination Committee, led by the Chairman and comprising two non-executive directors and two governors was formed to take forward the selection of a successor. The existing pay band was used as the basis of the recruitment and the committee was advised by the recruitment agency, Odgers.

The role was publicly advertised in August 2016. Applications were selected by the committee for interview on the Trust's behalf by Odgers. Based on the reports of these interviews, the committee chose five candidates, who attended a selection day in October. Candidates each gave a presentation to an invited audience of staff and governors and were interviewed by four focus groups, again comprising staff, governors and also board members. The Chief Executive of University Hospitals Southampton was an external assessor on the interview panel. Cara Charles-Barks accepted the role. Nominations Committees of the Board met to oversee the appointment of a new Director of Finance and a new Director of people and Organisational Development. These will take up their posts in 2017/2018.

Foundation Trust 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 overleaf). In addition, there is an eighth public constituency called the Rest of England.

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

Public members (including volunteers) 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.

Salisbury NHS Foundation Trust catchment map

1 Salisbury City
2 South Wiltshire Rural
3 North Dorset
4 New Forest
5 Kennet
6 West Wiltshire
7 East Dorset

During the year the Trust sought to broadly maintain membership numbers. At 31 March 2017 the membership for Salisbury NHS Foundation Trust was as follows:

Public Constituency	Number
Salisbury City	2,448
South Wiltshire Rural	4,176
Kennet	1,417
North Dorset	1,514
East Dorset	815
New Forest	1,173
West Wiltshire	1,079
Rest of England	739
Staff Constituency	3,553
Total	**16,914**

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 in 2016/2017. A key 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.

The Trust uses information from the Office of National Statistics (Census 2011) to build up a picture of the 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. The Trust regularly
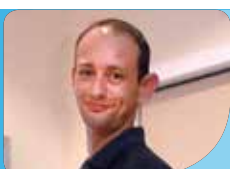
reviews the age, ethnicity, gender and geographical spread to ensure that the membership is reflective of the whole area that it serves and, following a review of the Trust's constitution in 2013/2014, the Trust made changes to the catchment area.

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

Membership Size and Movements		
Public Constituency	**2016/2017**	**2017/2018 (Estimated)**
At year start (1 April)	13,643	13,361
New members	133	1,456
Members leaving	415	417
At year end (31 March)	**13,361**	**14,400**
Staff Constituency		
At year start (1 April)	3,558	3,553
New members	299	194
Members leaving	304	152
At year end (31 March)	**3,553**	**3,600**
Overall Total	**16,914**	**18,000**

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 went to around 145,000 households in the local area and is also available from the Trust's website. This brought the work of the Trust and its staff to a wider audience and again highlighted the benefits of membership. Governors have been working in groups on their statutory duties and have also been involved in the development of the Trust's Annual Plan and Quality Account. They have been working on patient and public involvement initiatives, and been involved in Patient Led Assessments of the Care Environment (PLACE), which looks at cleanliness, food quality, 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 "real time" feedback from patients about their hospital stay, which enables ward staff to resolve issues quickly. Last year around 100 patients a month were asked their views in this way. A Governor also attends the Clinical Governance Committee and the private session of the Trust Board as an observer.

The Trust continues to work with the Governor Membership and Communication Committee 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 respiratory conditions, limb reconstruction, maxilla facial surgery and the work of the eye department.

A dedicated section on the Trust's website and Intranet provides details of each Governor, their interests and a means for members to communicate with them. There are also members' newsletters for staff and people in the public constituencies as well as formal constituency meetings where Governors can gather the views of their members. Meetings took place in the Salisbury City and South Wiltshire Rural constituencies.

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
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 "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 "Board of Directors"

	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 "Council of Governors"
B.6.1	The board of directors should state in the annual report how performance evaluation of the board, its committees, and its directors, including the chairperson, has been conducted.	See Code of Governance "Board of Directors"
B.6.2	Where an external facilitator is used for reviews of governance, they should be identified and a statement made as to whether they have any other connection with the trust.	See Code of Governance "Board of Directors"
C.1.1	The directors should explain in the annual report their responsibility for preparing the annual report and accounts, and state that they consider the annual report and accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for patients, regulators and other stakeholders to assess the NHS foundation trust's performance, business model and strategy. There should be a statement by the external auditor about their reporting responsibilities. Directors should also explain their approach to quality governance in the Annual Governance Statement (within the annual report).	See Annual Accounts and Annual Report. "Directors Responsibilities for preparing the Accounts, the Independent Auditor's Report to the Governors and the Annual Governance Statement"
C.2.1	The annual report should contain a statement that the board has conducted a review of the effectiveness of its system of internal controls.	See Annual Report "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.
C.3.9	A separate section of the annual report should describe the work of the audit committee in discharging its responsibilities. The report should include: • the significant issues that the committee considered in relation to financial statements, operations and compliance, and how these issues were addressed; • an explanation of how it has assessed the effectiveness of the external audit process and the approach taken to the appointment or re-appointment of the external auditor, the value of external audit services and information on the length of tenure of the current audit firm and when a tender was last conducted; and • if the external auditor provides non-audit services, the value of the non-audit services provided and an explanation of how auditor objectivity and independence are safeguarded.	See Code of Governance "Audit Committee"

	Code Provision	Annual Report & Accounts Section
D.1.3	Where an NHS foundation trust releases an executive director, for example to serve as a non-executive director elsewhere, the remuneration disclosures of the annual report should include a statement of whether or not the director will retain such earnings.	No Issues Identified in the reporting year.
E.1.4	Contact procedures for members who wish to communicate with governors and/or directors should be made clearly available to members on the NHS foundation trust's website and in the annual report.	See Code of Governance "Board of Directors" and "Council of Governors.
E.1.5	The board of directors should state in the annual report the steps they have taken to ensure that the members of the board, and in particular the non-executive directors, develop an understanding of the views of governors and members about the NHS foundation trust, for example through attendance at meetings of the council of governors, direct face-to-face contact, surveys of members' opinions and consultations.	See Code of Governance "Membership"
E1.6	The board of directors should monitor how representative the NHS foundation trust's membership is and the level and effectiveness of member engagement and report on this in the annual report.	See Code of Governance Membership

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 workforce 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, workforce, performance and finance. This is published in the Quality Account.
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

		Code provision	Trust Response
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. 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.
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.
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 5.13		The council of governors may require one or more of the directors to attend a meeting to obtain information about performance of the trust's functions or the directors' performance of their duties, and to help the council of governors to decide whether to propose a vote on the trust's or directors' performance.	Confirmed - The Council of Governors did not exercise this power in 2016/17.
A.5.2		The council of governors should not be so large as to be unwieldy.	Confirmed – This was reviewed in 2015 and the number of governors is considered to be workable.

		Code provision	Trust Response
A.5.4		The roles and responsibilities of the council of governors should be set out in a written document.	Confirmed
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 or Chief Operating Officer 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.
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
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.

		Code provision	Trust Response
B.2.4		The chairperson or an independent non-executive director should chair the nominations committee(s). At the discretion of the committee, a governor can chair the committee in the case of appointments of non-executive directors or the chairman.	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.
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.

		Code provision	Trust Response
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.
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. Governors give an account of their activities at Council of Governor meetings and their constituency meetings.
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

		Code provision	Trust Response
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. A jointly sponsored process ran during 2016/2017.
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.
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
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.	The Trust's Raising Concerns policy was 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 level was revised in 2015 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

	Code provision	Trust Response
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
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. This is f supported further through the work of the Sustainability & Transformation Partnership. The state of relations with major stakeholders is kept under regular review.

NHS Improvement's single oversight framework

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

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

Based on information from these themes, providers are segmented from 1 to 4, where '4' reflects providers receiving the most support, and '1' reflects providers with maximum autonomy. A Foundation Trust will only be in segments 3 or 4, where it has been found to be in breach or suspected breach of its licence. The Single Oversight Framework applied from Quarter 3 of 2016/17 and, in its latest report on 10 April 2017, the Trust was given a segmentation rating of 2. This means that there is a potential for support needed in one of the five themes, but the Trust is not in breach of its licence. This rating is reflected in the Trust's performance analysis earlier in this Annual Report.

Finance and use of resources

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

Area	Metric	2016/2017 Q3 Score	2016/2017 Q4 Score
Financial sustainability	Capital service capacity	2	2
	Liquidity	1	2
Financial efficiency	I&E margin	3	1
Financial controls	Distance from financial plan	1	1
	Agency spend	2	3
Overall scoring		2	2

In Quarter 1 the Trust was assessed against the previous ratings system based on:

- Financial Sustainability Risk Rating (rating of 1-4)
- Governance risk rating (red, amber or green)

In the Trust's feedback for Quarter 1 2016/17 it was rated as 3 for Financial Sustainability and green for Governance. No ratings were given for Quarter 2.

Equality, Diversity & Inclusion Report

Approach to Equality, Diversity and Inclusion

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

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

The EDISG reports to the Trust Board once 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 champions and network:

- The race equality champion supports BAME (Black, Asian and minority ethnic) staff. We have an established BAME support group and EU (European Union) network for our 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 'Disability confident Employer' benchmark logo that apply to the recruitment, retention, training and development of staff with disabilities. We are also committed to the Mindful Employers Charter which identifies key commitments to supporting staff with mental health issues in the workplace.

We have used the Equality Delivery System 2 (EDS 2) and Workforce Race Equality Standard (WRES) to engage with local and national interest groups who have offered feedback and the opportunity for involvement in the Trust's EDS2 and WRES 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 has used the NHS tool the WRES to assess and analyse our responses to race equality in our workforce.

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 2 gradings, WRES template, updated equality objectives and supporting documents. This can be found at www.salisbury.nhs.uk/about us/equality and diversity along with other EDI 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.

Objective 1- As part of our understanding of alcohol misuse in society we will review patients who attended the Emergency Department or are admitted with alcohol related issues.

Objective 2 - We will explore how we can improve our services for our patients who are hearing impaired, which will result in an improved experience whilst at the hospital.

Objective 3 - Using the staff survey results, we will continue to support staff through our Dignity at Work Ambassadors to improve their experience at work and to support staff that may be experiencing bullying, harassment and /or discrimination.

Objective 4 - We will develop and mentoring network to support staff from protected groups to develop into leadership roles.

In addition we are also:

- Holding several awareness events throughout the year on various EDI themes

- Publishing a quarterly EDI newsletter for internal and external organisations

- Working with local interest groups delivering bespoke training

These priorities are regularly reviewed, monitored and measured through the EDISG which is chaired by an executive director of the Trust.

Disclosure under the Modern Slavery Act

The Trust is a publicly funded organisation and does not engage in profit –making activities that generate income in excess of £36 million. It does not, therefore, have activities that require it to be treated as a commercial organisation for the purpose of the Act.

Public Interest Disclosures

Policies Adopted with Suppliers

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

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

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

NHS Improvement, in exercise of the powers conferred on Monitor by the NHS Act 2006, has given Accounts Directions which require Salisbury NHS Foundation Trust to prepare for each financial year a statement of accounts in the form and on the basis required by those Directions. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of Salisbury NHS Foundation Trust and of its income and expenditure, total recognised gains and losses and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Department of Health Group Accounting Manual and in particular to:

- observe the Accounts Direction issued by NHS Improvement, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgements and estimates on a reasonable basis
- state whether applicable accounting standards as set out in the NHS Foundation Trust Annual Reporting Manual (and the Department of Health Group Accounting Manual) have been followed, and disclose and explain any material departures in the financial statements
- ensure that the use of public funds complies with the relevant legislation, delegated authorities and guidance and
- prepare the financial statements on a going concern basis.

The accounting officer is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the NHS foundation trust and to enable him/her to ensure that the accounts comply with requirements outlined in the above mentioned Act. The Accounting Officer is also responsible for safeguarding the assets of the NHS foundation trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Cara Charles-Barks
Chief Executive
19 May 2017

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 2017 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. 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. There is also a Trust 'Whistleblowing Policy' in place as well as a 'Speak Out' Guardian.

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 the 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 licensing authorisation as defined by NHS Improvement 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 provider licence.
- Continued development of the Assurance Framework as the vehicle for informing the Annual Governance Statement.
- 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 Sign up to Safety and Patient Safety Collaborative interventions.
- To ensure that the Trust can demonstrate compliance with the statutory Duty of Candour ensuring that it maintains a consistent open and honest culture, involving patients and families in investigations where appropriate.
- 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 NHS Improvement, 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 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. The Risk Management Policy 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 achieving the correct balance between benefit and risk. A balance needs to be struck between the costs of managing a risk and the benefits to be gained from eliminating it. To this end the Board undertook a review this year and mapped its 'Risk Appetite' for each of the Trust's strategic objectives.

New risks identified for inclusion on the Trust's Corporate 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's Corporate Risk Register or those identified as requiring oversight by an assuring committee as a subcommittee of the Board. The designated Assurance Committees of the Trust Board are the Clinical Governance Committee (Clinical Risk), the Finance and Performance 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. The assuring committees 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 Corporate Risk Register and all the themes arising from risks scoring 12 or above are reviewed by the Trust Board at the annual Risk Management workshop led by the Executive Lead for Risk (Director of Nursing) and Head of Risk Management. This provides a risk update and the Board review the Assurance Framework and update or amend risks. The Corporate Risk Register and Assurance Framework are presented in their entirety at the Trust Board public meetings twice a year (June and December).

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 during 2016/17 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.

1. For 2016/17 the Trust exceeded the control total surplus of £1.8m by £2.7m but this was dependent on the non-recurring support from the sustainability & transformation fund of £7.8m, non-recurring savings and significant one-off accounting measures (e.g. stock adjustments). The Trust has again experienced very considerable non-elective pressures on operational services. The funding of excess activity above the 2008/09 benchmark is based on 70% of the full tariff, and is not sufficient to meet the costs of treatment. Also the lack of substantive, available doctors and nurses drove up pay costs significantly. The underlying deficit for 2017/18 after adjusting for non-recurring funding and savings in 2016/17, and one-off accounting transactions is circa £9-10m.

   The financial outlook for the Trust in 2017/18 is of significant concern. The Board agreed not to accept the sustainability & transformation funding offer for 2017/18 and 2018/19 because the required cost savings target to achieve the control total was not achievable. However, the Trust's forecast position is such that we are seeking additional financial support via NHS Improvement. The plan in 2017/18 is to deliver £7.5m of savings (3.5%) in order to achieve a deficit of £7m. This represents a huge challenge for the Trust as we are considered to be a relatively efficient organisation with a reference cost of 91 (the national average is 100). Ongoing work is required to ensure that savings plans are robustly identified, described and enacted throughout the year. We have been very active in the 'Carter' initiatives and have spent much time involved with the various work-streams to ensure that any opportunity to make savings is seized.

2. Increased Non elective demand above predictions has had a significant impact on the running of the Trust during 2016 / 17. In response to this pressure the trust is embarking on an ambitious plan to redesign the elective and non elective bed stock. This will result in a new short stay surgical unit, expanded ambulatory medical unit and an additional medical ward. The right sizing of these areas will allow the organisation to manage its non elective pathways without impacting on elective procedures.

3. The recruitment and retention of staff remains a key focus within the organisation. It is recognised that if staff do not feel valued, or the workforce is not appropriately skilled and staffed to the right levels, this will have a detrimental impact on our ability to achieve an outstanding experience for every patient. Therefore robust recruitment and retention plans are in place to reduce our reliance on agency workers from both a financial and quality perspective. An example of this includes engaging with staff two months after they join the organisation to obtain 'fresh eyes' feedback and review their induction period. It is planned that this will drive forward change and also support staff feeling valued within the organisation. Recruitment and retention is monitored via the Executive Workforce Committee.

4. The trust implemented phase 1 of new Electronic Patient Record in October 2016. The successful stabilisation and embedding of the new systems and processes is a key focus for the organisation and is central to our ability to achieve an outstanding experience for every patient. It is recognised that the administrative impact of the new system has led to pressures in a number of areas, which are being addressed though robust Stabilisation and Operational plans. This is being monitored via the ISSG committee. One of the impacts of the new system was to increase the number of patients being recorded as waiting for treatment, when they had already been treated. The Trust is validating these entries to return the total waiting list to a stable position.

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 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 latest National Reporting and Learning System (NRLS) Report (April 2016 - September 2016) shows the Trust has risen and now sits within the 'Highest 25% of Reporters' category for Acute (non specialist) organisations. We are now reporting a rate of 47.68 incidents per 1000 bed days compared to 41.44 for the same reporting period last year. This increase is seen as a positive safety culture indicator with 89.4% of reported incidents resulting in no harm. Work continues with identified departments and 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. There is a regular programme of Executive Quality and "Patient Safety Walk" rounds that are undertaken weekly and each one is attended by a member of the executive team, a non-executive director, member(s) of the directorate management team, ward /departmental lead and staff from all grades within the department. The purpose of this meeting is to allow staff the

opportunity to communicate directly with members of the Board to give positive feedback or raise concerns. The Clinical Governance Committee, as an assuring Committee for the Board, also regularly receives patient feedback through patient stories, Friends and Family Test and Real-time Feedback. Patient stories will also be heard at the board going forward. During the year the Clinical Governance Committee has also established a junior doctor within its formal membership. 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 Foundation Trust is fully compliant with the requirements of registration with the Care Quality Commission.

As an employer with staff entitled to membership of the NHS Pension Scheme, control measures are in place to ensure all employers obligations contained within the Scheme regulations are complied with. This includes ensuring that deductions from salary, employer's contributions and payments into the Scheme are in accordance with the Scheme rules, and that member Pension Scheme records are accurately updated in accordance with the timescales detailed in the regulations. The Trust has put in place an alternative pension provider to cater for employees who are not eligible to join the NHS Pension Scheme.

Control measures are in place to ensure 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 overall strategy and includes a number of goals.
  - o There will be a shared understanding of quality across the Trust
  - o The achievement of quality is a core activity of all Trust staff who understand their individual roles and responsibilities
  - o The Trust has a quality measurement system to support evaluation and improvement
  - o 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 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 there is an annual service level presentation by Clinical Leads and the MDT, against the five key CQC domains and improvement actions taken following the CQC inspection 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 Clinical Governance Committee (CGC) which meets nine times a year 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 Trust's arrangements for compliance with Care Quality Commission recommendations are delegated and overseen by the CGC. The Trust underwent a comprehensive inspection in December 2015. Although there were many positive findings in the subsequent report, the overall rating for the Trust was 'Requires Improvement' and a Warning Notice was received in relation to the follow up of spinal outpatients and those requiring video urodynamic studies. There is a comprehensive improvement plan in place overseen by the CQC Steering Group. A follow up inspection within

spinal outpatient's services took place in November 2016 and the CQC reported that the Trust had met the requirements of the warning notice in full. A range of clinical areas are making presentations throughout 2017/18 to the Joint Board of Directors and Clinical Governance Committee as to actions and improvements on their compliance arrangements.

As part of the development of the quality governance arrangements the Board has agreed an Integrated Governance Framework and Accountability Framework. This will be implemented in 2017/18 to give greater clarity on our governance processes and structures.

The Assurance Framework

The Assurance Framework brings together the evidence to produce and support the Annual Governance Statement. The Assurance Framework and Risk management processes were subject to review by Internal Audit who concluded that 'the 2016/17 Board Assurance Framework (BAF) is embedded within the governance structure of the Trust BAF processes ensure that it is continually updated (for controls, assurances, risks and gaps) and therefore operates as a 'live' document. The overall rating given was of 'Reasonable Assurance' due to a number of new and existing (open) risks that require review by the risk owners and directorates. As a result of this an action plan is in place for the Director of Nursing and Head of Risk to work with all directorates to support the review of their risk registers. Non-compliance will be monitored via the directorate performance meetings.

Aligned to the headings in the Trust Service Plan the Assurance Framework has identified in-year strategic risks around:

(i) Being the hospital of choice and providing a comprehensive range of high quality local services enhanced by specialist centres. This includes addressing: failure to deliver key performance targets resulting in patients choosing to be treated elsewhere and intervention by regulators, impact of demand changes (up and down) and available capacity having a detrimental impact on the sustainability of individual services and a cumulative impact for the organisation, a failure to listen to patients and key stakeholders resulting in poor patient experience, lack of learning / positive changes and loss of reputation and involvement in the local STP compromising the Trust's overall strategy to provide a comprehensive range of services to patients in the Wessex area within current clinical links.

(ii) Ensuring that we treat our patients with care, kindness and compassion and keep them safe from avoidable harm. This includes ensuring we: maintain compliance with infection prevention practice and policy to prevent increased infection rates, loss of reputation, public confidence and achieve reduction targets. Comply with internal and external expectations on quality of care, protecting the vulnerable ensuring safeguarding policies and procedures are applied appropriately and demonstrate compliance with the CQC improvement plan.

(iii) Making SFT a place to work where staff feel valued to develop as individuals and teams. This includes delivering excellence for all patients by recruiting sufficient staff, ensuring staff feel valued, safe, have the right skills to complete their job and are staffed to the right levels.

(iv) Being innovative and using resources to deliver efficient and effective care, ensuring value. This includes implementation of the Electronic Patient Record, recognising the impact this will have on other IT projects, securing income, containing capital and revenue in budgets, achieving recurring efficiency savings and undertaking robust capacity and demand planning that reflect clinical practice and referral patterns.

All financial information is ultimately reported to the Board via the Finance and Performance Committee.

Emerging risks will continue to be identified through the Annual Plan process as required by NHS Improvement. In the current climate future risks to the organisation include a continued rise in unscheduled and emergency care demand and the ability to recruit and retain a high quality, substantive workforce, and the subsequent pressure placed on financial control.

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.

Information Governance

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

The Medical Director/Caldicott Guardian and Director of Nursing / Senior Information Risk Owner (SIRO), oversee compliance with and adherence to the Trusts Confidentiality, and Information Risk & Security Policies

and procedures which define how the Trust proactively manages the security and confidentiality of personal information and systems. Information Governance arrangements within the organisation are constantly reviewed by the Trust. During the 2016-17 IG Toolkit year, the Trust has self-reported two security incidents to the Information Commissioners Office and NHS Digital. The first incident occurred in May 2016 and involved the receipt of an email from another Trust which was then accidentally forwarded to another care provider via insecure means. No action was taken against the Trust on this occasion.

A second incident was reported in March 2017 involving information being taken off site and then discarded. The information was immediately secured and returned to the Trust. The investigation into this incident is still ongoing and therefore the outcome unknown.

During 2016/17 work continued to ensure there is a comprehensive and robust evidence assurance programme to underpin the work of the Information Governance Toolkit (IG). The Trust continues to ensure that the Information Asset Owners and Information Asset Administrators evidence is internally audited and updated on a regular basis. The Trust has also committed time and resources to ensure that relevant recommendations made by the NHS National Data Guardian, Dame Fiona Caldicott in the Caldicott 2 Review "To Share or Not to Share" have been incorporated into the Trust's current and future work program.

The Trust completed self-assessment against version 14 of the IG toolkit gaining 77% 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.

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.

The Trust's finances are reviewed by the Finance and Performance 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. Board members take part in departmental walk-rounds regularly which enables them to hear first-hand from staff positive work that is being undertaken as well as any concerns about quality and safety. This enables actions to be put in place, and supported by the executive team, to facilitate timely and appropriate corrective action and mitigate risk where possible.

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:

- Delayed Transfer of Care Invoice Processes
- Fundraising
- Medical Device Management Services
- Data Quality – Diagnostic Waiting Times
- Overseas Visitor Income
- Policy Management
- Outpatient Clinic Utilisation
- EPR
- Business Continuity Planning
- Sickness Absence Management
- Estates Procurement
- Capital Programme
- Cash Collection Controls
- CQC Fundamental Standards
- Deprivation of Liberty Safeguards
- Financial Accounting
- Payroll
- Nurse Revalidation
- Procurement
- Board Assurance Framework & Risk Management
- Odstock Medical Limited (OML)
- IG Toolkit
- Private Patient Income
- Laundry
- Safeguarding – Children and Adults
- Discretionary Days Balance

Of these reports Six reports were issued with a 'substantial assurance' opinion, 15 with 'reasonable assurance' and one with 'limited assurance'. The 'limited assurance' report is detailed in the 'Review of Effectiveness' section..

The Board has maintained an active programme of fraud prevention in accordance with the core activities required by NHS Protect.

The Trust continues to make every effort to balance high quality, safe patient care with achieving our performance targets in a difficult financial environment. Our staff work hard to deliver excellent patient care, achieve our CQUIN (Commissioning for Quality and Innovation) targets, QIPP (Quality, Innovation, Productivity and Prevention) demands and comply with the requirements of our regulator, NHS Improvement.

The agenda we have set ourselves is ambitious and demanding. We have significant cost improvements to deliver as well as significant transformation programmes. The Programme Steering Group (PSG) will continue to oversee this work programme and provide regular updates to our Trust Board. The PSG, chaired by the Chief Executive, provides the overall direction and coordination of all CIP and transformation schemes. Each transformation scheme is led by an Executive Lead and Senior Responsible Officer. The Project Management Office (PMO) will oversee the project governance and delivery of saving schemes. Quality impact assessments are undertaken for all CIP and transformation schemes and are scrutinised by the Medical Director and Director of Nursing to ensure patient safety is not compromised.

The Trust is actively pursuing the recommendations from the 'Operational Productivity and Performance in English NHS Acute Hospitals'. Designated project leads for each of the Carter recommendation work-streams report regularly to the PSG on progress in the delivery of savings.

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.

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 internal and external stakeholder engagement including staff and governors. A wide range of methods have been utilised to gather information, and input in order to inform the priority areas. This includes the use of national inpatient surveys, real time feedback in clinical areas, Friends and Family Test data, risk reports and issues raised through executive led Safety and Quality walk rounds. Controls are in place to ensure the accuracy of data and data quality is assured through the national Data Quality Score for SFT which is 98.8% from April to December 2016, compared to 96.5% nationally. The priorities have been discussed with clinical teams as part of the service planning process, and views from staff, Trust Governors, Age UK and Warminster Health and Social Care Group have been sought. Commissioners have been asked for their feedback and the Quality Report is reviewed by external agencies such as Healthwatch, CCGs and the Health and Social Care Select Committee of the Local Authority.

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, clinical audit and the executive managers and clinical leads within the NHS Foundation Trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the content of the quality report attached to this annual report and other performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the Audit, Finance and Performance and Clinical Governance Committees and the 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 overall opinion of 'reasonable 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 basis for forming this opinion was:

1. An assessment of the design and operation of the underpinning Assurance Framework and supporting processes; and
2. An assessment of the range of individual opinions arising from risk-based audit assignments contained within internal audit risk-based plans that have been reported throughout the year. This assessment has taken account of the relative materiality of these areas and management's progress in respect of addressing control weaknesses.

Internal Audit carried out 22 reviews, which were designed to ascertain the extent to which the internal controls in the system are adequate to ensure that activities and procedures are operating to achieve the Trust's objectives. For each assurance review an assessment of the combined effectiveness of the controls in mitigating the key control risks was provided. Six reports were issued with a 'substantial assurance' opinion, 15 with 'reasonable assurance' and one with 'limited assurance'.

There was one area reviewed by internal audit, Medical Device Management Services (MDMS), where it was assessed that the effectiveness of some of the internal control arrangements provided 'limited assurance'. Concerns included lack of a computerised system for identifying and tracking assets, overdue service dates for assets which were still in use, devices not seen by MDMS for a number of years and outdated training records. Recommendations were made to further strengthen the control environment in these areas and the management responses indicated that the recommendations actioned had been accepted and will be monitored, including tracking by the Audit Committee.

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) in relation to the annual report and annual accounts, the Assurance Committees (including the Audit Committee), assessment by the CQC against the essential standards of quality and safety, 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 2017.

Signed

Cara Charles-Barks
Chief Executive
19 May 2017

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

Quality has been our number one priority during 2016/2017 as we continue to establish a continuous programme of quality improvement that puts our patients' experience at the centre of everything that we do.

The NHS England Five Year Forward View focuses on the redesign of urgent and emergency care services, the development of new models of care and NHS Seven Day Services. Like other hospitals we experienced unprecedented pressure on our services throughout the year which had an impact on our waiting times and led to a number of cancelled operations and an increase in our short term bed capacity to meet the demand. In our A&E department, 90.8% (target 95%) of people were admitted, treated or discharged within four hours and just under 92% of patients were treated within 18 weeks of a GP referral to hospital. We met all our main cancer waiting time targets and as part of this, 92.6% (target 85%) of patients with cancer were treated within 62 days of a GP referral for treatment. We have also made good progress around early diagnosis and prevention of cancer, which are key factors in the national cancer strategy. As part of our commitment to quality and in response to the pressure experienced throughout the last year we have started a major project that will see significant changes to the site to help the way we manage the care of emergency and planned patients in hospital.

As part of the NHS Seven Day Services Review, we performed better than the national average in the four priority clinical standards. These centre on the time to first consultant review, access to diagnostics and consultant-delivered interventions and ongoing review. The aim is to continually meet these clinical standards in 2017/2018 and more detail will follow later in this Quality Report.

I am pleased with the progress we have made over the last year in many areas that affect the quality of care. Following our CQC inspection in December 2015, we have reviewed the follow up of spinal patients and put in place plans to ensure patients are seen according to their needs. The patient pathway for spinal patients has also been revised and we have carried out nurse staffing and skill mix reviews to ensure that we have the right staffing levels and skill mix for each ward. Our progress against our overall action plan is monitored closely by the Trust Board and I see re-inspection and an improvement on our current ratings as a key priority for us in 2017/2018. More details of our overall action plan can be found later in this Quality Report.

I think we have done much to improve our patient's experience, and this extends to their families, friends, carers and visitors to the hospital. In our inpatient survey we scored well in a number of areas, including confidence and trust in doctors and nurses, the level of privacy when being examined or treated, and whether patients felt well looked after when in hospital. However, further work needs to be done on the way patient's experience discharge from hospital, improving the environment in some departments and wards and continuing to reduce noise. Our cancer patients rated the quality of their care highly in the national cancer patient survey with 92% feeling their care was very good or good and 90% always treated with respect and dignity by staff. One area for improvement is the development of personalised care plans.

Safety continues to remain a high priority, and I am pleased to see we have had no MRSA bloodstream infections for the last two years, we achieved low levels of clostridium difficile rates and reduced all antibiotic consumption by 10%. However, we saw an increase in the number of falls within hospital. We have already made changes to ensure that investigations now start on the day of the incident and themes are used to improve patient pathways. We sustained the reduction in the number of grade two pressure ulcers seen last year and continued to engage staff in our Sepsis Six campaign. Mortality rates can fluctuate during the year and these are monitored regularly. Alerts show us when there are more deaths than expected for a particular diagnosis or procedure and these are investigated by doctors and nurses, reported to the Mortality Surveillance Group so that learning points can be used to improve services.

Although the Hospital Standardised Mortality Rate (HSMR) went beyond the expected range within the year, there were very low levels of avoidable deaths. The Standardised Hospital Mortality Index was within the expected range.

The Trust uses clinical audit results, patient feedback and information from complaints and safety reports to show where improvement is needed and all wards develop an action plan based on feedback from their patients. Quality of care is included in each Directorate's plans and reporting processes and measured in Directorate performance reviews. Trust Board members regularly talk with patients and staff and pick up any quality or safety issues in their areas. Quality is also monitored regularly by the Board through a number of quality measures and indicators and patient stories at the Clinical Governance Committee and Trust Board meetings. This keeps the Trust focused on the things that are important to our patients.

As part of the Five Year Forward View mentioned earlier, all NHS organisations and local authorities are now working in partnership within geographical areas to develop Sustainability and Transformation Plans (STPs). A key theme throughout the STP is an increased focus on the prevention of ill health and the promotion of peoples' independence through closer working relationships and more care provided closer to peoples' homes. We have also set up Wiltshire Health and Care - a partnership between the Salisbury, Bath and Swindon hospital Trusts, which has expanded the amount of care being offered in the community. Several examples of early supported discharge are being developed so that patients can go home earlier with ongoing rehabilitation in the community.

The Trust Board has overall responsibility for quality, safety and patient experience and 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 2017/2018. 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 this Quality Report.

Our staff work hard to provide excellent standards of care, and constantly assess their practices in order to make any changes that could benefit our patients. I want to thank them for their commitment and professionalism in 2016/2017 and the very positive contribution they make to the hospital and our patients. To the best of my knowledge the information in this document is accurate.

Cara Charles-Barks
Chief Executive
19 May 2017

On behalf of the Trust Board, 19 May 2017.

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 2016/2017 priorities as published in the last Quality Account

The Trust's priorities in 2016/2017 were:

Priority 1   Continue to keep patients safe from avoidable harm

Priority 2   Ensure patients have an outstanding experience of care

Priority 3   Actively work with our community partners, patients and carers to prevent ill health and manage long term conditions

Priority 4   Provide patients with high quality care seven days a week

Priority 5   Provide co-ordinated care across the whole health and care community

The Government's Mandate to NHS England sets out the goals for the NHS up to 2020 and improvements required against the NHS Outcomes Framework. The NHS Outcomes Framework provides a national overview of how well the NHS performs by focusing on patient outcomes and experience. The framework sets out five domains where health improvement could be achieved over a number of years and we have linked each of our quality account priorities to one of these domains.

These domains are:

Domain 1   Preventing people from dying prematurely – see priority 1 and 3

Domain 2   Enhancing quality of life for people with long term conditions – see priority 2 and 3

Domain 3   Helping people to recover from episodes of ill health or following injury – see priority 4 and 5

Domain 4   Ensuring that people have a positive experience of care – see priority 2

Domain 5   Treating and caring for people in a safe environment and protecting them from avoidable harm – see priority 1

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

What we did in 2016/2017:

The bullet points below indicate the quality priorities set for 2016/2017; the paragraph that follows is the progress made towards their achievement.

