NHS
Salisbury
NHS Foundation Trust

Annual Report and Accounts 2017 to 2018

Salisbury NHS Foundation Trust

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2017 to 2018

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Trust Values and Behaviours

The Trust's vision is to provide an outstanding experience for every patient. This is delivered through three strategic priorities of *Local Services, Specialist Services* and *Innovation*. There are three enabling objectives of *Care, People* and *Resources (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.

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, which saw the Trust finish with a £11.9 million deficit against a planned deficit of £7 million. Continued pressure on services, recruitment difficulties and a number of capacity and workforce challenges had an impact on our financial targets.

A number of important adverse performance and environmental factors impacted upon the Trust over the year, contributing to the below target financial outcome. The flow of patients into the Trust did not match the timing and types that were included in the Trust's operational plan, with low levels of outpatients, particularly in the early summer, being offset by higher than planned emergency admissions over the winter. In both cases, this made it difficult to match available clinical resources to the patient flow and required the opening of additional beds over the winter period. Underlying this flow problem, the Trust was impacted by the generally poor availability of clinical recruits, as have all NHS Trusts across the country. All of these factors led to requirements to bring in much higher levels of more expensive temporary staff in order to ensure that patient care was not compromised. Financial performance was also adversely impacted by failure to achieve a number of the cost saving initiatives that were included in the operational plan, with a larger proportion of those that were delivered being short term non-recurring savings, rather than long term efficiency improvements. The Trust is seeking to put in place a more effective and innovative approach to recruitment in order to close the underlying gap in clinical resources.

As a result of the developing position, NHS Improvement (NHSI) launched an investigation into the Trust's financial management during the year, concluding that there were a number of areas which required urgent improvement and expressing concern that the Trust was not meeting its licence conditions. In response to this, the Trust has formulated a set of improvement actions, which began in November 2017 and are due to be completed by July 2018. NHSI have agreed that successful completion of these actions will resolve the concerns that their investigation had identified. Management have instituted and maintain a robust programme management approach to monitoring these actions and are confident that they will be successfully completed.

Despite the pressure the Trust met the majority of its key operational targets and staff continued to provide good quality care in difficult circumstances. We met our main 18 week referral to treatment target, diagnostic and cancer waiting time targets and just missed the national A&E target, reflecting the considerable efforts of staff throughout the hospital to maintain the flow of patients. We also achieved low infection rates which included no reported instances of hospital acquired MRSA bacteraemia over the last three years.

During the year we made improvements that have delivered real benefits to our patients, their relatives and carers. This included a major site reorganisation designed to improve the way we manage emergency and non-emergency patients in hospital. As part of the changes we expanded our Acute Medical Unit to meet increasing demand, created a new and larger eye unit, and introduced a new short stay surgical ward.

We have increased collaboration between ourselves and other organisations as we look to provide more integrated, responsive and efficient services as part of the Sustainability and Transformation Plans. This has the potential to benefit the Trust and patients as we look closely at how we can work together to provide services and tackle some of the major recruitment challenges that we all face as this is a key risk for the Trust as it moves forward. For instance, how we can use clinical networks better to maintain services, provide joint roles and increase movement of staff between hospitals and community providers.

While the Annual Report sets out how we have performed against our key plans and objectives I could not finish this statement without recognising the extraordinary efforts of our staff throughout the year and the way in which they all contributed to our handling of the long running major incident, where we were a category one responder. This incident, which started within the financial year and continued to have an impact in 2018/2019, followed significant pressure

and other internal incidents caused due to winter weather. Despite this our staff enabled the Trust to maintain services for the local community and continue to provide good quality care for patients.

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 4,331 staff at 31 March 2018, 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.

In terms of the business model, the Trust provides services for patients through contractual arrangements with Clinical Commissioning Groups and specialised commissioners. Patient care and treatment is based on a national tariff (PbR), which determines the amount the Trust is paid for the work that it carries out. As part of the Five Year Forward View all NHS organisations and local authorities are working in partnership within geographical areas to develop Sustainability and Transformation Plans (STP). STPs, aim to transform health and care services within available resources over the next five years.

There are 44 Sustainability and Transformation Partnerships 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). While the footprint covers a defined area the Trust also collaborates with other health care organisations to the west in the development and delivery of the objectives set out in the STP and continues to have strong clinical connections with two other footprints – Hampshire and Isle of Wight and Dorset – as well as with the specialist commissioners.

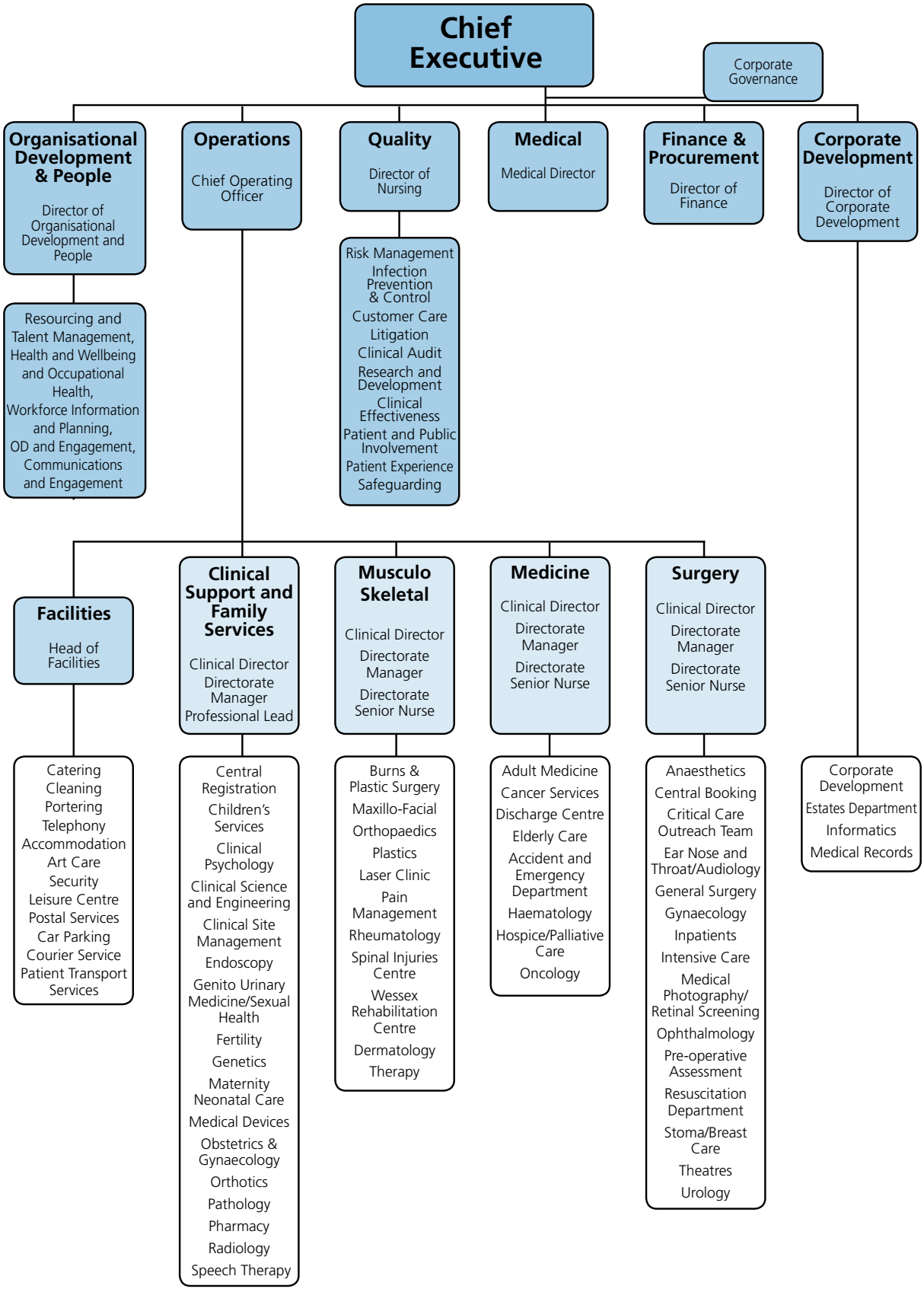
Organisational Structure

The Trust's services are organised into clinical and non clinical directorates which form the operational arm of the organisation. Non clinical directorates are led by executive members of the Trust Board headed by the Chief Executive. Clinical directorates are led by directorate management teams, with a clinical director who is a practicing doctor or surgeon, supported by a directorate manager and directorate senior nurse or allied health professional. This means that clinically trained staff have direct management responsibility for budgets and patient services in their directorate.

The Trust Board is led by the Chairman and is the statutory authority which sets the overall strategy for the Trust. The Trust's strategy, objectives and performance is monitored by the Trust Board. This will be covered in more detail later in this report. The Trust has six executive directors and seven non- executive directors who bring an independent view to the decision making process of the Board.

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

Organisational Structure



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

- Financial recovery
- Operational and capital investment funding
- Workforce – recruitment and retention
- Maintaining quality improvements
- 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. The Board has considered its risk appetite and this is detailed in the Risk Management Policy.

Going Concern

The Trust has submitted a financial plan for 2018/2019 to NHS Improvement which delivers a £11.8m deficit after delivery of a £9.7m 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 £11.8m cash support from the Department of Health and Social Care to maintain the Trust's cash flows in 2018/19.

The Trust is still awaiting formal confirmation of the amount and type of additional funding support, but continues to have its applications for revenue support loans approved on a monthly basis to ensure it has access to sufficient cash to meet short term financial liabilities. The Trust continues to work intensively with NHSI to ensure that the required funding facilities are forthcoming from the Department of Health and Social Care.

Despite the absence of this formal confirmation, the Board of Directors have discussed the appropriateness of continuing operations on a "going concern" basis; and having reviewed the Financial Reporting Manual, and having discussed the available evidence; although there remains material uncertainty with regards to going concern the Board of Directors are content for the accounts to be prepared on a "going concern" basis in line with guidance.

Performance Analysis

In 2017/2018 the Trust reviewed its strategy and performance is now assessed against its strategic vision of offering an outstanding experience for every patient through three strategic priorities of Local Services, Specialist Services and Innovation. There are also three enabling objectives that will help us lay the foundations for us to create an organisation capable of delivering the vision. These are Care, People and Resources.

The Trust's annual performance is measured against a number of operational and financial targets which are included in this performance analysis and set out in the following strategic priorities and enabling objectives.

Local Services

We will meet the needs of the local population by developing new and improved ways of working which always put patients at the centre of all we do

One of the main strategic aims for our local services is to ensure that we work closely with GPs, community health and social care teams to provide a comprehensive range of general services that reach out into the

community, with a focus on keeping patients at home unless admission is absolutely necessary. It is also important that we have sufficient capacity within the hospital to meet an increasing demand on services and that we are able to discharge patients effectively when they no longer need to be in hospital.

HIGHLIGHT OF THE YEAR

SITE CHANGES IMPROVE EXPERIENCE FOR LOCAL PATIENTS

Trust changes ensure that patients now get the right care in the right environment

The Trust carried out £3 million reconfiguration of the Salisbury District Hospital site to help relieve pressure and put us in a better position to care for and manage emergency and non-emergency patients during peaks in demand. The changes involved the re-remodelling of medical, orthopaedic/plastic surgery and burns ward templates, the development of a new expanded co-located medical and elderly care admission unit and the introduction of a short stay surgical unit. The Trust also created a purpose designed area for ophthalmology outpatients, freeing up space to create more ward accommodation. The final part of the project involves the move of cancer services in the Pembroke Ward and Suite in the early part of 2018/2019. These changes are designed to help improve the care and experience of our patients, by ensuring they receive their care in the right environment and reduce the number of cancelled operations for patients who need planned treatment.

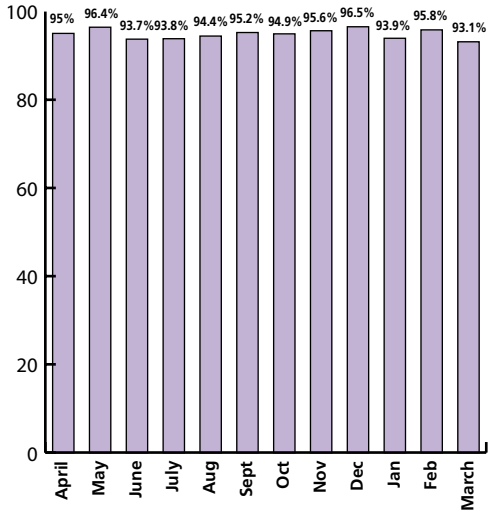
While the main aim is to improve the care we provide for both our emergency and elective patients, the site changes are also an important part of our plans to deliver our key performance targets and sustainability in the future. As we move into 2018/2019, the Trust should start to gauge the effectiveness of the changes it has made through patient feedback and a number of key indicators. However, the ever increasing demand on services and ongoing difficulties in discharging patients in a timely manner to a community setting means that there is still some uncertainty around the full effectiveness of the site changes and this may not become clear until we experience the next complete winter period.

The key indicators relate to waiting times and access to treatment, which are monitored monthly by the Trust Board. In terms of the 2017/2018 year the Trust still performed well against its main targets. In nine consecutive months during the latter part of the financial year, the Trust met the 92% target for patients on a waiting list waiting less than 18 weeks of the GP referring them to hospital of the Trust enabling it to finish the year with an overall percentage of 91.3%.

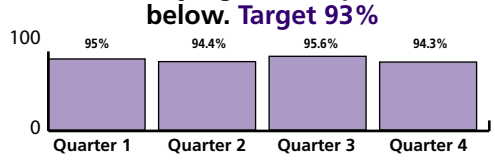
At the end of the 2017/2018 financial year the Trust met its two main cancer waiting time targets. For example, 94.8% (target 93%) of patients were seen within two weeks of referral from the GP, and 86% (target 85%) were treated within 62 days of GP referral.

KEY PERFORMANCE INDICATOR
APRIL 2017 – MARCH 2018

Cancer Waiting Times – Patients seen within two weeks of referral from GP: Target 93% for the year: Total 94.8%



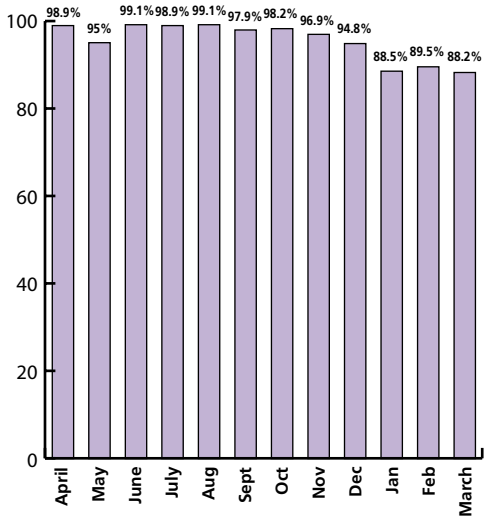
Nationally, all cancer waiting time targets are reported quarterly. Quarterly figures are provided below. Target 93%



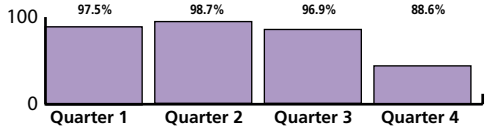
Throughout the year the Trust experienced significant pressure on its services. This did have an impact on its emergency department waiting times and any benefit that the Trust may have gained from the site changes could only be realised when the majority of the changes had been completed at the end of the calendar year. Like many other hospitals across the country the Trust did not meet its main Accident and Emergency target of 95% of people admitted, treated or discharged within four hours, but was one of the best performers on this target.