Priority 1 - Continue to keep patients safe from avoidable harm

Description of the issue and reason for prioritising it:

The safety of our patients is the first and most important priority in our quality improvement work. We continue to run the 'Sign up to Safety' programme (our Patient Safety Improvement Programme) to reduce avoidable levels of harm for patients in hospital by 50% over the course of this three year project 2015 – 2018. We measure this through indicators such as infection rates, hospital acquired pressure ulcer rates and the number of patients falling in hospital which result in a fracture or serious harm. All of these can lead to pain and distress for our patients and extra days or weeks in hospital. Improving patient safety involves many things, including high quality nursing care and creating a culture of learning from incidents to prevent them from happening again. We will report progress against each element of our Patient Safety Improvement Programme and continue to work as an active participant in the Wessex Patient Safety Collaborative.

What we did to support this improvement priority:

➢ **Continue to embed the statutory Duty of Candour.**

As part of our ongoing commitment to promoting a learning culture we have implemented the statutory Duty of Candour when patients suffer moderate or severe harm. Whilst our staff have always complied with their professional duty of candour, the statutory duty requires clear documentation of our explanation and an apology followed up by a letter. This year we have held education sessions with many of our clinical teams and departments on how staff should comply with the Duty of Candour and also held a Trust-wide

learning event. We have provided learning resources for our staff and support from the quality team to enable our clinical teams to exercise their Duty of Candour. The Care Quality Commission noted in their inspection report that the Duty of Candour was well understood by our staff.

➢ **Continue to work to reduce the number of patients who have preventable falls and fracture their hip in hospital.**

Since April 2016, 18 patients have had a fall resulting in a fractured hip which required surgical treatment; an increase from 7 patients in 2015/2016. Our detailed investigations showed that these patients had often had falls at home before they were admitted to hospital, and in hospital often fell when they were walking on their own, particularly when they were almost ready to leave hospital. Through an education programme we have trained more staff to ensure each patient has an accurate falls and bed rail assessment and has a personalised care plan to prevent falls. We recognise we need to do more to improve and will relaunch our Trust falls reduction strategy in 2017/2018. This will include a multi-disciplinary team approach to falls reduction and the introduction of falls champions in each ward to lead improvement work and train the rest of the team.

➢ **Continue to reduce the number of patients who developed grade 2 pressure ulcers and have a zero tolerance on avoidable grade 3 and 4 pressure ulcers.**

Since April 2016 we have sustained the number of grade 2 pressure ulcers from 158 in 2015/2016 to 156 in 2016/2017. However, the number of patients admitted to the hospital in 2016/2017 increased from the year before. When these are compared, the number of grade 2 pressure ulcers per 1000 bed days reduced from 1.01 in 2015/2016 to 0.95 in 2016/2017. In 2016/2017 there were 3 grade 3 pressure ulcers and no grade 4 pressure ulcers. A detailed review is undertaken of all pressure ulcers acquired in hospital. Through an education programme we have improved the prevention, recognition and treatment of pressure ulcers. For example, to prevent heel pressure ulcers we ensure patients are able to keep their legs elevated in bed and are provided with protective boots. In March 2017 we started to test the use of silicone gel pads to prevent ear pressure ulcers on two of our wards.

The chart shows the trend of the total number of hospital acquired grade 2, 3 and 4 pressure ulcers between April 2015 and March 2017.

No. of Grade II Pressure Ulcers   No. of Grade III & IV pressure Ulcers: Hospital Acquired
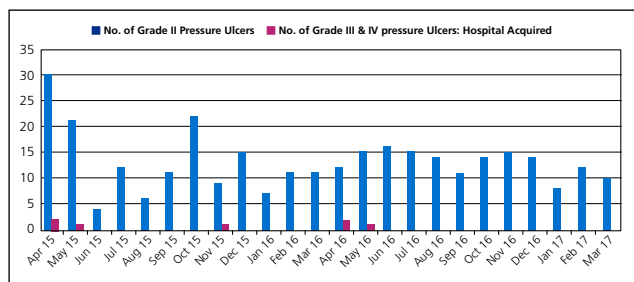
➢ **Continue to reduce the number of patients who develop a catheter-associated urine infection and improve documentation of catheter care.**

We have undertaken a Trust wide audit to establish the number of patients with a catheter at any one time and the number of catheter days. We have continued to use the catheter care insertion bundle. This is a set of practices which, when used together, helps reduce urine infections when a catheter is first put in. This year, we have introduced a new catheter insertion tray and trained all our theatre staff in its use. The tray ensures that all the equipment needed is available, which includes a catheter already attached to a urine bag. The bag cannot be detached from the catheter for two weeks and evidence shows it has a significant impact on reducing catheter associated infections. We plan to provide the training to all our ward staff and will continue to measure its effectiveness through ongoing audit.

The catheter care ongoing care bundle has also been tested in practice and will be used on all the wards in 2017/2018 and progress will be reported. This includes the prompt removal of a catheter when it is no longer needed and reducing unnecessary catheter insertions by training and monitoring through ongoing audit. Later this year we plan to run a catheter awareness month to share good practice.

➢ **Increase the number of patients admitted as an emergency who have a nutritional assessment and care plan.**

In July 2016 we undertook an audit of 90 patient records and found that 84 (94%) patients had had a nutritional assessment and care plan within 6 hours of admission to hospital and 68 out of 71 (96%) patients who remained in hospital had a weekly re-assessment and care plan.

The audit also found that only 27 (30%) patients were weighed on admission. This should be part of the nutritional assessment so that weight loss can be identified and acted upon. Two of our teams, one on Winterslow ward and the other on Chilmark ward,

tested bed weighing scales to increase the number of patients weighed. An audit showed that on Winterslow ward, 70% of patients were weighed prior to the introduction of the scales and 100% afterwards. On Chilmark ward the audit showed that 65% of patients were weighed prior to the introduction of the scales and 96% afterwards. Later this year, we plan to train all our ward staff in the use of the scales to ensure patients are weighed within 6 hours of admission.

➢ **Continue to improve the recognition and treatment of patients with severe infections using Sepsis Six practices which are designed to reduce the numbers of people who die from severe infections.**

We have continued to use Sepsis Six practices in the A&E Department, the Medical Assessment Unit, Surgical Assessment Unit and the Children's Assessment Unit. We have used a severe sepsis screening tool, both for adults and children. This helps doctors and nurses recognise a patient who has a severe infection and ensures they receive the right investigations and treatment within one hour of arrival at hospital.

We have measured three key components of Sepsis Six – sepsis screening and treatment with antibiotics within an hour of arrival at hospital along with a review of their antibiotics by the third day of treatment. Between April 2016 and March 2017 we screened 96% of patients admitted as an emergency and achieved 76% of patients receiving antibiotics within an hour of arrival, and 95% of patients had their antibiotics reviewed by the third day of treatment. The review of antibiotics is carried out to ensure the patient is responding to the treatment, to consider whether the intravenous administration can be changed to being taken as tablets, and to control the length of the antibiotic course.

The graph shows our achievements with sepsis screening and antibiotic administration of adults and children in the A&E Department, Medical Assessment Unit, Surgical Assessment Unit and Paediatric Day Assessment Unit between April 2016 and March 2017.

Sepsis screening, IV antiobiotics & 3 day antibiotic review of patient admitted via emergency routes

- Sepsis screening
- IV antibiotics within 60 mins
- Antibiotic 3 day review
- Screening target
- Antiobiotic & 3 day review target
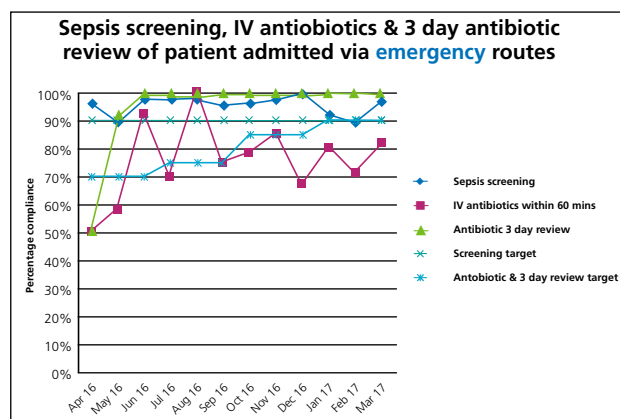
We have introduced the use of the Sepsis Six practices in all our in-patient wards and measured three key components of Sepsis Six – sepsis screening and treatment with antibiotics within an hour for newly admitted patients, and within 90 minutes for existing in-patients, along with a review of their antibiotics by the third day of treatment. Between April 2016 and March 2017 we screened 81% of in-patients and gave 74% of patients antibiotics within an hour or 90 minutes. 96% of patients had their antibiotics reviewed by the third day of treatment.

The graph shows our compliance with sepsis screening and antibiotic administration of adults and children in all the in-patient wards and paediatric ward between April 2016 and March 2017.
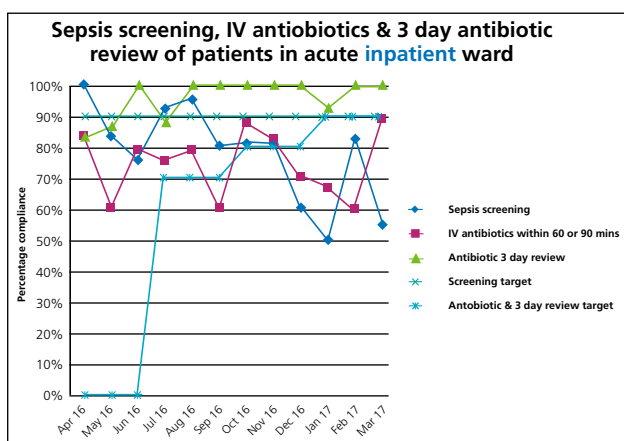
Sepsis screening, IV antiobiotics & 3 day antibiotic review of patients in acute **inpatient** ward

➢ **Work collaboratively with our network to improve the prevention, recognition and treatment of patients with acute kidney injury.**

We have continued to work collaboratively with our South West regional network and continued to use an electronic warning system to alert doctors and nurses to patients whose blood creatinine measurement has doubled since their previous blood test. This may indicate the patient has an acute kidney injury and prompts treatment with fluids and a review of the patient's medicine.

We have continued to work collaboratively with our local GPs to ensure that they know that their patient has had an acute kidney injury during their stay in hospital. The discharge summary indicates the need for further blood tests along with a medicines review once the patient is at home. We have consistently provided this information to GPs in 2016/2017.

The chart shows the percentage of patients who had the four elements of care recorded on the discharge summary between April 2016 and March 2017.

Acute Kidney Injury recorded on the discharge summary 2016 - 2017
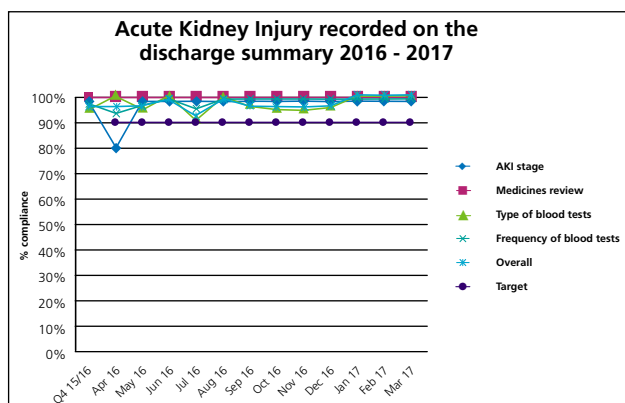
➢ **Continue to maintain low numbers of patients with avoidable infections and maintain responsible antibiotic prescribing. We will continue to ensure our staff adhere to infection control procedures.**

Since April 2016 no patient has had an MRSA blood stream infection. Ten patients had an MSSA blood stream infection compared to four patients in 2015/2016. 13 patients developed C. difficile compared to an upper limit given by NHS England of 19 patients for the year. Clinical teams have worked with our Infection Prevention and Control team to ensure best practice. This includes a variety of measures. For example, good hand hygiene practice, high standards of cleaning of all our wards and intravenous cannula care.

Good antibiotic stewardship is essential to reduce antibiotic resistance. We continued to review all our antibiotic guidelines and by the end of this year we achieved 95% of antibiotic prescriptions having a documented review within 72 hours after the start of the course. We also achieved a 10% reduction in the consumption of all antibiotics.

The chart shows the number of antibiotic prescriptions reviewed within 72 hours by Directorate (Division) between April 2016 and March 2017

Antibiotic prescriptions reviewed with 72 hrs
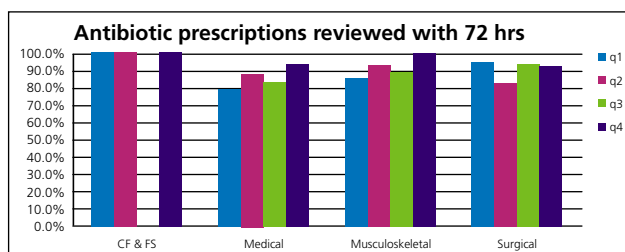
➢ **Continue to improve surgical safety by the use of the World Health Organisation (WHO) safety checklist and team safety briefings and show this through ongoing audit. This year we will extend this good practice to all areas of theatres where procedures are being carried out.**

The World Health Organisation checklist identifies two phases of an operation and in each phase it must be confirmed that the surgical team has completed the tasks on the list before the next stage can start. The checklist helps initiate discussions between members of the theatre and clinical team to improve the safety of surgery. Audits continue to show 100% overall achievement with the 'sign in' and 'sign out' phase.

The chart shows all elements of the WHO checklist 'sign in' and 'sign out' phase between November 2015 to March 2017.

World Health Organisation Surgical Safety Checklist from November 2015 - March 2017
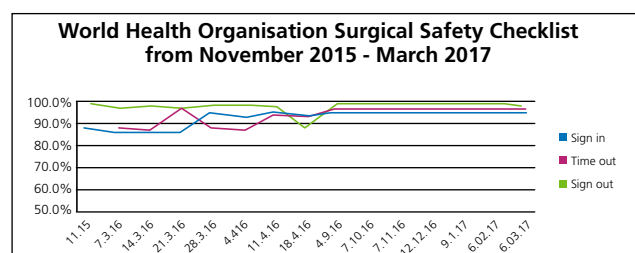
➢ **Be an early implementer of the 'Saving Babies' Lives' care bundle.**

We have introduced a 'Saving Babies' Lives' care bundle which is designed to reduce stillbirths and early neonatal deaths. The care bundle has four elements to help women stop or reduce smoking in pregnancy; give women information to ensure they act the same day if their baby is not moving as much as usual; giving each woman a customised growth chart to measure the growth of her baby during pregnancy. If the baby is not growing as it should, additional scans, blood tests or delivery are arranged. During labour, for those women who have their baby's heart beat monitored continuously, a second midwife or doctor reviews the heart beat trace every hour to confirm whether it is normal or needs urgent action. This also includes ensuring midwives and doctors are up to date with their training in interpreting the baby's heart beat trace in labour.

The chart shows the number of women smoking at booking, had a carbon monoxide reading and were referred to the stop smoking service. It also shows a reduction of women smoking at delivery compared to booking status between April 2016 and March 2017.

Saving Babies' Lives Care Bundle 1. Reducing smoking in pregnancy
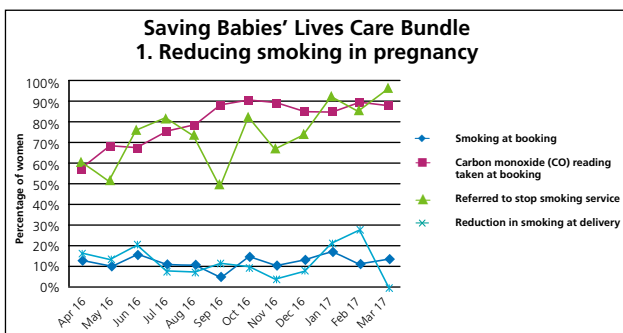
In 2016/2017 there were 2679 women booked for maternity care. Of these, 12.4% were smoking at booking. There were 2368 women cared for by Salisbury community midwives, and of these, 92% had a carbon monoxide reading taken at booking and 234 (77%) women out of 305 who smoked at booking were referred to the maternity stop smoking service for support to stop smoking. At the birth, when comparing the woman's smoking status at booking with her smoking status when she gave birth, 33 of the 265 women had stopped smoking in pregnancy, representing a 12.5% reduction.

31(100%) community midwives received training in stop smoking brief advice and all 4 (100%) midwives who train other midwives received advanced stop smoking training.

The chart shows the number of birth centile charts produced when a baby was born, the number of babies smaller than expected at birth and detected during pregnancy and those who had a case review between April 2016 and March 2017.

Saving Babies' Lives Care Bundle 2. Risk assessment & surveillance for fetal growth restriction
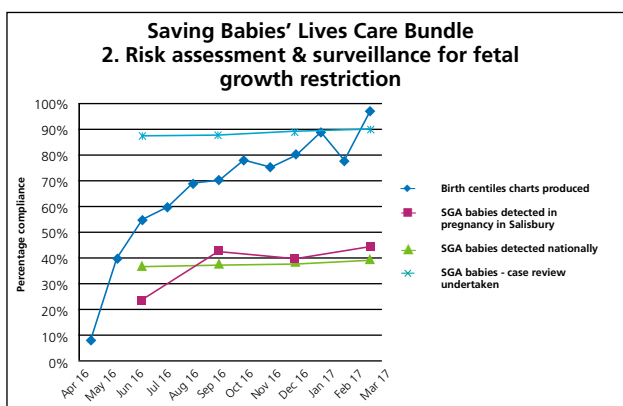
SGA = small for gestational age

In 2016/2017, 97% of women who booked to have their baby in Salisbury had a growth chart produced to plot the growth of their baby during pregnancy. We increased the number of birth centile charts produced when the baby was born from 55% at the end of June 2016 to 97% by the end of March 2017.

We increased the detection rate of small for gestational age babies in pregnancy from 24% at the end of June 2016 to 43% by the end of March 2017 exceeding the national detection rate. We examined 90% of cases in detail where we did not detect the baby was smaller than expected during pregnancy. We found the commonest reason was inaccurate plotting of growth on the chart so that women missed out on a growth scan. Midwives and doctors have received further training in accurate plotting of the charts.

The chart shows the number of women given a reduced fetal movement leaflet, whether they understood the message about acting the same day and whether action needed to be taken between April 2016 and March 2017.

Saving Babies' Lives Care Bundle
3. Raising awareness or reduced fetal movements
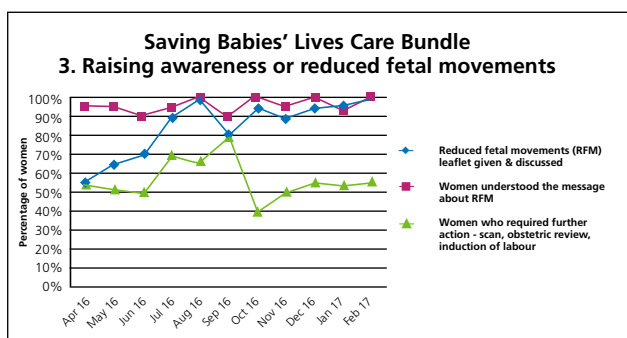
We increased the percentage of women who received a leaflet about reduced fetal movements and discussed it with their midwife from 70% at the end of June 2016 to 99% by the end of March 2017. By the end of March 2017, all women said they understood the importance of acting the same day if they were concerned their baby had not moved as much as usual. On average 50% of women who noticed their baby had not moved as much as usual needed further action such as an additional scan, blood test or delivery of the baby.

The chart shows the number of cases where the continuous fetal heart trace was reviewed every hour in labour by a second midwife or doctor ('fresh eyes') and whether appropriate action was taken on a suspicious or pathological trace between April 2016 and March 2017.

Saving Babies' Lives Care Bundle
4. Effective fetal monitoring during labour
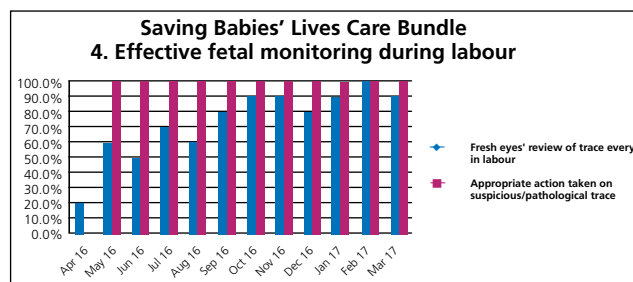
For those women who had their baby's heart beat monitored continuously during labour, we improved the percentage of heart beat traces reviewed by a second midwife or doctor every hour from 50% at the end of June 2016 to 90% by the end of March 2017. Urgent action was taken in all cases where it was needed.

This care bundle makes sure that midwives and doctors are up to date with their training in interpreting the baby's heartbeat trace in labour. By the end of March 2017, 98% of midwives and doctors were up to date with their training.

In 2016/2017, we achieved a 78% reduction in the number of stillbirths from 14 in 2015/2016 to 3 this year and a 66% reduction in the number of early neonatal deaths from 3 in 2015/16 to 1 this year.

➢ **Publish our avoidable death rate and make improvements where needed.**

Our avoidable death rate was 0.91% in 2015/2016. Nationally, 4 - 5% of deaths in hospital are thought to be avoidable. This year, we have reviewed the deaths of 203 (23.5%) patients to identify whether any of them could have been avoided. In one case we found strong evidence, where different management of the patient's blood thinning treatment before the patient was admitted to hospital could have reduced the risk of the patient dying. In one other case, we found evidence that a death could possibly have been avoided had a CT scan been carried out with contrast medium, to spot inflammation and injury of the large intestine as a result of an inadequate blood supply. Our avoidable death rate in 2016/2017 was 0.98%.

We have learnt it is important to provide patients receiving regular blood thinning treatment with information on the risks of travelling abroad and what they should do to keep their clotting level within the normal range during the trip. We have also learnt that

there is a careful balance to be struck between the use of contrast for CT scans and the prevention of acute kidney injury. We have introduced a process to ensure that the Radiologist is informed of this risk prior to undertaking the CT scan.

What our patients and public have told us:

➢ "This was the second visit for my Dad in under 2 weeks. Sadly he passed away this time. The staff in A&E were caring, compassionate, sensitive and helpful through what was a very difficult time for the whole family. I doubt that better care could have been provided anywhere in the country".

➢ "I was 41 weeks pregnant with my third child and was advised by my midwife to go to the hospital that day after noticing reduced movements of my baby. I hadn't even sat down in the waiting room before I was called in and put on a monitor straight away. Within 40 minutes I was rushed to theatre for an emergency caesarean. I had my two other young children with me as I had no child care and it was arranged that one of the midwives would look after them for me so that my husband wouldn't miss the birth. Once in theatre I was quickly put at ease, all the midwives offering support, the consultants, surgeon and anaesthetist who were very professional and friendly and put my mind at rest. My baby was delivered safely and quickly and the aftercare was fantastic."

➢ ''Discussion about care is often rushed''. In 2017/18 we will work with our partners to train and support our staff to make every contact count.

What we did in 2016/2017:

Priority 2 – Ensure patients have an outstanding experience of care

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 so they have an outstanding experience of care. We need to make sure that care is effective, personal and safe and patients are treated with compassion, kindness, dignity and respect. Patients and carers have told us that we do not get everything right every time and if care falls below the standards we aspire to, we will investigate and learn from mistakes to avoid them being repeated. Research suggests there is a strong link between satisfied, well-motivated and supported staff and a positive patient experience. Our national staff survey results in 2016 covered the four NHS pledges around their jobs, career opportunities and development, and support and engagement in decisions that affect

them. In respect of the percentage of staff experiencing harassment, bullying or abuse from other staff in the last 12 months the Trust was at 24% compared to 25% nationally. We acknowledge this is still too high and will continue to take action to reduce it. The percentage of staff who believe that the Trust provides equal opportunities for career progression or promotion of the Workforce Race Equality Standard was 87% compared to 87% nationally. Full details of the survey can be found in the staff report section of the annual report 2016/2017.

In response to comments made by staff in the 2015 staff survey, the Trust introduced a Freedom to Speak Up Guardian in 2016 who acts as an independent point of contact for staff about quality and safety concerns. The Guardian gives advice and support to staff and has direct and regular access to the Chief Executive to raise concerns made by staff. The Guardian has kept staff informed of progress in addressing issues raised such as staffing, communication and organisational change. There have been no major concerns raised in 2016. We have continued to support our staff and managers through our 12 Dignity at Work Ambassadors who can offer confidential support and advice on any issues around bullying, harassment or discrimination.

The Trust continues to take a positive approach to equality and diversity and inclusion within the hospital. We respect and value the diversity of our patients, their relatives and carers, and our staff and we are committed to meeting the needs and expectations of the diverse communities we serve. We have undertaken work on equality, diversity and inclusion which helps improve patient services and promote equality of opportunity for staff. We have done this through our equality champions and networks. For example, our race equality champion supports Black, Asian and Minority Ethnic (BAME) staff. We have an established BAME support group and European Union network for our staff. The Trust has an established Lesbian, Gay, Bisexual and Transgender (LGBT) network (Rainbow SHED) for staff and patients to discuss issues that relate to their employment experiences and hospital services. The Trust has developed a Disability Employees Network (DEN) which supports staff with disability issues and policies. For example, the Trust has the 'Disability Confident employer' benchmark logo that applies to the recruitment, retention, training and development standards of staff with disabilities. We are also committed to the Mindful Employers Charter which identifies key commitments to supporting staff with mental health issues in the workplace.

The Trust is actively working with our partners in health and social care and the public to improve services for patients. This includes our understanding of alcohol misuse in society and our work with GPs

to help patients to drink less alcohol and reduce the number of patients admitted to hospital with alcohol related problems (reported in priority 3). We have also introduced a hearing champion to help patients with hearing impairment or who have a problem with their hearing aids in hospital. In 2017/2018 we will develop a mentoring network to support staff from protected groups to develop into leadership roles.

This year we have held several awareness events on a variety of equality, diversity and inclusion themes such as the NHS Employers 'Love our EU staff' campaign to support our EU workforce, in light of uncertainty around Brexit. We have also published a quarterly newsletter for internal and external organisations where people can contribute articles and engage with our services.

What we did to support this improvement priority:

➢ **Start to screen patients for frailty and undertake a comprehensive geriatric assessment and personalised care plan for those with moderate or severe frailty and share this with their GP.**

Patients with frailty who suffer seemingly minor illnesses or changes in their condition due to flu, surgery, a fall, or a change in medication can suffer severe adverse outcomes which result in harm. Identifying people living with frailty can help improve outcomes by planning specific care to meet their needs.

In April 2016 we started to screen patients over the age of 75 for frailty on admission. Those patients with moderate, severe or very severe frailty, had a comprehensive assessment by a specialist team in older people's care and a personalised care plan was written when they went home. The plan often includes referral to community services such as a falls service, mental health or intermediate care team. It also includes information for the GP, patient and carer on what to look out for and when they should call for help and advice in an emergency situation.

The chart shows progress with frailty assessment and care planning on Winterslow ward between April 2016 and March 2017.
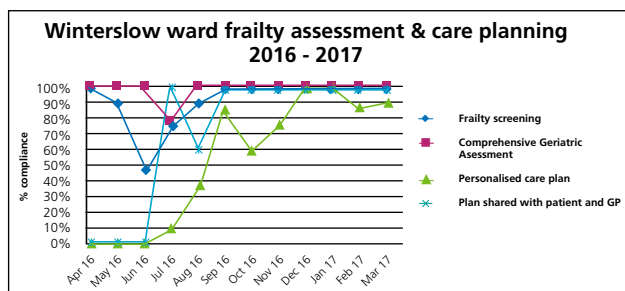
The chart shows progress with frailty assessment and care planning on Durrington ward between April 2016 and March 2017.
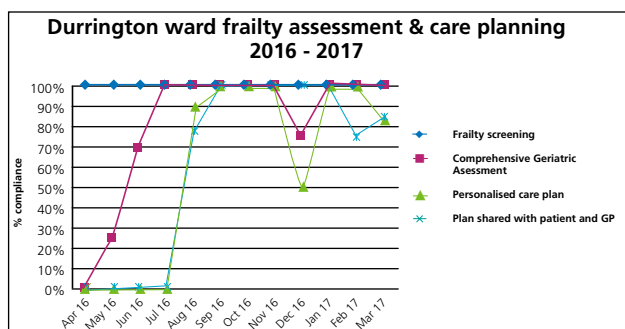
➢ **Work with GPs and voluntary organisations to do more to identify carers, communicate effectively and provide them with better support, advice and information.**

Involving carers from admission to discharge can improve the quality of care and patient outcomes. Last year, we successfully introduced ''John's campaign: for the right to stay with people with dementia in hospital'' throughout the day and night on Durrington ward. With the support of our volunteers, we have started to pilot the campaign on Breamore and Chilmark wards. Volunteers can meet with carers on the wards to offer support and advice and give them information cards with key contacts for ongoing support. The cards are funded by Carer Support Wiltshire.

We provide a weekly Carers' café with the help of Carer Support Wiltshire and a Wiltshire Council health trainer for carers of any age whose relatives or friends are in hospital. This gives carers an opportunity to share their experiences and get advice and support from specialist staff. In partnership with Wiltshire Council and Carer Support Wiltshire we held a Carers Rights Day on 25 November to help carers find out about their entitlement to a carers assessment, advice and support. We have promoted 'Your care, your support, Wiltshire' which provides an up to date directory of services in Wiltshire and information about dementia services

across the county in easy read content. http://www.yourcareyoursupportwiltshire.org.uk/home/

➢ **Continue to make reasonable adjustments for patients with learning disabilities.**

We are working with people with learning disabilities, carers and staff to support the care of adults with learning disabilities when they are admitted to hospital. We have developed a pre-admission checklist to ensure everything is in place when a patient is admitted for surgery to ensure their needs are met and there are no delays in care and treatment.

We have introduced changes to comply with the Accessible Information Standard which is particularly relevant to people who are blind, deaf or who have a learning disability. It also supports anyone with an information or communication need related to a disability. We have started to identify and record people's needs on our electronic patient record which alerts staff to a patient's communication need. For example, if they need a sign language translator for an outpatient appointment or letters in large print.

➢ **Funded by the Hospice charity from 1 April 2016, we will introduce a new Hospice at Home service to support patients with complex needs at the end of their life in their own homes.**

In April 2016 we introduced a new Hospice at Home service. The service has supported 75 patients and their families in providing care for people who are coming to the end of their life and wish to spend their final days in their own home. The specialist Hospice at Home team is available up to 24 hours a day if needed and provided 5,600 hours of care to patients already at home or to support the discharge of patients who are in hospital or the Hospice. It also provides support for carers and families around 'crisis intervention' - preventing any unnecessary and distressing admissions to hospital, the Hospice or a nursing home. Patients and their families have given very positive feedback about the service.

➢ **Improve every patient's experience of waiting for our tertiary services, such as waiting for plastic trauma surgery and for patients with a spinal cord injury in another hospital being assessed by a spinal specialist nurse within 5 days.**

To reduce delays in care and treatment we are trialling a planned plastic surgery list in the outpatient department theatre. This will make more space for patients waiting for trauma surgery in the main theatre.

Our spinal outreach specialist nurses have visited 89% of spinal cord injured patients in the South West region with a traumatic injury within 5 days of admission to other hospitals. The specialist nurses provide information, advice and support to patients, their families and clinical teams to help prevent complications such as pressure ulcers, urine and bowel problems. This helps patients start rehabilitation sooner.

➢ **Continue to work collaboratively with our network to improve care for children as they move from children's to adult services. It is called the Ready Steady Go programme.**

We know that it can be an unsettling time for children and their families when they move away from a team of doctors and nurses who have worked with them for many years. The Ready Steady Go programme is for children over 11 years old who have long term conditions, such as diabetes or cystic fibrosis. Children are helped to gain the knowledge and skills to manage their own condition and to become involved in the move from children's to adult services. This often involves a joint appointment between the young person, current doctor and new doctor and a transition co-worker to discuss and plan the move. This helps the young person feel more confident and happier about the move. We provide the Ready Steady Go programme for children with diabetes and cystic fibrosis and have introduced it for young people with physical disabilities this year. We are working with the University Hospital Southampton, who are developing training videos and other online resources, to support young people who use the Ready Steady Go programme.

➢ **Continue to use patient feedback from the Friends and Family test, real time (at the time it happens) feedback and patient surveys to drive improvements on the wards and clinical services.**

Since April 2016 patients who went home from wards, the A&E Department and Maternity Services and from an outpatient or day case appointments were asked how likely they would be to recommend the area they attended to friends and family if they needed similar care or treatment. Of the people who responded, 96.6% said they were extremely likely or likely to recommend the hospital to friends and family. People were also invited to make comments about their care and the majority made positive comments. The main area of concern for those who were unlikely or extremely unlikely to recommend the hospital as a place for treatment was the length of time they waited in the A&E Department and out-patients. In response, the A&E Department and out-patients display waiting times and information. The A&E Department have tested a new triage system so that patients are seen and prioritised within 15 minutes of arrival and this will come into use, seven days a week in early 2017.

Real time feedback is collected from patients on the wards by volunteers and governors who talk to patients face to face. This enables staff to deal with issues straight away and make improvements where needed. Patients rated the overall quality of care highly with an average score of 8.5 out of 10, and felt treated with care and compassion, with an average score of 9.6 out of 10. Patients also told us about their main areas of concern, which related to the temperature of the food when it reached the patient, noise and communication.