KEY PERFORMANCE INDICATOR APRIL 2017 – MARCH 2018

Cancer Waiting Times – Patients who had treatment started within 31 days of decision to treat.
Target: 96% for the year: Total 95.6%

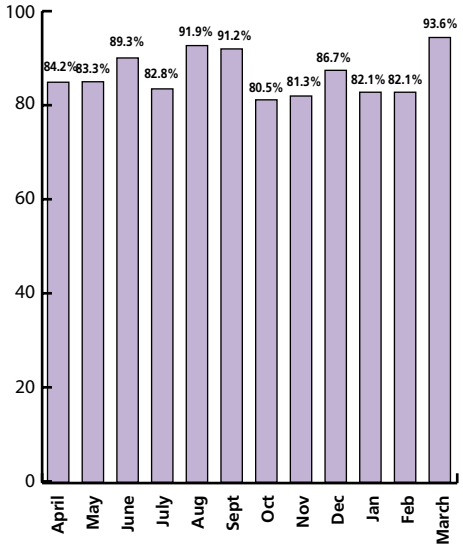


Nationally, all cancer waiting time targets are reported quarterly. Quarterly figures are provided below. Target 96%

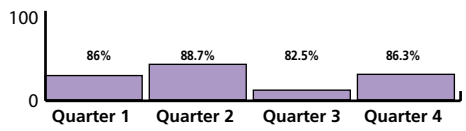


KEY PERFORMANCE INDICATOR APRIL 2017 – MARCH 2018

Cancer Waiting Times – Patients treated within 62 days of referral.
Target: 85% for the year: Total 86%

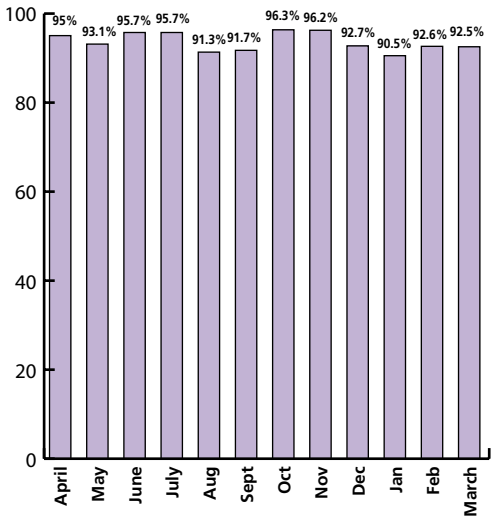


Nationally, all cancer waiting time targets are reported quarterly. Quarterly figures are provided below. Target 85%



KEY PERFORMANCE INDICATOR APRIL 2017 – MARCH 2018

Proportion of A&E attendees who were admitted, treated or discharged within four hours.
Target: 95% for the year: Total 93.6%

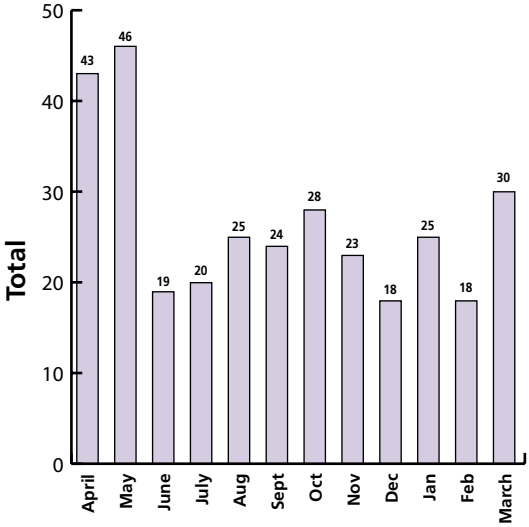


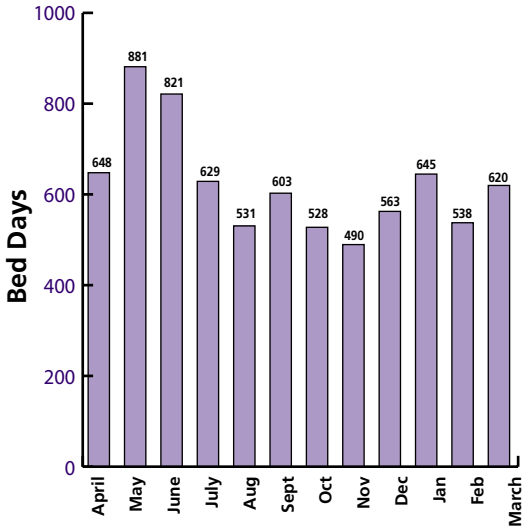
In terms of the Trust's diagnostic target, 98.7% patients received their diagnostic procedure within six weeks against a target of 99%. This covers 15 procedures such as MRI, CT, endoscopy and ultrasound. MRI scanning capacity represents the biggest risk factor on diagnostic waiting times and there is a need for an additional MRI scanner to increase capacity and reduce the risk in this area. The existing MRI scanner is running at full capacity and some patients currently have their scans at other hospitals or in the mobile MRI van. Throughout 2018/2019 we will be holding our normal fundraising activities, as well as a number of other activities to support a campaign for a second MRI scanner.

Other indicators that impact on patients experience and the main strategic aim around local services include the number of delayed transfers of care and length of stay.

KEY PERFORMANCE INDICATOR APRIL 2017 – MARCH 2018

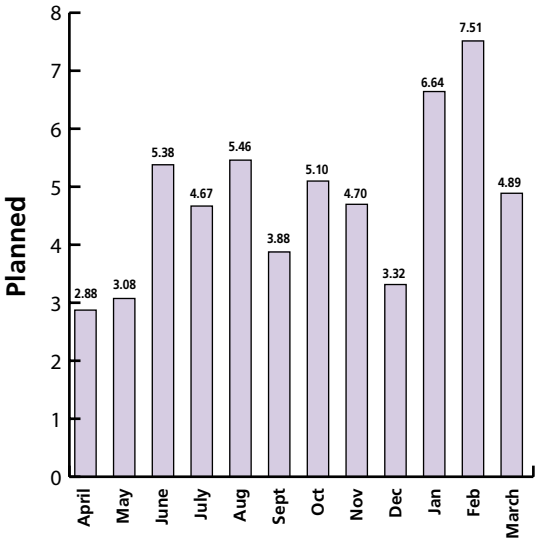
Delayed transfers of care

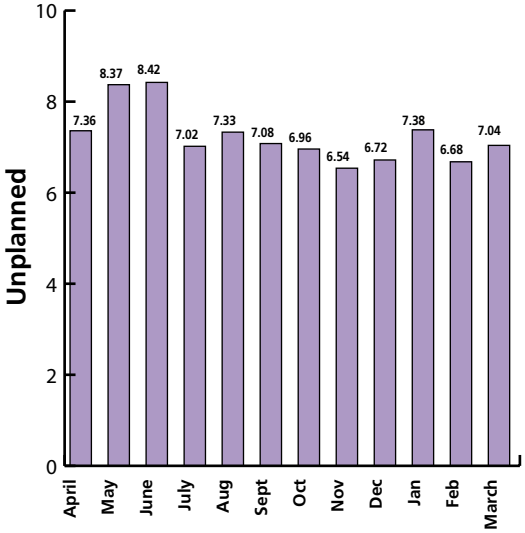




KEY PERFORMANCE INDICATOR APRIL 2017 – MARCH 2018

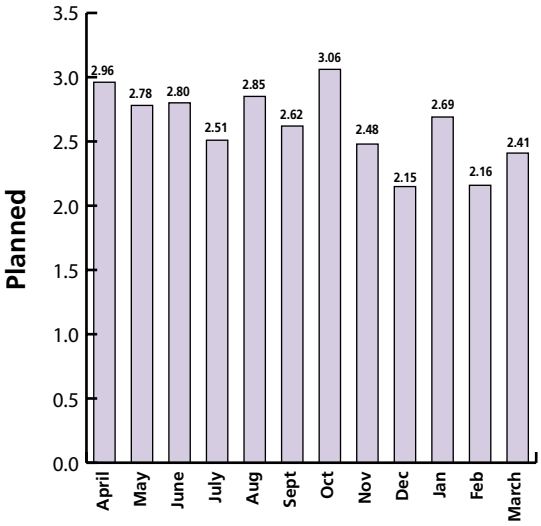
Average length of stay in days – Medical

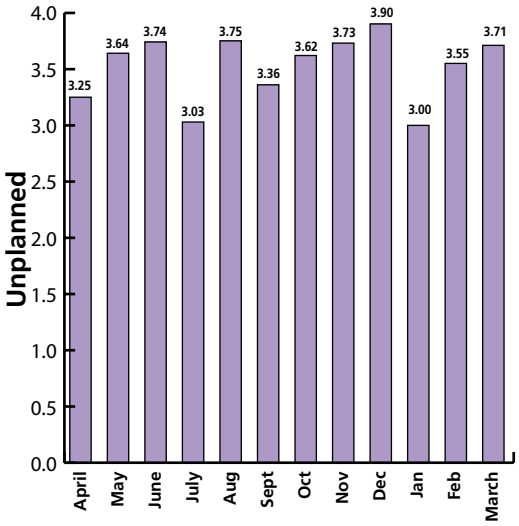




KEY PERFORMANCE INDICATOR APRIL 2017 – MARCH 2018

Average length of stay in days – Surgical





It is essential that we work closely with our partners to do everything that we can to support GPs and keep patients at home unless it is absolutely necessary to admit them to hospital. The Trust continues to offer specialist advice and guidance for GPs and also patients so that they can make more informed decisions about whether a patient needs to be referred to hospital. GPs can obtain consultant advice for patients with non–urgent problems without the need for an outpatient appointment. Patients are also able to benefit from consultant advice within five working days of a GP request and, if an appointment is needed, preliminary tests can be done before the patient attends the appointment. By the end of December 2017, this service was being offered in cardiology, diabetes and endocrinology, haematology, oral surgery and orthodontics, audiology, ear nose and throat (ENT), ophthalmology, burns, trauma orthopaedics and spinal surgery. The aim is that this will be offered in paediatrics, urology, gastroenterology and general surgery in 2018/2019. (Please see quality account later in this report for further details).

HIGHLIGHT OF THE YEAR

MORE SUPPORT TO PREVENT AVOIDABLE ADMISSIONS

Access to specialist consultant and advice for GPs and patients expanded across more services

The Trust has also been doing a lot of work within the hospital to ensure that patients have access to a fast and accurate assessment. In 2017 we introduced an Older Person's Assessment and Liaison Team (OPAL) who can now provide 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 then go on to an intermediate care bed or a community hospital. In the first six months, the specialist team assessed 500 patients and 63% were able to go home the same day with support from community services. Of the patients who needed to stay in hospital, 86% went directly to a ward specialising in the care of older people which helped reduce their length of stay.

Specialist Services

We will provide innovative, high quality specialist care delivering outstanding outcomes for a wider population.

For many years the Trust has had a well established reputation for good quality specialist services. The specialist services are an essential element in the range of services provided in Salisbury and building on these is important for the Trust's future success. The level of expertise is second to none with outstanding microsurgical techniques, management of patients with burns, cancer care, reconstructive surgery, services for patients with a spinal cord injury and a nationally acclaimed genetics laboratory service.

The Trust has continued to work closely with University Hospitals Southampton (UHS) in a number of areas. This includes UHS' role as a major trauma centre which provides specialist trauma care and rehabilitation across the region, with support from specialist units in other hospitals. Salisbury's plastic surgery department successfully provides the plastic reconstructive element, providing the only regional re-implantation surgery for traumatic amputations, treatment for severe open fractures needing skin or soft tissue coverage, and a Burns Unit for moderate and severe burns patients. During the year the Trust looked to bolster the support it provides to UHS by basing a "surgeon of the day" in Southampton. This makes it easier to provide on the spot assessment and treatment in Southampton, without the need for some patients to come to Salisbury.

During 2017/2018 the Trust took the decision to move the care and treatment of children with burn injuries to the children's ward where specialist staff in plastic surgery and burns could see them in a dedicated children's ward, rather than the Burns Unit, which catered for both adults and children. This is part of a wider programme to ensure that children are treated in the most suitable environment.

While the Trust's ongoing response to the Care Quality Commission (CQC) report will be covered in detail in the Care section later in this performance report, it is important to note that the Spinal Treatment Centre has continued to make excellent progress in making further reductions in the number of patients who need follow up, following discharge from the centre. This was an area identified by the CQC in its report and the Trust took prompt action to review the situation and put plans in place quickly to ensure adequate follow up takes place. During the previous year the CQC revisited

the spinal unit and was satisfied that the Trust had met all its requirements in this area.

HIGHLIGHT OF THE YEAR

TRUST BIDDING TO PROVIDE NATIONAL GENOMICS SERVICE

Salisbury reputation and expertise key to bid to provide one of seven Genomic Laboratory Hubs

Over a number of years, scientists in the specialist Wessex Regional Genetics Laboratory at Salisbury District Hospital have received national and international recognition for high quality research. The centre was also one of only two national reference laboratories that provided key information and expertise to the Department of Health and act as a dedicated resource to support the NHS genetics communities in their development of better patient services, in conjunction with the University of Southampton. During the year specialist expertise and skills within the team enabled it to bring in additional work from other hospitals and staff are now also involved in a joint bid with universities in Southampton, Birmingham and Oxford to provide one of seven regional genomics services in the country.

Innovation

We will promote new and better ways of working, always looking to achieve excellence and sustainability in how our services are delivered making a positive contribution to the financial position of the Trust.

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

During the year the Trust took part in several national initiatives to improve the way patients move through the hospital system and get a better understanding of the internal and external challenges that stop patients being discharged in a timely manner. As part of Perfect Week, staff across health and social care worked

HIGHLIGHT OF THE YEAR

PERFECT WEEKS IMPROVE PATIENT FLOW

Hospital and community staff work together to test small changes that can make a difference to care

together to either test small changes that can improve the way patients move through health and social care or better understand any delays they may be experiencing. As part of the week staff reviewed all patients who had spent over 14 days in hospital. This review has allowed internal and external partners to better understand the often complex discharges and ongoing health needs for a large number of patients, identify where there are gaps in service provision within the community, as well as what we can do differently to improve the discharge experience for patients and their family.

HIGHLIGHT OF THE YEAR

STAFF INTRODUCE SUCCESSFUL #ENDPJPARALYSIS CAMPAIGN

Staff across the hospital now encouraged to get patients up and about and out of their pyjamas

Hospital staff also took forward the #endpjparalysis campaign. Patients who wear day clothes each day are more likely to maintain their independence, feel better in themselves and recover faster. They are also better prepared for discharge back home or to a community setting. Following two pilot projects staff are now encouraged to get patients up and about and

out of their gowns and pyjamas. This is written into treatment plans and discussed more widely in multi-disciplinary team meetings and ward rounds. Patients feel more confident to go home and benefit from greater involvement in their overall care. Patients also found it easier to socialise and interact with each other, which reduced the risk of loneliness and isolation which can have a negative impact on older people. They also felt more positive about their condition and the reason why they were in hospital and this also passed on to patient's relatives, reducing the worry that can come from a hospital stay and creating a strong collaboration between patients, relatives and staff.

HIGHLIGHT OF THE YEAR

NEW EARLY SUPPORTED DISCHARGE SCHEMES

Some patients able to receive rehabilitation at home with the same level as in hospital

A key strategic aim around innovation is the development of new pathways and during 2017/2018 the Trust worked closely with its community partners on several early supported discharge (ESD) schemes. In the previous year an ESD scheme was set up for hip fracture and this year another started for stroke patients. These schemes enable patients to receive their rehabilitation at home with the same intensity and expertise that they received in hospital. This new model is now starting to see success with 24 patients now able to go home earlier since the scheme was introduced in October 2017.

The Trust also met with its community partners and care home providers to map the patient journey from the point of admission to discharge from hospital. This helped us to identify gaps and processes that caused delays so that we could take improvement actions to reduce them. This included the reduction in prescribing delays for patients ready for discharge, greater awareness for staff to carry out early discussions about discharge with relatives and work with care homes to reduce delays in nursing home assessment.

HIGHLIGHT OF THE YEAR

TOP QUALITY RESEARCH RECOGNISED

Salisbury staff involved in increased activity and take part in major national studies

For many years staff in Salisbury have led the way within region on the quality of their research and participation in local and national research projects that can help improve access to new and better treatments. In the previous year Salisbury District Hospital was one of the first sites in the country to be involved in one of the biggest clinical trials in the UK to see whether aspirin can prevent cancers from coming back. Staff were also involved in major national studies on children with flu-like illnesses who may be at greater risk of developing further complications and a life changing study that will improve the way patients are treated for a rare form of blood cancer. This year consultant surgeon Graham Branagan was commended for his leadership, recruitment metrics, depth and breadth of his work and multidisciplinary team approach by the team at the Cancer Research Excellence in Surgical Trials (NIHR CRN). Salisbury had the largest percentage increase in studies in the Wessex region and, with the launch of a new Trust-wide research strategy, the research team is looking to increase participation further, create greater awareness amongst staff and patients about the importance of research and further raise the profile of the hospital across the country.

In the current climate it is important that the Trust builds on its reputation for innovation. During the year the Trust continued to move forward with its Scan4Safety project. Salisbury is a national demonstrator site for the introduction of new barcode standards and has introduced point of use scanning of all implants and consumables in cardiology and orthopaedics, making it easier to trace products in the event of a recall and ensure that only those that are in date are used. It also introduced point of use scanning to identify patients when taking observations and provide location numbers or "barcodes" that help us track patients and products to places. The success of the project in Salisbury resulted in the team being shortlisted for a

Health Service Journal (HSJ) Patient Safety Award within 2017/2018. The HSJ is the leading healthcare journal for NHS managers.

Care

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

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

HIGHLIGHT OF THE YEAR

GOOD PROGRESS AGAINST CQC ACTION PLAN

CQC improvement plan on track and a number of key milestones completed

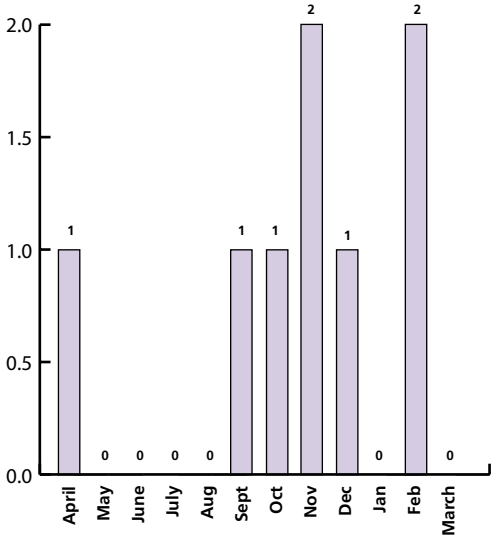
Following the Care Quality Commission (CQC) inspection in 2015 the Trust has continued to make good progress against its action plan. In 2017/2018 it introduced a new paediatric competency framework in A&E so that staff have the skills and training to tailor the care of children within the department. The Trust also reviewed staff needs for children across the hospital and introduced a more flexible paediatric nursing model. Clinical leadership in the spinal centre also improved with the appointment of a new lead clinician (see picture above). This followed significant action in the previous year to reduce outpatient waiting times, which was praised by the CQC. Many of the site changes covered earlier in the report addressed issues in the initial inspection and the Trust has also stopped discharges that took place directly from the theatre recovery area, which was another issue picked up by the CQC.

As part of our strategic priority around care we want to prioritise patient's safety by reducing harm and protecting the most vulnerable. There is a real focus on providing warmth, kindness and compassion and we want to work closely with patients to understand their needs and seek their feedback that drives change and improvement. The Trust has been active in the national Sign Up To Safety Campaign, which aims to halve avoidable harm within the NHS. We signed up to five pledges that strengthen patient safety under the following headings:

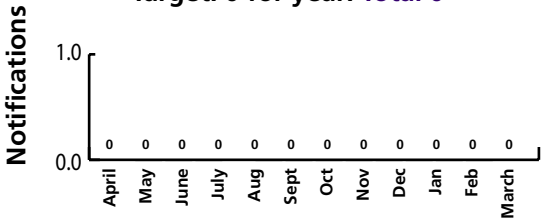
- Put patient safety first
- Continually learn
- Honesty
- Collaborate
- Support

Work under these headings continues and additional clinical work programmes have been added thanks to our active partnership with Wessex Patient Safety Collaborative. The Trust has four workstreams that focus on the reduction of harm in frailty, the deteriorating patient, perioperative safety, and maternity safety. More detailed information on the Trust's performance in these areas can be found in the quality report later in this Annual Report.

KEY PERFORMANCE INDICATOR
APRIL 2017 – MARCH 2018
Clostridium Difficile. Upper limit for Trust apportioned cases is 19. Total: 8



KEY PERFORMANCE INDICATOR
APRIL 2017 – MARCH 2018
Number of notifications of MRSA Bacteraemia made to the Health Protection Agency. Target: 0 for year: Total 0



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 have been no reported instances of hospital acquired MRSA bacteraemia in the last three years, 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 2018/2019, as part of its strategy to have one of the lowest infection control rates across the region.

HIGHLIGHT OF THE YEAR

GOOD ASSESSMENT PUTS TRUST ABOVE NATIONAL AVERAGE

Cleanliness, food and hospital environment top rated in patient led assessment

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. It also includes scores relating to whether hospitals provide a supportive environment for patients who have dementia or a disability. This year's assessment saw the Trust above average in all but one area illustrating how well clinical and non clinical teams have delivered against the national standards. In summary the scores were as follows:

- Cleanliness – scored 99.5% (national average 98.4%)
- Food – scored 97% (national average 89.7%)
- Privacy, dignity and wellbeing – scored 85.6% (national average 83.7%)
- Condition, appearance and maintenance – scored 95.3% (national average 94 %)
- Dementia supportive environment - scored 80.7% (national average 76.7%)
- Disability supportive environment – scored 81.8% (national average 82.6%)

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 last national inpatient survey we are making good progress against the actions identified in the last report. Salisbury scored 'about the same' as most other Trusts in England for the 11 sections and 'better' for patients having trust and confidence in the doctors treating them, and being told how an operation or procedure had gone in a way they could understand. Trust-wide actions centred mainly on issues related to pressure within the system and capacity, such as the use of escalation areas, changes in admission dates and waiting to get on a ward. These are being addressed mainly through the Trust site changes and the work we have been doing to review and test changes to our escalation plans.

HIGHLIGHT OF THE YEAR

A&E PATIENTS RATE THEIR CARE HIGHLY

Salisbury considered one of the best hospitals in the country in A&E survey

During the year the Care Quality Commission published its results on the both the Emergency Department (A&E) survey and the parents, children and young people's survey. People needing emergency treatment rated our A&E as one of the best in the country, with a higher proportion of patients responding positively about the care they had received compared to other Trusts. When compared with most other Trusts in the survey, we were better in eight of the nine sections covered in

the report. Communication of waiting times, length of visit, respect and dignity and overall experience were all areas where the trust was considered one of the best in the country. In the parents, children and young people's survey the overall experience of care was also rated highly and the Trust was better than most others in 34 of the 63 questions asked. However, we are reviewing theatre lists to ensure that children and adults are better separated within the day surgery environment as this is an area that we feel needs to be improved following the survey.

It is important that we continue to look carefully at the support that we provide for a wide range of people and new mums linked to the maternity services who need help to breastfeed now get more support from other women following an increase in breastfeeding peer support in hospital and the community. Breastfeeding peer supporters now come into hospital regularly to talk to woman about their experiences of breastfeeding. As well as providing independently run peer group sessions in Salisbury, Mere, Downton, Bulford, Wilton and Tisbury, the Salisbury team set up new groups in Amesbury and Tidworth during the year.

HIGHLIGHT OF THE YEAR

SMOKING CESSATION SUPPORT FOR PATIENTS

Patients who wish to give up smoking given information and support

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

HIGHLIGHT OF THE YEAR

SELF CARE WEEK

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

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 Embracing Self-Care for Life 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.

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 carrying out audits of antibiotic prescribing and reminding staff of best practice in this area.

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. This includes support for carers of people with dementia and the Trust had already signed up to John's Campaign and the commitment from us that our staff will welcome carers and work with them

to ensure the ongoing health and wellbeing of patients with dementia. During the year the Trust also signed a carers memorandum of understanding. This sets out a number of principles which will ensure that our staff are aware of the needs of carers and referral routes for them to access local support. We think it is important that carers are recognised as expert care partners, and there is a commitment from us that they are involved in decisions about the patient's care. 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.

People

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

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

HIGHLIGHT OF THE YEAR

OUTSTANDING CONTRIBUTIONS HIGHLIGHTED IN AWARDS

Awards presented to staff for service improvement and the values and contribution staff make at work

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. This year we split the service improvement awards away from our main staff awards ceremony. The service improvement awards gave staff an opportunity to highlight the outstanding work that is taking place across the hospital to improve services for patients through a number of presentations and recognise and reward the best of these on the day. Service improvement award winners this year were speech therapist Nadine Crook for her work on improving communication for stroke patients; therapists Hannah Munns and Gill Hibberd who were part of the Older Persons Assessment and Liaison Team who provide additional therapy for older people in hospital; Junior doctors Fiona Wu and Olivia Scott who designed and implemented a post falls assessment proforma; Community Liaison Charge Nurse Damian Smith for the Spinal Outpatient Service Team who won the judges' award for the way in which they worked together to improve patient services.

This year the Striving for Excellence Awards were sponsored by the League of Friends and took place at the Salisbury Racecourse, giving us more opportunity to develop the awards as a more conventional awards ceremony, celebrate staff 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 year the winners in the Living the Values Award category were Keith Loader, the #EndPJParalysis Team, the Directorate Management Secretaries, Intensive Care Unit Rehabilitation & Follow-Up Team (RAFT) Michelle Bray (Senior Physiotherapist) and Claire Newton. The overall winner in this category was Heidi Killoran. Good customer care, leadership, special achievements, mentoring and equality and diversity were also covered in the awards.

HIGHLIGHT OF THE YEAR

STAFF CELEBRATE PRIDE IN PRACTICE

Staff celebrate success and share best practice in local event

It is important that staff use every opportunity to celebrate their achievements, highlight improvements and share best practice and nurses, midwives and therapists did this through the hospital's Putting Pride into Practice event. The event celebrated the contribution nurses, midwives and therapists make to the delivery of our strategy in providing an outstanding experience for every patient. During the day there were

eight team presentations that demonstrated excellence in care in looking after people throughout their lives. There were also over 30 posters that illustrated the commitment of staff in providing high quality patient care and what they have been doing to share best practice across the hospital.

Many trusts across the country have a range of workforce challenges and are finding it harder to recruit staff to a number of clinical and non-clinical roles. Recruitment is seen as a key risk for the Trust as this, along with ongoing pressure within the health system, contributes to an increasing gap between the number of patients that are seen and the number of staff employed. This has an adverse effect on the use of agency staff, which is used by trusts to maintain the required staffing levels and creates additional costs at a time of severe financial pressure.

Some of the national challenges are mirrored in Salisbury and, as part of a wider review of our workforce strategy, we looked carefully at our whole approach to recruitment, the information we provide and campaigns that we run to try and attract staff to Salisbury and retain them. This included greater use of social media, a more personal approach to our online campaign and better use of open days where people can see first-hand the benefits of working at Salisbury. However, with many other hospitals in a similar position this has had limited success.

HIGHLIGHT OF THE YEAR

NEW NURSES FROM OVERSEAS JOIN SALISBURY TEAM

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

A key focus was on the recruitment of nursing assistants and the Trust held a number of recruitment events specifically for them. Both national and international recruitment took place for nurses and junior doctor grades, which has provided some success. In the previous year the Trust carried out nurse recruitment exercises in the Philippines and Italy. This year a similar exercise took place in India, the United Arab Emirates and Australia. In order to ensure a greater stream of trained nurses in the future the Trust also started to develop apprenticeships to help create our own pathways into nursing both for existing staff and those that want to join the Trust. It is hoped that in the next few years the Trust will start to see the benefit of this initiative and new and innovative recruitment campaigns.

In 2015 NHS Improvement brought in a national "agency cap" to reduce the amount the NHS spends on agency staff. In the early part of the 2017/2018 year the Trust had difficulty in maintaining agency spend and carried out a review of areas of high usage and put in place an overall agency reduction plan for the Trust and specific plans for directorates. The Trust worked closely with its main provider for medical staff to help reduce usage in line with the requirements of the national cap and looked to boost the use of our internal bank for all disciplines. 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 and the Trust is working with companies on new and innovative ways of booking locum shifts for doctors. This included the introduction of an app based booking system.

While staff turnover remains low compared to the national average, 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 was 5.9%, at 31 March 2018.

KEY PERFORMANCE INDICATOR
APRIL 2017 – MARCH 2018

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 2018 was 10.6%, which was a slight increase from last year.

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. While our sickness absence rate is one of the lowest in the region, we value our staff and want to ensure that they have the support that they need. In 2017/2018 we reviewed our health and wellbeing support to ensure that they continue to meet the needs of our staff. We also provided additional support to departments with high sickness absence

rates, as well as support for managers to manage sickness within their areas and see what additional support they needed for staff to remain at work or return if they have short term sickness. This included a detailed analysis of causes to see what further support could be provided through our developing health and wellbeing strategy. Reducing our reliance on agency staff, attracting staff to work permanently at the Trust and ensuring that existing staff have the support that they need are key priorities for the executive team. Staff sickness information for 2017/2018 can also be found in the staff section of this Annual Report.

KEY PERFORMANCE INDICATOR
APRIL 2017 – MARCH 2018

At 31 March 2018, overall staff mandatory training compliance was 85.4% against a target of 85%. At 31 March 2018, the number of medical staff who had an appraisal in the last 12 months was 91% from 86% last year. (target 100%), non medical was 84.7% a slight improvement from last year (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

As part of the national staff survey, staff gave a positive view of the hospital and what it is like to work here and rated Salisbury District Hospital as one of the best places in the NHS to work and receive treatment. While the Trust was in the top 20% of hospitals, the score in this area decreased from last year. Despite the pressures our overall staff engagement levels are good and in the top 20% compared with trusts of a similar type. The Trust acknowledged 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 and is covered in more detail in the staff report later in this annual report.

HIGHLIGHT OF THE YEAR

TRUST CELEBRATES DIVERSITY IN SALISBURY

Greater awareness of equality through an Equality is for Everyone event

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 was also chosen as one of the Diversity and Inclusion Partners in the NHS Employers Programme. The programme gives trusts the opportunity to develop their existing equality and diversity policies and plans, further embed and integrate diversity and inclusion into the culture of their organisations and share best practice with other hospitals. This includes participation in consultations on national policy and proposed changes to legislation. As in the previous year 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 which reflected 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

HIGHLIGHT OF THE YEAR

GREATER AWARENESS OF SUPPORT FOR STAFF TO RAISE CONCERNS

Successful awareness campaign around confidential and impartial support for staff

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 now 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.