This year each clinical team has combined all their patient feedback to decide on the top three themes to improve on. For example, staff have made improvements to ensure patients are ready to receive hot food by clearing their table top and sitting them up before meals. The catering team have worked with the ward teams to improve the service of food. New soft closing lids for soups and desserts have been introduced to help keep food hot. To reduce the effect of noise at night patients are offered ear plugs and staff are reminded at the evening handover to keep noise to a minimum during the night.

What our patients and public have told us:

➢ ''From my admission as an urgent patient from the doctor's surgery, I was treated with sympathy, kindness and professionalism immediately. The care from all sectors was outstanding until the day I was discharged".

➢ ''The patient lives in a residential home for adults with learning disabilities and challenging behaviour. He was supported by staff from the home during his stay in hospital with a member of the hospital staff with him at all times."

➢ ''The staff on the children's ward were amazing and showed great care. The security guards were very helpful keeping him safe. The specialist mental nurse was very understanding. The consultants from CAMHS (Child and Adolescent Mental Health Service) provided exceptional support to him".

➢ ''Important that information from the hospital is transferred". We have worked with GPs to introduce a personalised care plan for frail older people which is recorded on the discharge summary so that all know what to do in the event of an emergency situation.

What we did in 2016/2017:

Priority 3 - Actively work with our community partners, patients and carers to prevent ill health and manage long term conditions

Description of the issue and reason for prioritising it:

We want people to live longer and with a better quality of life. We want to continue to work with GPs and our community partners in supporting the early diagnosis of illness and tackling risk factors, such as high blood pressure and cholesterol, and we want to ensure people have access to the right treatment when they need it. We want to do more to help people, patients and their carers stay in good health and to take responsibility for their own health. Better access to support and information is crucial in preventing ill health.

What we did to support this improvement priority:

➢ **Work with our partners to respond to the 'Blood in your Pee', campaign. http://www. cancerresearchuk.org/health-professional/early-diagnosis-activities/be-clear-on-cancer/blood-in-pee-campaign.**

The campaign encourages people who have 'blood in your pee' even if it's just the once to tell their doctor. 'Blood in the pee' is the main symptom of bladder cancer and a common symptom of kidney cancer. If bladder and kidney cancer are diagnosed at the earliest stage the one year survival rate is as high as 91 – 96%. At a late stage it drops to just 28 – 38%. The campaign ran for 6 weeks in February and March 2016. We saw an increased number of urgent patient referrals and an increased number of early kidney and bladder cancers diagnosed resulting in earlier treatment.

➢ **With our community partners we will focus on helping women in pregnancy to stop smoking and for women with a high body mass index to maintain a healthy weight in pregnancy.**

We have trained all our community midwives in stop smoking brief advice and trained 4 midwives in advanced stop smoking training. These 4 midwives train other midwives. At the booking appointment every woman is asked whether she smokes and all women, whether they smoke or not, are offered a carbon monoxide test, which gives an indication of the amount a woman smokes or is exposed to, if she lives with someone who smokes. All women who smoke are referred to a stop smoking service. In 2016/2017, 33 of 265 women stopped smoking in pregnancy, representing a 12.5% reduction.

Working with Wiltshire Council we have introduced a positive image motivational service for women in pregnancy with a body mass index of 35 or above. Each woman is able to receive one to one support and guidance from maternity advisors, on how to make positive lifestyle changes to maintain the same weight during pregnancy, and continue the positive changes following the birth of the baby.

➢ **Continue to work with GPs to help patients to drink less alcohol and reduce the number of patients admitted to hospital with alcohol related problems.**

Between April 2016 and October 2016, 18,124 (80%) patients who attended the A&E Department were asked how much alcohol they drink. We found that 307 (1.7%) patients drank alcohol to a level that could damage their health and all of these were referred to their GP for follow up. Of these, 170 (55%) were given information about how to drink less alcohol and how to get help if needed. Any patient who is admitted to hospital with an alcohol-related illness is contacted by our Alcohol Specialist Nurse who provides advice and support. Some patients take up the option of a referral to the Wiltshire Substance Misuse Service.

➢ **With our community partners we will help patients to eat healthily and exercise more to tackle obesity.**

In 2016/2017 we introduced a range of measures to offer healthier choices of food and drink for sale in our restaurants and cafes. Chocolate-based confectionery and biscuits with a sugar content over 52 grams are no longer sold and products with 22 grams of sugar are not sold within 2 metres of a till point or advertised for sale. Sugar sweetened drinks with a sugar content of 10 grams or more and crisps and snacks with a salt content greater than 1.5 grams are not sold at all. Sandwiches for sale are made with low fat spread and salads with low fat dressing. No advertising or promotions of foods high in fat, salt or sugar are permitted, instead promotions are for healthy alternatives.

In April 2016, the Trust took part in a Patient Led Assessment of the Care Environment (PLACE). The Trust's score for food and hydration improved to 94.7% compared to a national average of 87.9%. We continue to encourage patients to eat fresh fruit by making it readily available on the wards and our patient menus are published with information on healthy eating choices.

➢ **Work with GPs to support the implementation of the national diabetes prevention programme.**

The NHS Diabetes Prevention Programme is designed to prevent people developing type 2 diabetes because of obesity. Type 2 diabetes is a leading cause of preventable sight loss in people of working age and is a major factor in people developing kidney failure, having a heart attack or a stroke. There is strong evidence to show that behaviour change which supports people to maintain a healthy weight and be more active can significantly reduce the risk of developing the condition. The programme identifies patients at high risk of type 2 diabetes and refers them to a behaviour change programme.

Our hospital staff club runs a GP referral programme for patients who are able to benefit from a tailored exercise and weight management programme which includes advice on healthy eating. Wiltshire Council have introduced health trainers who are able to help patients improve their health by making positive lifestyle changes to eat healthier food and be a healthy weight, be more active and drink less alcohol. Email: health.trainers@wiltshire.gov.uk

➢ **Continue to support patients with long term conditions to manage their own health and avoid complications through personalised care plans. Suitable patients will be able to initiate their own follow-up appointments when needed rather than fixed routine appointments.**

Patients with heart failure have a personalised care plan which starts when they are first visited by a specialist nurse in hospital. The diagnosis of heart failure is discussed and advice is given on a healthy diet, exercise and medication and how to manage their condition. Patients have their own patient-held record to keep track of their plan. The plan also gives advice on what to do if they become more breathless or unwell so that treatment can be given to avoid a further admission to hospital.

Patients with long term lung conditions, such as asthma, also have a personalised care plan with information on how to manage their lifestyle. They are given inhalers and advised on what to do if they become unwell. For patients with chronic obstructive pulmonary disease (COPD) and other lung diseases, we have introduced a new ward based pulmonary rehabilitation programme to help patients learn more about their condition, the benefits of exercise, breathing control and what to do if they should become unwell.

With the help of Macmillan Cancer Support we have introduced patient-initiated follow-up for patients recovering from breast cancer so they can manage their own follow-up appointments. Patients feel more confident by being given tailored information before surgery, chemotherapy and/or radiotherapy, to explain that after treatment, follow-up only needs to include one follow-up visit at 6 months along with a separate attendance at a 'Moving Forward Clinic'. This clinic introduces self-management and the signs and symptoms to look out for which would prompt a patient to seek a follow-up appointment. It also ensures that the patient knows that mammogram requests will be made automatically. The patient is given a booklet with all the information required and contact details to seek advice and support with open access to a clinic at any

point during their follow-up. So far, 296 patients have opted to arrange their own follow-up. 92 patients have attended the Moving Forward clinic. Patient feedback has been very positive. Patients were asked to rate how useful the clinic was and how confident they felt in initiating their own follow-up. The results showed a confidence level of 4.66 and 4.61 out of 5 respectively.

➢ **Continue to support the health and wellbeing of our staff.**

The 'Shape up at Salisbury' campaign is a health and wellbeing programme for all our staff. We know that helping our staff to be happy and healthy improves the quality of patient care. This year we have continued to provide a range of physical activities through gym and swimming pool membership and a large range of physical exercise classes at our staff club. We encourage staff to walk or cycle to work and promote the weekly national park run on a Saturday morning. http://www.parkrun.org.uk/events/events/ Rapid access to physiotherapy is available for staff suffering from muscular or back problems. We have also increased the range of mental health initiatives available for staff including stress management events, psychological resilience training, mindfulness and meditation sessions to help staff identify and deal with stress. Staff can see a specialist mental health adviser and receive counselling advice if needed. The Trust's restaurants, café and vending machines actively promote healthy food choices. In our national staff survey 2016 we were in the highest (best) 20% of acute Trusts for the organisation's interest in and action on staff health and wellbeing.

What our patients and public have told us:

➢ "Excellent, the two diabetes nurses were clear and very good in helping us understand diabetes and how to put all the information into action".

➢ "Thank you. The Moving Forward clinic was hugely useful and my way of moving on and looking forward. What you all do here is amazing".

➢ ''Information about antibiotic/drug sensitivity is not available in records from GP." We are working towards our clinical teams having access to the GP electronic summary care record which provides information on the patient's current medicines and sensitivities.

What we did in 2016/2017:

Priority 4 - Provide patients with high quality care seven days a week

Description of the issue and reason for prioritising it:

The NHS Services, Seven Days a Week Forum, chaired by the National Medical Director, was established in February 2013 to consider how NHS services could be improved to provide a more responsive and patient-centred service seven days a week. In December 2013, the Forum, as a first stage, focused on urgent and emergency care services and their supporting diagnostic services. The focus is across the whole system, not just hospitals.

The Forum's review points to significant variation in outcomes for patients admitted to hospitals at the weekend in England. This variation is seen in mortality rates, patient experience, length of stay and re-admission rates. The Forum set 10 clinical standards, 4 of which are priority standards to be implemented for all the population by March 2020. We were already delivering three of the standards before the recommendations were published and in 2016/2017 we have made good progress in a further five standards. In 2016/2017 we continued to implement the 4 priority clinical standards – standard 2) time to consultant review; standard 5) diagnostics; standard 6) intervention/key services; and standard 8) ongoing review.

What we did to support this improvement priority:

➢ **Continue to ensure that patients, their families and carers are involved in decisions about their care, treatment and on-going care. We will compare patient feedback from those admitted in the week with those admitted at the weekend and make improvements.**

Our governors and volunteers visit the wards to speak to patients to find out whether patients feel that all the services they need at the weekend are available. In 2016/2017 the average score was 8.7 out of 10 indicating that most of the services are available seven days a week. Some patients commented that there were less staff and care across the wards at weekends. Other patients felt that the care was better at weekends and it was quieter. At the last skill mix review we invested in more nurses and nursing assistants in three acute medical wards, the A&E Department and the Spinal Cord Injury wards.

➢ **Continue to ensure that all emergency patients admitted are seen and assessed by a consultant within 14 hours of arrival.**

In September 2016 we took part in a national NHS 7 day services audit, which showed that 89% of our patients admitted as an emergency were seen and assessed by a consultant within 14 hours of arrival, seven days a week. This was significantly better than the national results where 59% of patients were seen by a consultant within 14 hours of arrival on weekdays and 55% at weekends.

The overall proportion of patients seen and assessed by a suitable consultant within 14 hours of admission was 95%, seven days a week. This was significantly better than the national mean of 71% on weekdays and 66% at weekends.

In March 2017, we took part in another national NHS 7 day services audit, of heart attack and stroke patients. Both these audits showed that we achieved 100% of stroke and heart attack patients being seen and assessed by a consultant within 14 hours of admission.

➢ **Improve access to in-patient ultrasound scans at weekends.**

In September 2016, we introduced a routine weekend ultrasound scan service for both patients in hospital and patients attending the A&E Department. We have received positive feedback from patients and staff and found that 79% of all in-patients had their scan within 24 hours of the scan request and 98% of patients attending the A&E Department received their scan within 1 hour of the scan request during the day.

➢ **Work with the University Hospital Southampton to ensure patients have access to a consultant-delivered interventional radiology service seven days a week.**

Many conditions that once required surgery can now be treated by minimally invasive techniques guided by X-rays, CT, MRI or ultrasound scans. These specialist techniques reduce infection rates and recovery time and have better outcomes for patients. In November 2015, we joined a 'network' with the University Hospital Southampton so that our patients can be treated at Salisbury hospital during the week and at weekends and out-of-hours at the University Hospital Southampton. In this way patients benefit from an interventional radiology service seven days a week.

In September 2016 we took part in a national survey about NHS 7 day services which asked consultants about the availability of this intervention for their patients across the week. 45 out of 67 (67%) consultants who receive emergency admissions responded and said that interventional radiology was always or usually available on most occasions for their patients in the week and sometimes or not usually available at the weekends. We plan to raise further awareness with our clinical teams about the 'network' arrangements in place.

➢ **For patients with a bleed from the gullet or stomach we will improve access to a consultant-delivered interventional endoscopy service seven days a week.**

Depending upon the severity of the blood loss from the gullet or stomach, the patient may become shocked and it is considered a medical emergency. Initial treatment is fluid replacement and blood transfusion if needed. Subsequently, an endoscopy is needed to identify the source of the bleeding and either directly apply medicine or carry out a procedure to stop the bleeding. Since November 2015, we have had a formal rota to provide emergency endoscopy cover for our patients in Salisbury. In the event of a gap in the rota, or where a patient may need interventional endoscopy to control the bleeding out of hours and weekends, we have an arrangement with the University Hospital Southampton for our patients to receive care and treatment in that hospital.

In our national NHS 7 day services audit, consultants were asked about the availability of interventional endoscopy for their patients across the week. 67% of consultants who receive emergency admissions responded and said that interventional endoscopy was always or usually available on most occasions for their patients across the week and usually or sometimes available at the weekends.

➢ **Work towards ensuring patients on a general ward are reviewed during a consultant ward round every 24 hours, seven days a week, unless it has been decided that this would not affect the patient's care.**

In our national NHS 7 day services audit, it showed that during the week, 99% of our patients were reviewed every day by a suitable consultant compared to a national mean of 96% and at weekends, 89% of our patients were reviewed daily by a suitable consultant compared to a national mean of 80%. We plan to ensure that if a patient does not need to be seen every day that this is clearly recorded in their records.

In March 2017, we took part in a national NHS 7 day services audit of heart attack and stroke patients. It showed that for our heart attack patients we achieved 100% of patients being reviewed daily by a cardiology consultant and for stroke patients 68% had a daily review by a stroke consultant.

➢ **Introduce a one stop clinic for gynaecology emergency patients so they can be seen and assessed without admission to hospital.**

Most women with a gynaecology emergency can safely receive their care and treatment in an out-patient setting. In April 2017, we will introduce an emergency gynaecology out-patient clinic where women can be directly referred from their GP or the A&E Department. Women will be assessed by a specialist doctor and can have an ultrasound scan at the same appointment. In most cases, the woman will be able to go home and therefore avoid admission to hospital

➢ **Reduce delays in the progress of patients care plans by the introduction of electronic whiteboards on all the wards. These record and track the actions needed to be taken in real time.**

In July 2016 we introduced electronic whiteboards on all our wards which displays visual information about the progress of each patient's care plan. This helps clinical teams to complete any further actions that need to be taken before the patient leaves hospital to reduce delays in care and treatment.

➢ **With our community partners we will work towards ensuring support services are available seven days a week to ensure the patients' care plans are progressed.**

We have worked with Wiltshire Health & Care to plan early supported discharge for patients following a stroke. This means that patients can leave hospital earlier with a large part of their rehabilitation being provided at home. We are also working collaboratively with community teams to provide a joint rapid access care of older people's clinic. This will enable older people to be seen and assessed by a team including a specialist doctor, nurse and therapist in the community without being admitted to hospital.

In April 2017 our community partners will introduce rehabilitation support workers to support patients with specific care needs at home. When a patient leaves hospital they will meet them at home on the same day to ensure they are settled in safely and have everything they need.

What our patients and public have told us and what we did or are planning to do to improve:

➢ "Admitted to A&E Friday evening 1930 hrs when doctors were good. Saturday/ Sunday not one could I see. Monday morning, every doctor seemed to be there. Had a mild heart attack but it did not affect my heart. Although I was told I would need a procedure on Monday, I did not have the stents until Wednesday. I felt I was bed blocking whilst waiting." This year we have introduced a consultant led ward round for cardiac patients 7 days a week.

➢ ''Needs to be a better system regarding operations being cancelled. Happened three or four times to me after I sat in waiting room on different occasions waiting seven hours to be admitted, only to be cancelled. Very, very frustrating. I just think you need to change the system. I know it's hard because traumas arrive every day which are more important at the time. Maybe a sub-team should be involved so this does not happen so much." We recognise this is upsetting for patients and want to do all we can to improve it. Later in 2017/2018

we plan to introduce a 23 hour short stay surgical unit to accommodate every patient who needs a bed after their operation.

➢ ''I was very impressed with the prompt arrival and professional approach of the paramedic. The ambulance arrived in eight minutes of the call. They gave me an ECG and took me straight in. I had injections and blood tests within a few minutes of arriving in hospital and was kept in to have stents fitted the next day. There was no delay in waiting for a ward place and treatment was given promptly once the results of the blood tests came through. The care and treatment was excellent."

What we did in 2016/2017:

Priority 5 - Provide co-ordinated care across the whole health and care community

Description of the issue and reason for prioritising it:

The Five Year Forward View has set the NHS the challenge of better integration of care across different services. In July 2016, the Trust formed a new partnership called Wiltshire Health & Care which involves this hospital, the Great Western Hospitals NHS Foundation Trust and the Royal United Hospitals Bath NHS Foundation Trust. This marks an exciting new period of change where we can work across organisational boundaries and join up care around the needs of patients and expand the amount of care being provided in the community so that people can be supported in their own home for longer rather than being admitted to hospital.

What we did to support this improvement priority:

➢ **Work with our partners in Wiltshire Health & Care to join up care and expand the amount of care offered in the community.**

We have worked with Wiltshire Health & Care to enable patients with hip fractures to leave hospital earlier by providing a large part of their rehabilitation at home. This service started in October 2016 and is provided by a dedicated team of hospital therapists visiting patients at home prior to the community team taking on their therapy at home. The service has reduced the length of time hip fracture patients spend in hospital and return to their own homes. Before the service was set up these patients spent 19.6 days in hospital (January 2016 to September 2016) and since it started in October 2016 hip fracture patients spent 15 days in hospital. This service also helps patients regain their independence sooner.

➢ **Work with our commissioners to provide more support for GPs and community care services by direct access to senior doctors via telephone, email and rapid access clinics.**

We have continued to provide support for GPs through a direct telephone line where GPs can speak directly to an acute Consultant Physician for advice and guidance, so that investigations can be arranged before a patient attends hospital, if needed, or continue to be managed at home by the GP. Similar advice is available from the Consultant Surgeon of the day. Our Clinical Haematology Consultants provide an email advice service to GPs to help them manage their patients in the community.

We have continued to run a number of rapid access clinics for patients to be seen the same or next day without admission to hospital. These clinics are for conditions such as jaundice, hepatitis, first seizure, inflamed hot joints and medicine for older people.

➢ **Work with GPs to help to get patients home when they are fit for discharge.**

This year we have introduced a daily 'Green to Go' list of every patient who is fit to leave hospital and sent it to GPs every day. This enables the GP to assist with a patient's discharge from hospital. In some cases GPs have reviewed the patient with the hospital team and helped to arrange community services the patient needs to be able to go home.

We have introduced a safer care bundle across all our wards, which is a set of practices when combined ensures there are no delays in the patient's care and treatment. This ensures:

• All patients have a senior review before midday
• An expected discharge date is agreed with the patient early in their stay
• 30% of patients should leave hospital before midday
• Their take-home medications are ordered the day before to ensure there are no delays
• Any patient who has been in hospital for more than 14 days is reviewed by senior clinical leaders to remove any delays in their care

In December 2016, we introduced a new team of specialist frailty nurses, therapists and specialist doctors to assess patients in the A&E Department for frailty. The team work with community services to enable the patient to go home the same day with care and support thereby avoiding an admission to hospital. In April 2017 we will start to report the number of patients who were able to go home the same day, or, if the patient was admitted, measure their length of stay in hospital and the number of patients who were re-admitted to hospital.

➢ **Work collaboratively with our commissioners and adult social care to promote early discharge and reduce the number of patients whose discharges are delayed once they are fit to leave hospital.**

In September 2016 we held a workshop with our partners to work on issues together which caused patients to be delayed when they are fit to leave hospital. Subsequently, we introduced a single team of nurses, therapists and social workers, working 7 days a week, who represent all organisations and work from one base. The team are managed by one leader and all patients who need community services are electronically referred to the team by referrals sent from the ward's electronic whiteboard.

In January 2017 we ran a 'perfect week' to improve patient flow across the hospital in-patient areas to allow space for new patients to be admitted. Staff across health and social care worked together to test small changes that could improve the way our patients move through health and social care, to better understand any delays they may be experiencing. All patients who spent over 14 days in hospital were reviewed and checked daily, so that we could get them back home or to a community setting as soon as they were ready to go. We learnt that we need to improve the accuracy of expected discharge dates and the timely prescribing of medicines for patients to take home. We also identified the need for an increased number of intermediate care beds and the need for further therapy and rehabilitation provision in the community. We will continue to work with our partners to improve community care and run more 'perfect weeks' in 2017/2018.

➢ **Continue to work with the research network and increase the number of patients offered recruitment into clinical research trials.**

The number of patients recruited into National Institute for Health Research (NIHR) studies was 1599 patients into 86 studies across 23 specialities in 2016/2017 which exceeded the Trust's annual recruitment target of 1022 patients. We were the top small acute Trust nationally for the number of studies and specialities recruiting patients into research trials. 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/

➢ **Work with the University Hospital Southampton and the network to improve the provision of state of the art genetic testing across Wessex and the South Coast.**

We have been working in partnership with the University Hospital Southampton and the Academic Health Science Network to develop a clinical exome

next generation sequencing test. This test enables approximately 5,000 genes with a known clinical function to be sequenced simultaneously. All or a part, of the genes are chosen on the basis of an individual patient's clinical condition, which can then be screened for mutations.   As part of the exome pilot we saw an increased number of patients diagnosed with primary ciliary dyskinesia. We are now developing this project into a diagnostic service which will enable Wessex and South Coast patients to benefit from the advances in genomic technology and knowledge. These benefits include greater access to genetic testing (especially for those patients and families with very rare genetic conditions), improved diagnostic outcomes, access to personalised therapies and care, and the improved efficiencies of a single sequencing test replacing multiple sequential tests.

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

➢ ''The proceedings for leaving hospital are not good. My leaving was delayed by about 24 hours waiting for a Mediquip of two toilet seats and frames to be delivered, and a long wait at the hospital for my medications to take home. If you had a complete check-off list to go through for each patient before they go home, I am sure it would be very useful to staff and patients.'' We are working with our medical equipment supplier to ensure patients know the date equipment will be delivered to their home.

➢ "It would have been useful to have the leaflet I was given when I was discharged to actually have been given to me when I was admitted. It offered a lot of useful information." We plan to include information about going home with the admission letter so patients can make arrangements beforehand.

➢ ''The time that I had to wait for dispensary to arrange my medication before I could leave meant I was taking up a bed on a ward for a full day, when it could have gone to another patient, so this needs to be improved.'' We have improved the timeliness of providing patients with their take home medication by dispensing them on the ward. Each day, when a patient has been told they are fit to go home, a dedicated pharmacist can be contacted straight away who will attend the ward to dispense the medicines.

What we did in 2016/2017:

Care Quality Commission inspection improvement plan progress

Salisbury NHS Foundation Trust had an announced inspection by the Care Quality Commission in December 2015 against the five domains of safe, effective, caring, responsive and well-led with the Trust rated as good in 27 of the 39 elements. While the inspection report identified areas of both outstanding and good practice across many parts of our services, the overall rating for the Trust was 'requires improvement'.

The grid below shows how the Trust was rated for each of the nine core services and for the Trust overall at the inspection in December 2015.

	Safe	Effective	Caring	Responsive	Well-led	Overall
Urgent and emergency services	Requires improvement	Good	Good	Requires improvement	Requires improvement	Requires improvement
Medical care	Good	Good	Good	Requires improvement	Good	Good
Surgery	Requires improvement	Good	Good	Requires improvement	Good	Requires improvement
Critical care	Requires improvement	Good	Good	Good	Requires improvement	Requires improvement
Maternity and gynaecology	Requires improvement	Good	Good	Good	Good	Good
Services for children and young people	Requires improvement	Good	Good	Good	Requires improvement	Requires improvement
End of life care	Good	Good	Good	Good	Requires improvement	Good
Outpatients and diagnostic imaging	Good	Not rated	Good	Good	Good	Good
Spinal Injuries Centre	Requires improvement	Requires improvement	Good	Inadequate	Requires improvement	Requires improvement
Overall	Requires improvement	Good	Good	Requires improvement	Requires improvement	Requires improvement

We have taken the following actions to improve in 2016/2017 (the bullet point is the action required and the paragraph that follows is the progress we have made):

➢ **Continue to review nursing and midwifery staffing levels and skill mix every six months to ensure there are sufficient numbers of suitably qualified and experienced nurses and midwives to deliver safe, effective and responsive care and reported this to the Trust Board.**

We have continued with our six monthly skill mix reviews to ensure safe staffing levels on all our wards and reported these to the Board. At the last review we invested in more nurses and nursing assistants in three acute medical wards, the A&E Department and the Spinal Cord Injury wards. We continued to work hard to recruit permanent staff and reduce our reliance on temporary staff. We continue to work on the implementation of the measure of care hours per patient day.

We have ensured there are adequate numbers of staff where children are cared for and took immediate action to increase the number of staff on the children's ward each shift.

➢ **Increase the number of staff who are up to date with mandatory training.**

In December 2015, the inspectors found that the Trust was not meeting its target of 85% for the percentage of staff receiving mandatory training. At the end of 2016/2017, 83% of staff were up to date with their mandatory training compared to the Trust target of 85%. The education team are working with clinical leaders and managers to identify staff who are not up to date with their training and providing staff with time and support to do it.

➢ **Ensure our staff receive an annual appraisal.**

The inspectors found that 59% of our staff had received an annual appraisal and 92% of our doctors had received a medical appraisal in December 2015. By the end of 2016/2017, this had improved to 79% of our staff having an annual appraisal. By March 2017, 86% of our doctors had received a medical staff appraisal compared to the Trust target of 85%.

➢ **Improve the documentation of care given including care of intravenous cannulas, urinary catheters and patients' weight.**

Our Directorate Senior Nurses have introduced Confidence in Care rounds on all wards. These rounds are conducted with the senior nurse of each ward to monitor nursing documentation and safety checks are completed and improvement actions taken if needed. It is also an opportunity to speak to patients directly about their experience of care.

➢ **Continue to reduce numbers of patients being cared for in mixed sex accommodation.**

This year, we have reduced the number of patients being cared for in mixed sex accommodation from 312 patients on 60 occasions in 2015/2016 to 235 patients on 32 occasions in 2016/2017. The majority of patients were in the Medical Assessment Unit and the mixing was mostly resolved within 1 day and the rest within 2 days. We have looked in detail at the reason this happens which relates to the clinical needs of patients admitted to the Medical Assessment Unit. These patients are often seriously ill and need the specialist skills of an acute team. Actions that staff have taken to ensure the privacy and dignity of patients have been to give an explanation of when it is likely to be resolved and to put additional screens in place until the situation is resolved. In 2017/2018, the Board has agreed to the expansion of the Medical Assessment Unit as a result of the increased number of patients using it and this will be in place for the winter of 2017.

➢ **Ensure regular checks of resuscitation equipment are undertaken**

We have continued to monitor the daily and weekly checks of resuscitation equipment on all our wards and departments and found a high level of compliance with them.

➢ **Ensure staff adhere to infection prevention procedures**

We have continued to monitor hand hygiene practice which shows a high level of compliance and supported our clinical teams through an education programme in the use of personal protective equipment, such as gloves and aprons. We continue to monitor a range of other infection prevention and control practices, such as the practices of storage and use of clean and dirty laundry and the cleanliness of equipment and the ward environments. Infection control senior nurses have run observational rounds with each Directorate Senior Nurse and started ward based briefings to feedback their findings and improve practice.

➢ **Ensure patients are moved a minimal number of times during their stay.**

We have continued to monitor the number of times patients are moved during their stay and reported this to the Trust Board. We have found that when the hospital is under pressure patients are moved

more frequently than we would like. We are working with our Sustainability and Transformation Plan (STP) partners to try and reduce the number of patients attending the A&E Department who could receive care by their GP or community services and increased the number of rapid access clinics for GPs so their patients can be seen on the same day or within 48 hours. We have implemented the safer care bundle to ensure that every patient's care and treatment and discharge is managed in a timely manner. We are working with our partners to enable patients who are delayed once they are fit to leave hospital are able to do so in a more timely manner.

➢ Ensure patient charts are kept secure and confidential.

Each ward makes sure that health care records are kept secure in a lockable trolley. Where patient charts are at the bedside they are either kept in a folder or covered with a privacy sheet so that other people are not able to see the information on the chart.

➢ Continue to help staff to understand the risks relevant to their areas of work and ensure they are able to manage these risks effectively.

We continue to support staff in identifying their top reported incidents and ensure that these themes and trends are reflected on their risk register. Staff at all levels in the hospital are encouraged to raise concerns and discuss them to ensure that risk registers reflect those concerns. We continue to work with teams and directorates to ensure that risk registers remain current and risks are managed effectively.

➢ Strengthen governance arrangements in A&E and Critical Care.

In the Critical Care Unit the team have introduced monthly quality governance meetings attended by a team of doctors, nurses, and a pharmacist, to review patient safety indicators, such as infection rates, patient outcomes and patient feedback. This helps the team identify opportunities to learn and take actions to improve the quality of care.

The A&E Department have also started similar quality governance meetings. In October 2016, an A&E Delivery Board was set up with our health and social care partners. The aim is to try and reduce demand on the service through the provision of alternative options, such as rapid access clinics, to manage patient flow safely through the hospital and to assist with the discharge of patients who are fit to leave hospital but need community or social care support at home.

➢ Complete a review of the triage arrangements in A&E to ensure patients are assessed promptly.

The A&E team have tried out a 'navigator' role at the front door of the department. This involves a nurse or paramedic undertaking an initial brief assessment and deciding whether the patient needs to be seen urgently. If so, the patient is moved straight to a triage cubicle for immediate assessment. If the patient is less urgent, such as for a minor injury, the patient can safely remain in the waiting room whilst clinical observations continue to be recorded at regular intervals. In some cases, a GP appointment is the most appropriate course of action, and the navigator can telephone the surgery to make an appointment for the patient. Key staff have now been recruited, we expect this arrangement to be established 7 days a week in 2017.

Avon Wiltshire Mental Health Partnership provides the adult mental health team in the A&E department. This year, the hours available in A&E have increased to midnight, seven days a week so that patients who attend with mental health problems can be assessed and managed promptly. We are also working with Oxford Mental Health Partnership who provide Children and Adolescent Mental Health Services to improve the timeliness of assessment and management of children and young people in the A&E department.

➢ Approve the policy for the use of the World Health Organisation surgical safety checklist and continue to audit its use and report it to the Patient Safety Steering Group.

The theatre team have completed a lot of work on refreshing the use of the surgical safety checklist and briefings in theatres. This has included feedback from all staff on what works well. As a result the revised World Health Organisation surgical safety checklist and guidance on the safety briefing at the start and end of the theatre list was approved by the Clinical Management Board in January 2017. Theatre teams undertake regular safety checklist and safety briefing audits and the results are shown in section 2.1 in priority 1 - Continue to keep patients safe from avoidable harm of this quality report.

➢ Improve the processing of surgical instrument sets to avoid delays.

We have significantly improved the processing and availability of surgical instruments for operations. It is now rarely a cause of avoidable delays and we continue to monitor the availability of surgical instruments.

➢ Ensure there is a safe pathway for discharging patients after surgery.

Discharging patients from main theatre recovery continues to be an issue for us. We have started to discuss at the start of the operating list whether it might be possible for the patient to go home the same day after surgery. If it is likely, the patient may be moved from Main Theatre to the Day Surgery Unit to recover after the operation, and then discharged later in the day provided the patient is well enough to do so. Later in 2017, a short stay surgical unit is to be built so that patients who need to stay overnight can do so in a purpose built unit.

➢ **Ensure patients are discharged from the Critical Care Unit in a timely manner and during the day.**

Patients who are ready to be transferred out of the Critical Care Unit should be moved as early as possible in the day and within 24 hours of the patient being ready to be moved to a ward. This is because, once critical care is no longer needed, it can be psychologically harmful for a patient and their family to remain in the unit. It can also lead to patients being moved during the late evening, the cancellation of planned operations and delayed admissions of critically ill patients. We have reduced the percentage of patients transferred to a ward beyond 24 hours from 36% at the end of September 2016 to 27% at the end of March 2017. We recognise there is more work to do to improve and this will be a focus for action next year.

➢ **Improve the process of booking a bed in critical care for patients requiring elective surgery to reduce the number of cancelled operations.**

We have improved the process of booking a bed for a patient who needs a critical care bed after their surgery by limiting the number to two patients a day. The team make a joint decision a few days before the patient's operation to be sure that the patient actually needs a critical care bed. 12 patients had their planned operation cancelled because of a lack of a critical care bed since April 2016.

➢ **Reduce the number of spinal injury patients waiting for a video-urodynamic test and outpatient appointment and manage risks appropriately.**

In 2016/2017 we reduced the number of spinal cord injured patients waiting for a video-urodynamic test from 467 patients to none by the end of March 2017. We did this by asking patients and clinical teams to meet and agree a change to the way care is given so that only patients who needed the test actually received it.