HIGHLIGHT OF THE YEAR

SHAPE UP @ SALISBURY PROGRAMME RE-LAUNCHED

Staff Health and Wellbeing programme expanded

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 continued with its programme of activities and events to support staff in their work and promote staff health wellbeing. 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.

HIGHLIGHT OF THE YEAR

GREATER SUPPORT FOR STAFF AROUND RESILIENCE

New resilience training by clinical psychology department to help staff who are feeling pressure

We want to look closely at increasing support roles so that frontline staff have more time to look after the clinical care of patients. We are going to make training and development a priority, maximising career opportunities here so that staff do not have to move away to progress their careers. We are looking to introduce more benefits for staff on top of what we already provide, such as the day nursery and gym, by working closely with the local community to increase discount schemes. We want to improve the support that we already provide, by building on our health and wellbeing programme. A good example of this is the new resilience training provided by our clinical psychology department, which gives staff the tools and techniques to help them deal with the pressures of home and work life. We are also looking to set up a monthly forum where staff can come and share their stories, what is happening in their areas and their own personal experiences.

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.

HIGHLIGHT OF THE YEAR

INTERNATIONAL NURSES DAY

Nurses midwives and therapists share best practice across the hospital

Resources

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

This has been a challenging year and the Trust did not meet its target of a £7million deficit, finishing at the end of the year with a deficit of £11.9 million. Like many NHS organisations the Trust has been facing financial challenges over several years and had been working hard to improve its financial performance, but found it hard to maintain the year-on-year level of efficiency savings needed in order to meet its end of year financial targets.

In 2016/2017 it did finish with a surplus, but this included £7.8 million of national money (Sustainability and Transformation Funding), £1.5 million from a stock control review and £8 million savings. In order to receive national money again in 2017/2018, the Trust would have had to sign up to an agreement to deliver a surplus again. However, this would have required it to make £14.5 million in savings, which it felt was unachievable and so it agreed a plan to deliver a deficit of £7 million at 31 March 2018, which included a savings target of £8 million.

At the start of the 2017/2018 financial year the Trust saw a £2 million shortfall of income due to unexpected changes in activity levels which had an immediate impact on its financial position. It also experienced increased pressure on services which resulted in it opening extra beds to meet demand. Ongoing recruitment difficulties in medical and nursing and the need for additional staff resulted in increased agency usage which all contributed to the Trust's deteriorating financial position. Savings and income generation schemes totalling £5.9 million were delivered by directorates, but of this £2.4 million was non-recurring.

During the year NHS Improvement carried out an investigation into the Trust's financial performance as it drifted away from plan. This concluded that the Trust was in breach of its licence. The Trust accepted their findings and, in response, proposed a series of actions that will return it to compliance with its licence conditions.

The Trust's financial recovery will be a key risk as it moves into the 2018/2019 financial year and it has been working on plans designed to put it on a stable footing within the next two to three years. An important part of this is an understanding that it can no longer rely on one-off transactions and national money to meet its financial targets and it will be essential for it to look at how it can deliver services differently. The plans will have two parts. Firstly, they involve short-term rapid action to tackle some of its most pressing issues. Secondly, they involve medium-term action designed to transform the way in which services are delivered to improve efficiency and continue to deliver good quality of care for patients. For instance, the Trust will look to use theatres more efficiently, making sure that all slots are taken up to reduce cancellations. It is also reviewing capacity and seeing what opportunities there are to carry out work for other hospitals, which could increase income. There is a renewed focus on outpatient DNA's (Do not Attends) as these cost money and the Trust will look at getting better rates for the purchase of goods and services.

HIGHLIGHT OF THE YEAR

NEW ROLES, CAREER PROGRESSION AND DEVELOPMENT

Trust working with partners to make roles more attractive to help with recruitment and retention

Recruitment and retention has been a significant issue for all hospitals and is another key risk for the Trust from bother an operational and financial perspective. The Trust is looking carefully at what it can do to make it more attractive to work in Salisbury. The main focus is on nursing and it is looking at roles, career progression and development. The Trust has partnered with other organisations such as Wiltshire College to make some

roles more interesting and we are looking to make it easier for staff to move around the hospital from ward to ward so that they can pick up new skills. We are also working with other organisations within our STP area to make it easier for staff to move between organisations to provide new experiences.

The Trust delivered £ 5.9 million of savings and income generation. Savings targets are linked to the Trust's cross organisational Cost Improvement Programmes (CIPs), which cover patient flow, outpatient productivity, theatre transformation, diagnostics, non-pay and drugs, the nursing and medical workforce and transformation in therapy services. 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).

The main aim during 2017/2018 has been to focus on the NHS 10 point efficiency plan. This includes making existing services more productive, building a sustainable workforce and reducing agency spend and expanding our use of digital and clinical technology. Delivery of this plan has been overseen by the Outstanding Every Time Transformation Programme (OET), which is clinically led with executive level support. As part of this we have expanded capacity in our main diagnostic services with increased appointments in radiology and more lists to reduce waiting times and increase the number of scans to be undertaken locally. There has been a focus on outpatient appointments, reducing unnecessary appointments and more advice and guidance for GPs to avoid unnecessary hospital visits. We have also improved booking processes with the aim of reduced do not attends (DNA) for outpatient appointments and theatre lists.

It is clear that in recognising the financial challenge in 2018/ 2019 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 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.

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 the last published year (2016/2017) the Trust was 7% 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.

The Trust is also looking at how it can move its Scan4Safety project on further now that the initial pilot has finished. Salisbury has been 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 is helping to improve patient safety and provide a more efficient and effective service across the hospital. In recognition of the programme's impact here in Salisbury and across the NHS, the Trust's Scan4Safety team were shortlisted for a Health Service Journal (HSJ) Patient Safety Award, reflecting the work of the programme and the innovative way in which staff have used this to improve safety and patient care across the hospital. The Procurement Department also won a prestigious CIPS Supply Management Award. The awards recognise the work of the department in improving procurement processes that support patient care, provide good value for money and deliver significant savings for the hospital. The Procurement team were also runners up and highly commended in the supply chain initiative category of the World Procurement Awards. The awards attract the leading international procurement specialists across the world.

HIGHLIGHT OF THE YEAR

PROCUREMENT DEPARTMENT WINS NATIONAL AWARD

Procurement team rewarded for their innovation in national and international awards

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

Patients Treated			
	2017/2018	**2016/2017**	**2015/2016**
Elective inpatient (spells)	**5,191**	**5,328**	**5,929**
Day cases	**22,112**	**21,560**	**24,223**
Non elective (spells)	**31,095**	**29,583**	**29,388**
Regular day attendees	**9,309**	**9,404**	**8,223**
Outpatients (consultant led)	**129,650**	**160,464**	**180,110**
New attendances	(46,575)	(62,594)	(71,389)
Follow up	(83,075)	(97,870)	(108,721)
Accident and Emergency	**59,505**	**50,087**	**45,011**
New attendances	(46,410)	46,303	(43,837)
Follow up	(3,475)	(3,784)	(1,174)
Spells are the main way in which hospital activity is recorded. A spell is the period of time from Admission to Discharge.			

In the current climate it is important that the Trust builds on its reputation for innovation and uses every opportunity to bring in new technology that adds value to the organisation. One of its objectives for 2015/2016 was to commission a new electronic patient record (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 Trust is reviewing plans for the future development of the electronic patient record, aligning them to the revised Trust strategy and financial recovery programme.

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

There are a number of factors that are crucial to the Trust's performance and key financial assurances include: control over income levels from the provision of services and treatment; the achievement of budgetary targets and cost savings; 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 three. 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.

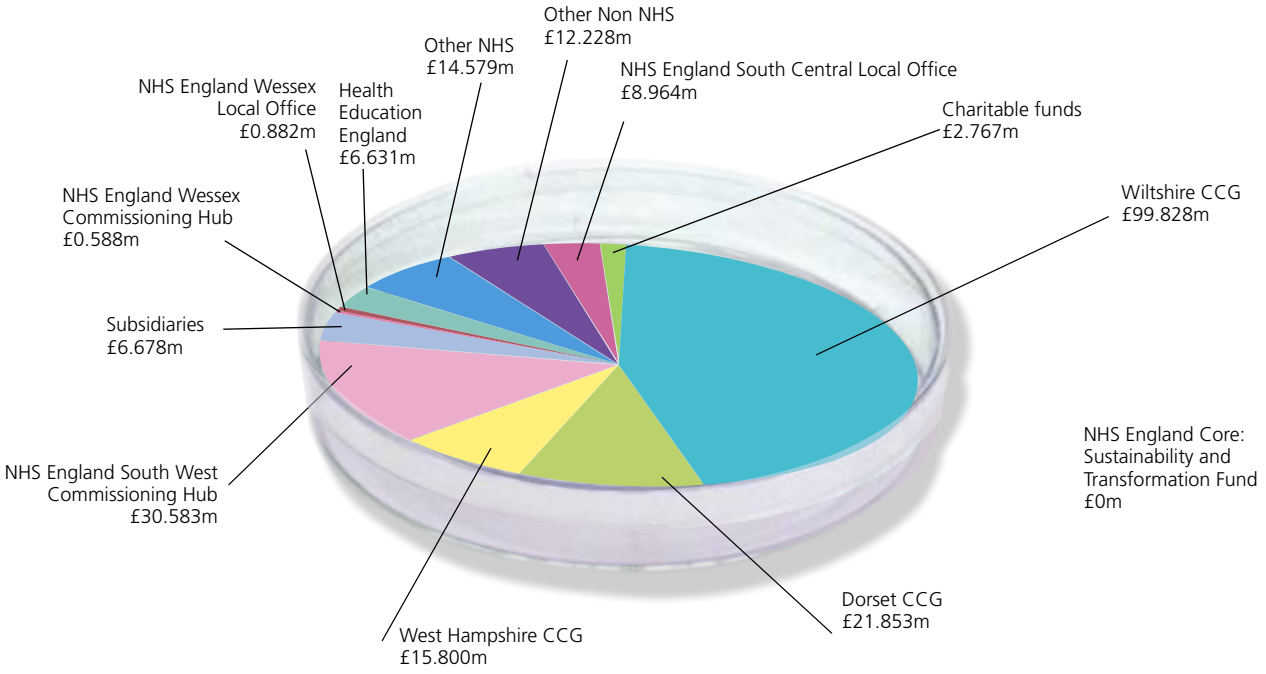
Capital Expenditure

Capital expenditure of over £10.6 million was overseen by the Group in 2017/2018 and was spent on a range of service developments. Projects included:

Ward Upgrades and Improvements	£2,242k
Medical Equipment	£2,197k
Cyber Security Resilience	£1,911k
Electronic Patient Record (Continued Implementation)	£1,177k
IT System and Technology	£1,017k

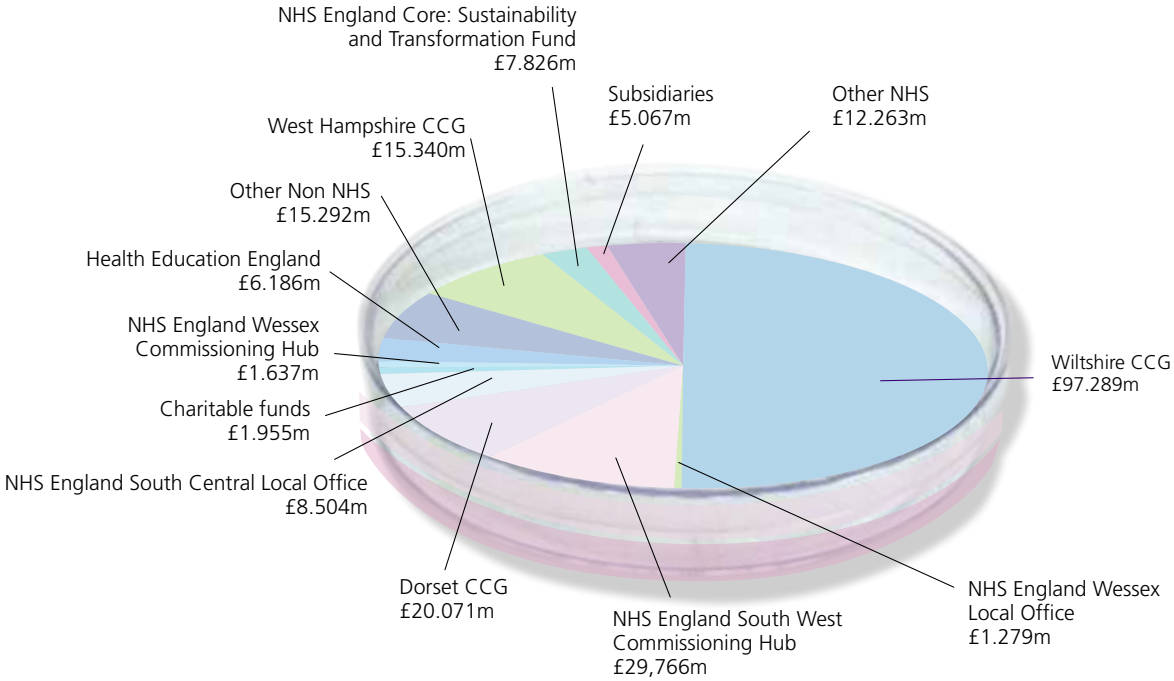
Investment in facilities and equipment has benefited patients in a number of ways and these can be viewed throughout this report.

Sources of Income - 1 April 2017 to 31 March 2018 (Group)



Total £221.381 million

Sources of Income - 1 April 2016 to 31 March 2017



Total £222.475 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 a number of briefing sessions held during the week of the publication of the NHSI enforcement action.

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 and this was followed by wider staff engagement on the Trust's Outstanding Every Time Programme. 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.

This Trust is committed to reducing the level of fraud and corruption within the NHS to an absolute minimum and keeping it at that level, freeing up public resources for better patient care. Trust employs a specialist counter-fraud service to undertake a comprehensive programme against fraud, bribery and corruption which is overseen and monitored by the Trust's Audit Committee. All anti-fraud and corruption legislation is complied with, and a recent development, the Bribery Act 2010, has added to the Trust's duties in this respect. It is a criminal offence to give, promise or offer a bribe, and to request, agree to receive, or accept a bribe. A bribe may take the form of any financial or other advantage to another person in order to induce a person to perform improperly. The Trust's Fraud, Bribery and Corruption Policy is a guide for all employees on counter fraud work within the Trust. It advises staff on how to report suspicions of fraud, bribery or corruption.

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

Sustainability Development Plan

Introduction

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

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

Trust Strategy on Sustainability

Sustainability Development is an important objective for society and also represents an opportunity to reduce costs at the Trust. For example, expenditure on energy, waste and water was around £2.6m in 2017/2018.

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 the Estates Return Information Collection (ERIC).

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 mentioned in the introduction.

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 information from the Sustainability Unit to inform its current policy, reporting of performance and objectives around sustainability. The Trust continues to promote sustainability through its corporate documents (Annual Report and Annual Review) and individual initiatives as they arise. 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 actively promotes the Trust's Asset Recycling Centre, this 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, 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 2017/2018

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 (ward refurbishments), to include improved environmental controls, LED lighting and upgrading of ventilations systems. The feasibility of a large photo-voltaic array is being explored by the Trust which form part of side wide re-configuration.

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
		2016/2017	2017/2018		2016/2017	2017/2018
Greenhouse Gas Emissions	Scope 1 (Direct) GHG Emissions	Gas: 7,429 Tonnes CO_{2e} 35,549,725 kWhs Transport; 59 tonnes CO_{2e}	Gas: 7,295 Tonnes CO_{2e} 37,907,363 kWhs Transport; 40 tonnes CO_{2e}		*Gas; £976,128 Transport; £36,597	*Gas; £1,009,803 Transport; £22,239
	Scope 2 (Indirect) GHG Emissions	3,111 tonnes CO_{2e} 6,020,521 kWhs	2,958 tonnes CO_{2e} 5,723,256 kWhs		£812,309	£772,000
	Scope 3 ** Official Business Travel Emissions	142 tonnes CO2e	135 tonnes CO_{2e}		£272,551	£228,138
Waste minimisation and management	Absolute values for total amount of waste produced by the Trust Methods of disposal	1,215 tonnes High Temperature. Non Burn Treatment. Landfill. Recovery /Recycling	1,185 tonnes High Temperature. Non Burn Treatment. Landfill. Recovery /Recycling	Expend-iture on waste disposal	£301,273	£335,508

continued over

Area		Non Financial data	Non Financial data		Financial data	Financial data
		2015/2016	2016/2017		2015/2016	2016/2017
Finite Resources	Water & Sewerage	171,201 m3	180,613 m3	Water & Sewerage	£431,863	£444,676

Note:
1. The 2016-17 figures are based on the final submission of the 2016-17 ERIC data submitted after the 2016-17 Annual Report was printed
2. The 2017-18 figures are based on the first draft of the 2017-18 ERIC data and may change slightly when the final figures are submitted

*Includes £1,290 annual CRC subsistence fee, and £188,370 CRC allowances in 2016/17
*Includes £1,290 annual CRC subsistence fee and £182,600 CRC allowances in 2017/18
** Please note that Scope 3 reporting includes business mileage rates but not public transport travel

Current performance and ongoing priorities and targets

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

The Trust will drive this goal through the 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 the guidance from the SDU.

The Trusts '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 the vehicle fleet it has. In line with this objective, new vehicles which have been leased for the courier fleet have Euro 5 engines which have the lowest emissions in their class. In addition, a vehicle review ensured that the correct sized vehicle appropriate for the workload were leased, which contributed to further savings. 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 implemented a managed service for the disposal of sharps in clinical areas, this reduces the waste that has historically

gone for incineration, the new containers are recycled (washed and de-contaminated for re-use).

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

Energy and water usage: This is a key area where the Trust has plans to invest in technical staff to manage and monitor these utilities. The sites Building Management system, is a vital tool to monitor and control utilities and their impact on the environment. The development of staff within the Trust to manage these areas is key to the success in this area, and specialist training continues to be undertaken to support this. There has been progress in the detection and repair of leaks related to water use, there is however more work required in this area, and capital funds have been approved to enable this work to be completed in 2018.

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: As part of the 2017-18 site re-configuration project the Eye Clinic (modular build) has been relocated to the central area of the site, the building is located on the vicinity of one of the sites old main boiler houses, which was demolished to enable this move.

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 NHS Improvement (NHSI) under the National Health Service Act 2006.

The Performance Report has been approved by the Trust Board.

Cara Charles-Barks
Chief Executive (Accounting Officer)
22 May 2018 (on behalf of the Trust Board)

Accountability Report

Directors' Report

Directors of Salisbury NHS Foundation Trust during 2017/2018

Dr Nick Marsden	Chairman
Cara Charles-Barks	Chief Executive
Laurence Arnold	Director of Corporate Development
Tania Baker	Non Executive Director (Senior Independent Director from 1 January 2018)
Michael von Bertele CB OBE	Non Executive Director
Dr Christine Blanshard	Medical Director
Malcolm Cassells	Director of Finance and Procurement (until 31 August 2017)
Rachel Credidio	Non Executive Director (from 12 March 2018)
Paul Hargreaves	Director of Organisational Development and People (from 19 June 2017)
Andy Hyett	Chief Operating Officer
Paul Kemp	Non Executive Director
Alison Kingscott	Director of Human Resources and Organisational Development (until 30 April 2017)
Dr Michael Marsh	Non Executive Director
Kirsty Matthews	Non-Executive Director - Senior Independent Director (until 31 December 2017)
Paul Miller	Non Executive Director (from 5 March 2018)
Professor Jane Reid	Non Executive Director
Lisa Thomas	Director of Finance (from 1 September 2017)
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, the 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 (see overleaf).

NHS Improvement's Well Led Framework

In ensuring that the Trust and the range of services it provides are well led, the Trust has a range of practices and procedures in place, reflecting the Well Led framework and the Code of Governance. An external review, led by Deloitte, was commenced in February 2018 in line with NHS Improvement's guidance on developmental reviews and the requirements of paragraph B. 6.1 and B.6.2 of the Code and an outline of its initial findings is given the General Statements section of the Code of Governance later in this report.

The Trust is in the process of assessing its position against the Well Led framework. As described in the General Statements section of the Code of Governance, all posts on the Board of Directors are substantively filled and the appointments are made on the basis of

Better Payment Practice Code		
	Number	**£000s/Amount**
Total Non-NHS trade invoices paid in the period	81,912	112,065
Total Non-NHS trade invoices paid within target	67,077	96,595
Percentage of Non-NHS trade invoices paid within target	81.9%	86.2%
Total NHS trade invoices paid in the period	1,898	5,439
Total NHS trade invoices paid within target	1,316	4,240
Percentage of NHS trade invoices paid within target	69.3%	78.0%
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.		

an assessment of the skills required on the board as a whole and in relation to individual roles.

A Corporate Strategy for 2018 to 2020 is in place and work continues to develop a range of clinical strategies and enabling strategies, such as a Digital Strategy to take forward the main Strategy. The Board's monitoring of the delivery of objectives has been strengthened. The section on the review of performance comments on the effects during 2017 of introducing the new electronic patient record system on the Trust's data and information flows.

The Trust has well established risk management arrangements at each and the Board Assurance Framework records risks to the achievement of objectives. An Integrated Governance Framework is in place to ensure that that there are clear lines of communication, authority and escalation.

The Quality Account sets out the Trust's plans in relation to improving quality governance.

Information on fees and charges

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

		2017/2018	2016/2017
	Expected sign	**£000**	**£000**
Income	+	10,695	9,626
Full cost	-	(7,845)	(6,684)
Surplus/Deficit	+/-	**2,850**	**2,942**

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 £ 8 million. The other areas contributed surpluses, which have been applied to meeting patient care expenditure. In addition, the Trust received £4.8 million from Salisbury Trading Ltd (excluding laundry undertaken for the Trust) and £1.9 million from Odstock Medical Ltd.

Emergency Preparedness, Resilience and Response (EPRR) Assurance

Based on the national RAG status for EPRR compliance Salisbury NHS Foundation Trust has been rated by Wiltshire Clinical Commissioning Group and NHS England and given 'Full' compliance. In doing so, the Trust was commended for the work that has been undertaken in the last year around EPRR. As a category one responder, we are meeting our civil protection duties under the Civil Contingencies Act (2004). Full compliance means that arrangements are in place that appropriately addresses all the core standards that the organisation is expected to achieve.

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:

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 assesses 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.

Improved 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. It improved on the percentage of frontline staff who took up the vaccination during the winter from 59% in the previous year to 67%.

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.

RECOGNISING INNOVATION THAT IMPROVES PATIENT CARE

Save 7

The success of the Save 7 campaign received significant interest and recognition from external organisation and bodies with several hospitals using the campaign within their own organisations. As part of this, the Project Management Office (PMO) developed an external toolkit which could be marketed more widely so that the Trust can benefit further from this successful campaign.

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.

IMPROVING SERVICES AND FACILITIES FOR OUR PATIENTS

Increase in breastfeeding "peer support" for new mums

New mums linked to the maternity services who need help to breastfeed now get more support from other women following an increase in breastfeeding peer support in hospital and the community. Breastfeeding peer supporters now come into hospital regularly to talk to woman about their experiences of breastfeeding. As well as providing peer group sessions in Salisbury, Mere, Downton, Bulford, Wilton and Tisbury, the Salisbury team have set up new locations in Amesbury and Tidworth.

#endpjparalysis

Patients who wear day clothes each day are more likely to maintain their independence, feel better in themselves and recover faster. They are also better prepared for discharge back home or to a community setting. The Trust launched its #endpjparalysis campaign across the hospital, following a pilot project earlier in the year. Staff across the hospital are now encouraged to get patients up and about and out of their gowns and pyjamas.

Fab Change Week

It is important that we are able to adapt and change to new ideas and thinking and the Trust encouraged our staff to get involved in Fab Change Week. This enabled

staff to celebrate all the good things we are doing in hospital, share ideas and innovations and cast an eye on what we could do differently to improve the care we give to our patients.

Site changes

The Trust made significant changes on the site to help relieve pressure it faced over the past couple of years and put it in a better position to care for and manage emergency and non-emergency patients. The changes involved the re-remodelling of the medical ward footprint, changes to the orthopaedic/plastic surgery and burns ward templates, expansion of the Acute Medical Unit (AMU), a new purpose-designed ophthalmology outpatients and the introduction of a short stay surgical unit. These changes enable the Trust to care for patients in the right environment at the right time.

Trust escalation plans

The Trust reviewed its escalation plans to bring them together in one document for easy access and consistency. They now also include the national Operational Pressures Escalation Levels (OPEL) reporting framework which was introduced to remove variability in the management and reporting of winter pressures across all health systems and improve awareness and understanding among staff and the local community of the position and role they have to play in maintaining services during peak periods

Breast Unit highly commended in Building Better Healthcare Awards

The Breast Unit has been highly commended in the Patients' Choice category of the Building Better Healthcare Awards. The national awards celebrate innovation in the design and build of NHS facilities, as well as suppliers of products and services to healthcare. Our ArtCare and Estates teams worked closely with patients and staff to co-design and create a comfortable and calming, environment where patients and their families can come to terms with their diagnosis and get the care and treatment that they need in a sensitive and caring environment.

Elevate programme receives Arts Council England funding

The Elevate programme was successful in gaining funding from Arts Council England, enabling them to commission Hoodwink Theatre Company to make a show especially for children on Sarum Ward. Elevate delivers the majority of its creative activity for older people in hospital, with a range of activities from musical performances to their vintage tea parties. This development enabled the team to expand their activities to include a younger audience.

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

PROMOTING BETTER HEALTH AND SUPPORT FOR OUR PATIENTS

Staff awareness of support and contribution made by carers

Staff raised awareness of caring and the challenges that all carers face as part of national Carers' Week. During the week a carers' information trolley dash took place across all clinical areas, there was an afternoon tea party followed by a 10 minute presentation for staff on why carers are key people. Carers' Week also gave staff an opportunity to acknowledge the tremendous support that carers give to family, friends or people that need their help and also the significant contribution that they make to our society.

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.

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 "Embracing Self-Care for Life 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, carrying out audits of antibiotic prescribing and reminding staff of best practice in this area.

SUPPORTING OUR STAFF TO PROVIDE BEST CARE

Diversity and Inclusion Partners

The Trust was chosen as one of the Diversity and Inclusion Partners in the NHS Employers Programme. The programme gives trusts the opportunity to develop their existing equality and diversity policies and plans, further embed and integrate diversity and inclusion into the culture of their organisations and share best practice with other hospitals. This includes participation in consultations on national policy and proposed changes to legislation.

New Freedom to Speak up Guardians

The Trust now has three guardians who can be approached by staff confidentially about any issues around the quality of care, patient safety or issues that affect them or the wider hospital. They help ensure that concerns are raised and listened to or signpost to other appropriate channels such as our Dignity at Work Ambassadors. The Trust also carried out a self-assessment on how it was doing to create greater awareness of how staff can raise a concern in confidence and increased communication of the initiative accordingly.

Health trainers

In collaboration with Wiltshire Council, Shape Up@ Salisbury now has health trainers available for all staff. The health trainer is able to work on a one-to-one basis to support healthy behaviour change, from healthy eating, physical activity and emotional wellbeing to support for staff to stop smoking. The service is free, confidential and available to any member of staff who is over 18 years of age.

Communication certificates of achievement for European nurses

Over 30 nurses from Europe were awarded certificates of achievement for completing the Communication for Professionals course. The course covered a range of skills to help them interact with colleagues and patients, from common terms and abbreviations used in English to verbal and non-verbal cues such as body language and the tone of voice.

Mentoring for staff

During the year the Trust increased awareness of mentoring services open to staff and introduced a new online Coachnet system that allowed access to Southampton hospital coaches in order to expand provision. The trained coaches and mentors have a breadth of experience and success and can listen to staff, help them explore issues, clarify goals and find their own solutions to take action. This includes help around personal, professional, leadership and team development, as well as advice on transitional change.

Staff BBQ

As part of the Trust's commitment to recognise the enormous contribution that staff and volunteers make to the hospital and the local community, all staff and volunteers were invited to a BBQ on the Green, as a way of thanking them for all their hard work and dedication throughout the year. For staff who are unable to make it there was a roving team taking round refreshments to wards and departments on the day.

Staff test response in chemical incident training exercise

Staff successfully tested their response to a chemical incident as part of a major incident training exercise. This was one of a number of training exercises that the Trust carries out throughout the year to ensure that its procedures work and that staff are prepared to deal with a range of emergency situations. The aim of this particular exercise was to test our decontamination procedures and facilities to ensure that if people were to turn up at our A&E department after a chemical incident, we treat and decontaminate them safely outside the department.

Counter terrorism training

The Trust has introduced dedicated training and an online Prevent learning tool as part of the Trust's commitment to protect patients, staff and visitors. Prevent forms part of the Government's counter terrorism strategy and the learning tool is mandatory and must be completed by all staff every three years. In addition, staff also took part in an exercise hosted by the South West Counter Terrorism Intelligence Unit, which was designed to raise awareness of particular issues that could affect health organisations.

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).

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.

RECOGNISING AND REWARDING THE BEST

Staff rewarded for service improvement

Staff were rewarded for improvements they made to patient services at Salisbury District Hospital in the Trust's Service Improvement Awards. The awards gave staff an opportunity to highlight the outstanding work that is taking place across the hospital to improve services for patients through a number of presentations and recognise and reward the best of these on the day. There were three award categories focusing on projects or areas for improvement that were identified by members of staff (Individual and Team Award), Trust projects taken forward by staff (Sponsored Project Award) and service improvement projects where staff been involved in supported learning through other mechanisms such as National Vocational Qualifications or Health Improvement Projects (Service Improvement Learning Award).

Staff rewarded in Striving for Excellence awards

Staff professionalism and commitment and the way in which they have improved services for patients were recognised in the hospital's Striving for Excellence Awards. There were 14 categories in all, and award nominations were made by patients, staff and volunteers, with members of the public voting for the Salisbury Hospital League of Friends Customer Care Awards.

Pride in practice award winners

Rachael Ashcroft, senior sister on Redlynch Ward and Natalie Coady, nursing assistant in the Sexual Health Clinic won Trust Pride in Practice Awards. The awards celebrate the contribution health professionals make to the hospital, patients and carers and the extra steps they take to ensure that patients receive high quality care.

Salisbury staff do well in Anticoagulation Achievement Awards

Anticoagulant nurse Nicola McQuaid and consultant haematologist Tamara Everington were part of a regional team that won the Best Written Advice on Anticoagulation Therapy for Patients and Carers category in the national Anticoagulation Achievement Awards. The awards celebrate outstanding practice in the management, education and provision of anticoagulation across the UK and Nicola and Tamara were selected by the Wessex Academic Scientific Health Network to take part in the development of a patient education video and produce a leaflet as the network wanted to improve the information available for patients starting anticoagulant drugs.