In the same time period we have reduced the number of spinal cord injury patients waiting for an outpatient appointment from 1024 patients to 50 patients. We did this by increasing the number of consultant and specialist nurse clinics so more patients could be seen.

We expect the backlog to be cleared by the end of April 2017.

In November 2016 the Care Quality Commission inspected the video-urodynamic service and the spinal cord injury out-patients service and reported that the Trust had met the previously reported enforcement notice in full.

➢ **Ensure care and treatment is person-centred to meet the needs and preferences of patients. This includes the availability of suitable activities for patients.**

In response to concerns raised by spinal cord injured patients who reported being dissatisfied with the activities on offer in the spinal unit, patients were asked about what they enjoyed and what additional activities they would like provided. Since September regular events including music, singing, poetry and drama have taken place. A new physical activity adviser is in post and more fitness and sports activities are available for patients to take up.

We will continue to work on the areas that require improvement and expect the work to be completed in 2017/2018. The progress of the action plan is regularly reported and monitored by the Clinical Governance Committee. The Care Quality Commission will probably inspect the Trust again in the core services that require improvement and the well-led domain in 2017/2018.

2.2 This section sets out our quality priorities for 2017/2018

Our priorities for quality improvement in 2017/2018 and why we have chosen them.

Looking forward to 2017/2018 we have used a broad range of methods to gather information and generate our quality priorities. These include:

• Speaking to patients and asking them to give us feedback on their experience of care during their hospital stay or visit.

• Using information from the national in-patient and the Friends and Family Test.

• Learning from themes from comments, compliments, concerns and complaints and implementing the Duty of Candour in incidents where we have caused moderate or severe harm.

• Learning from risk reports and our Patient Safety Programme improvement reports.

• Listening to what staff 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.

• Listening to what our staff told us from the national staff survey and the staff Friends and Family Test. In particular, what staff told us about how they are treated by other staff and the opportunities they have for career progression or promotion.

• Ensuring progress of our improvement actions from our Care Quality Commission announced inspection in December 2015 reported in March 2016.

• Talking with our partners in Bath and North East Somerset (B&NES), Swindon and Wiltshire to agree a Sustainability and Transformation (STP) plan to improve local health and care services. This included listening to our local GPs, local commissioners and Wiltshire Council and other key stakeholders to ask them about local people's needs and improvements that could be achieved by working together.

• Listening and agreeing priorities with our partners Great Western Hospitals NHS Foundation Trust and the Royal United Hospitals Bath NHS Foundation Trust as part of Wiltshire Health and Care in the provision of adult community services in Wiltshire.

• Responding to NHS Improvement, NHS England's Seven day services in hospitals four priority clinical standards to improve urgent and emergency care for patients seven days a week.

We have consulted widely on the priorities and involved Age UK, Salisbury Branch, Warminster & Villages Community Partnership Health and Social Care Group, our staff and governors to help us make the final decisions on our priorities for 2017/2018. The priorities have been discussed with Directorate Management Teams and 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 2017/2018 are the areas where we need to focus our quality improvement. The priorities are the same as 2016/2017 to ensure we respond effectively to the Five Year Forward View, the Government's Mandate to NHS England 2020 goals and the B&NES, Swindon and Wiltshire Sustainability and Transformation plan and our Care Quality Commission improvement plan. Most of the work streams with each priority are new in 2017/2018. 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 2017/2018. 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 we provide an outstanding experience for every patient. 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 listening to our external stakeholders, acting on patient real time feedback, the Friends and Family test comments, national survey results, concerns and complaints and listening to patient stories at the Trust Board. 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 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.

The actions we plan to take in our quality priorities reflect the improvement actions the Care Quality Commission recommended we must take to improve safety, responsiveness and the well-led domain. See section 2.1 Care Quality Commission for the actions the Trust has taken to improve.

Our priorities for 2017/2018* are:

Priority 1   Continue to keep patients safe from avoidable harm.
Priority 2   Ensure patients have an outstanding experience of care
Priority 3   Actively work with our community partners, patients and carers to prevent ill health and manage long term conditions
Priority 4   Provide patients with high quality care seven days a week
Priority 5   Provide co-ordinated care across the whole health and care community.

*These priorities are not ranked in order of priority. The Trust Board agreed the 2017/2018 priorities on 19 May 2017.

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

The following sections describe the work which will be undertaken in 2017/2018 to achieve or improve the priority areas.

Priority 1 – Continue to keep patients safe from avoidable harm

Description of the issue and reason for prioritising it:

The safety of our patients is a key aim in our quality improvement work. We are actively engaged in the 'Sign Up to Safety' programme as an active participant in the Wessex Patient Safety Collaborative. Our aim is to reduce avoidable levels of harm to patients whilst in hospital by 50% over a 3 year period 2015 – 2018. We measure this through quality indicators such as infection rates, pressure ulcers, and the number of patients who fall and injure themselves in hospital. All these can lead to extra time in hospital and pain and distress for patients and their families. Creating a culture of learning from incidents to reduce the risk of the same thing happening again is important. We will report progress of each element of the 'Sign Up to Safety' programme to our Patient Safety Steering Group and share learning with our partners.

What we will do in 2017/2018

➢ Introduce the new national structured mortality review tool to help us identify any deaths that could have been prevented or that alert us to any patient care and safety issues that need to be improved.

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

➢ Ensure that where a urinary catheter is required it will be inserted and cared for using evidenced based practice, and will remove it as soon as appropriate to reduce the chance of infection.

➢ Continue to improve the recognition and treatment of adults and children with severe infections using Sepsis Six practices which are designed to reduce the number of people who die from severe infections.

➢ Continue with good antibiotic stewardship to reduce antibiotic resistance.

➢ Continue to work collaboratively with our network to improve the prevention, recognition and treatment of patients with acute kidney injury by the use of a care bundle which is a set of best practices designed to prevent and treat acute kidney injury.

➢ Sustain the use of the Saving Babies' Lives care bundle.

➢ Continue to expand our Scan4Safety programme through the use of common barcodes. This technology ensures we can match our products such as surgical instruments and implants to our patients.

➢ Continue to improve surgical safety. This year we will complement the use of the World Health Organisation safety checklist and team safety briefings with a programme of Human Factors and team based training for the theatre teams.

➢ Continue to review nursing and midwifery staffing levels and skill mix to ensure that there are sufficient numbers of suitably quality and experienced nurses and midwives to deliver safe, effective and responsive care.

How will we report progress throughout the year?

Safety work is overseen by the Patient Safety Steering group. Infection prevention and control is monitored by the Infection Control Committee. We measure our infection rates, 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. Mortality work is reported to the Mortality Surveillance Group and Clinical Governance Committee.

Priority 2 – ensure patients have an outstanding experience of care

Description of the issue and reason for prioritising it:

It is important that the Trust does everything it can to provide the best possible experience for each patient. If our patients tell us that the quality of care is not as good as it should be then we must work to improve it. Our patients expect to be treated with dignity and respect, care and compassion. They should also expect services which are responsive to their needs. We have worked with Age UK, local GPs and our community partners who have told us that the care of older people, people with dementia, carers and people with mental health problems are key priorities.

What we will do in 2017/2018

➢ We want to do more to identify patients with delirium to ensure they receive effective care and treatment.

➢ Funded by the Academic Health Science Network and with our community partners we will develop the specialist frailty team to assess frail patients who attend the A&E Department to enable them to go home the same day.

➢ Funded by the Department of Health we will continue to run the 'what works in dementia workforce training and education' research project to inform best practice in this area.

➢ Work with our commissioners to improve access for children and young people to the adolescent mental health service.

➢ Improve the rapid discharge process for patients at the end of their life who wish to die at home to ensure they are able to do so.

➢ Continue to reduce numbers of patients being cared for in mixed sex accommodation.

➢ Ensure our staff are trained in the Armed Forces Covenant to support improved health outcomes for the Armed Forces community.

How will we report progress throughout the year?

Performance reports, 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 to the Clinical Governance Committee. Dementia and delirium and end of life care will be reported to the Dementia Steering Group and the End of Life Strategy Steering Group. Mental health is reported at the Mental Health Steering Group.

Priority 3 – Actively work with our community partners, patients and carers to prevent ill health and manage long term conditions

Description of the issue and reason for prioritising it:

Making changes such as stopping smoking, improving diet, increasing physical activity, losing weight and reducing alcohol consumption can help people to reduce their risk of poor health significantly. Making every contact count (MECC) is an approach to behaviour change that uses the millions of day-to-day interactions that we have with people to encourage changes in behaviour that have a positive effect on the health and wellbeing of individuals, communities and populations. We need to work with our public health teams and all our partners and encourage everyone to take more responsibility for managing their own health and care.

What we will do in 2017/2018

➢ Work with partners to train and support our staff to make every contact count.

➢ Continue to provide and promote healthy food for patients, visitors and our staff.

➢ Work with our partners, we will start to ask patients admitted to hospital whether they smoke, offer stop smoking medication, give advice on how to stop and refer patients to an NHS stop smoking service.

➢ Work with our partners, we will start to ask patients admitted to hospital how much alcohol they drink, offer brief advice and a specialist referral where relevant.

➢ Continue to increase flu vaccination rates in our front line staff and offer the flu vaccination to pregnant women to protect them from developing serious complications of flu such as pneumonia.

➢ Continue to support the health and wellbeing of our staff through physical activity, supporting mental well-being and reducing muscle and back injuries.

➢ With our partners we will continue to support patients with long term conditions with a personalised care plan to help them manage their own health and reduce complications.

➢ Continue to recruit patients with Parkinson's disease into the National Institute for Health Research funds STEPS feasibility project to assess the effectiveness of functional electrical stimulation on walking and the prevention of falls.

How will we report progress throughout the year?

We will measure and monitor improvements and report our progress to our Staff Health and Wellbeing Group, Executive Workforce Committee, maternity governance group, local audits and quality indicator reports to the Clinical Management Board and to the Clinical Governance Committee.

Priority 4 – Provide patients with high quality care seven days a week

Description of the issue and reason for prioritising it:

In 2013, the NHS Services, Seven Days a Week Forum chaired by the National Medical Director set 10 clinical standards focused on urgent and emergency care services, 4 of which are priority standards to be in place for the whole population by March 2020. In our 2016 national survey results of NHS 7 day services, it showed we were better than the national average in all 4 standards. In 2017/2018 we aim to continue to implement the 4 priority clinical standards - 1) time to consultant review 2) access to diagnostics 3) access to interventional/key services and 4) ongoing review. We will also ensure these 4 priority standards are implemented in our stroke service and heart attack service.

What we will do in 2017/2018

➢ Continue to ensure that all patients admitted as an emergency are seen and assessed by a consultant within 14 hours of admission.

➢ Improve access to inpatient cardiac echocardiograms at weekends.

➢ Work towards ensuring patients on a general ward are reviewed during a consultant ward round every 24 hour, seven days a week, unless it has been decided that this would not affect the patient's care.

➢ Continue to ensure that patients have their clinical observations recorded and acted upon if they deteriorate.

➢ Ensure that the heart attack service and stroke service provide the 4 priority clinical standards 7 days a week.

How will we report progress throughout the year?

We will measure, monitor and report progress of the NHS Seven Day Services through the Joint Board of Directors and Clinical Governance Committee every six months and report directly to the Trust Board annually.

Priority 5 – Provide co-ordinated care across the whole health and care community

Description of the issue and reason for prioritising it:

Health and care organisations across Bath and North Somerset (B&NES), Swindon and Wiltshire have begun working together in a new way to meet the challenges facing the health and care system. Overall, across the area the standard of health and care services are good compared to other areas in England. However, there are still improvements that need to be made to make sure that these services are the best they can be, both now and in future years. Our A&E Departments are under pressure and in some areas patients are waiting too long for planned care and treatment and there are gaps in quality with some parts of our region benefiting from better health and care services than others. The system is also under increasing financial pressure and we need to make choices over the next five years on how services are provided and the only way to do this is to work more effectively and efficiently.

That is why we have joined with other health organisation and local authority partners and other key stakeholders to agree a plan to improve local health and care services. This local plan for better health and care is known as a Sustainability and Transformation

plan (STP). It means working more closely with patients to help keep them healthier and well for longer and design services to better meet their individual needs.

What we will do in 2017/2018

➢ Work with our STP partners to improve services for people with mental health needs who frequently attend the A&E Department.

➢ Increase capacity for ambulatory care as an alternative to the A&E Department to treat patients and support them to go home rather than being admitted to hospital.

➢ Work with GPs to set up and offer advice and guidance so that GPs can obtain specialist advice for patients without the need to refer them to hospital.

➢ Work with GPs to enable them to make first out-patient appointment on the NHS e-referral service by 31 March 2018.

➢ With our community partners, including care home providers, we will map and streamline our existing discharge pathways and design new ways of proactive and safe discharge from hospital.

➢ With Wiltshire Health & Care we will introduce an early supported discharge service for patients who have had a stroke so that they can continue their rehabilitation when they go home.

How will we report progress throughout the year?

We will measure, monitor and report progress through the Patient Flow Programme Management Board, the Out-patient Transformation Programme and the Clinical Governance Committee every six months.

2.3 Statements of assurance from the Board

Review of Services

During 2016/2017 Salisbury NHS Foundation Trust provided and/or subcontracted 46 relevant health services. Salisbury NHS Foundation Trust has reviewed all the data available to us on the quality of care in all 46 of these relevant health services. The income generated by the relevant health services reviewed in 2016/2017 represents 100% of the total income generated from the provision of relevant health services by Salisbury NHS Foundation Trust for 2016/2017.

The Trust has a Quality Strategy 2016 – 2019 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 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 three times a year at Directorate performance meetings and annually at the Department Executive Safety and Quality walk rounds. Clinical teams present their quality and safety outcomes and improvement work and assess their service against the domains of safe, responsive, effective, caring and well-led. Clinical teams report to the Clinical Governance Committee or Joint Board of Directors 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 presented 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 was inspected by the Human Tissue Authority (HTA) in August 2016. The HTA found the Designated Individual (Medical Director), the Licence Holder Contact (Head of Clinical Effectiveness), the premises and the practices to be suitable in accordance with the requirements of the legislation. We were found to have two areas for

improvement. These were in relation to a hospital consented post mortem examination and the process for releasing the deceased to funeral directors. The HTA confirmed they were satisfied that both shortfalls had been addressed and were closed by October 2016.

Areas where problems or concerns have been identified have action plans for improvement and these are monitored through the 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 2016/2017, 38 national clinical audits and 2 national confidential enquiries covered relevant health services that Salisbury NHS Foundation Trust provides.

During 2016/2017, Salisbury NHS Foundation Trust participated in 37 (97%) national clinical audits, and 2 (100%) national confidential enquiries of the national clinical audits and national confidential enquiries which it was eligible to participate.

The national clinical audits and national confidential enquiries in which Salisbury NHS Foundation Trust was eligible to participate during 2016/2017 are as follows in the table below.

The national clinical audits and national confidential enquiries in which Salisbury NHS Foundation Trust participated, and for which data collection was completed during 2016/2017, 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/ Clinical Outcome Review Programme 2016/2017	Eligible	Participation	% of cases submitted	Category
Acute Coronary Syndrome or Acute Myocardial Infarction (MINAP)	Yes	Yes	100%	Heart
Adult Asthma	Yes	Yes	100%	Long term conditions
Adult Cardiac Surgery	No	N/A	N/A	Acute
Asthma (paediatric and adult) care in emergency departments	Yes	Yes	100%	Acute
Bowel cancer (NBOCAP)	Yes	Yes	100%	Cancer
Cardiac Rhythm Management (CRM)	Yes	Yes	100%	Heart
Case Mix Programme (CMP)	Yes	Yes	100%	Acute
Child health clinical outcome review programme	Yes	Yes	100%	Women's & Children's Health

National Clinical Audit/ Clinical Outcome Review Programme 2016/2017	Eligible	Participation	% of cases submitted	Category
Chronic Kidney Disease in Primary Care	No	N/A	N/A	Long term conditions
Congenital Heart Disease (CHD)	No	N/A	N/A	Heart
Coronary Angioplasty/National Audit of Percutaneous Coronary Intervention	Yes	Yes	100%	Heart
Diabetes (Paediatric) (NPDA)	Yes	Yes	100%	Long term conditions
Elective surgery (National PROMs Programme)	Yes	Yes	2015/16 Pre-op 74.5% vs 74.9% nationally Post-op 68% vs 69.8% nationally	Other
Endocrine and Thyroid National Audit	Yes	Yes	100%	Acute
Falls and Fragility Fractures Audit Programme (FFFAP)	Yes	Yes	Fracture Liaison Service -100% Hip fracture – 100%	Older People
Head and Neck Cancer Audit	Yes	Yes	100%	Cancer
Inflammatory Bowel Disease (IBD) programme	Yes	Yes	66%	Long term conditions
Learning Disability Mortality Review Programme (LeDeR)	Yes	Yes as from 1/2/17	2 cases	Long term conditions
Major Trauma Audit: The Trauma Audit & Research Network (TARN)	Yes	Yes	50%	Acute
Maternal, Newborn and Infant Clinical Outcome Review Programme (MBRRACE-UK)	Yes	Yes	100%	Women's & Children's Health
Medical and Surgical Clinical Outcome Review Programme, National Confidential Enquiry into Patient Outcome and Death (NCEPOD)	Yes	Yes	100%	Acute
Mental Health Clinical Outcome Review	No	N/A	N/A	Mental Health
National Audit of Dementia	Yes	Yes	100%	Older people
National Audit of Pulmonary Hypertension	No	N/A	N/A	Acute
National Cardiac Arrest Audit (NCAA)	Yes	Yes	100%	Heart

National Clinical Audit/ Clinical Outcome Review Programme 2016/2017	Eligible	Participation	% of cases submitted	Category
National Chronic Obstructive Pulmonary Disease (COPD) Audit Programme	Yes	Yes	100%	Long term conditions
National Comparative Audit of Blood Transfusion programme - Audit of Patient Blood Management in Scheduled Surgery	Yes	Yes	100%	Blood and Transplant
National Diabetes Audit - Adults	Yes	Yes	100%	Long term conditions
National Emergency Laparotomy Audit (NELA)	Yes	Yes	100%	Acute
National Heart Failure Audit	Yes	Yes	100%	Heart
National Joint Registry (NJR)	Yes	Yes	95.3%	Acute
National Lung cancer Audit (NLCA)	Yes	Yes	100%	Cancer
National Neurosurgery Audit Programme	No	N/A	N/A	Acute
National Ophthalmology Audit	Yes	Yes	100%	Other
National Prostate Cancer Audit	Yes	Yes	100%	Cancer
National Vascular Registry	Yes	Yes	100%	Heart
Neonatal Intensive and Special Care (NNAP)	Yes	Yes	100%	Women's & Children's Health
Nephrectomy Audit	Yes	Yes	100%	Acute
Oesophago-gastric cancer (NAOGC)	Yes	Yes	100%	Cancer
Paediatric Intensive Care Audit Network (PICANet)	No	N/A	100%	Women's & Children's Health
Paediatric Pneumonia	Yes	Yes	100%	Women's & Children's Health
Percutaneous Nephrolithotomy (PCNL)	Yes	Yes	100%	Acute
Prescribing Observatory for Mental Health (POMH)	No	N/A	N/A	Mental Health
Radical Prostatectomy Audit	Yes	Yes	100%	Acute
Renal replacement therapy (Renal Registry)	Yes	No	No	Long term conditions
Rheumatoid and Early Inflammatory Arthritis	Yes	Yes	100%	Long term conditions

National Clinical Audit/ Clinical Outcome Review Programme 2016/2017	Eligible	Participation	% of cases submitted	Category
Sentinel Stroke National Audit Programme (SSNAP)	Yes	Yes	100%	Older People
Severe Sepsis and Septic Shock – care in emergency departments	Yes	Yes	100%	Acute
Specialist rehabilitation for patients with complex needs	No	N/A	N/A	Other
Stress Urinary Incontinence Audit	Yes	Yes	100%	Acute
UK Cystic Fibrosis Registry	Yes – Paediatrics only	Yes	100%	Long term conditions

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:

- BHIVA National Clinical Audit 2016 - Survey and audit of look back reviews of previous health service use among late-diagnosed individuals
- National Maternity and Perinatal Audit (NMPA) (data 2016-17)

- BASHH National Clinical Audit 2016: Sexual health screening and risk assessment
- BTS National Smoking Cessation Audit
- National Audit of Cardiac Rehabilitation

The reports of 32 (100%) national clinical audits and national confidential enquiries that were published in 2016 were reviewed by Salisbury NHS Foundation Trust in 2016/2017. Of these, 28 (88%) 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 set out in the table below.

The table below shows examples of national clinical audit reports reviewed during 2016/2017 and examples of resulting actions being taken by Salisbury NHS Foundation Trust.

Audit report	Reviewed by whom	Action taken or required to improve
The National Paediatric Diabetes audit 2015	Clinical Management Board November 2016	Children and young peoples' experience of care measures were overwhelmingly excellent but lagged behind on being given the opportunity to meet and talk to other young people with diabetes. Actions: 1) To get primary school age children achieving better blood glucose control by improved access to a continuous glucose monitoring tool. This will help children to better understand blood glucose variability and enable them to upload their data to 'Diasend' for regular reviews of glucose in-between clinic visits. 2) Develop peer support at all ages through a 'cooking course', Pizza Express evening and other events in 2017. 3) Develop a new curriculum for 'structured education' to record children's progress with their self-management plan.

Audit report	Reviewed by whom	Action taken or required to improve
National End of Life Care audit 2015	Clinical Management Board – November 2016	The Trust met 7 out of 8 of the organisational indicators. In the one standard that was not met, two end of life care specialist nurses are now in post. In the case notes audit the Trust was equal to or better than the national average in 3 out of the 5 clinical indicators but below average in two indicators – documented evidence that the patient was given an opportunity to have their concerns listened to (81% vs 84% nationally) and evidence that the needs of the person important to the patient were asked about (40% vs 56% nationally). Actions: 1) Review the personalised care framework 2) Provide an ongoing education programme 3) Improve the rapid discharge home to die process 4) Continue to work with the Wiltshire End of Life Care Group and the CCG to support the use of the local GP IT System to record patient's wishes and plan at the end of their life 5) To work with the University of Southampton on implementation of a national Treatment Escalation Plan
Royal College of Emergency Medicine Venous Thrombo- embolism (VTE) risk in lower limb immobilisation in a plaster cast 2015	Clinical Management Board – October 2016	The Trust's results were either better than or on a par with the national median for VTE assessment - 54% compared to 11% national median, VTE risk documented 85% compared to 84% national median. 100% of patients who needed thrombo-prophylaxis were referred for treatment. A patient information leaflet should be given about the risks - 2% compared to 2% national median. Action: 1) Raise awareness about the importance of giving patients the information on discharge.

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 national confidential enquiries published during the year. Monitoring of these actions is through the Trust's quality performance governance structure or through designated working groups. Examples are given in the table above.

The reports of 192 (100%) local clinical audits were reviewed by the Trust in 2016/2017 and Salisbury NHS Foundation Trust intends to take, or has taken, the following actions to improve the quality of healthcare provided.

➢ Chronic Obstructive Pulmonary Disease (COPD) checklist audit - the use of checklists allow clinical teams to focus their efforts on a small number of actions aimed at improving specified outcomes and improving the quality of care. The COPD admission checklist is aimed at reducing deaths from COPD and the length of stay. Five actions are required 1) correct diagnosis by clinical assessment, ECG and chest X-ray within 4 hours 2) assess and prescribe oxygen range 3) blood gas test 4) administration of steroids, antibiotics and nebulisers within 4 hours 5) referral to the respiratory team within 24 hours of admission. The audit found that initial acute care is satisfactory but management after the first treatment with nebulisers, steroids and antibiotics needs improving, specifically oxygen administration, early access to non-invasive ventilation, documentation of oxygen alert cards and prompt referral to the respiratory team.

➢ A consent policy audit was undertaken to ensure patients were adequately informed of the risks and benefits of a proposed procedure. The audit showed that 99% of patients had the intended benefits and risks of the procedure recorded. However, the audit found that only 10% of patients were given procedure specific written information. We will review documents sent out to patients before an operation following the implementation of our electronic patient record. We have also simplified

the consent form and provided an education session at a Trust-wide Clinical Governance session in January 2017.

➢ Implantable Cardiac Devices audit – the audit was undertaken to establish whether patients had appropriate devices implanted in accordance with NICE Technical Appraisal 314 criteria. The audit found that 48 out of 50 patients had an appropriate device implanted and in two cases, both patients had sound clinical reasons for receiving the device that was implanted. Action taken to improve is to discuss these patients at a multidisciplinary team meeting to decide the most appropriate device.

Research

The number of patients receiving relevant health services provided or subcontracted by Salisbury NHS Foundation Trust in 2016/2017 who were recruited during that period to participate in research approved by the National Institute for Health Research were 1599* patients into 86 studies. We were the top small acute Trust nationally for the number of studies and recruiting specialities (23) and the 4th highest for small acute Trusts nationally for the number of patients recruited into research trials. This compares with 1788 patients recruited into 70 studies in 2015/2016. * In 2015/2016 we recruited 756 patients into 1 study which has now closed.

The level of participation in clinical research demonstrates Salisbury NHS Foundation Trust's commitment to improving the quality of care we offer and to making a contribution to wider health improvement. Our clinical staff stay abreast of the latest treatment possibilities and active participation in research leads to improved patient outcomes. The Wessex Clinical Research Network awarded support excellence to our Research Manager in 2016/2017. Summary information and contact details of study co-ordinators of all clinical research trials to which our patients are recruited are available at http://public.ukcrn.org.uk/search/.   Further information on research activity is in the annual report at http://www.salisbury.nhs.uk/AboutUs/TrustReportsAndReviews/Pages/landing.aspx

Goals agreed with Commissioners

A proportion of Salisbury NHS Foundation Trust's income in 2016/2017 was conditional on achieving quality improvement and innovation goals agreed between Salisbury NHS Foundation Trust and any person or body with whom the Trust entered into a contract, agreement or arrangement with for the provision of relevant health services, through the Commissioning for Quality and Innovation (CQUIN) payment framework. Further details of the agreed goals for 2016/2017 and for the following 12 month period are set out in the tables below. The planned income through this route for 2016/2017 was £3,504,818 (in 2015/16 it was £3,657,554). The amount the Trust actually received in 2016/2017 was £3,368,573.

CQUIN contracts were signed with our commissioners during 2016/2017 as part of their overall contract. The Trust did not achieve all of the quality improvements as set out in the table below.

CQUIN indicators (Wiltshire, Dorset, Bournemouth, Poole, Somerset, Southampton City, Isle of Wight, Portsmouth) 2016 – 2017. West Hampshire had separate local CQUINs

Goal name	Description of goal and number	Target in 2016/17	Performance in 2016/17
National Goals			
1A. Introduction of health and wellbeing initiatives	1A Option B: Introduction of health and wellbeing initiatives Develop a plan and ensure the implementation against the plan which will be subject to peer review. The plan should cover 3 areas: a) Introducing a range of physical activity schemes for staff. b) Improving access to physiotherapy services for staff. c) Introducing a range of mental health initiatives for staff.	Q1 develop a plan and promote the 3 initiatives that are peer reviewed and signed off. Q4 Implement the initiatives and actively promote them to staff to encourage uptake of them.	Q1 - plan peer reviewed and signed off. Q4 – action plan completed & metrics reported.

Goal name	Description of goal and number	Target in 2016/17	Performance in 2016/17
National Goals			
1B. Healthy food for NHS Staff, visitors and patients	Part A: Achieve a step-change in the health of the food offered on the premises in 2016/2017 including; a) The banning of price promotions on sugary drinks and foods high in fat, sugar and salt. b) The banning of advertisements on NHS premises of sugary drinks and foods high in fat, sugar and salt. c) The banning of sugary drinks and foods high in fat, sugar and salt from checkouts and d) Ensuring that healthy options are available at any point including for those staff working night shifts	Q4 Delivery of the 4 outcomes in Part A.	Q4 – 4 outcomes delivered
	Part B: Submit national data collection returns by July based on existing contracts with food and drink suppliers.	Q1 - submit 11 data points to UNIFY.	Q1 – data submitted to UNIFY.
	The data collected will include the name of the franchise holder, food supplier, type of outlet, start and end dates of existing contracts, remaining length of time on existing contract, value of contract and any other relevant contract clauses.	Q4 – Change of food supplier in 16/17	Q4 – no change of food supplier in 16/17
1C: NHS Staff health and wellbeing	1C: Improving the uptake of flu vaccination of frontline staff	75% flu vaccination rate	Q4 – 76.4%
2A: Timely identification of sepsis in Emergenc Departments	➢ The % of patients who met the criteria for sepsis screening and were screened. ➢ The % of patients who presented with severe sepsis, red flag sepsis or septic shock and were administered intravenous antibiotics within an hour of arrival and had a review within 3 days of the prescribed antibiotics.	Targets - reported in section 2.1 – priority 1.	Performance reported in section 2.1 – priority 1.
2B: Timely identification of sepsis in acute inpatient settings	➢ The % of patients who met the criteria for sepsis screening and were screened. ➢ The % of existing inpatients in whom a decision to treat with intravenous antibiotics is made and are administered within 90 minutes of the possibility that the patient has red flag sepsis or septic shock and an antibiotic review is carried out by a competent decision maker by day 3 of the prescription.	Targets - reported in section 2.1 – priority 1.	Performance reported in section 2.1 – priority 1.

Goal name	Description of goal and number	Target in 2016/17	Performance in 2016/17
National Goals			
3A: Reduction in antibiotic consumption per 1,000 admissions	i) Reduction of 1% or more in total antibiotic consumption against baseline ii) Reduction of 1% or more in carbapenem iii) Reduction of 1% or more in piperacillin-tazobactam	1% annual reduction on 2013/2014 validated prescription data in the 3 areas.	i)0.6% reduction ii)33% reduction iii)1.2% increase
3B: Empiric review of antibiotic prescriptions	Percentage of antibiotic prescriptions reviewed within 72 hours of a minimum of 50 antibiotics prescriptions per month across wards.	Q1 – empiric review of at least 25% of cases in the sample Q2 - review of at least 50% of cases Q3 – review of at least 75% of cases Q4 – review of at least 90% of cases	Performance reported in section 2.1 – priority 1.
4. Acute Kidney Injury	Improving AKI diagnosis and treatment in hospital and care planning to monitor kidney function after discharge. The percentage of patients with AKI treated in hospital whose discharge summary includes each of the 4 key items: 1. Stage of AKI 2. Evidence of medicines review having been undertaken 3. Type of blood tests required on discharge for monitoring 4. Frequency of blood tests required on discharge for monitoring	90% per quarter	Performance reported in section 2.1 – priority 1.
Local CQUIN	**Wiltshire, Dorset, Bournemouth, Poole, Somerset, Southampton City, Isle of Wight, Portsmouth only**		
5. Saving Babies' Lives Care bundle	Implementation and roll out of the national Saving Babies' Lives care bundle – 4 elements 1. Reducing smoking in pregnancy 2. Risk assessment and surveillance for fetal growth restriction 3. Raising awareness of reduced fetal movements. 4. Effective fetal monitoring during labour	Targets: 1. 15% reduction at year end 2. Above the national average 3. 95% by end of Q4 4. 95% by end of Q4	Performance reported in section 2.1 – priority 1.

Local CQUIN	Wiltshire, Dorset, Bournemouth, Poole, Somerset, Southampton City, Isle of Wight, Portsmouth and West Hampshire		
6. Frailty identification and care planning	Promote a system of timely identification and proactive management of frailty in community, mental health and acute providers. Introduce and measure: 1. Number of patients aged 75 and above with a frailty syndrome who are screened for frailty on presentation 2. Number of patients aged 75 and over who screen positive for frailty and have the severity grade recorded in the patient notes. 3. Number of people aged 75 and above who screen positive for moderate or severe frailty who have a personalised care and support plan in place. 4. Number of people aged 75 and above who screen positive for moderate or severe frailty for whom a Comprehensive Geriatric Assessment has been initiated with information on this shared with their GP. 5. Number of patients aged 75 and above who screen positive for frailty who are provided with a personalised care plan according to moderate severity needs.	Targets - 90% by the end of Q4 in all 5 measures	Performance reported in section 2.1 – priority 1.

NHS England Specialist Commissioning CQUINs 2016 – 2017

Goal name	Description of goal and number	Target in 2016/17	Performance in 2016/17
National Goals			
T.ii Acute Spinal Cord Injury Centre outreach visits to newly injured patients	Newly injured patients with traumatic and non- traumatic spinal cord injury will receive a face to face outreach visit from the spinal cord injury outreach team within 5 days of the referral of the patient to the unit to support the patient and the treating team	Q1 – review of 15/16 delivery of outreach visits to newly injured patients a) Provide 15/16 data b) Outline challenges to delivery of 95% compliance Q2, Q3 & Q4 – 85% – 95% of outreach visits for full payment	a) 15/16 – 87.9% within 5 days b) Challenges outlined Q1 - 89% Q2 – 87% Q3 – 87% Q4 – 92%

Goal name	Description of goal and number	Target in 2016/17	Performance in 2016/17
National Goals			
D16 Adult Critical Care Timely discharge	To reduce delayed discharges from Adult Critical Care to ward level care by improving bed management in ward based care, thus removing delays and improving flow. To remove delayed discharges of 24 hours or more within daytime hours. Achieve a 17% reduction in delays on 2015/2016.	Q1 – 15/16 baseline data Q1 – thematic analysis of delayed discharges. Q2 a) Q1 16/17 data Q2 b) Action plan to target delays Q3 - Q2 data Q4 - Q3 & Q4 data	Q1 – 15/16 - 17% Q1 – analysis reported Q2 a) Q1- 22% Q2 b) action plan in place Q3 - Q2 - 36% Q4 - Q3 - 16% Q4 – 27%

Further details of the agreed CQUIN goals for Wiltshire, West Hampshire, Dorset, Bournemouth, Poole, Somerset, Southampton City, Isle of Wight and Portsmouth 2017 – 2019 are available electronically at the following link:
www.england.nhs.uk/wp-content/uploads/2016/11/cquin-2017-19-guidance.pdf

Further details of the agreed CQUIN goals for Specialist Commissioning Prescribed Services 2017 – 2019 are available electronically at the following link:
www.england.nhs.uk/wp-content/uploads/2016/11/ca2-nat-standard-dose-banding-adlt.pdf
www.england.nhs.uk/wp-content/uploads/2016/11/ca3-optimis-palliative-chemo-decisions.pdf

Care Quality Commission (CQC) registration

Salisbury NHS Foundation Trust is required to register with the Care Quality Commission and its current registration status is without conditions.