Sharing Outstanding Excellence (SOX) poster presentation in Europe

The Trust has developed Sharing Outstanding Excellence (SOX) - a programme that ensures that staff feedback examples of best practice and that these are shared more widely through its clinical governance committee and promoted through newsletters and social media. A poster outlining examples and the work of the programme was presented at the International Forum on Quality and safety in healthcare in Amsterdam.

Cancer Research Excellence in Surgical Trials

Consultant surgeon Graham Branagan was highly commended for his leadership, recruitment metrics, depth and breadth of his work and multidisciplinary team approach by the team at the Cancer Research Excellence in Surgical Trials (NIHR CRN). The NIHR CRN team said that this was a great example of how

surgeons can work as part of a multidisciplinary trials group to the benefit of cancer patients.

Procurement team do well in awards

The Procurement Department won a prestigious CIPS Supply Management Award. The awards recognise the work of the department in improving procurement processes that support patient care, provide good value for money and deliver significant savings for the hospital. The Procurement team were also runners up and highly commended in the supply chain initiative category of the World Procurement Awards. The awards attract the leading international procurement specialists across the world.

Trust teams recognised in Health Service Journal Awards

The Trust's Scan4Safety Programme was shortlisted for a Health Service Journal (HSJ) Patient Safety Award, reflecting the work of the programme in point of use scanning of all implants and consumables, scanning to positively identify patients when taking observations and when tracking blood products and location numbers or "barcodes". The Save 7 reached the final eight in the Communications category, highlighting the way in which all staff have been given the opportunity to participate in change and generate ideas that help improve practices that add value, improve efficiency and patient experience. This represents a significant achievement for the teams involved.

Catering team rewarded at regional catering awards

The catering team picked up gold, silver and bronze medals and the coveted Challenge Cup for the best overall dish of the day in the Hospital Caterers' Association Regional Cookery Competition, held in Bournemouth. Hospitals from across the region took part in the competition entering staff in a range of categories. Competitions such as this highlight the wide range of skills and ability that hospital chefs have in creating and presenting a range of high quality food for staff, patients and visitors and promote the achievements of our in house catering team.

Inspirational clinical psychologist receives lifetime achievement award

Consultant clinical psychologist Nigel North won a lifetime achievement award from Wiltshire Life magazine for his dedication to patients, mentoring of staff and his work in developing a nationally recognised clinical psychology department. Since coming to Salisbury 25 years ago, Nigel set up and developed a new clinical psychology department and attracted research funding for a wide range of projects such as the Engage programme won a Queen's Award for Voluntary Service.

Catering Department awarded Soil Association Food for Life Served Here award

Salisbury District Hospital was awarded the Soil Association's prestigious 'Food for Life' Bronze Catering Mark for the food it serves to inpatients and visitors to the hospital's restaurant and coffee lounge. The mark provides an independent endorsement for organisations that demonstrate a continued commitment to serving food that is seasonal, sustainable, free range, local, traceable and healthy.

LISTENING AND LEARNING FROM OUR PATIENTS AND STAFF

National inpatient survey

During 2017/2018, the Trust made good progress against the actions identified in the national inpatient survey which was published in early 2017. There are individual ward and Trust-wide action plans that are monitored by the Clinical Governance Committee on behalf of the Board. Trust-wide actions centred mainly on issues related to pressure within the system and capacity such as use of escalation areas, changes in admission dates and waiting to get on an award. These were addressed mainly through the Trust site changes and the work it had been doing to review and test changes to our escalation plans.

Patients rate Emergency Department staff and services among best in country

People needing emergency treatment rated the Emergency Department (ED) as one of the best in the country, with a higher proportion of patients responding positively about the care they had received compared to other Trusts. When compared with most other Trusts in the survey, we were better in eight of the nine sections covered in the report.

Parents, children and young people rate hospital experience

Parents and carers of children and young people rated their overall experience of care at Salisbury District Hospital highly in the national children and young people's survey. The survey looked at inpatient and day case care and treatment from admission to discharge for 0 to 15 year olds and captured the views of parents, carers, children and young people. Salisbury District Hospital was better than most other Trusts in 34 of the 63 questions asked.

Comments, concerns, complaints and compliments

The Trust received 1,404 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 37 general enquiries, 1,501 comments, 397 concerns and 262 complaints. The overall number of enquiries, comments, concerns and complaints responded to in 0-10 working days was 1,732 (80%), in 11-25 working days 150 (7%) and above 25 working days 288 (13%). All comments, concerns and complaints were acknowledged either verbally or in writing within three working days. Four complaints were referred to the Parliamentary and Health Service Ombudsman for independent review. Three were partially upheld and the Trust is awaiting a decision on the final case.

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

- Capacity increased in orthopaedic, plastic and oral surgery through additional sessions.
- Additional complaint handling support was arranged in Central Booking to manage the issues about appointments.
- Patient information leaflets about aftercare following an emergency hysterectomy in the intrapartum or immediate postpartum period have been developed by Maternity.
- The Pregnancy policy was re-distributed to CT/MRI staff and they had to confirm their understanding.
- The Emergency Department will code each diagnosis with a qualifier of suspected or confirmed diagnosis to improve clarity for GP/patient.

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

Improvements following staff survey

During 2017, a new Director of Organisational Development & People was appointed and introduced a revised People Strategy focussing on:

- Organisational Development and Engagement
- Health and Wellbeing
- Resourcing and Talent Management
- Business Partnering

Although the strategy is not yet embedded in the Trust, the emphasis since its approval has been on staff engagement and health and wellbeing. We are in the process of setting up a staff engagement group which represents all staff across the Trust and is managed by the staff, for all staff. Part of the remit of the group will be to help in developing the action plan for the Trust from the results of the 2017 staff survey.

WORKING WITH OUR STAKEHOLDERS, PARTNERS AND LOCAL COMMUNITY

Salisbury District Hospital partnership summit

The Trust organised a summit at Salisbury District Hospital which brought together the local authority, the clinical commissioning group and all community providers in order to get some agreement on the actions that need to be taken by individual organisations to improve pathways, including some additional care in the community. The summit was set up to address the significant challenges in getting patients back home or on to the next stage of their care in the community and ensure that patients get the right care in the right place and at the right time.

Breaking the Rules Week

To ensure the Trust provides an outstanding patient experience, staff and patients shared and submitted their experiences of hospital rules, habits, policies and procedures that could get in the way of changes as part of Breaking the Rules Week. The rules were collated and themed and shared with Directorates so that they could use this information to make improvements to their services.

Carers' cafe

As part of Carers' Week staff continued to hold a its Carers' Café in Springs Restaurant. Carers' Week which provides support for carers and raises awareness of caring and the challenges that all carers face.

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.

Election of Trust Governors

Alastair Lack, Lynn Taylor and Jan Sanders were re-elected to the Trust's Council of Governors, following elections held in the South Wiltshire Rural and Salisbury City public constituencies held in May 2017. The Trust has eight public constituencies, as well as staff and nominated Governors. Nominated Governors are drawn from the Trust's stakeholders such as Wiltshire Council and local Clinical Commissioning Groups.

Information Standard

The Trust has been successfully re-certified for the Information Standard following an external assessment from NHS England. The standard is a voluntary scheme for organisations that produce healthcare information and ensure that information is clear, accurate, balanced, evidence-based and up-to-date. The standard also enables them to use the Information Standard logo which assures anyone who uses, commissions or signposts that information that it is of good quality because it has been developed following an assured process.

New integrated discharge service

It is essential that the Trust continues to develop new models or arrangements that help improve patient pathways and our patients' experience of care. During the year 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).

Early supported discharge scheme

The Trust worked closely with its community partners on early supported discharge (ESD) schemes. In the previous year an ESD scheme was set up for a hip fracture and this year another started for stroke patients. These schemes enable patients to receive their rehabilitation at home with the same intensity and expertise that they received in hospital and this new model is now starting to see real success.

New website provides insight into development of local health services

The ArtCare team has launched a new history website that gives a fascinating insight into the development of health services in and around Salisbury over the last 250 years. The online digital archive has a number of historical collections held at the hospital, including interactive maps, themed collections, highlights of key objects and downloadable resources for schools. The team will continue to work with schools and community groups to deliver talks and workshop activities.

Launch of new mobile cancer care unit

Hospital staff celebrated the launch of the new mobile cancer care unit (MCCU), marking six years of working with cancer charity Hope for Tomorrow on the provision of mobile cancer care in Wiltshire, Dorset and Hampshire. The new MCCU has been upgraded with the latest diagnostic equipment and will continue to be based at Salisbury District Hospital and driven to locations in Fordingbridge, Gillingham and Westbury where staff will continue to provide good quality specialist treatment for people in the community.

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 2017/2018.

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 34 projects this year, using many different methods including patient stories, focus groups and questionnaires.

The Speech & Language Therapy team trained 7 stroke patients with aphasia (a language disorder) so they were able to take part as volunteers in training sessions to multidisciplinary team (MDT) staff members of the Stroke Unit. These volunteer trainers were trained to give feedback to individual MDT staff on how they performed when using the 'supported conversation' techniques they had learnt. Immediate benefits of this training initiative include:

- Physiotherapists and Occupational Therapists on the Stroke Unit report that they are using supported conversation techniques and conversation props during their sessions e.g. whiteboards and communication books.
- The volunteers enjoy participating in staff training, providing each other with mutual support and are keen to be involved in other projects that will improve the experience for patients with aphasia on the Stroke Unit.
- A consequence of the training has been that the Speech and Language Therapists and staff attending the training have identified a need for increased accessibility to patients with aphasia on the Stroke Unit and for more resources to be readily available to enable supported conversations to occur more often on the ward. This has resulted in the 'Making Farley more aphasia-friendly' project plan.

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 National Institute for Health Research (NIHR) is funded by the Department of Health to *"deliver research to make patients, and the NHS, better"*. The Trust is part of the NIHR Clinical Research Network: Wessex, and meets the research objectives set by the NIHR and CRN. Based on the latest available figures, the number of NHS patients taking part in clinical research in the Trust in the 2017/2018 financial year was 1272 people taking part in 92 NIHR and Clinical Research Network studies hosted by the Trust across 22 specialities, compared to the Trust target set by the NIHR of 1,100. 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 2017/2018. 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. Stability, experience, reputation and widespread knowledge of local needs and requirements supports the Trust's short term strategic objectives outlined in its annual priorities and its long term strategic goals of: Local Services - meeting the needs of the local population by developing new and improved ways of working which always put patients at the centre of all we do Specialist Services - providing innovative, high quality specialist care delivering outstanding outcomes for a wider population Innovation - promoting new and better ways of working, always looking to achieve excellence and sustainability in how our services are delivered making a positive contribution to the financial position of the Trust Care - treating our patients, and their families, with care, kindness and compassion and keep them safe from avoidable harm	Individual pay point is set within a pre designed pay band which has a minimum and maximum limit. (See salary scales at the end of the Future Policies table which sets out the rates payable. Please note that this does not include additional payments over and above the role such as clinical duties, Clinical Excellence Awards. Total remuneration can be found in the Remuneration tables in the Annual Report on Remuneration. Initial positioning on this pay band is based on experience and research into pay in other NHS Foundation Trusts.	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
	People - making the Trust an outstanding place to work where everyone feels valued, supported and engaged and are able to develop as individuals and as teams Resources - making best use of our resources to achieve a financially sustainable future, securing the best outcomes within available resources		
Benefits	Benefits in kind relate to either the provision of a car, training or additional pension contributions. Salary for executive Directors includes any amount received (See Basic salary on how this component supports short and long term strategic objective/goal of the Trust)	(See above)	(see above)
Pension	Provides a solid basis for recruitment and retention of top leaders in sector. Supports the Trust's short term strategic objectives outlined in its annual priorities and its long term strategic goals stated in the basic salary component.	Contributions within the relevant NHS pension scheme	Contribution rates are set by the NHS Pension Scheme
Bonus	N/A	N/A	N/A
Fees	N/A	N/A	N/A

Note 1: The components above apply generally to all Executives 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 2017/2018. 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 £150,000 per year, this remuneration is reasonable.

Non Executive Directors

Element of pay (Component)	How component supports short and long term strategic objective of the Trust	Operation of the component	Performance metric used and time period
Basic salary	The pay level reflects the part time nature of the role. It is set at a level that gives recognition for the 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 Local Services - meeting the needs of the local population by developing new and improved ways of working which always put patients at the centre of all we do Specialist Services - providing innovative, high quality specialist care delivering outstanding outcomes for a wider population	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

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

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

Salary scales for senior managers

Senior Manager/Executive Directors role	Salary scale £
Chief Executive	142,110 - 173,500
Medical Director	133,500 - 153,540
Director of Finance	109,000 – 125,350
Chief Operating Officer	105,000 - 120,750
Director of Organisational Development and People	85,530 - 98,370
Director of Nursing	90,000 - 103,000

Senior Manager/Non Executive Directors	Role	Fixed Salary
Nick Marsden	Chairman	43,500
Tania Baker (Senior Independent Director from 1 January 2018)	Non Executive	16,100
Michael von Bertele	Non Executive	13,100
Rachel Credidio	Non Executive	13,100
Paul Kemp	Non Executive	13,100
Michael Marsh	Non Executive	13,100
Paul Miller	Non Executive	13,100
Kirsty Matthews (Senior Independent Director until 31 December 2017)	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 2017/2018 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. 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 2017/2018. 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 2017/ 2018 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	3
Michael von Bertele	Non Executive Director	2 from 3
Paul Kemp	Non Executive Director	1 from 3
Michael Marsh	Non Executive Director	3 from 3
Kirsty Matthews	Non Executive Director	2 from 3
Paul Miller	Non Executive Director	1 from 3
Jane Reid	Non Executive Director	1 from 3

External advice is not routinely provided to the Remuneration Committee. However, the Chief Executive, Director of People 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
2016/2017	17	9	£7,600	21	9	£4,296.
2017/2018	18	11	£9,500	21	5	£1,284
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.						

This table is subject to audit

Salary and Pension Entitlement

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

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

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

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

This table is subject to audit

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

Pension Benefits 1 April 2017 – 31 March 2018								
	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 2018 (Bands of £5,000) £000	Lump sum at age 60 related to accrued pension at 31 March 2018 (Bands of £5,000) £000	Cash Equivalent Transfer Value at 31 March 2018 £000	Real increase in Cash equivalent Transfer Value £000	Cash Equivalent Transfer Value at 1 April 2017 £000	Employers contribution to Stakeholder pension To nearest £100
Cara Charles-Barks	5-7.5	5-7.5	60-65	40-45	293	71	220	0
Christine Blanshard	0-2.5	5-7.5	290-295	210-215	1,567	123	1,429	0
***Malcolm Cassells**	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Paul Hargreaves	2.5-5	5-7.5	90-95	65-70	450	54	358	0
Andy Hyett	2.5-5	2.5-5	135-140	90-95	566	70	490	0
Alison Kingscott	0-2.5	0-2.5	105-110	75-80	545	4	493	0
Lisa Thomas	2.5-5	5-7.5	85-90	60-65	344	39	275	0
Lorna Wilkinson	0-2.5	2.5-.5	135-140	95-100	620	64	550	0

* Malcolm Cassells was not a current member of the NHS Pension Scheme and so no additional benefits 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 in their organisation and the median remuneration of the organisation's workforce. The banded remuneration of the highest paid director in the financial year 2017/2018 was £170,000 (£170,000 in 2016/2017). This was 6.6 times (6.7 times (2016/2017,) the median remuneration of the workforce, which was £25,600 (£25,300 in 2016/2017).