Salisbury NHS Foundation Trust has not participated in any special reviews or investigations by the Care Quality Commission in 2016/2017.

From 1 October 2016, the Care Quality Commission monitored the Trust under a new Single Oversight Framework. The Trust is segmented as a Level 2 provider where we are offered targeted support if needed.

Salisbury NHS Foundation Trust had an announced inspection by the Care Quality Commission in December 2015.

The Care Quality Commission has taken enforcement action against Salisbury NHS Foundation Trust during 2016/2017 with a requirement to reduce the number of spinal cord injury patients waiting for a video-urodynamic test and out-patient appointment and manage risks appropriately. The Care Quality Commission inspected the service again in November 2016 and found the Trust had met the enforcement notice requirements in full.

Salisbury NHS Foundation Trust has taken action to improve and the progress of these actions are reported in section 2.1 of this quality report. The Trust will continue to work to improve these areas in 2017/2018. Please see table overleaf for the Trust's initial rating.

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 grid below shows how the Trust was rated for each of the nine core services and for the Trust overall at the inspection in December 2015.

	Safe	Effective	Caring	Responsive	Well-led	Overall
Urgent and emergency services	Requires improvement	Good	Good	Requires improvement	Requires improvement	Requires improvement
Medical care	Good	Good	Good	Requires improvement	Good	Good
Surgery	Requires improvement	Good	Good	Requires improvement	Good	Requires improvement
Critical care	Requires improvement	Good	Good	Good	Requires improvement	Requires improvement
Maternity and gynaecology	Requires improvement	Good	Good	Good	Good	Good
Services for children and young people	Requires improvement	Good	Good	Good	Requires improvement	Requires improvement
End of life care	Good	Good	Good	Good	Requires improvement	Good
Outpatients and diagnostic imaging	Good	Not rated	Good	Good	Good	Good
Spinal Injuries Centre	Requires improvement	Requires improvement	Good	Inadequate	Requires improvement	Requires improvement
Overall	Requires improvement	Good	Good	Requires improvement	Requires improvement	Requires improvement

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The table below shows the Trust's national Data Quality Score compared to other local hospitals and nationally from April 2016 to February 2017

Data Validity Summary (average for all fields in dashboard) - Provider comparison within Region

% Valid axis: 100, 92, 84, 76, 68, 60

X-axis: RHW, RTH, R1J, RNZ, RN3, RXQ, RD1, RTE, RNU, RD7, RTQ, RWX, RVN

■ Provider   ■ Selected Provider   ● SOUTH CENTRAL (93.6%)   ● National (96.5%)
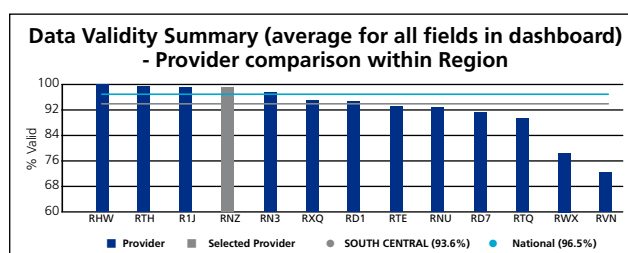
RNZ = Salisbury NHS Foundation Trust data quality score is 98.5% validity versus a national average of 96.5% to February 2017.

Following the external auditor's findings in 2015/2016 of some weaknesses in the design of the control environment in regard to the 'referral to treatment – incomplete pathways', Salisbury NHS Foundation Trust has continued to take the following actions to improve data quality:

• We have continued to focus on data quality errors and used the themes to improve training and processes.
• We have increased the validation of the Patient Tracking List.
• The business intelligence unit are creating an interactive dashboard to monitor the referral to treatment Patient Tracking List.

In October 2016 a new patient electronic health care record called Lorenzo was introduced and replaced our Patient Administration System, our A&E and Outpatient system. We continue to provide ongoing training on the Lorenzo system to ensure that appointments have accurately recorded dates and staff know how to use the full functionality of the system.

To ensure our data quality is able to support the assurance of overall quality of care 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 investigating and correcting errors made. The Data Quality Service continually monitors data quality locally and participates in an external audit which enables the Trust to compare its performance against other Trusts.

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

Salisbury NHS Foundation Trust submitted records during 2016/2017 to the Secondary Uses Service for inclusion in the Hospital Episode Statistics which are included in the latest published data. The percentage of records in the published data which included the patient's valid NHS number and General Medical Practice Code is set out in the table below. These are important because the NHS number is a key identifier for patient records and an accurate record of the General Medical Practice Code is essential to enable the transfer of clinical information about the patient.

Data item	Salisbury District Hospital *15/16	National benchmark *15/16	Salisbury District Hospital 16/17 at M11	National benchmark 16/17 at M11
% for admitted patient care with a valid NHS number	99.7%	99.3%	99.3%	99.3%
% for outpatient care with a valid NHS number	99.8%	99.5%	99.6%	99.5%
% for Accident and Emergency care with a valid NHS number	98.6%	95.8%	98.4%	96.8%
% for admitted patient care with a valid General Medical Practice code	99.9%	99.9%	99.9%	99.9%
% for outpatient care with a valid General Medical Practice code	99.9%	99.8%	99.9%	99.8%
% for Accident and Emergency care with a valid General Medical Practice code	99.7%	98.9%	99.7%	99.0%

*2015/16 month 10 data was reported in the quality account and is now reported for the full year end

Transient Ischaemic Attack (TIA) referrals

In 2016/2017 the stroke team saw 120 (58.8%) of 204 high risk TIA patients within 24 hours of referral.

In March 2017, KPMG (external auditors of the annual report) tested a sample of high risk TIA referrals and found the time the patient was first seen on the referral form was not always recorded accurately. The Trust intends to take the following improvement actions:

- Implement a clear process for recording the time the patient was first seen and if this is not known it is followed up with the healthcare professional who first saw the patient to ensure that the data is accurate.

- Introduce monthly validation checks to avoid data entry errors.
- Ensure there is a clear audit trail to show the time the patient was first seen.

Referral to treatment pathway

In March 2017, KPMG tested a random sample of 20 patients on a referral to treatment pathway and found that 9 (45%) patient pathways were not recorded accurately. In 5 cases the start date was not recorded in the patient's health care record and in 4 cases the patient should not have been started on a new pathway. The Trust intends to take the following improvement actions:

- Implement a clear process for recording the patient's pathway accurately.
- Continue validation checks to avoid data entry errors.

Information Governance Toolkit Attainment levels

Salisbury NHS Foundation Trust's Information Governance Assessment report overall score for 2016/2017 was 77% 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 was 81% in 2015/2016. The Trust achieved the necessary standard for all areas assessed.

In the toolkit there are 6 initiatives with 45 separate requirements. Of these, 12 were subject to audit to demonstrate compliance in 2016/2017 and areas for improvement. There will be an ongoing audit programme of the requirements in 2017/2018.

Clinical Coding Error Rate

Clinical coding translates the medical terminology written in a patient's health care record to describe a patient's diagnosis and treatment into a standard, recognised code. The accuracy of this coding underpins quality assurance, payments and financial flows within the NHS. The Trust introduced new coding software in 2012. This has improved consistency of coding and provides an audit tool and a suite of data quality reports which enables local improvement actions to be taken. The coding software is embedded in the new electronic patient health care record (Lorenzo) and the coded information is available for clinical teams to view.

Salisbury NHS Foundation Trust was not subject to a payment by results clinical coding audit during the year. Salisbury NHS Foundation Trust was subject to an external Information Governance clinical coding audit by an independent company during 2016/2017 and the correct coding rate reported in the latest published audit for that period for diagnoses and treatment coding (clinical coding) were:

The graph shows the coding accuracy overall results in comparison to previous years audits from 2013 – 2017

Audit Results 2013 - 2017
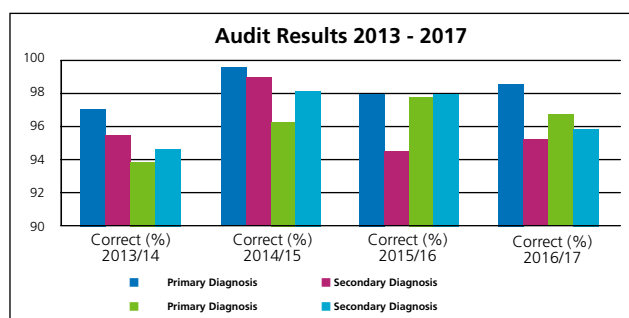
The speciality services reviewed within the sample in January 2017 were general medicine and general surgery. The results should not be extrapolated further than the actual sample audited.

The following improvement actions were progressed in 2016/2017:
- The coding team worked with the electronic patient health care record team to ensure continuity of coding in the new system and made coded information available to clinical teams.
- Senior coders met with the plastics clinical team to improve the coding of 'flaps' and grafts.
- Senior coders met with new Trauma and Orthopaedic consultants to raise awareness about the importance of diagnostic and procedural documentation in the health care record.
- Senior coders also met with the Haematology consultants to ensure coding accuracy.
- A designated coder continued to work with the stroke team to ensure the accuracy of coding.

Salisbury NHS Foundation Trust will be taking the following actions to improve data quality in 2017/2018:
- Across all Directorates, review the recording of co-morbidities within the discharge documentation.
- Complete the Trust wide introduction of the electronic discharge summaries.
- Review national coding standards to improve the coding of post-operative complications.
- Continue to meet regularly with clinical teams to raise awareness of the importance and accuracy of coding and include National Clinical Coding Standards Awareness sessions.

2.4 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:

- The Trust submits Hospital Episode Statistics to NHS Digital who calculate the SHMI and compare it with other acute Trusts in published, publically available reports. SHMI compares the number of deaths in hospital and within 30 days of discharge with expected levels. It is not adjusted for patients admitted for end of life care, for example to Salisbury Hospice. Our SHMI for October 2015 to September 2016 was 104 and is within the expected range. If the number of deaths was exactly as expected the SHMI would be 100. However, some natural variation is to be expected and a number above or below 100 can still be within the expected range. Currently 28.7% of our deaths are patients admitted for palliative or end of life care compared to 31.9% in 2015/2016.

Salisbury NHS Foundation Trust has taken the following actions to improve the SHMI by:

- A senior doctor continuing to lead 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, for patients admitted with chronic obstructive pulmonary disease (COPD) we found the initial assessment of patients was good but they were not always referred to the specialist respiratory team or pulmonary rehabilitation. We have introduced a COPD admission and discharge checklist to ensure patients benefit from a review by the respiratory team and commence pulmonary rehabilitation before they leave hospital.

- In April 2016 we introduced a new Hospice at Home service to support patients and their families in providing care for people who are at the end of their life and wish to spend their final days in their own home. The specialist Hospice at Home team is available up to 24 hours a day if needed, providing care to patients already at home or to support the discharge of patients who are in hospital or the Hospice.

Salisbury NHS Foundation Trust intends to take the following actions to ensure the SHMI remains as expected by:

- Continuing the Sepsis Six improvement work in the A&E Department and all the wards in the hospital.
- Continuing with other care bundles such as the ongoing catheter care bundle and COPD care bundle.
- Continuing to ensure early senior review of acutely ill patients seven days a week.
- Strengthening our mortality governance and training senior doctors and nurses in the national mortality review process.
- Implementing the recommendations of the national mortality review guidance.
- Undertaking an NHS England audit to establish whether patients received the 4 priority clinical standards set by the NHS 7 Day Services Forum in April and September 2017.

NHS Outcomes Framework Domain	Indicator	2013/14	2014/15	2015/16	2016/17	National average	Highest & lowest average other Trusts 2016/17
Domain 1: preventing people from dying prematurely	SHMI value	103	107	*107	104 to Sept 16	100	113 higher than expected
	SHMI banding	As expected	As expected	As expected	As expected	As expected	88 lower than expected
Domain 2: Enhancing quality of life for people with long term conditions	Percentage of patient deaths with palliative care coded at either diagnosis or speciality level for the Trust.	28.9%	31.8%	31.9%	28.7%	Not available	Not available

* In 2015/2016 SHMI was reported as 109 to September 2015. The full year SHMI was 107 to March 2016.

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 with other Trusts. The outcomes are published on NHS Choices.

➢ A time-series analysis of PROMs in England from 2009/2010 to 2014/2015 national report showed, that based on patients' responses to questionnaires before and after surgery, the condition specific scores for hip and knee replacements showed a small but steady year on year increase in reported average health gain, whereas groin hernia and varicose vein patients' scores fluctuated year on year with no overall upward or downward trend. Patients also reported on complications after surgery (such as an allergic reaction to a drug, bleeding or wound problems). The proportion reporting such complications have remained steady over the years since the PROMs programme began.

➢ Overall, Salisbury NHS Foundation Trust compares favourably on groin hernia procedures but health gain for varicose vein procedures could not be calculated as there were fewer than 30 cases in 2015/2016. For patients who had a primary hip or knee replacement on measures of health gain and condition, specific scores were slightly below the England average.

➢ In August 2016 a focus group of 12 patients who had had a primary knee replacement in 2014/2015 was held and led by Healthwatch, Wiltshire. Patients had many positive comments about care and treatment. The main area for improvement is patient expectation about the need for physiotherapy following discharge.

Salisbury NHS Foundation Trust will be taking the following actions:

➢ Encourage patients to do self-directed exercises after the operation which have been previously taught at the joint school before surgery or as an in-patient.

➢ Ensure better patient information by exploring the use of media such as video or a web page of the consent procedure and knee exercises including the use of an App for the patient to record their exercises after the operation.

➢ Work with the Out-patient Physiotherapy Team to enable direct referrals to their knee class after the operation if needed.

NHS Outcomes Framework Domain	Indicator	2014/15	2015/16** Provisional	2016/17 Provisional	National average April 16 – Sept 16***	Highest average other Trusts April 16- Sept 16***	Lowest average other Trusts April 16 – Sept 16***
Domain 3: helping people to recover from episodes of ill health or following injury	Patient reported outcome measures scores for:	Average health gain where full health = 1					
	i) groin hernia surgery	0.130	0.220**	0.095	0.09	0.16	0.01
	ii) varicose vein surgery	0.070	0.173**	0.743	0.99	0.15	0.01
	iii) hip replacement surgery	0.514	0.424**	0.714	0.44	0.53	0.32
	iv) knee replacement surgery	0.117	0.354**	0.359	0.33	0.43	0.25

**In the quality account 2015/2016 provisional data was presented. The data remains provisional until November 2017.

*** Data for 2016/2017 is indicative and is only available for 6 months. Provisional health gains for 16/17 will be published in November 2017.

Emergency re-admissions 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 re-admitted 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 enable the Trust to compare its performance against other Trusts.

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

- We have re-introduced a regular comparison of the first admission diagnosis with the re-admission diagnosis to see if they are the same or different.

- We have found that patients are often re-admitted because more support is required in the community.

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

- We will continue to work with our partners in Wiltshire Health and Care to join up care and expand the amount of adult care offered in the community.

- We will work with our partners in the B&NES, Swindon and Wiltshire STP to provide suitable pathways and models of care as an alternative to a hospital admission.

NHS Outcomes Framework Domain	Measure:	2014/15	2015/16	2016/17	National average 2016/17	Highest average other Trusts
Domain 3: helping people to recover from episodes of ill health or following injury	0 to 15	4.3%	6.14%	Not available	Not available	Not available
	16 or over	5.82%	5.91%	Not available	Not available	Not available
Indicator: Percentage of patients readmitted within 28 days of discharge from hospital of patients aged						

Responsiveness to the personal needs of patients

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

- Each year the Trust participates in the National In-patient Survey. A nationally agreed questionnaire was sent to a random sample of 1250 patients and the results were analysed independently by the Patient Survey Co-ordination Centre. 60% of patients responded to the survey.
- Themes from the National In-patient Survey, real time feedback, the Friends and Family Test, complaints and concerns are identified by each ward and an improvement plan prepared.

Salisbury NHS Foundation Trust has taken the following actions to improve responsiveness to in-patient personal needs and improved the quality of its services by:
- Reducing the level of noise at night made by staff.
- Improving the temperature of the food.

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:
- Improving patient's experience of discharge from hospital.
- Improving the environment in some wards/departments.
- Continuing to reduce noise.
- Continuing to work to reduce mixed sex accommodation – target is 0%.

NHS Outcomes Framework Domain	2013/14	2014/15	2015/16	2016/17	National average 2016/17	Highest average other Trusts 2016/17	Lowest average other Trusts 2016/17
Domain 4: ensuring that people have a positive experience of care	7.2	7.0	7.3	7.1	Benchmark data not published until mid- June 2017		
Indicator: Responsiveness to the personal needs of its patients (mean score)							

The Friends and Family Test – Patients

Salisbury NHS Foundation Trust considers the data collected from inpatients and patients discharged from the A&E Department or wards who would recommend them if they needed similar care or treatment is as described for the following reasons:

- The Trust follows the Friends and Family Test national technical guidance published by NHS England to calculate the response rate and the percentage who would recommend the ward or the A&E Department. The score measures the percentage of patients who were extremely likely or likely to recommend the hospital and the percentage of patients who were extremely unlikely or unlikely to recommend the hospital. 'Don't know' and 'neither likely nor unlikely' responses are excluded from the score.

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

- Providing a range of different methods for patients to give their feedback, such as postcards, child-friendly postcards, the Trust website, a Friends and Family Test App for patients with a smartphone.

- Publishing the percentage who would recommend every month by ward and department with patient comments and the improvements we have made in response to feedback.

- Displaying the results in some wards and departments with 'you said, we did' feedback.

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

- Encouraging our patients to complete the Friends and Family Test particularly in the A&E department.

NHS Outcomes Framework Domain	Response rate:	2014/15	2015/16	2016/17	National average 2016/17	Highest average other Trusts 2016/17	Lowest average other Trusts 2016/17
Domain 4: ensuring that people have a positive experience of care	Wards:	45.5%	35.9%	28.4%	Not available	Not available	Not available
	A&E:	20.6%	11.4%	4.1%	Not available	Not available	Not available
	Trust Overall:	28.5%	18.7%	6.6%	Not available	Not available	Not available
Indicator: Response rate of patients who would recommend the ward or A&E department to friends or family needing care							

NHS Outcomes Framework Domain	Response rate:	2014/15	2015/16	2016/17	National average 2016/17	Highest average other Trusts 2016/17	Lowest average other Trusts 2016/17
Domain 4: ensuring that people have a positive experience of care	Wards:	96.2%	95.9%	96.9%	Not available	Not available	Not available
	A&E:	94.1%	94.1%	93.3%	Not available	Not available	Not available
	Trust Overall:	96.2%	96.3%	96.6%	Not available	Not available	Not available
Indicator: Score of patients who would recommend the ward or A&E department to friends or family needing care							

The Friends and Family Test – Staff

Salisbury NHS Salisbury NHS Foundation Trust considers that the percentage of staff employed by, or under contract to the Trust during 2016/2017 who would recommend the hospital as a provider of care to their friends and family is as described for the following reason:

- Each year the Trust participates in the National Staff Survey. All staff are sent a nationally agreed questionnaire and the results are analysed by the Staff Survey Co-ordination Centre.

The table shows how staff responded to the Friends and Family Test in the National Staff Survey 2016. The Trust was in the top 20% of hospitals nationally for this indicator in 2016.

NHS Outcomes Framework Domain	2013/14	2014/15	2015/16	2016/17	Average Median for acute Trusts in 2016/17
Domain 4: ensuring that people have a positive experience of care	4.01*	4.02*	3.91*	4.01	3.76
Indicator: The score (out of 5) of staff employed, or under contract to the Trust who would recommend the Trust as a provider of care to their family or friends.					

*In 2013/14 this indicator was reported as a percentage rather than a score. In 2013/14 we reported that 82% of staff would recommend the Trust as provider of care. In 2014/15 the Trust reported 83% and in 2015/16 reported 85%. This should have been reported as a score.

Salisbury NHS Foundation Trust plans to take the following actions to improve the percentage of staff who would recommend the hospital as a place to work to improve the quality of its services by:

- Continuing to promote the Dignity at Work Ambassadors who can offer confidential, supportive and an impartial service for staff and managers on any issues around bullying, harassment or discrimination.

- Continuing to promote the Freedom to Speak Up Guardians who can act as an independent point of contact for staff about quality and safety concerns, signpost to Dignity at Work Ambassadors where appropriate, and feedback concerns directly to the Chief Executive.

- Reducing the level of work related stress that some of our staff feel and the percentage of staff who work extra hours.

Venous thromboembolism

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

- Patient level data is collected monthly by the ward pharmacist from the patients' prescription chart. The data is captured electronically and analysed by a senior nurse who is a member of 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 99.7% of patients being assessed for the risk of developing blood clots and 96.9% receiving appropriate preventative treatment. We will continue to monitor our progress and feedback the results to senior doctors and nurses.

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

Salisbury NHS Foundation Trust intends to continue with the actions described above to sustain the percentage of patients admitted to hospital who are risk assessed for venous thromboembolism and given preventative treatment. See table overleaf.

Clostridium 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.

NHS Outcomes Framework Domain	2014/15	2015/16	2016/17	National average 2016/17	Highest average other Trusts 2016/17	Lowest average other Trusts 2016/17
Domain 5: treating and caring for people in a safe environment and protecting them from avoidable harm	99.1%	99.7%	99.7%	96.4%*	100%*	82.7%*
Indicator: Percentage of patients who were admitted to hospital and who were risk assessed for Venous Thromboembolism						

*Only 2016-17 Q1 to Q3 is available

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, prompt isolation and sampling of patients with suspected C. difficile.
- Maintaining and monitoring standards of cleanliness and taking actions to improve.
- Improved best practice in antibiotic prescribing, a review by the third day of the course and monthly audits of practice.
- In-depth analysis of patients who develop C. difficile infection in hospital to 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
- Designated ward rounds to support doctors in best practice in antibiotic prescribing and review of antibiotics by day three to ensure an appropriate course.
- Ongoing monthly audits of antibiotic prescribing practice and improvement actions.

NHS Outcomes Framework Domain	2013/14	2014/15	2015/16	2016/17	National average 2016/17 to Dec 16	Highest average other Trusts 2016/17	Lowest average other Trusts 2016/17
Domain 5: treating and caring for people in a safe environment and protecting them from avoidable harm	14.2	15.3	9.9*	8.4	13.7	Not available	Not available
Indicator: The rate per 100,000 bed days of C difficile infection reported within the Trust amongst patients aged 2 or over							

*In 2015/16 data was reported incorrectly as 6.6 per 100,000 bed days. The final figure was 9.9 per 100,000 bed days

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 reviews compliance with the Duty of Candour.

Salisbury NHS Foundation Trust has taken the following actions to reduce the rate of patient safety incidents and the number and percentage of such incidents that have resulted in severe harm or death to improve the quality of its services by:

- Investigating incidents and sharing the lessons learnt across the Trust and ensuring recommendations are implemented through the Directorate quality performance meetings.
- Continuing to monitor the completion of recommendations from reviews at the Clinical Management Board and Clinical Governance Committee.
- Ensuring timely identification of themes, trends and learning.

Salisbury NHS Foundation Trust intends to take the following actions to reduce the rate of patient safety incidents and the number and percentage of such incidents that result in severe harm or death to improve the quality of its services by:

- Reviewing data from the National Reporting Learning System (NRLS) (see table below) shows that the Trust has equivocal levels of harm compared to the median for acute (non- specialist) organisations. 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.

- Our national staff survey also showed that the hospital is in the top 20% of Trusts for staff feeling that procedures for reporting errors, near misses or incidents are fair and effective and staff feel confident and secure in reporting errors, near misses and incidents. However, the national staff survey also showed that we are in the lowest 20% of acute Trusts for the percentage of staff reporting errors, near misses or incidents in the last month. This is contrary to the NRLS report which looks at the actual number of incidents reported between 1 April 2016 and 30 September 2016 and showed that we are now in the highest 25% of reporters of acute non-specialist organisations for the number of reported incidents within the Trust. The rate of reporting has risen 18% in 2016/2017 compared to 2015/2016.

NHS Outcomes Framework Domain	Indicator	2014/15	2015/16	2016/17 (Apr–Sep 16)	Median for acute (not specialist) organisations 2016/17 (Apr–Sep 16)
Domain 5: treating and caring for people in a safe environment and protecting them from avoidable harm	The number and rate of patient safety incidents reported within the Trust.	31.26 incidents per 1000 bed days	***40.39 incidents per 1000 bed days	47.68 incidents per 1000 bed days	40.02 incidents per 1000 bed days
	The number and percentage of such incidents that resulted in severe harm or death	0.35%	***11 incidents ***0.2%	19 incidents 0.5%	0.4%

*** Data was only available from 1/4/2015 to 30/9/2015 and the rate of patient safety incidents was reported as 41.44 incidents per 1000 bed days and the percentage of such incidents that results in severe harm or death was reported as 0.2%. The full year 2015/2016 is now reported.

Part 3: Other information

Review of Quality Performance

This section gives information relating to the quality of care 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 a monthly quality indicator report that is reported to the Board and Clinical Governance Committee.

Patient Safety Indicators							
Indicators	2013/14	2014/15	2015/16	2016/17	National average	What does this	Data source mean?
1a. Mortality rate (HSMR)	109	108	*110	116 .4 to Jan 17	100	Lower than 100 is good	National definition of HSMR & SHMI
1b. SHMI	103	107	*107	104 to Sept 16	100		
2. MRSA notifications**	2	2	0	0	5 (Jan–Dec 16)	0 is excellent	National definition
	(2)	(5)	(2)	(2)			
3. C. difficile infection per 1,000 bed days							
a. Trust and non-Trust apportioned	0.19	0.19	0.13	0.12	Not available	Lower than national average is good	National definition
b. Trust apportioned only	0.14	0.15	0.10	0.08			
4. 'Never events' that occurred in the Trust****	0	2	2	2	Not available	0 is good	National Patient Safety Agency
		These were associated with surgery		1 related to surgery, 1 with an insulin device			
5. Patient falls in hospital resulting in a fracture or major harm	21	29	23	35	Not available	Lower number is good	
Clinical Effectiveness indicators							
6. Patients having surgery within 36 hours of admission with a fractured hip	81.0%	87.1%	86.0%	81.7%	90%	Higher number is good	National definition with data taken from hospital system and national database
7. % of patients who had a risk assessment for VTE (venous thromboembolism)	98.7%	99.1%	99.7%	99.7%	90%	Higher number is better	
8. % patients who had a CT scan within 24 hrs of admission with a stroke	within 24 hours	within 12 hours					
	91.6%	96.9%	98.3%	98.7%	Not available	Higher number is better	

9. Compliance with NICE Technology Appraisal Guidance published in year	68%	73%	61%	80%	Not measured	Higher number is better	Local indicator
Patient experience indicators							
10. Number of patients reported with grade 3 & 4 pressure ulcers	6	4	4	3	Not available	Lower number is better	National definition (data taken from hospital reporting systems)
11. % of patients who felt they were treated with dignity and respect							
a. Yes always:	82%	83%	86%	88%	Not available	Higher number is better	National in-patient survey
b. Yes sometimes:	15.5%	15%	13%	10%			
12. Mean score of patients' rating of quality of care #	8.1	8.3	8.4	8.2	Not available	Higher number is better	National in-patient survey
13. % of patients in mixed sex accommodation	3%	11%	9%	9%	Not available	Lower number is better	
14. % of patients who stated they had enough help from staff to eat their meals	75%	68%	68%	68%	Not available	Higher number is better	
15. % of patients who thought the hospital was clean	69%	70%	73%	71%	Not available	Higher number is better	

* In 2015/2016 HSMR was reported as 109 to January 2016. The full year rate was 110. In 2015/2016 SHMI was reported as 109 to 30/9/2015. 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.

**** 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.

The patient safety indicator name has been changed from '13. Mean score of patients stating the quality of care was very good or better' to 'Mean score of patients' rating of quality of care' as it is no longer rated between excellent and poor but is on a sliding scale from 10 to zero.

National Targets and Regulatory Requirements

Indicators for acute Trusts from Monitors risk assessment framework updated August 2015	2012/13	2013/14	2014/15	2015/16	2016/17	Target for 2017/18
1a: Maximum time of 18 weeks from point of referral to treatment (RTT) in aggregate – patients on an incomplete pathway	94.7%	96.3%	96.4%	94.0%	91.4%	92%
1b: Maximum time of 18 weeks from point of referral to treatment (RTT) in aggregate – patients on an admitted pathway	93.4%	94%	91.6%	89.4%	78.6%	90%
1c: Maximum time of 18 weeks from point of referral to treatment (RTT) in aggregate – patients on an non-admitted pathway	97.9%	98.2%	98.1%	96.7%	91.3%	95%
A&E						
2. A&E: maximum waiting time of four hours from arrival to admission/ transfer/discharge	96.9%	96.3%	95.2%	94.8%	90.8%	95%
Cancer Target Performance Summary						
3a: All cancers: 62 day wait for first treatment from: urgent GP referral for suspected cancer	90.5%	92.85%	90.6%	89.1%	85.7%	85%
3b: All cancers: 62 day wait for first treatment from NHS Cancer Screening Service referral	100%	100%	95.2%	99.2%	92.6%	90%
4a: All cancers: 31 day wait for second or subsequent treatment comprising – surgery	98.9%	97.6%	99.6%	100.0%	99.1%	94%
4b: All cancers: 31 day wait for second or subsequent treatment comprising – anti cancer drug treatments.	100%	100%	100%	100.0%	98.5%	98%
4c: All cancers: 31 day wait for second or subsequent treatment comprising – radiotherapy	n/a	n/a	n/a	n/a	n/a	94%

Indicators for acute Trusts from Monitors risk assessment framework updated August 2015	2012/13	2013/14	2014/15	2015/16	2016/17	Target for 2017/18
5. All cancers: 31 day wait from diagnosis to first treatment	97.9%	98.4%	98.4%	99.1%	97.4%	96%
6a: Cancer: two week wait from referral to date first seen comprising - all urgent referrals (cancer suspected)	94.4%	94.4%	94.7%	94.3%	93.5%	93%
6b: Cancer: two week wait from referral to date first seen, comprising - for symptomatic breast patients (cancer not initially suspected)	97.0%	94.9%	95.1%	94.5%	89.4%	93%
Infection Control						
15. C. difficile year on year reduction (Total)	39	30	29	21	20	19
• Trust Apportioned	25	21	23	15	13	19
• Non-Trust Apportioned	14	9	6	6	7	NA
Note: From 2010/11 positive samples taken within 72 hrs of admission are reported as non-Trust apportioned						
Certificate against compliance with requirements regarding access to health care for people with learning disabilities						
Compliant from 2012/2013 to 2016/2017						

Quality of Care (safe, effective, caring, responsive)

Quality indicators

Measure	Type	2016/2017	Source
Staff sickness	Organisational health	3.20%	NHS Digital (publicly available)
Staff turnover	Organisational health	9.8%	NHS Digital (publicly available)
Executive team turnover	Organisational health	1 – Chief Executive	Trust return
NHS Staff Survey	Organisational health	Yes	CQC (publicly available)
Proportion of temporary staff	Organisational health	9.31% full time equivalent 11.04% of costs	Trust return
Aggressive cost reduction plans	Organisational health	£8.016 million achieved Target £9.5 million	Trust return

Measure	Type	2016/2017	Source
Written complaints – rate	Caring	305 complaints	NHS Digital (publicly available)
Staff Friends and Family Test % recommended – care	Caring	92.6%	NHS England (publicly available)
Occurrence of any Never Event	Safe	2	NHS Improvement (publicly available)
NHS England/NHS Improvement Patient Safety Alerts outstanding	Safe	3 outstanding but within date at 31/3/2017.	NHS Improvement (publicly available)
Mixed sex accommodation breaches	Caring	Non clinical – 32 occasions affecting 235 patients	NHS England (publicly available)
In-patient scores from Friends & Family Test - % positive	Caring	96.9%	NHS England (publicly available)
A&E scores from Friends & Family Test - % positive	Caring	93.3%	NHS England (publicly available)
Emergency C-section rate	Safe	11.97%	HES
CQC in-patient survey	Organisational health	Yes	CQC (publicly available)
Maternity scores from Friends & Family Test - % positive	Caring	97.8%	NHS England (publicly available)
VTE risk assessment	Safe	99.7%	NHS England (publicly available)
Clostridium difficile – variance from plan	Safe	13 Trust apportioned cases compared to an upper limit of 19 Variance - 6.	PH England (publicly available)
Clostridium difficile – infection rate	Safe	13 Trust apportioned cases compared to an upper limit of 19	PH England (publicly available)
Clostridium difficile – meeting the C. difficile objective	Safe	13 Trust apportioned cases compared to an upper limit of 19	PH England (publicly available)
MRSA bacteraemias	Safe	0	PH England (publicly available)
Hospital Standardised Mortality Ratio (DFI)	Effective	116.4 to 31/1/17 higher than expected	DFI
Hospital Standardised Mortality Ratio – weekend (DFI)	Effective	121.3 to 31/1/17 higher than expected range	DFI

Measure	Type	2016/2017	Source
Summary Hospital Mortality Indicator	Effective	104 to 30/9/16 as expected	NHS Digital (publicly available)
Potential under-reporting of patient safety incidents	Safe	Reporting increased to 47.68 incidents per 1000 bed days compared to 40.02 incidents per 1000 bed days national median value for acute (non-specialist) organisations to 30/9/2016.	NHS England (dashboard)
Emergency re-admissions within 30 days following an elective or emergency spell at the provider	Effective	Not available	HES

Organisational performance metrics

Standard	2016/2017	Standard – minimum % of patients for whom the standard must be met
A&E maximum waiting time of 4 hours from arrival to admission/ transfer/ discharge	90.8%	95%
Maximum time of 18 weeks from point of referral to treatment (RTT) in aggregate – patients on an incomplete pathway	91.4%	92%
All cancers – maximum 62 day wait for first treatment from: - Urgent GP referral for suspected cancer - NHS cancer screening service referral	87.2% 92.6%	85% 90%
Maximum 6 week wait for diagnostic procedures	98.3%	99%

Part 3: Annex 1

Statements from Wiltshire Clinical Commissioning Group on Salisbury NHS Foundation Trust 2016 - 2017 Quality Account – 19 May 2017

NHS Wiltshire Clinical Commissioning Group (CCG) has reviewed Salisbury Hospital NHS Foundation Trust' (SFT) 2016-17 Quality Account. In doing so, the CCG reviewed the Account in light of key intelligence indicators and the assurances sought and given in the monthly Clinical Quality Review Meetings attended by SFT and Commissioners. This evidence is triangulated with information and further informed through Quality Assurance visits to SFT, which encompass clinician to clinician feedback and reviews. Wiltshire CCG endorses the Trusts identified quality priorities for 2017-18, in particular the continued active engagement with the Sign Up to Safety Programme.

It is the view of the CCG that the Quality Account reflects the Trusts' on-going commitment to quality improvement and addressing key issues in a focused and innovative way. The Account summarises the achievements against the 2016-17 Trust quality priorities and identifies the 2017-18 priorities. The Trust priorities for 2016-17 have outlined achievement in the Sign Up To Safety Quality Improvement work streams, which, has been evidenced through a reduction of avoidable infections, particularly in C.difficile rates and zero (0)

cases of MRSA for two consecutive years. The CCG is committed to working with the Trust to reduce rates of Gram Negative Blood Stream Infections. Building on the accomplishments of 2016-17, the CCG anticipates that further improvement will be made through the embedding of early identification and treatment of Sepsis which has been supported through CQUIN funding since 2014-15 and will continue as a national CQUIN scheme in 2017-18.

The CCG welcomes the Trusts' focus on the Hospital Standardised Mortality Ratio (HSMR) in 2017-18 which, although above the expected range is monitored closely through the Mortality Surveillance Group, where the Trust have identified low levels of avoidable deaths.

The CCG welcomes a continued focus on the elimination of mixed sex accommodation breaches, and the ongoing work towards eliminating breaches in the 2017-18 priorities. During 2016-17 the Trust have experienced an increase in patient falls from the previous year and have recognised that this is an area that requires quality improvement through a focused education and implementation programme.

The CQC Inspection in December 2015 identified that the patient pathway for spinal patients required improvement to ensure continuity of care. The CCG are assured that the Trust has met the requirements of the CQC Warning Notice in relation to spinal services through subsequent re-inspection which evidenced that the Trust had met all requirements of the action plan. The CCG will continue to work closely with the Trust to ensure that these improvements continue to be embedded. The CCG commends the Trust in developing the Benson Bereavement Suite facilities and the sensitive care provided to the maternity and gynaecology patients experiencing loss. This was recognised as outstanding by the CQC.

Wiltshire CCG acknowledges that the Trust has experienced increasing demand on the Emergency Department (ED) which has resulted in not consistently achieving the 4 hour target. In response, the Trust is developing plans to ensure that the quality, safety and experience of patients in ED is maintained through a range of initiatives which will be initiated in 2017-18.

One of the Trusts' priorities in 2016-17 that 'patients have an outstanding experience of care' has shown results from real time feedback that 96% of patients reported they felt that they were treated with care and compassion. The CCG welcomes the Trusts' recognition of the strong link between satisfied, well-motivated and supported staff and a positive patient experience. The Trust has made progress in the NHS staff survey results from the previous year, showing an overall improved picture. However, specific key findings require further focus. In response, the Trust has committed to introduce a 'Freedom to Speak Up Guardian' who acts as an independent point of contact for staff about quality and safety concerns.

Wiltshire CCG is committed to ensuring collaborative working with Salisbury NHS Foundation Trust to achieve continuous improvement for patients in both their experience of care and outcomes.

Statement from West Hampshire Clinical Commissioning Group on Salisbury NHS Foundation Trust 2016 - 2017 Quality Account – 25 May 2017

West Hampshire Clinical Commissioning Group (CCG) would like to thank Salisbury NHS Foundation Trust (SFT) for the opportunity to review and provide a statement response to the 2016/17 Quality Account.

It is clear from the report that the Trust is focused on improving the quality of care it provides to its patients, and has acknowledged that the safety of its patients as the most important priority in their quality improvement work. This is evident from the wide range and large number of patient safety initiatives which have taken place over the last 12 months.

It is very encouraging to note that the Trust achieved and surpassed the NHS England set target of 19 cases of Clostridium Difficile infection (CDI) for 2016/17, and that no patients have experienced a MRSA blood stream infection since April 2016.

Following the Trust's inspection by the Care Quality Commission (CQC) in December 2015 it is clear that the Trust have engaged in a wide-ranging and comprehensive plan of improvement and this has clearly been demonstrated by their progress since then in a number of areas. Although not a service commissioned by West Hampshire CCG it is encouraging to see that the enforcement notices issued by the CQC in relation to the spinal injuries centre have been lifted following a re-inspection in November 2016.

The Trust has acknowledged that in relation to their recorded mortality rates, and in particular the Hospital Standardised Mortality Rate (HSMR), their rate is significantly beyond the expected range within the year. The CCG have received an update from the medical director through the Clinical Quality Review Meeting process and are currently assured that the Trust is focusing significant effort in ensuring that they identify any deaths that could have been prevented. The CCG look forward to hearing of the progress with the introduction of the national structured mortality review tool during the coming year, and the positive impact that this is anticipated to have relation to their mortality monitoring in due course.

Although in 2016/17 the Trust aimed to reduce the number of patients who have preventable falls and fracture their hip, it is disappointing to note that seven more patients have had a fall resulting in a fractured hip in 2016/17 than did in 2015/16. It is evident that the prevention of high harm falls continues to be a challenge for the Trust. However, the CCG has been made fully aware of the wide range of actions the Trust has in place to improve its performance in this area of patient safety. The CCG is pleased that the Trust has acknowledged that more work needs to be done to improve in this area within 2017/18, and looks forward to seeing improvement in performance in this area over the coming months.

The Trust has outlined its achievement in relation to the Commissioning for Quality and Innovation (CQUIN) payment framework. The CCG has closely monitored the Trust's progress against the National CQUIN requirements and has identified that they have only partially achieved the targets as set out in the National CQUIN guidance.

- The Trust has shown a particularly significant commitment to improving the health and wellbeing of their staff and has fully achieved the first two parts of this CQUIN. With regards to the flu vaccination of frontline staff, the Trust have worked hard to promote the uptake of the vaccination and achieved a commendable 58.9% although this was not sufficient to achieve the target set within the National CQUIN guidance as agreed with West Hampshire CCG.
- Although not fully achieving all the National Targets in relation to Sepsis, it is clear that the Trust is committed to this important aspect of patient safety and continue to focus their attention on the identification and treatment of sepsis in patients being cared for at Salisbury Hospital.
- The Trust has made progress with regards to antimicrobial resistance and stewardship and has demonstrated a significant reduction in usage of antibiotics over the last two years. However, the national guidance measures this achievement against the baseline reported in 2013/14 and the Trust has not achieved the 1% reduction required in two out of the three required measures.

Overall West Hampshire Clinical Commissioning Group is satisfied that the plans outlined in the Trust's quality account will maintain and further improve the quality of services delivered to patients and the CCG looks forward to working closely with the Trust over the coming year to further improve the quality of local health services.

Heather Hauschild (Mrs)
Chief Officer

Statement from Wiltshire Council Health Select Committee – 8 May 2017

I believe that the Trust has worked extensively to improve the programmes it delivers to its patients and also its workforce.

The report highlights well-established partnership working, showing that effect has taken place to improve the health and wellbeing of staff and patients within the hospital environment. In particular, interest to me is the work done to tackle obesity and smoking cessation including patient smoking cessation programmes and the staff focused 'Shape-Up @ Salisbury' programme to improve the health and wellbeing of staff. More recently, as the report highlights, the Trust has taken to tackling obesity by changing its food provision policy. These programmes have been fundamental in forging forward with the smoke-free and obesity agenda within the hospital for staff and patients, and the delivery of a Trust wide health trainer programme to support staff to make behaviour changes and create healthier lifestyles. Through discussions we have had previously, I have been very impressed with the range of health and wellbeing initiatives that the Trust have provided their staff and how they are improving the quality of services they provide to their patients, such as the saving babies lives bundle which looks to reduce smoking in pregnancy. The report gives some good recommendations for 2017-18 but I feel that the Making Every Contact Count/ Healthy Conversations agenda is missing and should be reflected and strengthened through all quality improvement plans, as with local, regional and national ambitions.

Steve Maddern, Acting Consultant, Public Health

The report notes your continued commitment to safety and from a health protection perspective I would commend your activities to lower infection, including the excellent success you have had in seeing no cases of MRSA in the last two years. I am also pleased to see that in the fight against antimicrobial resistance your achievement of reducing antibiotic consumption by 10%.

Through Public Health's participation in the Wiltshire Quality and Clinical Governance Committee I was aware of the issue regarding increasing numbers of falls and I am pleased to see this so clearly recognised within the report. I eagerly anticipate seeing how all the work you are doing to improve education, assessments and the timeliness of root cause analysis investigations can improve and reverse this trend.

Debbie Haynes, Consultant, Health Protection

Statement from Healthwatch Wiltshire – 12 May 2017

Healthwatch Wiltshire welcomes the opportunity to comment on Salisbury Hospital NHS Foundation Trust's quality account for 2016/17. Healthwatch Wiltshire exists to promote the voice of patients and the wider public with respect to health and social care services. Over the past year, we have continued to work with the Trust to ensure that patients and the wider community are involved in providing feedback and that this feedback is taken seriously by the Trust.

We have been pleased to see the progress made by the Trust on the areas highlighted by the 2015 Care Quality Commission (CQC) inspection. We look forward to the expansion of the Medical Assessment Unit and would expect to see reductions in the incidences of mixed sex accommodation. Our engagement has heard about the disruption caused to inpatients by ward moves, and we welcome the work being done to minimise this.

We were disappointed to see that the number of falls has increased, despite the progress made last year. However, it is reassuring to see that subsequent investigations have resulted in additional education for staff, individualised care plans and a continued focus into next year.

The progress in all reported areas of Priority 2 'Ensuring Patients have an outstanding experience of care' is commendable. We are pleased to see several initiatives increasing the amount of information and advice available to patients and their relatives. We often hear from local people that they would like better access to information and advice.

We agree with the Trust's assessment that progress has been made on discharging people safely and at the right time, but clearly there is still scope for improvement. Healthwatch Wiltshire undertook some work on peoples' experience of hospital discharge in 2016, and the Trust kindly facilitated some follow up work with a selection of patients following discharge. Although many discharges worked well, some patients experienced delays owing to a lack of communication, waits for medication, difficulties in accessing care packages outside of the hospital and/or transport. We look forward to seeing how the Trust's joint working as part of Wiltshire Health and Care, and with other partners has an impact on the system wide issues relating to discharge. We would like to thank the Trust for their assistance with our discharge project.

We are pleased to see that 'Your Care Your Support Wiltshire', the information and signposting website that we provide jointly with Wiltshire Council, has been of use to the staff and carers supported by the Trust.

We would like to thank the Trust for their assistance in promoting the site and would value their support for this going forward.

The response rates to the Friends and Family Test (FFT) have fallen significantly over the past two years. It is positive to note the number of people who would recommend the Trust's care remains good and we welcome the Trust's initiatives to encourage patients to complete the FFT. The Trust might consider including data on comments, complaints and compliments received by the Trust in the Quality Account, which may identify where patients or their carers do or do not feel they are experiencing an outstanding experience of care. It is positive to see that feedback, from various sources, has been used to set the Trust's priorities.

We enjoyed working with the Trust to facilitate the focus group for Knee Replacement patients, and value their continued involvement in our quarterly complaints liaison group. Healthwatch Wiltshire looks forward to continued working with the Trust over the coming year to enable patients and their carers to feed back on their care and have a voice in the evaluation of services.

Statement from the Governors – 16 May 2017

The last year has been as difficult for the NHS as any we can remember. As resources are pared to spare costs, it becomes increasingly difficult to maintain the quality of the service that the Trust provides. The Trust has seen prolonged periods when patients have been accommodated in temporary beds in order to accommodate the increased numbers of emergency admissions.

However, staff from all parts of the organisation have made tremendous efforts, and it is clear from this report that quality has, overall, been maintained, despite staff shortages and increased reliance on temporary staff. But there is still more work to do. The Governors are pleased to see that the Executive team has put into place extensive plans to improve patient flow through the hospital from acute assessment to timely discharge for this coming year.

There are some areas that we would highlight as having notably improved:

• Low infection rates. There have been no cases of bloodstream infections of methicillin-resistant staphylococcus aureus (MRSA) now for 2 years and C. difficile is at a very low level.
• Antibiotic consumption has been reduced by 10%.
• The number of stillbirths and early neonatal deaths has been reduced from 17 in 2015/6 to 4 this year.
• In keeping with the goal of 7 day services, 95% of patients were reviewed by a consultant within 14

hours of admission, 7 days a week.
- The number of patients being cared for in mixed sex accommodation has been reduced from 312 patients on 60 occasions in 2015/2016 to 235 patients on 32 occasions in 2016/2017.

And some areas that require further improvement:

- Falls in hospital resulting in a fracture or major harm have substantially increased.
- Discharge procedures need to be improved
- We have a higher overall mortality rate than we should have but a low level of deaths caused by harm in care
- The organisation of wards and outpatients to improve the flow of patients through the hospital and service to patients.

We endorse the quality priorities and work streams set out in the Quality Account for 2017/18.

This is all made possible by the wonderful commitment of so many staff from cleaners to executives. Your governors, as representatives of your patients, thank you sincerely.

How to provide feedback

All feedback is welcomed, the Trust listens to these concerns and steps are taken to address individual issues at the time. Comments are also used to improve services and directly influence projects and initiatives being put in place by the Trust.

Part 3: Annex 2

Statements of Directors' Responsibilities for the Quality Report

The Directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations to prepare Quality Accounts for each financial year. NHS Improvement has issued guidance to NHS Foundation Trust Boards on the form and content of annual quality reports (which incorporate the above legal requirements) and on the arrangements that NHS Foundation Trust Boards should put in place to support the data quality for the preparation of the quality report.

In preparing the quality report, Directors are required to take steps to satisfy themselves that:

- The content of the quality report meets the requirements set out in the NHS Foundation Trust Annual Reporting Manual 2016/2017 and supporting guidance.

- The content of the quality report is not inconsistent with internal and external sources of information including:

  - Board minutes and papers for the period April 2016 to May 2017.

  - Papers relating to quality reported to the Board over the period April 2016 to May 2017.

  - Feedback from commissioners dated 19 May 2017.

  - Feedback from governors dated 16 May 2017.

  - Feedback from Healthwatch, Wiltshire dated 12 May 2017.

  - Feedback from Wiltshire Council Overview and Scrutiny Committee dated 8 May 2017.

  - The Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009 dated 4 April 2016, 8 August 2016, 3 October 2016, and 6 January 2017.

  - The 2016 national patient survey (embargoed until June 2017).

  - The 2016 national staff survey dated 7 March 2017.

  - The Head of Internal Audit's annual opinion of the Trust's control environment dated 11 May 2017.

  - The Care Quality Commission inspection report for Salisbury NHS Foundation Trust dated 7 April 2016.

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, excluding the referral to treatment time within 18 weeks data, with which there are known issues, and

conforms to the specified data quality standards and prescribed definitions, is subject to appropriate scrutiny and review; and

• The quality report has been prepared in accordance with NHS Improvement's annual reporting manual and supporting guidance (which incorporates the Quality Accounts regulations) published at https://improvement.nhs.uk/resources/annual-reporting-manual-foundation-trusts-201617/) as well as the standards to support data quality for the preparation of the quality report (available at https://improvement.nhs.uk/resources/annual-reporting-manual-foundation-trusts-201617/)

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

N. T. Mende.

**Nick Marsden
Chairman
19 May 2017**

C. C. R.

**Cara Charles-Barks
Chief Executive
19 May 2017**

Independent auditor's report to the Council of Governors of Salisbury NHS Foundation Trust on the Quality Report

We have been engaged by the Council of Governors of Salisbury NHS Foundation Trust to perform an independent assurance engagement in respect of Salisbury NHS Foundation Trust's Quality Report for the year ended 31 March 2017 (the 'Quality Report') and certain performance indicators contained therein.

Scope and subject matter

The indicators for the year ended 31 March 2017 subject to limited assurance consist of the following two national priority indicators (the indicators):

• percentage of incomplete pathways within 18 weeks for patients on incomplete pathways at the end of the reporting period;

• A&E: maximum waiting time of four hours from arrival to admission, transfer or discharge;

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

Respective responsibilities of the directors and auditors

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

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

• the Quality Report is not prepared in all material respects in line with the criteria set out in the NHS *Foundation Trust Annual Reporting Manual* and supporting guidance;

• the Quality Report is not consistent in all material respects with the sources specified in the *Detailed requirements for quality reports for foundation trusts 2016/17* ('the Guidance'); and

• the indicators in the Quality Report identified as having been the subject of limited assurance in the Quality Report are not reasonably stated in all material respects in accordance with the NHS Foundation Trust Annual Reporting Manual and the six dimensions of data quality set out in the *Detailed Requirements for external assurance for quality reports for foundation trusts 2016/17.*

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 and papers for the period April 2016 to May 2017;

• papers relating to quality reported to the board over the period April 2016 to May 2017;

- feedback from commissioners;
- feedback from the Council of Governors;

- feedback from Healthwatch Wiltshire;

- the trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009;

- the 2016 national staff survey;

- Care Quality Commission Inspection, dated 7 April 2016; and

- the 2016/17 Head of Internal Audit's annual opinion over the trust's control environment, dated May 2017

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 the 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 2017, to enable the Council of Governors to demonstrate they have discharged their governance responsibilities by commissioning an independent assurance report in connection with the indicator. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors as a body and Salisbury NHS Foundation Trust for our work or this report, except where terms are expressly agreed and with our prior consent in writing.

Assurance work performed

We conducted this limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) – 'Assurance Engagements other than Audits or Reviews of Historical Financial Information', issued by the International Auditing and Assurance Standards Board ('ISAE 3000'). Our limited assurance procedures included:

- evaluating the design and implementation of the key processes and controls for managing and reporting

the indicator;
- making enquiries of management;

- testing key management controls;

- limited testing, on a selective basis, of the data used to calculate the indicator back to supporting documentation;

- comparing the content requirements of the NHS Foundation Trust Annual Reporting Manual to the categories reported in the Quality Report; and

- reading the documents.

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

Limitations

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

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

The scope of our assurance work has not included governance over quality or the non-mandated indicator, which was determined locally by Salisbury NHS Foundation Trust.

Basis for qualified conclusion

As a result of the procedures performed in relation to the referral to treatment within 18 weeks for patients on incomplete pathways indicator, we have not been able to gain assurance over the six dimensions of data quality as required by NHS Improvements, with issues identified in relation to the operating effectiveness of the control environment.

We identified that the data provided for the sample testing was not accurate, due to the issues with the Trust's underlying system. Although action is being

taken to address these issues, this highlights a weakness with the processes in place.

In addition, our sample testing of this indicator identified nine issues, either where clock start dates could not be corroborated back to underlying data or where the patient was incorrectly started on a new RTT pathway.

Qualified conclusion

Based on the results of our procedures, except for the effects of the matters described in the 'Basis for qualified conclusion' section above, nothing have come to our attention that causes us to believe that, for the year ended 31 March 2017:

- the Quality Report is not prepared in all material respects in line with the criteria set out in the NHS Foundation Trust Annual Reporting Manual;

- the Quality Report is not consistent in all material respects with the sources specified in the Guidance; and

- the remaining indicator in the Quality Report subject to limited assurance (A&E: maximum waiting time of four hours from admission to admission, transfer or discharge) has not been 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 Guidance.

KPMG LLP
Chartered Accountants
68 Queen Square
Bristol
BS1 4BE
25 May 2017

The Annual Report has been approved by the Trust Board on the 19 May 2017.

Cara Charles-Barks
Chief Executive
19 May 2017

Salisbury NHS Foundation Trust Consolidated Financial Statements For The Year To 31 March 2017

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FOREWORD TO THE ACCOUNTS

These consolidated accounts for the year ended 31 March 2017 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) (a) of the National Health Service Act 2006.

Signed:

Cara Charles-Barks - Chief Executive

Date: 19 May 2017

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Independent auditor's report

to the Council of Governors of Salisbury NHS Foundation Trust only

Opinions and conclusions arising from our audit

1. Our opinion on the financial statements is unmodified

We have audited the financial statements of Salisbury NHS Foundation Trust for the year ended 31 March 2017 set out on pages 1 to 44. In our opinion:

— the financial statements give a true and fair view of the state of the Group's and Trust's affairs as at 31 March 2017 and of the Group's and Trust's income and expenditure for the year then ended; and

— the Group's and the Trust's financial statements have been properly prepared in accordance with the Department of Health's Group Accounting Manual 2016/17.

Overview	
Materiality: Group's and Trust's financial statements	£4.3m (2015/16:£4.1m)
	2% (2015/16: 2%) of total income from operations
Coverage	100% (2015/16:100%) of group assets, income and expenditure

Risks of material misstatement		vs 2015/16
Recurring risks	Valuation of land and buildings	◄►
	Recognition of NHS and non-NHS income	◄►

Key

◄► Risk level unchanged from prior year

2. Our assessment of risks of material misstatement

In arriving at our audit opinion above on the financial statements, the risks of material misstatement that had the greatest effect on our audit, in decreasing order of audit significance, were as follows (unchanged from 2015/16).

	The risk	Our response
Land and buildings (£110 million; 2015/16: £107 million) *Refer to page 65 (Audit Committee Report), pages 8 to 11 (accounting policies) and pages 27 to 30 (financial disclosures).*	**Valuation of land and buildings:** Land and buildings are required to be held at fair value. The Groups main land and buildings relate to the hospital site and the associated land. Land and buildings are initially recognised at cost, but subsequently are recognised at current value in existing use (EUV). For non-specialised property assets in operational use EUV is market value in existing use. Specialised assets where no market value is readily ascertainable, are recognised at the depreciated replacement cost (DRC) of a modern equivalent asset that has the same service potential as the existing property. There is significant judgment involved in determining the appropriate basis for each asset according to its degree of specialisation, as well as over the assumptions made in arriving at the valuation of the asset. In particular the DRC basis of valuation requires an assumption as to whether the replacement asset would be situated on the existing site or, if more appropriate, on an alternative site. The valuation is carried out by Cushman and Wakefield, engaged by the Group using construction indices and so accurate records of the current estate are required. Full valuations are completed every five years, with desktop valuations completed in interim periods. Valuations are inherently judgmental, therefore our work focused on whether the valuer's methodology, assumptions and underlying data, are appropriate and correctly applied. The Group had a full valuation undertaken at the 1 April 2015, and a desktop valuation performed at the 31 March 2017 resulting in a £1.7 million increase in the value of the land and buildings balance.	Our procedures included: — **Agreement of underlying asset records:** We considered the accuracy of the estate base data provided to the valuer to complete the desktop valuation to ensure it accurately reflected the Trust estate; — **Assessment of the external valuer:** We assessed the scope, qualifications and experience of Salisbury NHS Foundation Trust's valuer and the overall methodology of the valuation performed to identify whether the approach was in line with industry practice and the valuer was appropriately experienced and qualified to undertake the valuation. — **Consideration of valuation assumptions:** We critically assessed the assumptions used in preparing the desktop valuation completed of the Trust's land and buildings to ensure they were appropriate; — **Impairment review:** We considered how management and the valuer had assessed the need for an impairment across its asset base either due to a loss of value or reduction in future service potential; — **Additions to assets:** For a sample of assets added during the year we agreed the asset addition to invoice and confirmed that it was appropriate to capitalise the asset.

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	The risk	Our response
NHS and non-NHS income Income: (£222 million; 2015/16: £205 million) *Refer to page 65 (Audit Committee Report), pages 6 to 7 (accounting policy) and pages 19 to 20 (financial disclosures).*	**Recognition of NHS and non-NHS income:** Of the Group's reported total income, £179.5m (2015/16, £171.5m) came from commissioners (Clinical Commissioning Groups (CCG) and NHS England). Income from CCGs and NHS England makes up 81% of the Group's income. The majority of this income is contracted on an annual basis, however actual achievement is based on completing the planned level of activity and achieving key performance indicators (KPIs). If the Group does not meet its contracted KPIs then commissioners are able to impose fines, reducing the level of income achievement. In 2016/17, the Group received transformation funding from NHS Improvement. This is received subject to achieving defined financial and operational targets on a quarterly basis. The Group was allocated £6.3m of transformation funding, and also received £1.5m of additional bonus funding. An agreement of balances exercise is undertaken between all NHS bodies to agree the value of transactions during the year and the amounts owed at the year end. 'Mismatch' reports are available setting out discrepancies between the submitted balances from each party in transactions and variances over £250,000 are required to be reported to the National Audit Office to inform the audit of the Department of Health consolidated accounts. The Group reported total income of £33.3m (2015/16: £23.4 million) from other activities. Much of this income is related to Education or Research and Development and is therefore provided by the Department of Health or Health Education England. Some sources of income require independent confirmations which can impact the amount of the income the Group will actually receive.	Our procedures included: — **Contract agreement:** For the five largest commissioners of the Group's activity we agreed that signed contracts were in place (comprising 88% of income from patient care activities) — **Income Billing:** We agreed that invoices had been issued in line with the contracts signed with the five largest commissioners. — **Agreement of balances:** We assessed the outcome of the agreement of balances exercise with CCGs and other NHS providers. Where there were mismatches over £250k we challenged management's assessment of the level of income they were entitled to and the receipts that could be collected; — **Transformation funding:** We agreed the transformation funding due at the year end to the confirmation received from NHSI and agreed that this was appropriately recorded within the financial statements; — **Credit notes:** We obtained a listing of credit notes raised post year end and agreed that there were no material credit notes in relation to 2016-17 income. — **Income recognition**: We carried out testing of invoices for material income from NHS organisations, and other income, in the month prior to and following 31 March 2017 to determine whether income was recognized in the correct accounting period, in accordance with the amounts billed to corresponding parties. — **Other income:** We selected a sample of material other income balances through to supporting information.

3. Our application of materiality and an overview of the scope of our audit

The materiality for the Group financial statements was set at £4.3 million (2015/16: £4.1 million), determined with reference to a benchmark of income from operations (of which it represents approximately 2%). We consider income from operations to be more stable than a surplus-related benchmark. We report to the Audit Committee any corrected and uncorrected identified misstatements exceeding £215,000 (2015/16: £204,000), in addition to other identified misstatements that warrant reporting on qualitative grounds.

The Group financial statements comprise the parent Salisbury NHS Foundation Trust, its subsidiaries, Salisbury Trading Limited, Odstock Medical Limited and Salisbury District Hospital Charitable Fund, and its joint ventures, Sterile Supplies Limited and Wiltshire Health and Care LLP. The Group team performed the audit of the Group as if it was a single aggregated set of financial information. The audit was performed using the materiality levels set out above and covered 100% of total Group income from operations, Group surplus and Group assets

Total income from operations
£222m (2015/16: £205m)

Materiality

£ 4.3m
Whole financial statements materiality (2015/16: £ 4.1m)

£ 0.215m
Misstatements reported to the Audit Committee (2015/16: £ 0.204m)

■ Total income from operations
■ Group materiality

4. Our opinion on other matters prescribed by the Code of Audit Practice is unmodified

In our opinion:

- the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2016/17; and

- the information given in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

5. We have nothing to report in respect of the matters on which we are required to report by exception

We are required to report to you if, based on the knowledge we acquired during our audit, we have identified other information in the Annual Report that contains a material inconsistency with either that knowledge or the financial statements, a material misstatement of fact, or that is otherwise misleading.

In particular, we are required to report to you if:

- we have identified material inconsistencies between the knowledge we acquired during our audit and the directors' statement that they consider that the Annual Report and financial statements taken as a whole is fair, balanced and understandable; or

- the Audit Committee's commentary on pages 64 to 65 of the Annual Report does not appropriately address matters communicated by us to the Audit Committee.

Under the Code of Audit Practice 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 2016/17, is misleading or is not consistent with our knowledge of the Group and Trust and other information of which we are aware from our audit of the financial statements.

- the Trust has not made proper arrangement for securing economy, efficiency and effectiveness in its use of resources.

In addition we are required to report to you if:

- any reports to the regulator have been made under Schedule 10(6) of the National Health Service Act 2006.

- any matters have been reported in the public interest under Schedule 10(3) of the National Health Service Act 2006 in the course of, or at the end of the audit.

We have nothing to report in respect of the above responsibilities.

6. Certificate of audit completion
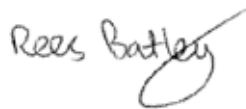
We certify that we have completed the audit of the accounts of Salisbury NHS Foundation Trust in accordance with the requirements of Schedule 10 of the National Health Service Act 2006 and the Code of Audit Practice issued by the National Audit Office.

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Scope and responsibilities

As described more fully in the Statement of Accounting Officer's Responsibilities on page 80 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 UK Ethical Standards for Auditors. A description of the scope of an audit of financial statements is provided on our website at www.kpmg.co.uk/auditscopeother2014. This report is made subject to important explanations regarding our responsibilities, as published on that website, which are incorporated into this report as if set out in full and should be read to provide an understanding of the purpose of this report, the work we have undertaken and the basis of our opinions.

The Trust is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources. Under Section 62(1) and Schedule 10 paragraph 1(d), of the National Health Service Act 2006 we have a duty to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively. We have undertaken our review in accordance with the Code of Audit Practice, having regard to the specified criterion issued by the Comptroller and Auditor General, as to whether the Trust has proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary.

This report is made solely to the Council of Governors of the Trust, as a body, in accordance with Schedule 10 of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the 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.

Rees Batley

Rees Batley

for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
66 Queen Square, Bristol, BS1 4BE

25 May 2017

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STATEMENT OF COMPREHENSIVE INCOME
For The Year Ended 31 March 2017

		Group		Trust	
		2016/17	2015/16	**2016/17**	2015/16
	Note	**£000**	£000	**£000**	£000
Revenue from patient care activities	3	**189,215**	181,554	**189,215**	181,554
Other operating revenue	5	**33,260**	23,366	**27,814**	17,008
Operating expenses	7	**(213,045)**	(205,940)	**(206,875)**	(199,366)
OPERATING (DEFICIT)/ SURPLUS		**9,430**	(1,020)	**10,154**	(804)
FINANCE COSTS					
Finance income	12	**188**	229	**85**	127
Finance costs - financial liabilities	13	**(1,969)**	(1,944)	**(1,969)**	(1,944)
Finance costs - unwinding of discount on provisions	13	**(5)**	(5)	**(5)**	(5)
PDC Dividends payable		**(3,714)**	(3,650)	**(3,714)**	(3,650)
NET FINANCE COSTS		**(5,500)**	(5,370)	**(5,603)**	(5,472)
Gains/ (losses) on disposal of assets	22	**217**	(62)	**217**	(37)
Movement in fair value of investment property and other investments	18	**393**	(65)	-	-
RETAINED SURPLUS/(DEFICIT) FOR THE YEAR		**4,540**	(6,517)	**4,768**	(6,313)
OTHER COMPREHENSIVE INCOME:					
Items that will not be reclassified to income and expenditure					
Revaluations	17	**1,309**	(1,111)	**849**	(1,549)
Items that may be reclassified to income and expenditure					
Fair Value gains/ (losses) on Available-for-sale financial investments	18	**761**	(205)	-	-
TOTAL COMPREHENSIVE INCOME/(EXPENSE) FOR THE YEAR		**6,610**	(7,833)	**5,617**	(7,862)
NOTE: ALLOCATION OF PROFIT/(LOSSES) FOR THE YEAR					
(a) Surplus/(Deficit) for the period attributable to:					
(i) Minority interest, and		**12**	25	**-**	-
(ii) Owners of Salisbury NHS Foundation Trust		**4,528**	(6,542)	**4,768**	(6,313)
TOTAL		**4,540**	(6,517)	**4,768**	(6,313)
(b) Total comprehensive income/ (expense) for the year attributable to:					
(i) Minority interest, and		**12**	25	**-**	-
(ii) Owners of Salisbury NHS Foundation Trust		**6,598**	(7,858)	**5,617**	(7,862)
TOTAL		**6,610**	(7,833)	**5,617**	(7,862)

The notes on pages 5 to 44 form an integral part of these financial statements.
All revenue and expenditure is derived from continuing operations.