In 2017/2018, two employees (one in 2016/2017,) received remuneration in excess of the highest paid director. Remuneration ranged from £12,710 to £185,000 (£12,585 to £190,000 in 2016/2017). Total remuneration includes salary, non-consolidated performance-related pay and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

Payments for loss of office

There were no payments made to senior managers for loss of office in 2016/2017 or 2017/2018.

Payments to past senior managers

None to report in 2017/2018

The Remuneration Report has been approved by the Trust Board

Cara Charles-Barks
Chief Executive
22 May 2018

Staff Report

Analysis of average staff costs

	Total 2017/2018 £000	Permanently employed Total £000	Other Total £000
Salaries and wages	109,895	106,943	2,952
Social security costs	9,899	9,899	0
Pension cost- defined contribution plans employer's contributions to NHS pensions	13,034	13,034	0
Pension cost - other	8	8	0
Temporary staff/agency contract staff	8,883	N/A	8,883
Apprenticeship levy	543	543	0
NHS Charitable funds	363	363	0
TOTAL STAFF COSTS	142,625	130,790	11,835
Less: Costs capitalised as part of assets	(1,856)	(1,856)	(0)
TOTAL STAFF COSTS IN OPERATING EXPENDITURE	140,769	128,934	11,835

Analysis of average staff numbers

	Total 2018 number	Permanently employed 2018 number	Other 2018 number	Total 2017 number	Permanently employed 2017 number	Other 2017 number
Medical and Dental	372	358	14	335	322	13
Administration and Estates	698	688	10	726	707	19
Healthcare assistants and other support staff	264	258	6	242	237	5
Nursing, midwifery & health visiting staff	1,493	1,428	65	1,497	1,436	61
Scientific, therapeutic and technical staff	415	401	14	392	381	11
Total	3,242	3,133	109	3,192	3,083	109

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

The number of male and female directors, senior managers and employees at 31 March 2018

Head Count	Female	Male	Total
Directors	7	7	14
***Senior managers**	2	6	8
All other staff	3,332	931	4,263

*Senior managers are defined as members of the Joint Board of Directors (Trust Management Committee from 1 April 2018) 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.

	1 April 2017 to 31 March 2018	1 April 2016 to 31 March 2017
Total days lost	23,750	22,320
Total staff years	2,890	2,881
Average working days lost per WTE	8	8

Sickness Absence Information (see above)

The Trust has robust procedures for the management and monitoring of sickness absence with regular reporting at departmental, directorate and Trust Board level.

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 Diversity & Inclusion 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 Trust's financial position, its Outstanding Every Time Programme and Trust-wide strategy. As part of its review of staff engagement it is looking to increase engagement through Leadership forums, discussion groups and ideas forums. 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. 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 which were updated in 2017/2018 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 has an open and honest culture of involvement and engagement and effective feedback mechanisms for staff. Overall staff engagement levels are good and in the top 20% compared with trusts of a similar type, although slightly less than last year. We believe good engagement not only benefits our staff, but also our patients. It is also good for our reputation as we look to attract the best staff to Salisbury. The Trust has developed a new People strategy and will be developing an internal staff communications and engagement plan to support this in 2018/2019, including a new staff engagement group.

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. The staff engagement group will, this year, play a significant role in action planning from the Staff Survey results.

There continues to be 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.

Summary of performance – NHS Staff Survey 2017

Response rate				
	2016/17	**2017/18**		**Trust Improvement deterioration**
	Trust	**Trust**	**Acute Trust average**	
Response rate	35%	46%	44% Increase of 11%	Significant

Top five ranking scores				
	2016/17	**2017/18**		**Trust Improvement deterioration**
	Trust	**Trust**	**Acute Trust average**	
Staff motivation at work	4.01*	3.98*	3.92*	Deterioration of 0.03
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%	52%	No change
Quality of appraisals	3.28*	3.25*	3.11*	Deterioration of 0.03
Organisation and management interest in and action on health and wellbeing	3.84*	3.76*	3.61*	Deterioration of 0.08

Top five ranking scores				
	2016/17	2017/18		Trust Improvement deterioration
	Trust	Trust	Acute Trust average	
Percentage of staff able to contribute to improvements at work	76%	75%	70%	Deterioration of 1%

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

Bottom five ranking scores				
	2016/17	2017/18		Trust Improvement deterioration
	Trust	Trust	Acute Trust average	
Percentage of staff working extra hours	77%	73%	72%	Improvement of 4%
Percentage of staff reporting errors, near misses or incidents witnessed in the last month	88%	88%	90%	No change
Percentage of staff/colleagues reporting most recent experience of violence	75%	65%	66%	Deterioration of 10%
Staff satisfaction with the quality of work and care they are able to deliver	3.94*	3.83*	3.96*	Deterioration of 0.11
Staff satisfaction with resourcing & support	3.33*	3.29*	3.31*	Deterioration of 0.04

Notes
The second of these 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. This year the corporate action plan will receive input from the staff engagement group as well as the Joint CC. Action plans will be monitored by the Trust Board, reported on in Trust Board meetings that are held in public and measured through the 2018 staff survey.

Response rates
Whilst there has been a significant improvement in the response rate since the 2016 survey, as a result of our decision to provide paper-based questionnaires for those with limited IT access, 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. This will be a challenge for the staff engagement group to take up during 2018.

Working Extra Hours

73% of respondents stated this, compared with a national average of 72%. While this has improved slightly since last year, it will be an area of continued focus.

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. No change since last year, although work is still needed to improve reporting.

Percentage of staff/colleagues reporting most recent experience of violence

The Trust scored 65%, against a national average of 66%, with a higher score being better. In this case the Trust is under performing in relation to the national average and, this score is worse than last year's results.

We need to better understand from staff why reporting of instances has decreased and ensure that measures are put in place for improvement .

Staff satisfaction with the quality of work and care they are able to deliver

With a year-on-year deterioration and a score lower than the national average, this is an area of concern. Over the coming months, we will be reiterating the Trust values and the mission to be "Outstanding Every Time" and look for ways in which this area of staff satisfaction can be improved.

Staff satisfaction with resourcing & support

This is another area where the Trust has scored lower than the national average and than its score in the previous year. This links with the previous item and awareness of providing adequate support to patient care.

Consultancy expenditure - Off Pay Roll Payments

Off-payroll engagements as of 31 March 2018, for more than £245 per day and that last for longer than six months

No. of existing engagements as of 31 March 2018	10
Of which...	
No. that have existed for less than one year at time of reporting.	6
No. that have existed for between one and two years at time of reporting.	3
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.	1

*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 2017 and 31 March 2018, for more than £245 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 2017 and 31 March 2018	10
Of which….	
Number assessed as within the scope of IR35	2
Number assessed as not within the scope of IR35	8
Number engaged directly(via PSC contracted to Trust) and are on the Trust's payroll	2
Number of engagements reassessed for consistency/assurance purposes during the year	0
Number of engagements that saw a change to IR35 status following the consistency review	0

Off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2017 and 31 March 2018

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.	19

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.

Staff exit packages

Staff exit packages include those made under nationally agreed arrangements or local arrangements for which Treasury approval is required. This does not include retirements due to ill health. Figures for 2017/2018 are included in this table. The 2016/2017 figure is in brackets.

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

Exit packages: non-compulsory departure payments

There were no non-compulsory departure packages in 2017/2018 and 2016/ 2017.

Exit Agreements

None to report in 2017/2018

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 2017/2018 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.

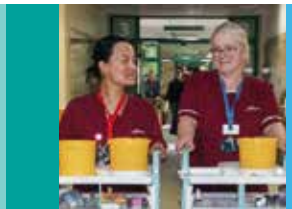
The Board of Directors should clarify in writing how the public interests of patients and the local community will be represented, including its approach for addressing the overlap and interface between governors and any local consultative forums (Local Healthwatch, the Overview and Scrutiny Committee,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

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, seven Non-Executive Directors and five Executive Directors making fourteen posts in total.

The Board meets monthly. The dates of the bi-monthly public meetings are advertised on the Trust's website. The agendas, papers and minutes for the public meetings are also 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 NHS Improvement and quarterly reports to confirm compliance with both the Trust's Continuity of Service and Governance targets under the Single Oversight 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 2017/2018 these covered:

- Communications and Membership
- Performance of Chairman and Non Executive Directors
- The Trust's Annual Plan for 2017/2018 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 which were updated in 2017/2018, 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 Trust Management Board (TMC) which consists of the Executive Directors, Clinical Directors and other senior post holders. The TMC 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 TMC 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 2017/2018 year.

Elected Governors – Public Constituency

Name	Constituency	Elected or Re-elected	Term of Office	Attendance from 4 meetings
Nick Alward	Salisbury City	Feb 2016	*Two years	2 from 4
Lucinda Herklots	Salisbury City	May 2015	Three years	4 from 4
Jan Sanders	Salisbury City	May 2017	Three years	4 from 4
Sir Raymond Jack	South Wiltshire Rural	May 2015	Three years	4 from 4
Dr Alastair Lack (Lead Governor)	South Wiltshire Rural	May 2017	Three years	4 from 4
Jennifer Lisle	South Wiltshire Rural	May 2015	Three years	3 from 4
Beth Robertson	South Wiltshire Rural	May 2015	Three years	4 from 4
Lynn Taylor	South Wiltshire Rural	May 2017	Three years	4 from 4
Isabel McLellan	North Dorset	May 2015	Three years	1 from 2
John Parker	North Dorset	May 2015	Three years	4 from 4
John Mangan	New Forest	Feb 2016	*Two years	3 from 4
Vacant	Kennet	N/A	N/A	N/A
Vacant	West Wiltshire	N/A	N/A	N/A
Ross Britton	East Dorset	May 2015	Three years	4 from 4
Mary Clunie	Rest of England	Feb 2016	*Two years	4 from 4

*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	3 from 4
Pearl James	Volunteers	May 2015	Three years	3 from 4
Shaun Fountain	Medical & Dental	May 2015	Three years	3 from 4
Colette Martindale	Nurses & Midwives	Nov 2015	Three years	4 from 4
Paul Straughair	Hotel & Property Services	May 2015	Three years	3 from 4
Christine White	Scientific & Therapeutic	May 2015	Three years	1 from 1

Nominated Governors

Name	Constituency	Appointed or Re-appointed	Term of Office	Attendance up to 4 meetings
Vacant	Wiltshire Council	N/A	N/A	N/A
Chris Horwood	Wessex Community Action	April 2017	Three years	2 from 4
Vacant	Dorset CCG	N/A	N/A	N/A
Vacant	Wiltshire CCG	N/A	N/A	N/A
Rob Polkinghorne	West Hampshire CCG	Nov 2016	Three years	2 from 4
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 the 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.

Public Trust Board papers are made available on the website and Governors alerted so that these can be viewed prior to the meetings.

The Trust has invited a governor to attend meetings as an observer of the Clinical Governance Committee and part two meetings of the board. In line with legal requirements, the approved minutes of the part two 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 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 the end 2017 the Trust commissioned an independent Well Led review, which was carried out by Deloitte, an

independent provider. Fieldwork (interviews, document review and observation of meetings) was carried out in early 2018. The review reported in May 2018 and at the time the annual report was prepared, the Board had yet to consider the detailed findings, which was planned for May and June. An action plan will be produced, following this discussion.

The review was in relation to the eight key lines of enquiry in the Well Led framework set out by NHS Improvement and the Care Quality Commission.

The review found that the Board of Directors had a good blend of experience, skills and length of service. Development activity was already taking place and the review suggested further work to change the focus to corporate oversight and build greater cohesion.

It commented on a clear and concise strategic framework, but with more to do on internal engagement on the objectives to support delivery. It recognised that quality and safety issues are a top priority for the Trust.

The report recognised the challenges faced by the trust in relation to its data quality and the quality of the information available to support decision-making.

The trust had made good progress with its risk management arrangements and the Trust needed to continue with embedding risk management at all levels. There a proactive approach to patient engagement.

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 over 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 for a three year period. She was Chief Executive Officer at health analytics company, Dr Foster where she was involved in developing the business nationally and internationally. Before this Tania held senior appointments in private healthcare and was Commercial Director at Aviva Health insurance.

Michael von Bertele CB OBE
(Independent)

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

Dr. Christine Blanshard
Medical Director

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

Rachel Credidio
Non Executive Director (Independent)

Rachel Credidio joined the Trust in March 2018 for a one year period. She started her career in housing in 1998 and has worked for the Aster Group since 2005. Her current role is Group People and Transformation Director, where her role includes people, IT and communications. Prior to this she was Group Strategic Change Director. She has been sponsor for the group's major change projects. Previous roles at Aster included Sales and Development Director.

Paul Hargreaves
Director of Organisation Development and People

Paul Hargreaves is a Fellow of the Chartered Institute of Personnel and Development (CIPD) and has a wide range of experience in senior HR roles in the NHS. He joined Salisbury after working as Deputy Director of Human Resources at Kingston NHS Foundation Trust. Before that he worked at Barts Health NHS Trust at the Royal London Hospital, as Associate Director of HR and was in senior roles at the Royal Cornwall Hospitals NHS Trust for nine years, which included four years in the role of Associate Director of Human Resources.

Andy Hyett
Chief Operating Officer

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

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.

Dr Michael Marsh
Non-Executive Director (Independent)

Michael Marsh is a leading paediatric consultant who joined the Trust in November 2016 for a three year period. 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.

Paul Miller
Non Executive Director (Independent)

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

Professor Jane Reid
Non-Executive Director (Independent)

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

Lisa Thomas
Director of Finance

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

Lorna Wilkinson
Director of Nursing

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

Directors that left the Trust during 2017/2018

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.

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.

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.

Directors providing additional short term period as "Associate Director" 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.

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 2017/2018.

Board of Directors' Attendance

	Trust Board (6 meetings)	Audit Committee (4 meetings)	Remuneration Committee (3 meetings)	Finance and Performance Committee (12 meetings)	Clinical Governance Committee (9 meetings)	Workforce Committee (6 meetings)
Laurence Arnold Director of Corporate Development	6	N/A	N/A	10 from 12	N/A	N/A
Cara Charles-Barks Chief Executive	5 from 6	N/A	N/A	10 from 12	7 from 9	5 from 6
Tania Baker Non Executive	5 from 6	N/A	3	10 from 12	6 from 9	N/A
Michael von Bertele Non Executive	5 from 6	4	2 from 3	N/A	7 from 9	1 from 3
Christine Blanshard Medical Director	4 from 6	N/A	N/A	N/A	9	4 from 6
Malcolm Cassells Director of Finance	2 from 3	N/A	N/A	5 from 5	N/A	N/A
Rachel Credidio Non Executive	N/A	N/A	N/A	1 from 1	N/A	1 from 1
Paul Hargreaves Director of OD & People	4 from 4	N/A	N/A	6 from 6	N/A	5 from 5
Andy Hyett Chief Operating Officer	5 from 6	N/A	N/A	9 from 12	2 from 6	5 from 6
Paul Kemp Non Executive	5 from 6	4	1 from 3	10 from 12	N/A	N/A
Alison Kingscott Director of HR & Organisational Development	1 from 1	N/A	N/A	N/A	N/A	N/A
Michael Marsh Non Executive	6 from 6	2 from 4	3	N/A	7 from 9	N/A
Paul Miller Non Executive	N/A	N/A	1 from 3	N/A	0 from 1	1 from 1
Nick Marsden Chairman	6	N/A	3	12	N/A	N/A
Kirsty Matthews Non Executive	5 from 5	2 from 3	2 from 3	5 from 9	N/A	4 from 4

	Trust Board (6 meetings)	Audit Committee (4 meetings)	Remuneration Committee (3 meetings)	Finance and Performance Committee (12 meetings)	Clinical Governance Committee (9 meetings)	Workforce Committee (6 meetings)
Lisa Thomas Director of Finance	4 from 4	N/A	N/A	9 from 9	N/A	1 from 4
Jane Reid Non Executive	4 from 6	N/A	1 from 3	9 from 12	7 from 9	N/A
Lorna Wilkinson Director of Nursing	6	N/A	N/A	N/A	6 from 9	6

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	4
Michael Marsh	Non Executive Director	2 from 4
Kirsty Matthews	Non Executive Director	2 from 3

The Work of the Audit Committee in Discharging its Responsibilities

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

The committee is supported by the Appointed Auditor, BDO who took office from 1 April 2017 following a tendering exercise. During 2017/18, the internal audit service continued to be provided by TIAA. The Trust commenced a re-tendering exercise at the end of 2017/18 for its internal audit service and Local Counter Fraud service.