STATEMENT OF FINANCIAL POSITION
31 MARCH 2017

		Group		Trust	
		31 March 2017	31 March 2016	**31 March 2017**	31 March 2016
	Note	**£000**	£000	**£000**	£000
NON-CURRENT ASSETS					
Intangible assets	16	**7,766**	4,970	**7,766**	4,970
Property, plant and equipment	17	**138,478**	136,104	**131,741**	129,475
Investments in subsidiaries	33	**-**	-	**5**	5
Investments in joint ventures	34	**250**	-	**250**	-
Investments	18	**6,575**	5,854	**-**	-
Other financial assets	19	**2,000**	-	**4,060**	2,522
Total non-current assets		**155,069**	146,928	**143,822**	136,972
CURRENT ASSETS					
Inventories	20	**4,950**	2,963	**3,965**	2,149
Trade and other receivables	21	**14,731**	12,627	**14,362**	12,456
Investments	18	**111**	58	**-**	-
Other financial assets	19	**-**	-	**462**	2,712
Non-current assets held for sale	22	**-**	660	**-**	660
Cash and cash equivalents	23	**8,505**	11,612	**6,667**	7,151
Total current assets		**28,297**	27,920	**25,456**	25,128
Total assets		**183,366**	174,848	**169,278**	162,100
CURRENT LIABILITIES					
Trade and other payables	24	**(20,667)**	(17,659)	**(19,978)**	(17,317)
Borrowings	25	**(1,140)**	(1,244)	**(1,140)**	(1,244)
Provisions	26	**(344)**	(214)	**(344)**	(214)
TOTAL CURRENT LIABILITIES		**(22,151)**	(19,117)	**(21,462)**	(18,775)
TOTAL ASSETS LESS CURRENT LIABILITIES		**161,215**	155,731	**147,816**	143,325
NON-CURRENT LIABILITIES					
Borrowings	25	**(22,874)**	(24,014)	**(22,874)**	(24,014)
Provisions	26	**(312)**	(328)	**(312)**	(328)
TOTAL NON CURRENT LIABILITIES		**(23,186)**	(24,342)	**(23,186)**	(24,342)
TOTAL ASSETS EMPLOYED		**138,029**	131,389	**124,630**	118,983
FINANCED BY:					
TAXPAYERS' EQUITY					
Minority Interest		**46**	83	**-**	-
Public dividend capital	35	**54,046**	54,016	**54,046**	54,016
Revaluation reserve		**55,248**	55,039	**55,248**	55,039
Income and expenditure reserve		**16,005**	10,422	**15,336**	9,928
Charitable fund reserves	36	**12,684**	11,829	**-**	-
TOTAL TAXPAYERS EQUITY		**138,029**	131,389	**124,630**	118,983

The notes on pages 5 to 44 form an integral part of these financial statements.
The financial statements on pages 1 to 44 were approved by the Board on 19 May 2017 and signed on its behalf by:

Signed:

Cara Charles-Barks - Chief Executive

CONSOLIDATED STATEMENT OF CHANGES IN TAXPAYERS EQUITY
31 MARCH 2017

	Public dividend capital (PDC)	Income and expenditure reserve	Revaluation reserve	Minority interest	NHS Charitable Funds reserve	Total taxpayers' equity
	£000	£000	£000	£000	£000	£000
Taxpayers' and Others' Equity at 1 April 2015	**53,631**	**16,220**	**56,740**	**63**	**12,188**	**138,842**
Changes in taxpayers' equity for 2015/16						
Retained surplus/(deficit) for the year	-	(6,977)	-	25	435	**(6,517)**
Other recognised gains and losses	-	-	-	(5)	-	**(5)**
Net gain/(loss) on revaluation of property plant and equipment	-	-	(1,549)	-	-	**(1,549)**
Transfer of the excess of current cost depreciation over historical cost depreciation to the Income and Expenditure Reserve	-	152	(152)	-	-	**-**
Revaluations and impairments - charitable fund assets	-	-	-	-	438	**438**
Fair Value gains/(losses) on Available-for-sale financial investments	-	-	-	-	(205)	**(205)**
Other reserve movements	-	1,027	-	-	(1,027)	**-**
Public dividend capital received in year	385	**-**	**-**	**-**	**-**	**385**
Balance at 31 March 2016	**54,016**	**10,422**	**55,039**	**83**	**11,829**	**131,389**
Changes in taxpayers' equity for 2016/17						
Retained surplus/(deficit) for the year	-	3,360	-	12	1,168	**4,540**
Other recognised gains and losses	-	-	-	-	-	**-**
Impairment of property plant and equipment	-	-	-	-	-	**-**
Net gain/(loss) on revaluation of property plant and equipment	-	-	849	-	-	**849**
Transfer of the excess of current cost depreciation over historical cost depreciation to the Income and Expenditure Reserve	-	640	(640)	-	-	**-**
Revaluations and impairments - charitable fund assets	-	-	-	-	460	**460**
Fair Value gains/(losses) on Available-for-sale financial investments	-	-	-	-	761	**761**
Other reserve movements	-	1,583	-	**(49)**	**(1,534)**	**-**
Public dividend capital received in year	30	-	-	**-**	**-**	**30**
Balance at 31 March 2017	**54,046**	**16,005**	**55,248**	**46**	**12,684**	**138,029**

The notes on pages 5 to 44 form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED
31 MARCH 2017

	Note	Group 2017 £000	Group 2016 £000	Trust 2017 £000	Trust 2016 £000
CASH FLOWS FROM OPERATING ACTIVITIES					
Total operating (deficit)/ surplus		**9,430**	(1,020)	**10,154**	(804)
NON-CASH INCOME AND EXPENSE					
Depreciation and amortisation charge		**8,532**	7,802	**8,305**	7,580
Impairments		**27**	463	**27**	463
Non-cash donations credited to income		**-**	-	**(1,533)**	(1,090)
(Increase)/ decrease in trade and other receivables		**(2,182)**	(2,349)	**(1,929)**	(2,155)
(Increase)/ decrease in inventories		**(1,987)**	31	**(1,816)**	(257)
Increase/ (decrease) in trade and other payables		**1,995**	(372)	**1,674**	(122)
Increase/ (decrease) in provisions		**109**	(364)	**109**	(364)
NHS charitable funds - net adjustments for working capital movements, non-cash transactions and non-operating cash flows		**(65)**	519	**-**	-
Net cash inflow from operating activities		**15,859**	4,710	**14,991**	3,251
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest received		**21**	47	**85**	127
Purchase of financial assets		**(250)**	(5)	**(250)**	(5)
Payments to acquire property, plant and equipment		**(7,646)**	(7,167)	**(6,060)**	(6,016)
Receipts from sale of property, plant and equipment		**919**	13	**919**	13
Payments to acquire intangible assets		**(4,068)**	(3,339)	**(4,043)**	(3,339)
NHS charitable funds - net cash flows from investing activities		**896**	(227)	**-**	-
Net cash (outflow) from investing activities		**(10,128)**	(10,678)	**(9,349)**	(9,220)
CASH FLOWS FROM FINANCING ACTIVITIES					
New public dividend capital received	35	**30**	385	**30**	385
Loans received		**-**	6,000	**-**	6,000
Loan to subsidiary		**-**	-	**2,250**	(2,250)
Loan to joint venture	19	**(2,000)**	-	**(2,000)**	-
Loan repayment received		**-**	-	**462**	346
Loans repaid		**(631)**	(37)	**(631)**	(37)
Capital element of finance lease rental payments		**(85)**	(105)	**(85)**	(105)
Capital element of Private Finance Initiative obligations		**(528)**	(552)	**(528)**	(552)
Interest paid		**(60)**	(27)	**(60)**	(27)
Interest element of finance lease rental payments		**(5)**	(17)	**(5)**	(17)
Interest element of Private Finance Initiative obligations		**(1,872)**	(1,900)	**(1,872)**	(1,900)
PDC dividend paid		**(3,687)**	(3,603)	**(3,687)**	(3,603)
Net cash inflow/ (outflow) from financing		**(8,838)**	144	**(6,126)**	(1,760)
(Decrease) in cash and cash equivalents		**(3,107)**	(5,824)	**(484)**	(7,729)
Cash and cash equivalents at the beginning of the financial year		**11,612**	17,436	**7,151**	14,880
Cash and cash equivalents at the end of the financial year	23	**8,505**	11,612	**6,667**	7,151

The notes on pages 5 to 44 form an integral part of these financial statements.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

NHS Improvement, in exercising the statutory functions conferred on Monitor, is responsible for issuing an accounts direction to NHS foundation trusts under the NHS Act 2006. NHS Improvement has directed that the financial statements of NHS foundation trusts shall meet the accounting requirements of the *Department of Health Group Accounting Manual (DH GAM)* which shall be agreed with the Secretary of State. Consequently, the following financial statements have been prepared in accordance with the *DH GAM 2016/17* issued by the Department of Health. The accounting policies contained in that manual follow IFRS and HM Treasury's Financial Reporting Manual (FReM) to the extent that they are meaningful and appropriate to the NHS. 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.

1.2 Going concern

IAS 1 requires management to assess, as part of the accounts preparation process, the Trust's ability to continue as a going concern. The Department of Health Group Accounting Manual (GAM) 2016/17 states that financial statements should be prepared on a going concern basis unless management either intends to apply to the Secretary of State for the dissolution of the NHS foundation trust without the transfer of the services to another entity, or has no realistic alternative to do so. There has been no application to the Secretary of State for the dissolution of the Trust and financial plans have been developed and published for future years.

The Trust has submitted a financial plan for 2017-18 to NHS Improvement which delivers a £7m deficit after delivery of a £7.5m savings programme, which has been agreed by the Trust Board and is embedded in the budget. The Trust Board have recognised that this is a highly demanding plan, which is subject to a high degree of risk, and dependent upon the full delivery of cost reduction targets, realisation of recurrent savings, and the adherence to agreed budgets. The plan includes a requirement for up to £7.5m cash support from the Department of Health to maintain the Trust's cash flows in 2017-18.

The Directors have received confirmation from NHS Improvement that it is reasonable for the Directors of Salisbury NHS Foundation Trust to assume that NHS Improvement will make sufficient cash financing available to the Trust over the next 12 month period such that the organisation is able to meet its current liabilities, and on this basis fully supports the view that the Trust's accounts are prepared on a going concern basis.

The Directors have concluded that there is a reasonable expectation the Trust will have access to adequate resources to continue in operational existence for the foreseeable future. Therefore, these accounts have been prepared under a going concern basis as set out in IAS 1

1.3 Basis of Consolidation

NHS Charitable Fund
The NHS foundation trust is the corporate trustee to Salisbury District Hospital Charitable Fund. The foundation trust has assessed its relationship to the charitable fund and determined it to be a subsidiary because the foundation trust is exposed to, or has rights to, variable returns and other benefits for itself, patients and staff from its involvement with the charitable fund and has the ability to affect those returns and other benefits through its power over the fund.

The consolidation is for reporting purposes only and does not affect the charity's legal and regulatory independence and day to day operations.

The charitable fund's statutory accounts are prepared to 31 March in accordance with the UK Charities Statement of Recommended Practice (SORP) which is based on UK Financial Reporting Standard (FRS) 102. On consolidation, necessary adjustments are made to the charity's assets, liabilities and transactions to:

- recognise and measure them in accordance with the Trust's accounting policies; and
- eliminate intra-group transactions, balances, gains and losses.

NOTES TO THE ACCOUNTS

1. **ACCOUNTING POLICIES (CONTINUED)**

1.3 **Basis of Consolidation (continued)**

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.

Subsidiaries
Subsidiary entities are those over which the Trust is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The income, expenses, assets, liabilities, equity and reserves of subsidiaries are consolidated in full into the appropriate financial statement lines. The capital and reserves attributable to non-controlling interests are included as a separate item in the Statement of Financial Position.

The amounts consolidated are drawn from the published financial statements of the subsidiaries for the year.

Where subsidiaries' accounting policies are not aligned with those of the Trust (including where they report under UK FRS 102) then amounts are adjusted during consolidation where the differences are material. Inter-entity balances, transactions and gains/ losses are eliminated in full on consolidation.

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 entity's profit or loss or other gains and losses (e.g. revaluation gains on the entity's property, plant and equipment) following acquisition. It is also reduced when any distribution (e.g. share dividends) are received by the Trust from the associate.

Associates which are classified as held for sale are measured at the lower of their carrying amount and 'fair value less costs to sell'.

Joint ventures
Joint ventures are arrangements in which the Trust has joint control with one or more parties, and where it has the rights to the net assets of the arrangement.

Joint ventures are accounted for using the equity method.

1.4 **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 with 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.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.4 Income Recognition (continued)

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.

Legacy income is accounted for within the charity as incoming resources, either upon receipt, or where the receipt of the legacy is probable; this will be once confirmation has been received from the representatives of the estate(s) that payment of the legacy will be made, or property transferred, and once all conditions attached to the legacy have been fulfilled.

1.5 Expenditure on goods and services

Expenditure on goods and services is recognised when, and to the extent that they have been utilised, and is measured at the fair value of those goods and services. Expenditure is not recognised in operating expenses where it results in the creation of a current or non-current asset such as inventory, property, plant and equipment. Expenditure relating to inventory is recognised when items are consumed as part of the Trust's service delivery. Accruals at 31 March 2017 are based on estimates of invoices where services/goods were received and consumed 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 2017 had not been identified.

1.6 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.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.6 Intangible assets (continued)

Subsequently intangible assets are measured at current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluations gains and losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value under IFRS 13, if it does not meet the requirements of IAS 40 or IFRS 5.

Intangible assets held for sale are measured at the lower of their carrying amount or 'fair value less costs to sell'.

Amortisation
Intangible assets are amortised over their expected useful economic lives in a manner consistent with the consumption of economic or service delivery benefits, which is as follows:
    Software 3 - 8 Years

1.7 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, 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 valuation.

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 fair value or current value in existing use, as required by HM Treasury. The annual reviews are carried out using the most appropriate information available at the date of the review. A full revaluation was carried out at 1 April 2015. Fair values are determined as follows:
  ● Land and non-specialised buildings – market value for existing use.
  ● Specialised buildings – depreciated replacement cost until 31 March 2017, when the assets were valued at modern equivalent value. (i.e. the estimated cost of replacing specialised buildings by using modern materials, techniques and design)

An item of property, plant and equipment which is surplus with no plan to bring it back into use is valued at fair value under IFRS 13, if it does not meet the requirements of IAS 40 or IFRS 5.

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.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.7 Property, plant and equipment (continued)

Subsequent expenditure
Subsequent expenditure relatng to an item of property, plant and equipment is recognised as an increase in the carrying amount of the asset when it is probable that additional future economic benefits or service potential deriving from the cost incurred to replace a component of such item will flow to the enterprise and the cost of the item can be determined reliably. Where a component of an asset is replaced, the cost of the replacement is capitalised if it meets the criteria for recognition above. The carrying amount of the part replaced is de-recognised. Other expenditure that does not generate additional future economic benefits or service potential, such as repairs and maintenance, is charged to the Statement of Comprehensive Income in the period in which it is incurred.

Depreciation
Items of property, plant and equipment are depreciated over their remaining useful economic lives in a manner consistent with the consumption of economic or service delivery benefits. Freehold land is considered to have an infinite life and is not depreciated. All other assets are being depreciated as follows:
    Buildings (excluding dwellings) 17 - 77 years
    Dwellings 51 - 66 years
    Plant and Machinery 5 - 25 years
    Transport equipment 3 - 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 DH GAM, impairments that arise from a clear consumption of economic benefits or service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of (i) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before impairment.

An impairment arising from a clear consumption of economic benefit or service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss is reversed. Reversals are recognised in operating income to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where at the time of the original impairment, a transfer was made from the 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.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.7 Property, plant and equipment (continued)

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.

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'.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.7 Property, plant and equipment (continued)

Services received
The fair value of services received in the year is recorded under the relevant expenditure headings within 'operating expenses'.

PFI Asset
The PFI assets are recognised as property, plant and equipment, when they come into use. The assets are measured initially at fair value in accordance with the principles of IAS 17. Subsequently, the assets are measured at fair value, which is kept up to date in accordance with the Trust's approach for each relevant class of asset in accordance with the principles of IAS 16.

PFI liability
A PFI liability is recognised at the same time as the PFI assets are recognised. It is measured initially at the same amount as the fair value of the PFI assets and is subsequently measured as a finance lease liability in accordance with IAS 17.

An annual finance cost is calculated by applying the implicit interest rate in the lease to the opening lease liability for the period, and is charged to 'Finance Costs' within the Statement of Comprehensive Income.

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.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.8 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 value at purchase date if later).

1.9 Borrowing costs

Borrowing costs are recognised as expenses as they are incurred.

1.10 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.

1.11 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.

1.12 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 -2.7%, -1.95% and -0.8% 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 0.24% in real terms.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.12 Provisions (continued)

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.

1.13 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, except where these costs relate to staff involved in capital projects, in which case their costs have been capitalised. 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.

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 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.

1.14 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.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.15 Corporation Tax

The group and trust do not have a corporation tax liability for the year 2016/17. 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

1.16 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 2017. Resulting exchange gains and losses for either of these are recognised in the trust's surplus/deficit in the period in which they arise.

1.17 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 note 32.

1.18 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.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.19 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.

1.20 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.

1.21 Gifts

Gifts are items that are voluntarily donated, wih no preconditions and without the expectation of any return. Gifts include all transactions economically equivalent to free and unremunerated transfers, such as the loan of an asset for its expected useful life, and the sale or lease of assets at below market value.

1.22 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.

NOTES TO THE ACCOUNTS

1. **ACCOUNTING POLICIES (CONTINUED)**

1.23 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.

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. Loans from the Department of Health are not held for trading and are measured at historic cost with any unpaid interest accrued separately.

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.

1. **ACCOUNTING POLICIES (CONTINUED)**

1.23 Financial assets (continued)

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.

1.24 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.

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.

1.25 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 £110 million (2015-16 £107m): 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.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.26 Accounting standards that have been issued but have not yet been adopted

The *DH GAM* does not require the following Standards and Interpretations to be applied in 2016/17. These standards are still subject to HM Treasury FReM adoption, with IFRS 9 and IFRS 15 being for implementation in 2018/19, and the government implementation date for IFRS 16 still subject to HM Treasury consideration.

IFRS 9 Financial Instruments	Application required for accounting periods beginning on or after 1 January 2018, but not yet adopted by the FReM:early adoption is not therefore permitted.
IFRS 15 Revenue from contracts with customers	Application required for accounting periods beginning on or after 1 January 2018, but not yet adopted by the FReM:early adoption is not therefore permitted.
IFRS 16 Leases	Application required for accounting periods beginning on or after 1 January 2019, but not yet adopted by the FReM:early adoption is not therefore permitted.
IFRIC 22 Foreign Currency Transactions and Advance Consideration	Application required for accounting periods beginning on or after 1 January 2018.

1.27 Accounting standards, amendments and interpretations issued that have been adopted early

The Trust has not early adopted any new accounting standards, amendments or interpretations.

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, and of the charity, Salisbury District Hospital Charitable Fund, are not considered sufficiently material to require separate disclosure.

NOTES TO THE ACCOUNTS

3 Revenue From Patient Care Activities

3.1 Revenue by Type

	Group and Trust	
	2017	2016
	£000	£000
Elective revenue	**32,781**	34,545
Non-elective revenue	**61,544**	56,750
Outpatient revenue	**24,377**	25,808
A & E revenue	**5,730**	5,514
Other types of activity revenue	**56,865**	51,901
Total revenue at full tariff	**181,297**	174,518
Revenue from activities		
Private patient revenue	**2,111**	2,068
Other clinical income	**5,807**	4,968
	189,215	181,554

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

	2017	2016
	£000	£000
Foundation Trusts	**2,806**	3,185
NHS Trusts	**643**	700
Clinical Commissioning Groups and NHS England	**179,478**	171,470
Local Authorities	**1,614**	1,797
Department of Health	**29**	9
NHS Other	**111**	201
Non NHS:		
- Private patients	**2,111**	2,068
- Overseas patients (non-reciprocal)	**37**	94
- NHS Injury scheme (was Road Traffic Act)	**1,410**	947
- Other	**976**	1,083
	189,215	181,554

NHS Injury Scheme revenue is subject to a provision for doubtful debts of 22.94% (2016: 21.99%) to reflect expected rates of collection. Other income includes £1.1m (2016: £1.1m) 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:

	2017	2016
	£000	£000
Commissioner requested services	**174,071**	166,669
Non-commissioner requested services	**15,144**	14,885
	189,215	181,554

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 2016/17 (and 2015/16) was substantially below the revised level permitted.

5. Other operating revenue

	Group		Trust	
	2017	2016	**2017**	2016
	£000	£000	**£000**	£000
Sustainability and transformation fund	**7,826**	-	**7,826**	-
Research and development	**852**	754	**852**	754
Education and training	**6,106**	5,904	**6,106**	5,904
Non-patient care services to other bodies	**1,661**	982	**1,661**	982
Received from NHS charities - donated assets	**-**	-	**1,533**	1,090
Salisbury Trading Limited	**3,589**	3,841	**-**	-
NHS Charitable Funds: Incoming Resources excluding investment income	**1,955**	2,299	**-**	-
Odstock Medical Limited	**1,916**	1,852	-	-
Other	**9,355**	7,734	**9,836**	8,278
	33,260	23,366	**27,814**	17,008

Included within 'Other' revenue above are amounts received from lodgings £1,375k (2016: £1,327k), car parking £1,545k (2016: £1,393k), catering £918k (2016: £893k), child care services £420k (2016: £603k), insurance refund on the PFI £255k (2016 £Nil) and income to support the Scan4Safety project £698k (2016 £100k).

6. Operating lease income

6.1 As lessor

The Trust has entered into short term commercial leases on buildings, which primarily relate to the rental of an area within the hospital main entrance to a high street retailer and properties rented to subsidiary companies.

6.2 Receipts recognised as income

	Group		Trust	
	2017	2016	**2017**	2016
	£000	£000	**£000**	£000
Rental revenue from operating leases - minimum lease receipts	**185**	145	**567**	564

6.3 Total future minimum lease income

	Group		Trust	
	2017	2016	**2017**	2016
Receivable:	**£000**	£000	**£000**	£000
Within 1 year	**109**	178	**489**	558
Between 1 and 5 years	**150**	261	**378**	870
After 5 years	**-**	-	**-**	-
Total	**259**	439	**867**	1,428

NOTES TO THE ACCOUNTS

7. Operating Expenses

Operating expenses comprise:

	Group		Trust	
	2017	2016	**2017**	2016
	£000	£000	**£000**	£000
Services from other NHS Foundation Trusts	**2,994**	2,642	**2,994**	2,642
Services from NHS Trusts	**139**	196	**139**	196
Services from other NHS bodies	**306**	258	**306**	258
Purchase of healthcare from non-NHS bodies	**1,206**	837	**1,206**	837
Executive directors costs	**950**	927	**950**	927
Non-executive directors costs	**145**	131	**145**	131
Staff costs	**133,405**	128,637	**129,888**	125,225
Drug costs	**19,459**	18,283	**19,459**	18,283
Supplies and services - clinical (excluding drug costs)	**19,757**	20,183	**19,757**	20,183
Supplies and services - general	**2,915**	3,072	**3,290**	3,405
Establishment	**1,783**	1,866	**1,783**	1,866
Transport	**972**	939	**761**	752
Premises	**7,982**	8,241	**7,611**	7,838
Provision for impairment of receivables	**245**	117	**245**	117
(Decrease)/ increase in other provisions	**161**	(158)	**161**	(158)
Depreciation and amortisation	**8,735**	8,010	**8,305**	7,580
Impairments of property, plant and equipment	**27**	463	**27**	463
Rentals under operating leases	**89**	114	**131**	156
Audit services - statutory audit	**68**	68	**68**	64
Fees payable to the Trust's auditor and its associates for other services:			**-**	
- further assurance services	**8**	8	**8**	8
- other services	**-**	-	**-**	-
Clinical negligence insurance premiums	**6,973**	6,064	**6,973**	6,064
Other	**4,726**	5,042	**2,668**	2,529
	213,045	205,940	**206,875**	199,366

The total employer's pension contributions are disclosed in note 9.1.

Redundancy payments totalling £Nil (2016: £Nil) 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 (2016: £0.3m), patient's travel £0.2m (2016: £0.2m), the service element of the PFI contract £0.9m (2016: £0.9m), consultancy fees £0.1m (2016: £0.1m), insurance fees £0.2m (2016: £0.2m), legal fees £0.1m (2016: £0.1m), internal audit fees £0.1m (2016: £0.2m) and costs attributable to the Trust's subsidiary companies, Odstock Medical Limited £0.8m (2016: £0.8m) and Salisbury Trading Limited £0.4m (2016: £0.3m). In addition it also includes charitable fund expenses of £0.8m (2016: £1.3m).

8. Operating leases expenditure

8.1 As lessee

The Group has entered into commercial leases on certain items of property, motor vehicles and equipment. The principal arrangements are in respect of motor vehicles. For these, rentals are for an agreed mileage over a three year term. Excess mileage is charged at a price per mile determined at the inception of the lease.

8.2 Payments recognised as expense

	Group		Trust	
	2017	2016	**2017**	2016
	£000	£000	**£000**	£000
Minimum lease payments	**89**	114	**131**	156

8.3 Total future minimum lease payments

	Group		Trust	
	2017	2016	**2017**	2016
Payable:	**£000**	£000	**£000**	£000
Within 1 year	**63**	63	**91**	105
Between 1 and 5 years	**108**	96	**152**	162
After 5 years	**12**	30	**12**	35
Total	**183**	189	**255**	302

NOTES TO THE ACCOUNTS

9. Staff costs and numbers

9.1 Staff costs

Group	Total 2017 £000	Permanently Employed 2017 £000	Other 2017 £000	Total 2016 £000	Permanently Employed 2016 £000	Other 2016 £000
Salaries and wages	106,400	106,400	-	102,382	102,382	-
Social Security Costs	9,555	9,555	-	7,183	7,183	-
Employer contributions to NHSPA	12,680	12,680	-	12,165	12,165	-
Other pension costs	8	8	-	6	6	-
Agency and contract staff	7,993	-	7,993	8,540	-	8,540
	136,636	128,643	7,993	130,276	121,736	8,540
Less: costs of staff capitalised	(2,281)	(2,281)	-	(712)	(712)	-
	134,355	126,362	7,993	129,564	121,024	8,540

The staff costs capitalised in 2016-17 primarily relate to staff engaged in the project design and implementation of a major new IT system

Trust	Total 2017 £000	Permanently Employed 2017 £000	Other 2017 £000	Total 2016 £000	Permanently Employed 2016 £000	Other 2016 £000
Salaries and wages	103,317	103,317	-	99,518	99,518	-
Social Security Costs	9,555	9,555	-	7,183	7,183	-
Employer contributions to NHSPA	12,680	12,680	-	12,165	12,165	-
Other pension costs	8	8	-	6	6	-
Agency and contract staff	7,559	-	7,559	7,992	-	7,992
	133,119	125,560	7,559	126,864	118,872	7,992
Less: costs of staff capitalised	(2,281)	(2,281)	-	(712)	(712)	-
	130,838	123,279	7,559	126,152	118,160	7,992

9.2 Average number of persons employed - WTE basis

Group	Total 2017 Number	Permanently Employed 2017 Number	Other 2017 Number	Total 2016 Number	Permanently Employed 2016 Number	Other 2016 Number
Medical and dental	335	322	13	342	314	28
Ambulance staff	-	-	-	-	-	-
Administration and estates	726	707	19	743	714	29
Healthcare assistants & other support staff	242	237	5	259	255	4
Nursing, midwifery & health visiting staff	1,497	1,436	61	1,539	1,382	157
Scientific, therapeutic and technical staff	392	381	11	385	364	21
Total	3,192	3,083	109	3,268	3,029	239

Trust	Total 2017 Number	Permanently Employed 2017 Number	Other 2017 Number	Total 2016 Number	Permanently Employed 2016 Number	Other 2016 Number
Medical and dental	335	322	13	342	314	28
Ambulance staff	-	-	-	-	-	-
Administration and estates	665	662	3	657	650	7
Healthcare assistants & other support staff	242	237	5	259	255	4
Nursing, midwifery & health visiting staff	1,497	1,436	61	1,539	1,382	157
Scientific, therapeutic and technical staff	375	364	11	369	348	21
Total	3,114	3,021	93	3,166	2,949	217

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	
	2017	2016
	£000	£000
Salaries and wages	**899**	872
Social Security Costs	**108**	100
Employer contributions to Pension Schemes	**88**	86
	1,095	1,058

The total number of Directors accruing benefits under pension schemes is 5 (2016: 5). The Directors Remunerationonly r

9.4 Staff departure costs   POTENTIALLY CHANGE TO SAY NONE, DISCUSS WITH KPMG

Group and Trust

	2017 **No. of compulsory redundancies**	**2017** **No. of other agreed departures**	2016 No. of compulsory redundancies	2016 No. of other agreed departures
Exit package cost band				
< £10,000	**-**	**-**	-	-
£10,001 - £25,000	**-**	**-**	-	-
£25,001 - £50,000	**-**	**-**	-	-
£50,001 - £100,000	**-**	**-**	-	-
Total number of exit packages by type	**-**	**-**	-	-
	£000	**£000**	£000	£000
Total resource costs	**-**	**-**	-	-

There were no compulsory redundancy costs relating to senior managers in the year.

The non-compulsory departure payments can be analysed as:

	2017 **Agreements Number**	**2017** **Value of agreements £000**	2016 Agreements Number	2016 Value of agreements £000
Contractual payments in lieu of notice	**-**	**-**	-	-

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 £12.70m (2016: £12.17m). As at 31 March 2017, contributions of £1.76m (2016: £1.69m) due in respect of the current reporting period (representing the contributions for the final month of the year) had not been paid over to the schemes by the balance sheet date.

10.1 NHS Pension Schemes

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

NOTES TO THE ACCOUNTS

10.1   Pension costs (continued)

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

a) Accounting valuation
A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and are accepted as providing suitably robust figures for financial reporting purposes. The valuation of scheme liability as at 31 March 2017, is based on valuation data as 31 March 2016, updated to 31 March 2017 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. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation
The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account their recent demographic experience), and to recommend contribution rates payable by employees and employers.

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2012. The Scheme Regulations allow for the level of contribution rates to be changed by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and appropriate employee and employer representatives as deemed appropriate.

The next actuarial valuation was undertaken as at 31 March 2016. This will set the employer contribution rate payable from April 2019 and will consider the cost of the Scheme relative to the employer cost cap. There are provisions in the Public Service Pension Act 2013 to adjust member benefits or contribution rates if the cost of the Scheme changes by more than 2% of pay. Subject to this 'employer cost cap' assessment, any required revisions to member benefits or contribution rates will be determined by the Secretary of State for Health after consultation with the relevant stakeholders.

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 2017 there were Nil (2016: 1) early retirements from the Trust on the grounds of ill-health. The estimated additional pension liabilities of these ill-health retirements will be £Nil (2016: £0.046m). The cost of the 2016 ill-health retirements will be borne by the NHS Business Services Authority -Pensions Division.

12. Finance income

	Group		Trust	
	2017	2016	**2017**	2016
	£000	£000	**£000**	£000
Interest received	**188**	229	**21**	47
Other loans and receivables	**-**	-	**64**	80
	188	229	**85**	127

13. Finance costs

Group and Trust

	2017	2016
	£000	£000
Interest on capital loans from the Department of Health	**92**	27
Interest on obligations under finance leases	**5**	17
Finance costs on obligations under Private Finance Initiatives	**1,261**	1,297
Contingent finance costs - PFI	**611**	603
Total finance expense - financial liabilities	**1,969**	1,944
Other finance costs - unwinding of discounts on provisions	**5**	5
Total	**1,974**	1,949

14. The Late Payment of Commercial Debts (Interest) Act 1998

There were no amounts payable arising from claims made by businesses under this legislation (2016: £Nil).

NOTES TO THE ACCOUNTS

15. **Losses and special payments**

	Group and Trust			
	2017		2016	
	Number	**Value £000**	Number	Value £000
Losses				
Cash losses	**8**	**1**	1	-
Fruitless payments and constructive losses	**-**	**-**	1	-
Bad debts and claims abandoned	**503**	**8**	523	9
Stores losses	**2**	**3**	-	-
	513	**12**	525	9
Special payments				
Ex-gratia payments	**33**	**35**	38	18
Total losses and special payments	**546**	**47**	563	27

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

	Assets under Construction £000	Software Licences £000	Total £000
Cost or valuation			
At 1 April 2016	806	5,709	6,515
Additions - purchased	4,068	-	4,068
Reclassifications	(3,780)	3,780	-
At 31 March 2017	**1,094**	**9,489**	**10,583**
Amortisation			
At 1 April 2016	-	1,545	1,545
Provided during the period	-	1,272	1,272
Amortisation at 31 March 2017	**-**	**2,817**	**2,817**
Net book value at 31 March 2016			
- Purchased at 31 March 2016	806	4,164	4,970
Total at 31 March 2016	**806**	**4,164**	**4,970**
Net book value at 31 March 2017			
- Purchased at 31 March 2017	1,094	6,672	7,766
Total at 31 March 2017	**1,094**	**6,672**	**7,766**

The additions figure above include donated additions of £25k. As this is the only change required to show just the Trust's split of additions, a separate table has not been produced.

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 2016	986	98,678	9,292	2,958	66,523	694	17,503	3,257	199,891
Additions - purchased	-	1,158	-	4,525	2,852	38	-	24	8,597
Additions - donated	-	-	-	-	-	-	-	-	-
Impairments	-	(31)	-	-	-	-	-	-	(31)
Reclassifications	-	1,962	141	(4,210)	-	-	1,882	225	-
Revaluation	45	(2,412)	(10)	-	-	-	-	-	(2,377)
Transfer to assets held for sale	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	(4,858)	(385)	-	-	(5,243)
At 31 March 2017	**1,031**	**99,355**	**9,423**	**3,273**	**64,517**	**347**	**19,385**	**3,506**	**200,837**
Accumulated depreciation									
At 1 April 2016	-	1,604	139	-	45,058	675	14,992	1,319	63,787
Provided during the period	-	1,843	142	-	4,012	7	1,187	272	7,463
Revaluation	-	(3,205)	(281)	-	-	-	-	-	(3,486)
Impairments	-	(4)	-	-	-	-	-	-	(4)
Disposals	-	(200)	-	-	(4,816)	(385)	-	-	(5,401)
Accumulated depreciation at 31 March 2017	**-**	**38**	**-**	**-**	**44,254**	**297**	**16,179**	**1,591**	**62,359**
Net book value at 31 March 2016									
Owned	986	78,652	9,153	2,958	17,808	19	2,467	1,616	113,659
Finance leased	-	-	-	-	61	-	-	-	61
On balance sheet PFI	-	18,422	-	-	-	-	-	-	18,422
Donated	-	-	-	-	3,596	-	44	322	3,962
Total at 31 March 2016	**986**	**97,074**	**9,153**	**2,958**	**21,465**	**19**	**2,511**	**1,938**	**136,104**
Net book value at 31 March 2017									
Owned	1,031	79,175	9,423	3,273	16,902	50	3,177	1,618	114,649
Finance leased	-	-	-	-	-	-	-	-	-
On balance sheet PFI	-	19,015	-	-	-	-	-	-	19,015
Donated	-	1,127	-	-	3,361	-	29	297	4,814
Total at 31 March 2017	**1,031**	**99,317**	**9,423**	**3,273**	**20,263**	**50**	**3,206**	**1,915**	**138,478**

On 31 March 2017 Cushman and Wakefield reviewed the Trust's land, buildings and dwellings on a Modern Equivalent Asset basis in accordance with the guidance included in the Royal Institution of Chartered Surveyors Valuation Standards. As a result, these assets were revalued to bring them to their fair value at that date.

NOTES TO THE ACCOUNTS

17. Property, plant and equipment (continued)

Group

17.2 Property, plant and equipment at the previous balance sheet date comprise the following elements:

	Freehold land	Freehold buildings excluding dwellings	Freehold dwellings	Assets under construction and payments on account	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2016									
At 1 April 2015	5,142	97,775	6,723	2,612	63,454	710	16,718	2,915	196,049
Additions - purchased	-	1,746	-	2,958	1,504	22	785	342	7,357
Additions - donated	-	-	-	-	-	-	-	-	-
Impairments	(354)	(109)	-	-	-	-	-	-	(463)
Reclassifications	-	-	-	(2,612)	2,612	-	-	-	-
Revaluation	(3,604)	(272)	2,569	-	-	-	-	-	(1,307)
Disposals	(198)	(462)	-	-	(1,047)	(38)	-	-	(1,745)
At 31 March 2016	**986**	**98,678**	**9,292**	**2,958**	**66,523**	**694**	**17,503**	**3,257**	**199,891**
Accumulated depreciation at 1 April 2016									
At 1 April 2015	-	29	-	-	42,245	679	13,790	1,070	57,813
Provided during the period	-	1,746	164	-	3,802	17	1,202	249	7,180
Revaluation	-	(171)	(25)	-	-	-	-	-	(196)
Impairments	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	(989)	(21)	-	-	(1,010)
Accumulated depreciation at 31 March 2016	**-**	**1,604**	**139**	**-**	**45,058**	**675**	**14,992**	**1,319**	**63,787**
Net book value at 31 March 2016									
Owned	986	78,652	9,153	2,958	17,808	19	2,467	1,616	113,659
Finance leased	-	-	-	-	61	-	-	-	61
On balance sheet PFI	-	18,422	-	-	-	-	-	-	18,422
Donated	-	-	-	-	3,596	-	44	322	3,962
Total at 31 March 2016	**986**	**97,074**	**9,153**	**2,958**	**21,465**	**19**	**2,511**	**1,938**	**136,104**

On 1 April 2015 Cushman and Wakefield reviewed the Trust's land, buildings and dwellings on a Modern Equivalent Asset basis in accordance with the guidance included in the ROYAL INSTITUTION OF CHARTERED SURVEYORS VALUATION STANDARDS. . As a result, these assets we revalued to bring them to their fair value at 1 April 2015.

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 2016	313	94,947	8,412	2,958	62,648	672	17,503	3,257	190,710
Additions - purchased	-	-	-	4,525	2,448	38	-	-	7,011
Additions - donated	-	1,158	-	-	326	-	-	24	1,508
Impairments	-	(31)	-	-	-	-	-	-	(31)
Reclassifications	-	1,962	141	(4,210)	-	-	1,882	225	-
Revaluation	-	(2,602)	(35)	-	-	-	-	-	(2,637)
Transfer to assets held for sale	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	(4,848)	(385)	-	-	(5,233)
At 31 March 2017	**313**	**95,434**	**8,518**	**3,273**	**60,574**	**325**	**19,385**	**3,506**	**191,328**
Accumulated depreciation									
At 1 April 2016	-	1,567	139	-	42,552	666	14,992	1,319	61,235
Provided during the period	-	1,642	142	-	3,786	4	1,187	272	7,033
Revaluation	-	(3,205)	(281)	-	-	-	-	-	(3,486)
Impairments	-	(4)	-	-	-	-	-	-	(4)
Disposals	-	-	-	-	(4,806)	(385)	-	-	(5,191)
Accumulated depreciation at 31 March 2017	**-**	**-**	**-**	**-**	**41,532**	**285**	**16,179**	**1,591**	**59,587**
Net book value at 31 March 2016									
Owned	313	74,958	8,273	2,958	16,439	6	2,467	1,616	107,030
Finance leased	-	-	-	-	61	-	-	-	61
On balance sheet PFI	-	18,422	-	-	-	-	-	-	18,422
Donated	-	-	-	-	3,596	-	44	322	3,962
Total at 31 March 2016	**313**	**93,380**	**8,273**	**2,958**	**20,096**	**6**	**2,511**	**1,938**	**129,475**
Net book value at 31 March 2017									
Owned	313	75,292	8,518	3,273	15,681	40	3,177	1,618	107,912
Finance leased	-	-	-	-	-	-	-	-	-
On balance sheet PFI	-	19,015	-	-	-	-	-	-	19,015
Donated	-	1,127	-	-	3,361	-	29	297	4,814
Total at 31 March 2017	**313**	**95,434**	**8,518**	**3,273**	**19,042**	**40**	**3,206**	**1,915**	**131,741**

On 31 March 2017 Cushman and Wakefield reviewed the Trust's land, buildings and dwellings on a Modern Equivalent Asset basis in accordance with the guidance included in the Royal Institution of Chartered Surveyors Valuation Standards. As a result, these assets were revalued to bring them to their fair value at that date.

NOTES TO THE ACCOUNTS

17. Property, plant and equipment (continued)

Trust

17.4 Property, plant and equipment at the previous balance sheet date comprise the following elements:

	Freehold land	Freehold buildings excluding dwellings	Freehold dwellings	Assets under construction and payments on account	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2015									
At 1 April 2015	4,479	94,234	5,885	2,612	59,553	710	16,718	2,915	187,106
Additions - purchased	-	1,746	-	2,958	443	-	759	300	6,206
Additions - donated	-	-	-	-	1,022	-	26	42	1,090
Impairments	(354)	(109)	-	-	-	-	-	-	(463)
Reclassifications	-	-	-	(2,612)	2,624	-	-	-	12
Revaluation	(3,614)	(462)	2,527	-	-	-	-	-	(1,549)
Disposals	(198)	(462)	-	-	(994)	(38)	-	-	(1,692)
At 31 March 2016	**313**	**94,947**	**8,412**	**2,958**	**62,648**	**672**	**17,503**	**3,257**	**190,710**
Accumulated depreciation at 1 April 2015									
At 1 April 2015	-	-	-	-	39,927	679	13,790	1,070	55,466
Provided during the period	-	1,567	139	-	3,586	8	1,202	249	6,751
Revaluation	-	-	-	-	-	-	-	-	-
Impairments	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	(961)	(21)	-	-	(982)
Accumulated depreciation at 31 March 2016	**-**	**1,567**	**139**	**-**	**42,552**	**666**	**14,992**	**1,319**	**61,235**
Net book value at 31 March 2016									
Owned	313	74,958	8,273	2,958	16,439	6	2,467	1,616	107,030
Finance leased	-	-	-	-	61	-	-	-	61
On balance sheet PFI	-	18,422	-	-	-	-	-	-	18,422
Donated	-	-	-	-	3,596	-	44	322	3,962
Total at 31 March 2016	**313**	**93,380**	**8,273**	**2,958**	**20,096**	**6**	**2,511**	**1,938**	**129,475**

On 1 April 2015 Cushman and Wakefield reviewed the Trust's land, buildings and dwellings on a Modern Equivalent Asset basis in accordance with the guidance included in the Royal Institution of Chartered Surveyors Valuation Standards. As a result, these assets were revalued to bring them to their fair value at 1 April 2015

NOTES TO THE ACCOUNTS

17. Property, plant and equipment (continued)

Group and Trust

	Net Book Value of Assets Held Under Finance	**Plant & Machinery**	**PFI Arrangements**	**Total**
17.5	**Leases**	£000	£000	£000
	Cost or valuation			
	At 1 April 2016	616	18,679	19,295
	Additions - Purchased	-	256	256
	Revaluations	-	80	80
	At 31 March 2017	**616**	**19,015**	**19,631**
	Accumulated depreciation			
	At 1 April 2016	555	257	812
	Provided during the period	61	260	321
	Revaluation	-	(517)	(517)
	Accumulated depreciation at 31 March 2017	**616**	**-**	**616**
	Net book value at 31 March 2017			
	- Purchased	-	19,015	19,015
	Total at 31 March 2017	**-**	**19,015**	**19,015**
	Cost or valuation			
	At 1 April 2015	616	21,224	21,840
	Additions - purchased		205	205
	Revaluation	-	(2,750)	(2,750)
	At 31 March 2016	**616**	**18,679**	**19,295**
	Accumulated depreciation			
	At 1 April 2015	493	-	493
	Provided during the period	62	257	319
	Accumulated depreciation at 31 March 2016	**555**	**257**	**812**
	Net book value at 31 March 2016			
	- Purchased	61	18,422	18,483
	Total at 31 March 2016	**61**	**18,422**	**18,483**

NOTES TO THE ACCOUNTS

18. Investments

	Group		Trust	
	31 March 2017 £000	31 March 2016 £000	**31 March 2017 £000**	31 March 2016 £000
Non-current				
Financial assets designated as fair value through profit or loss	**6,575**	5,854	**-**	-
	6,575	5,854	**-**	-
Current				
Financial assets designated as fair value through profit or loss	**111**	58	**-**	-
	111	58	**-**	-

Non-current investments is an investment portfolio managed by HSBC Private Bank (UK) Limited on behalf of the charitable fund.

Current asset investments are the cash balances held by HSBC Private Bank (UK) Limited on behalf of the charitable fund and represents dividend income, interest income and the proceeds of fixed asset investment disposals which have not yet been reinvested.

19. Other financial assets

	Group		Trust	
	31 March 2017 £000	31 March 2016 £000	**31 March 2017 £000**	31 March 2016 £000
Current				
Loans and receivables	**-**	-	**462**	2,712
Non-current				
Loans and receivables	**2,000**	-	**4,060**	2,522
	2,000	-	**4,522**	5,234

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 due after more than one year.

Non-current other financial assets represent loans made to:
  a) Salisbury Trading Limited to purchase laundry equipment and laundry stocks from Salisbury NHS Foundation Trust on the commencement of the subsidiary business due in less than one year; and
  b) Sterile Supplies Limited to build and develop a new production facility with a third party.

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 . Repayments commenced on 1 July 2015.

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. Repayments commenced on 1 July 2015.

NOTES TO THE ACCOUNTS

19. Other financial assets (continued)

In March 2016 the Trust made a loan to its then wholly owned subsidiary company, Sterile Supplies Limited. The intention was for this sum to be used to help finance a joint venture arrangement with a third party, which will deliver cost savings into the future. Until the joint venture agreement was finalised and formal agreement signed, the loan remained repayable on demand.

During 2016-17 Sterile Supplies Limited became the joint venture vehicle between the Trust and a third party, Steris Plc (formerly Synergy Health Plc). As part of the joint venture agreement the Trust ceeded control of Sterile Supplies Limited and the loan agreement was formalised as long term.

The long term loan of £2.0m is to assist the building and development of a new production facility on the Trust's District General Hospital site. Loan repayments will commence when the building becomes operational and will be payable over the period of the lease of the land, which is for 20 years from that date. The building is expected to become operational during 2018-19. Interest will be payable at 4% above the Bank of England base rate.

20. Inventories

	Group		Trust	
	31 March 2017 £000	31 March 2016 £000	**31 March 2017 £000**	31 March 2016 £000
Materials	**3,829**	2,044	**3,829**	2,044
Consumables	**1,121**	919	**136**	105
	4,950	2,963	**3,965**	2,149

Inventories at 31 March 2017 have increased as a result of the Trust introducing a computer system during the year, which has enabled all clinical stocks to be accurately recorded.

21. Trade and other receivables

21.1 Amounts falling due within one year:

	Group		Trust	
	31 March 2017 £000	31 March 2016 £000	**31 March 2017 £000**	31 March 2016 £000
NHS receivables	**6,369**	6,306	**6,369**	6,306
Other receivables with related parties	**1,026**	433	**1,603**	897
Provision for impairment of receivables	**(1,339)**	(1,103)	**(1,339)**	(1,103)
Prepayments	**2,230**	1,808	**2,203**	1,796
PDC dividend receivable	**-**	27	**-**	27
Vat receivable	**659**	449	**659**	449
Other receivables	**5,786**	4,707	**4,867**	4,084
	14,731	12,627	**14,362**	12,456

The majority of transactions are with Clinical Commissioning Groups (CCGs) or NHS England's Specialist Commissioners, as commissioners for NHS patient care services. As CCGs and Specialist Commissioners are funded by government to buy NHS patient care services, no credit scoring of them is considered necessary.

The average credit period taken on sale of goods is 20.3 days (2016: 21.8 days). No interest is charged on trade receivables.

Other receivables include non-NHS trade debts £1.1m (2016: £1.2m) and amounts due from the Compensation Recovery Unit of £3.2m (2016: £2.9m).

NOTES TO THE ACCOUNTS

21. Trade and other receivables (continued)

21.2 Movement in the provision for impairment of receivables

	Group		Trust	
	31 March 2017 £000	31 March 2016 £000	**31 March 2017 £000**	31 March 2016 £000
Balance at beginning of year	**1,103**	904	**1,103**	904
Amount written off during the year	**(9)**	(9)	**(9)**	(9)
Increase in allowance recognised in income statement	**245**	208	**245**	208
Balance at end of year	**1,339**	1,103	**1,339**	1,103

An allowance for impairment is made where there is an identifiable event which, based on previous experience, is evidence that the monies will not be recovered in full.

21.3 Impaired receivables past their due date

	Group		Trust	
	31 March 2017 £000	31 March 2016 £000	**31 March 2017 £000**	31 March 2016 £000
By up to three months	**43**	21	**43**	21
By three to six months	**31**	46	**31**	46
By more than six months	**1,265**	1,036	**1,265**	1,036
Total	**1,339**	1,103	**1,339**	1,103

21.4 Non-impaired receivables past their due date

	Group		Trust	
	31 March 2017 £000	31 March 2016 £000	**31 March 2017 £000**	31 March 2016 £000
By up to three months	**1,560**	1,143	**1,560**	1,143
By three to six months	**75**	328	**75**	328
By more than six months	**2,740**	2,576	**2,740**	2,576
Total	**4,375**	4,047	**4,375**	4,047

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 22.94% (2016: 21.99%). 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 2017	31 March 2016	**31 March 2017**	31 March 2016
	£000	£000	**£000**	£000
Balance at beginning of year	660	-	660	-
Assets classified as held for sale in the year	-	660	-	660
Assets sold in the year	(660)	-	(660)	-
Balance at end of year	-	660	-	660

The non-current asset relates to a surplus residential property which was sold in the year to 31 March 2017.

23. Cash and cash equivalents

	Group		Trust	
	31 March 2017	31 March 2016	**31 March 2017**	31 March 2016
	£000	£000	**£000**	£000
Balance at beginning of year	**11,612**	17,436	**7,151**	14,880
Net change in year	**(3,107)**	(5,824)	**(484)**	(7,729)
Balance at end of year	**8,505**	11,612	**6,667**	7,151
Made up of:				
Cash with Government Banking Service	**6,558**	2,054	**6,558**	2,054
Cash with National Loans Fund	**-**	5,000	**-**	5,000
Cash at commercial banks and in hand	**1,947**	4,558	**109**	97
Cash and cash equivalents as in balance sheet	**8,505**	11,612	**6,667**	7,151
Bank overdrafts	**-**	-	**-**	-
Cash and cash equivalents as in cash flow statement	**8,505**	11,612	**6,667**	7,151

NOTES TO THE ACCOUNTS

24. **Trade and other payables**

	Group		Trust	
	31 March 2017 £000	31 March 2016 £000	**31 March 2017 £000**	31 March 2016 £000
Amounts falling due within one year:				
NHS payables - revenue	**2,368**	1,797	**2,368**	1,797
Amounts due to other related parties - revenue	**4,472**	4,053	**4,472**	4,053
Non-NHS trade payables - revenue	**7,057**	5,248	**6,402**	5,080
Non-NHS trade payables - capital	**1,952**	1,001	**1,952**	1,001
Receipts in advance	**630**	889	**630**	889
Accruals and deferred income	**272**	447	**272**	419
Other	**3,916**	4,224	**3,882**	4,078
	20,667	17,659	**19,978**	17,317

NHS payables includes £1.7m outstanding pensions contributions due to the NHS Pensions Agency at 31 March 2017 (2016: £1.7m)

Amounts due to related parties includes income tax and national insurance contributions of £2.7m (2016: £2.4m). Included in 'Other' payables is £0.6m (2016: £0.5m) in respect of March enhancements earned in March but not paid until April, £0.1m (2016: £0.2m) payable to bank staff for work performed in March and £0.4m (2016: £1.0m) due for agency staff for the year to 31 March 2017.

All Trade and other payables are current liabilities.

25. **Borrowings**

Group and Trust	**Current**		**Non-current**	
	31 March 2017 £000	31 March 2016 £000	**31 March 2017 £000**	31 March 2016 £000
Obligations under finance leases	**-**	85	**-**	-
Amounts due under PFI (note 31)	**509**	528	**18,136**	18,645
Capital loans from Department of Health	**631**	631	**4,738**	5,369
Other loans	**-**	-	**-**	-
	1,140	1,244	**22,874**	24,014

The finance lease relates to the purchase of microbiology equipment and is for a term of 10 years. For the year ended 31 March 2017 the effective borrowing rate was 7.7% (2016: 7.7%). Interest rates are fixed at the contract date.

The loan from the Department of Health is unsecured and for a 10 year period, repayable in equal instalments commencing on 18 May 2016. Interest is payable on the loan at a rate of 1.64% pa.

Amounts payable under finance leases:	**Minimum lease payments**		**Present value of minimum lease payments**	
	2017 £000	2016 £000	**2017 £000**	2016 £000
Within one year	**-**	90	**-**	85
Between one and five years	**-**	-	**-**	-
After five years	**-**	-	**-**	-
	-	90	**-**	85
Less finance charges allocated to future periods	**-**	(5)		
	-	85		
Included within:				
Current borrowings			**-**	85
Non-current borrowings			**-**	-
			-	85

NOTES TO THE ACCOUNTS

26. Provisions for liabilities and charges

Group and Trust	Current			Non-current	
	31 March 2017 £000	31 March 2016 £000		**31 March 2017 £000**	31 March 2016 £000
Pensions relating to other staff	**12**	8		**25**	46
Legal claims	**310**	144		**-**	-
Other	**22**	62		**287**	282
	344	214		**312**	328

	Pensions relating to other staff £000	Legal claims £000	Other £000	Total £000
At 1 April 2016	54	144	344	542
Change in the discount rate	-	-	23	23
Arising during the year	11	262	-	273
Utilised during the year	(29)	(24)	(22)	(75)
Reversed unused	-	(72)	(40)	(112)
Unwinding of discount	1	-	4	5
At 31 March 2017	37	310	309	656

Expected timing of cash flows:

Within 1 year	12	310	22	344
1 - 5 years	25	-	86	111
5-10 years	-	-	201	201
	37	310	309	656

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 2017. These are based on valuation reports provided by the Trust's legal advisers.

Other provisions relates to the amount the Trust has provided for injury benefits payable to former employees as a result of an injury suffered whilst in the Trust's employment (2016: £0.304m).

£58.4m is included in the provisions of the NHS Litigation Authority at 31 March 2017 in respect of clinical negligence liabilities of the Trust (2016: £69.43m).

NOTES TO THE ACCOUNTS

27. **Capital Commitments**

    Group and Trust

    Commitments under capital expenditure contracts at the balance sheet date were £2.0m (2016: £4.4m).

28. **Contingent liabilities**

    The Trust has agreed in principle to underwrite any loans to its subsidiary company, Odstock Medical Limited, up to a value of £0.5m.

29. **Related Party Transactions**

    Salisbury NHS Foundation Trust is a body corporate established by order of the Secretary of State for Health.

    The Department of Health is regarded as a related party. During the year ended 31 March 2017 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 listed below:

	Income £000	Expenditure £000	Receivables £000	Payables £000
Year ending 31 March 2017				
NHS Dorset CCG	20,071	-	-	91
NHS West Hampshire CCG	15,340	-	-	222
NHS Wiltshire CCG	97,289	8	695	-
NHS England:				
South West Commissioning Hub	29,766	-	-	-
South Central Local Office	8,504	-	-	658
Wessex Commisioning Hub	1,637	-	106	-
Wessex Local Office	1,279	-	-	163
South West Local Office	185	-	55	-
Core	7,826	-	3,495	-
Health Education England	6,186	10	17	-
NHS Litigation Authority	19	7,180	-	-
University Hospitals Southampton NHS Foundation Trust	1,916	1,301	540	368
Year ending 31 March 2016				
NHS Dorset CCG	19,605	-	737	-
NHS West Hampshire CCG	14,518	-	220	-
NHS Wiltshire CCG	92,550	8	1,738	-
NHS England:				
South West Commissioning Hub	27,978	-	1,016	-
South Central Local Office	8,674	-	-	59
Wessex Commisioning Hub	1,767	-	188	-
Wessex Local Office	1,446	-	-	154
South West Local Office	131	-	-	35
Health Education England	6,012	10	4	-
NHS Litigation Authority	5	6,266	-	3
University Hospitals Southampton NHS Foundation Trust	1,855	1,451	473	308

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.

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

30. Private Finance Initiative Schemes (PFI)

30.1 PFI schemes deemed to be on-Statement of Financial Position

Contract start date: 3 March 2004
Contract end date: 31 January 2036
The PFI scheme provides modern clinical buildings for patient services covering a number of specialties including: Burns, Plastics, 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.
There were no changes to the terms and conditions of the PFI agreement during the year

30.2 PFI scheme - Charge to operating expense in Statement of Comprehensive Income

	Group and Trust	
	2017	2016
	£000	£000
Amounts included within operating expenses in respect of the 'service' element of PFI schemes deemed to be on-Statement of Financial Position	**904**	880
Depreciation of PFI asset	**260**	257
Net charge to operating expenses	**1,164**	1,137

30.3 PFI scheme - Analysis of amounts payable to service concession operator

	Group and Trust	
	2017	2016
	£000	£000
Interest	1,261	1,297
Repayment of finance lease liability	528	552
Service element	904	880
Capital lifecycle maintenance	256	205
Contingent rent	611	603
Unitary payment payable to service concession operator	**3,560**	3,537

30.4 Annual commitments under Private Finance Transactions - On Statement of Financial Position

The Trust is committed to make the following service payments on the PFI:	**2017**	2016
	£000	£000
Due within one year	**946**	895
Due within 2 to 5 years	**4,262**	4,097
Due after 5 years	**16,311**	17,425
	21,519	22,417

The annual charge will be indexed each year. Indexation will be increased in line with the Retail Price Index.

Imputed finance lease obligations comprise:	Minimum lease payments		Present value of minimum lease payments	
	2017	2016	**2017**	2016
	£000	£000	**£000**	£000
Rentals due within one year	**1,735**	1,788	**509**	528
Rentals due within 2 to 5 years	**6,542**	6,654	**1,961**	1,944
Rentals due thereafter	**25,369**	26,993	**16,175**	16,701
	33,646	35,435	**18,645**	19,173
Less: interest element	**(15,001)**	(16,262)		
Total	**18,645**	19,173		

NOTES TO THE ACCOUNTS

31. 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.

31.1 Foreign currency risk

The Group is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and sterling based. The Group has no overseas operations 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	
	2017	2016	**2017**	2016	**2017**	2016
	£'000	£'000	**£'000**	£'000	**£'000**	£'000
Euro	**-**	-	**-**	85	**-**	-
GBP	**14,731**	12,627	**45,337**	43,374	**8,505**	11,612
	14,731	12,627	**45,337**	43,459	**8,505**	11,612

The Euro denominated financial instruments relate to the Trust itself

31.2 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 2017

	Weighted average effective interest rate %	Less than one month £000	1-3 months £000	3 months to 1 year £000	1-2 years £000	2-5 years £000	over 5 years £000	Discount £000	Total £000
Fixed rate									
Finance lease obligations	7.7	-	-	-	-	-	-	-	**-**
PFI obligations	6.5	250	250	1,235	1,896	4,646	25,369	(15,001)	**18,645**
Department of Health Loan	1.64	-	349	363	717	2,061	2,356	(477)	**5,369**
Salix Loan	-	-	-	-	-	-	-	-	**-**
Floating rate									
Trade and other payables	-	15,849	-	-	-	-	-	-	**15,849**

As at 31 March 2016

	Weighted average effective interest rate %	Less than one month £000	1-3 months £000	3 months to 1 year £000	1-2 years £000	2-5 years £000	over 5 years £000	Discount £000	Total £000
Fixed rate									
Finance lease obligations	7.7	-	29	61		-	-	(5)	**85**
PFI obligations	6.5	250	250	1,288	1,896	4,758	26,993	(16,262)	**19,173**
Salix Loan	-			37	-	-	-	-	**37**
Floating rate									
Trade and other payables	-	12,099	-	-	-	-	-	-	**12,099**

31.3 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 2017 are in receivables from customers, as disclosed in note 21.

NOTES TO THE ACCOUNTS

31. Financial instruments (continued)

31.4 Liquidity risk

The NHS Foundation Trust's net operating costs are incurred under contracts with commissioners, which are financed from resources voted annually by Parliament. The Trust also largely finances its capital expenditure from funds made available from Government. Salisbury NHS Foundation Trust is not, therefore, exposed to significant liquidity risks.

31.5 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

31.6 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	-	**12,189**	-	**12,189**
Loan to joint venture		**2,000**	-	**2,000**
Cash and cash equivalents	-	**7,659**	-	**7,659**
Other financial assets	**7,421**	**140**	-	**7,561**
Total at 31 March 2017	**7,421**	**21,988**	**-**	**29,409**
Trade and other receivables excluding non financial assets	-	8,106	-	8,106
Cash and cash equivalents	-	10,789	-	10,789
Other financial assets	5,854	-	-	5,854
Total at 31 March 2016	5,854	18,895	-	24,749
Financial assets - Trust				
Trade and other receivables excluding non financial assets	-	**11,845**	-	**11,845**
Loan to joint venture		**2,000**	-	**2,000**
Cash and cash equivalents	-	**6,667**	-	**6,667**
Other financial assets	-	-	-	-
Total at 31 March 2017	**-**	**20,512**	**-**	**20,512**
Trade and other receivables excluding non financial assets	-	7,877	-	7,877
Cash and cash equivalents	-	7,151	-	7,151
Other financial assets	-	-	-	-
Total at 31 March 2016	**-**	15,028	**-**	15,028

NOTES TO THE ACCOUNTS

31. Financial Instruments (continued)

31.6 Financial instruments by category (continued)

	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	-	**5,369**	-	**5,369**
Private Finance Initiative	-	**18,645**	-	**18,645**
Finance lease obligations	-	**-**	-	**-**
Trade and other payables	-	**17,307**	-	**16,637**
Provisions under contract	-	**656**	-	**656**
Total at 31 March 2017	**-**	**41,977**	**-**	**41,307**
Borrowings	-	6,000	-	6,000
Private Finance Initiative	-	19,173	-	19,173
Finance lease obligations	-	85	-	85
Trade and other payables	-	14,363	-	14,051
Provisions under contract	-	542	-	542
Total at 31 March 2016	**-**	40,163	**-**	39,851

31.7 Fair values of financial liabilities at 31 March 2017

	Group		Trust	
	Book Value £'000	Fair Value £'000	Book Value £'000	Fair Value £'000
Provisions under contract	656	656	656	656
Loans	5,369	5,369	5,369	5,369
	6,025	**6,025**	**6,025**	**6,025**

32 Third Party Assets

The Trust held £1k cash at bank and in hand at 31 March 2017 (2016: £1k) 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.

NOTES TO THE ACCOUNTS

33. Investment in subsidiary

33.1 Odstock Medical Limited

Salisbury NHS Foundation Trust established, following Department of Health approval, a subsidiary company, Odstock Medical Limited, to market and develop a technology created at Salisbury District Hospital. The technology assists patients to obtain increased mobility following illnesses which reduce their muscular co-ordination. The company was established in August 2005 and commenced trading on 1 April 2006. Salisbury NHS Foundation Trust owns 70% of Odstock Medical Limited.

	Trust
Shares at cost	£
At 31 March 2017 and 31 March 2016	**5,034**

No goodwill arose in respect of the subsidiary as the reporting Trust established the company and received an interest in the company equal to the fair value of assets on its formation.

The Trust's charity, Salisbury Districty Hospital Charitable Fund, owns a further 18% of Odstock Medical Limited.

33.2 Salisbury Trading Limited

Salisbury NHS Foundation Trust established a subsidiary company, Salisbury Trading Limited, to market and deliver laundry and linen services. The company commenced trading on 1 October 2013. Salisbury NHS Foundation Trust owns 100% of Salisbury Trading Limited.

	Trust
Shares at cost	£
At 31 March 2017 and 31 March 2016	**1**

No goodwill arose in respect of the subsidiary as the reporting Trust established the company and received an interest in the company equal to the fair value of assets on its formation.

33.3 Replica 3DM Limited

Salisbury NHS Foundation Trust initially purchased one third of the shares at cost in a start up company, Replica 3dm Limited, which produces three dimensional models from scans and is marketing this capability to other NHS organisations. The company commenced trading in September 2012, but results from that date to 31 March 2017 are deemed to be immaterial and have not been incorporated into these consolidated financial statements. During the year to 31 March 2017 the Trust acquired the remaining share capital in the company for a nominal sum of 1 pence per issued share.

34. Investment in Joint Ventures

34.1 Sterile Supplies Limited

Salisbury NHS Foundation Trust established a subsidiary company, Sterile Supplies Limited, to market and deliver sterilisation services. In the year to 31 March 2017 the Trust relinquished overall control in the company to Steris Plc (formerly Synergy Health Plc) at which time the company was re-capitalised, with the Trust's investment in the share capital amounting to £250,000 (50% of the issued share capital). The company is building and developing a new production facility on the Trust's District General Hospital site which is anticipated to become operational during 2018-19. The Joint Venture commenced trading from the Trust's existing Sterlisation and Disinfection Unit during 2016-17.

	Trust
Shares at cost	£
At 31 March 2017	**250,000**
	£
At 31 March 2016	1

During the first period of trading, Sterile Supplies Limited reported a break even position resulting in no movement on the company's net asset value. Consequently, there was no share of any profits or assets to be reported in the Trust's accounts.

NOTES TO THE ACCOUNTS

34. Investment in Joint Ventures (Cont'd)

34.2 Wiltshire Health and Care

During 2016-17 the Trust became a one third partner in Wiltshire Health and Care LLP. The other equal partners being Royal United Hospitals Bath NHS Foundation Trust and Great Western Hospitals NHS Foundation Trust. Wiltshire Health and Care is focused solely on delivering improved community services in Wiltshire and enabling people to live independent and fulfilling lives for as long as possible.

Salisbury NHS Foundation Trust has not invested any capital sum in this partnership.

During the first period of trading, Wiltshire Health and Care LLP reported a break even position resulting in a net asset value of nil. Consequently, there was no share of any profits or assets to be reported in the Trust's accounts.

35. Movements on Public Dividend Capital

	2017 £000	2016 £000
Public Dividend Capital at 1 April	54,016	53,631
New public dividend capital received	30	385
Public Dividend Capital at 31 March	54,046	54,016

36. Charitable fund balances

	2017 £000	2016 £000
Restricted funds	3,847	4,273
Unrestricted funds	8,828	7,547
Endowment funds	9	9
	12,684	11,829

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.

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