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

The 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 – physical and virtual
- Maintaining proper records
- Producing reliable information
- Providing effective control systems in relation to the Trust's activities
- Ensuring these can be independently reviewed and assessed by both external and internal Audit

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

Annual Report and Accounts 2016/2017

An unqualified opinion on the financial statements 2016/17, 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 2016/17 Quality Account was there was sufficient evidence to provide a limited assurance opinion in respect of A&E four-hour wait, but that the external auditor was again not able to provide a limited assurance opinion for Referral to treatment within 18 weeks. This report was scrutinised and discussed with the auditors.

The Committee reviewed and approved the Head of Internal Audit (TIAA) Opinion for 2016/17. The Head of Internal Audit report concluded there was Reasonable Assurance as to the Trust's system of internal control. The committee received the draft Annual Management Letter, which is submitted to the Board.

Audit Committee Activity for 2017/18

Arising from concerns about the findings in previous years of the annual 'limited assurance' review in relation to referral to treatment/18 weeks a 'deep dive' review was held. This discussed with the Executive the nature of the task of managing patient records for this purpose across the clinical pathways affected and the checks and controls that were in place to reduce inconsistencies and errors. The committee has subsequently also discussed with the Appointed auditor their approach to assessing the Trust's compliance with this for 2017/2018.

A deep dive session was held on the implementation of the core electronic patient record, Lorenzo and an electronic system for emergency care. The session reviewed the conduct and effects of this major implementation. It was agreed that the learning from the implementation would be disseminated to inform future activities and that the roll out of future planned phases would be discussed again by the relevant board committee. The committee discussed plans for completion of the annual accounts 2017/18 and a change in the accounting treatment for partially completed spells and for intangible assets. The Committee has engaged with the new appointed auditor and has discussed his approach to the 'limited assurance' review mentioned above, to assessing Going Concern and Effective Use of Resources which form part of the appointed auditor's review. The Trust was likely to be qualified on Effective Use of Resources, having regard to its deteriorated financial position.

Throughout the 2017/2018, reports from the internal auditors covered their conclusions on a range of Trust activities within their annual work plan as agreed by the Committee. The Committee approved the annual programme for internal audit, which is based on areas of the business considered to be presenting risk, as well as core items covered by the Finance Department. It sought assurances including by interviewing the managers concerned, about audit reports where limited assurance was given, and the actions underway to address these.

Thirteen internal audit reviews reported in the year resulted in reasonable assurance, two substantial assurance and one was limited assurance. The latter related to cyber-security: the committee requested that management continue to monitor the situation and that a report back to a future meeting be made setting out a timetable to completing the actions.

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 case-work associated with this. The committee has been concerned about control in relation to the Trust's agency spend, having received a report both from internal audit and counter-fraud on the operation of systems to control clinical and medical agency bookings and certifying payment.

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. This is also an opportunity to discuss the effectiveness of the audit services.

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 the other committees of the board.

The committee commented on a new set of Standing Financial Instructions and Scheme of Delegation, which were subsequently approved and adopted by the Trust Board.

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

The minutes of all the committee's 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 three of the six eligible non-executive directors. The other main assurance committees of the board are the Finance & Performance, Workforce, Strategy and Clinical Governance committees.

Appointment of the Trust's External Auditors

The Trust's five year contract with KPMG came to an end on 31 March 2017 and during 2016/2017 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. BDO were appointed auditors from 1 April 2017. The new contract will run for five years to 2022.

Financial Audit

The external auditors for the Trust are BDO. During the 2017/2018 period, the Trust has incurred the following costs on external audit:

- Audit services: £50,000 (including VAT)
- Further assurance services: £8,000 to audit Quality Account (including VAT)
- Other services: None

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

The Trust has an internal audit function which was delivered under contract by TIAA throughout 2017/2018. 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 BDO, the Trust's appointed auditor. The delivery of the contract with TIAA was overseen by the Director of Finance and Procurement and the internal audit fee for 2017/2018 was £140,000. During the year the Trust re-tendered the internal audit function and details will appear in the 2018/2019 Annual Report.

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, 90.2% is received from other NHS organisations, with the majority being receivable from Wiltshire CCG. The Trust participates in the Department of Health's agreement of balances exercise. This exercise seeks to identify all income and expenditure transactions and payable and receivables balances that arise from Whole Government Accounting (WGA) bodies. The Audit Committee is satisfied that by participating with this exercise it helps to provide further assurance that the vast majority of income and expenditure with WGA have been properly recognised and WGA receivable and payable balances are appropriately recorded. The Trust's external auditors will review the outcome of the exercise and report their findings to the Audit Committee.

Directors' Responsibilities for Preparing the Accounts

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

Nominations Committee

Non-executive director appointments for non-executive directors starting in 2017/18 were completed during the year. At its meeting in November 2017, the Council of Governors appointed governors to a Nominations Committee to oversee the appointment of new non-executive directors following the departure of Kirsty Matthews. The role was advertised in December 2017 and applications were selected by the committee for interview on the Trust's behalf by Gatenby Sanderson. Based on the reports of these interviews, the committee chose three candidates, who attended a selection day in February. The preferred candidates were approved by the Council of Governors on 19 February 2018. 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 directors took 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). In addition, there is an eighth public constituency called the Rest of England.

Staff Members

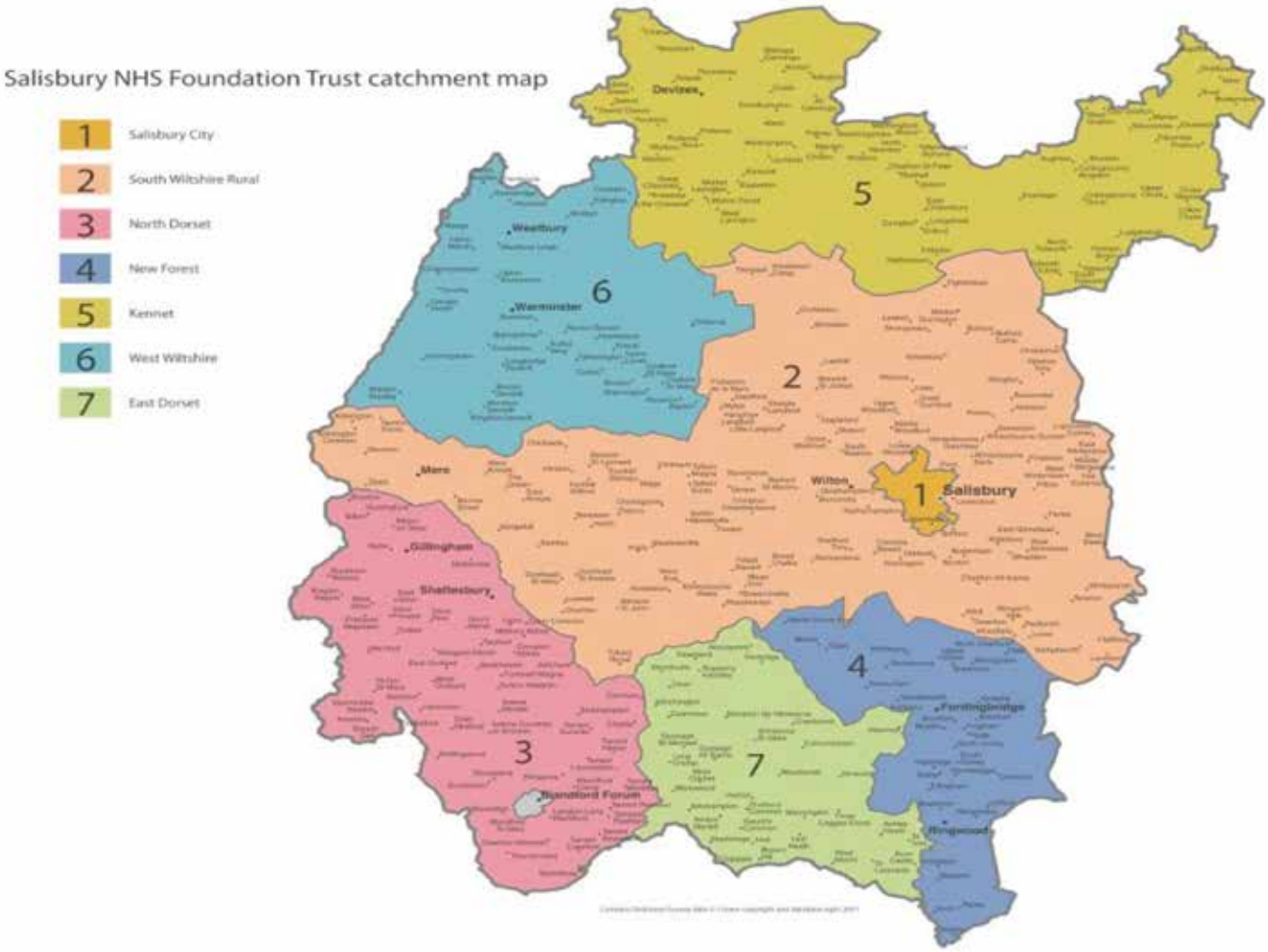
The Trust has a wide range of staff undertaking a variety of roles and professions who come from different backgrounds. The aim is that staff membership reflects that diversity. Initially staff membership was done on an 'opt in' basis rather than staff automatically being made members. During the 2008/2009 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.



During the year the Trust sought to broadly maintain membership numbers. At 31 March 2018 the membership for Salisbury NHS Foundation Trust was as follows:

Public Constituency	Number
Salisbury City	2,388
South Wiltshire Rural	4,020
Kennet	1,376
North Dorset	1,456
East Dorset	798
New Forest	1,150
West Wiltshire	1,046
Rest of England	721
Staff Constituency	3,480
Total	**16,435**

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	**2017/2018**	**2018/2019 (Estimated)**
At year start (1 April)	13,361	12,955
New members	181	1,635
Members leaving	587	190
At year end (31 March)	**12,955**	**14,400**
Staff Constituency		
At year start (1 April)	3,553	3,480
New members	180	225
Members leaving	253	105
At year end (31 March)	**3,480**	**3,600**
Overall Total	**16,435**	**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 directly to around 73,000 households in the local area, with more through an insert in the paid-for Salisbury Journal and is also available from the Trust's website. This brought the work of the Trust and its staff to a wider audience and again highlighted the benefits of membership. Governors have been working in groups on their statutory duties and have also been involved in the development of the Trust's Annual Plan and Quality Account. They have been working on patient and public involvement initiatives, and been involved in Patient Led Assessments of the Care Environment (PLACE), which looks at cleanliness, food quality, 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. Around 180 patients a month are now 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 ArtCare services, the Laser Centre, gastroenterology, the MRI scanner campaign and rheumatology.

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.

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"

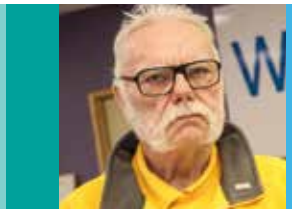
	Code Provision	Annual Report & Accounts Section
B.5.6	Governors should canvass the opinion of the trust's members and the public, and for appointed governors the body they represent, on the NHS foundation trust's forward plan, including its objectives, priorities and strategy, and their views should 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 Foundation Trust Membership
E.1.5	The board of directors should state in the annual report the steps they have taken to ensure that the members of the board, and in particular the non-executive directors, develop an understanding of the views of governors and members about the NHS foundation trust, for example through attendance at meetings of the council of governors, direct face-to-face contact, surveys of members' opinions and consultations	See Code of Governance Foundation Trust 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 Foundation Trust 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 NHS Improvement Quality Governance Framework.
A.1.7	The chief executive as the accounting officer should follow the procedure set out by NHS Improvement (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 Conflicts of Interest policy is also in place.
A.1.10	The NHS foundation trust should arrange appropriate insurance to cover the risk of legal action against its directors.	As well as NHS Resolve 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 2017/18.
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 statement under this provision has been produced.
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

	Code provision	Trust Response
C.1.4	a) The board of directors must notify NHS Improvement and the council of governors without delay and should consider whether it is in the public's interest to bring to the public attention, any major new developments in the NHS foundation trust's sphere of activity which are not public knowledge, which it is able to disclose and which may lead by virtue of their effect on its assets and liabilities, or financial position or on the general course of its business, to a substantial change to the financial wellbeing, healthcare delivery performance or reputation and standing of the NHS foundation trust. b) The board of directors must notify NHS Improvement and the council of governors without delay and should consider whether it is in the public interest to bring to public attention all relevant information which is not public knowledge concerning a material change in: • the NHS foundation trust's financial condition; • the performance of its business; and/or • the NHS foundation trust's expectations as to its performance which, if made public, would be likely to lead to a substantial change to the financial wellbeing, healthcare delivery performance or reputation and standing of the NHS foundation trust.	Confirmed
C.3.1	The board should establish an audit committee composed of at least three members who are all independent non-executive directors.	Confirmed – an Audit Committee of four independent non-executive directors is in place.
C.3.3	The council should take the lead in agreeing with the audit committee the criteria for appointing, re-appointing and removing external auditors.	Confirmed.
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 2017 for five years.
C.3.7	When the council ends an external auditor's appointment in disputed circumstances, the chairperson should write to NHS Improvement's 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. The Freedom to Speak up Guardians report to the Workforce Committee.
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

	Code provision	Trust Response
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.
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 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 2016/2017 and during the year the Trust rating fell to 4. At this time the Trust was found by NHS Improvement to be in breach of its licence. In the latest financial performance report, the Trust was given a rating of 3. The Trust has required planned cash support during the year.

Finance and use of resources

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

Area	Metric	2017/2018 scores				2016/2017 scores	
		Q4	Q3	Q2	Q1	Q4	Q3
Financial sustainability	Capital service capacity	4	4	4	4	2	2
	Liquidity	2	2	2	2	2	1
Financial efficiency	I&E margin	4	4	4	4	1	3
Financial controls	Distance from financial plan	3	4	4	4	1	1
	Agency spend	3	4	4	3	3	2
Overall scoring		3	4	4	3	2	2

Equality, Diversity & Inclusion Report

Our Approach to Diversity and Inclusion

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

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

The D&I committee 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 are in the process of refreshing our BAME support network
- The Trust has 2 dedicated EU Champions (European Union), who lead and support the EU LoveOurEUStaff network.
- Our long standing LGBT Champion leads on the Lesbian, Gay Bisexual and Transgender (LGBT) network (Rainbow SHED) and opportunity for staff to engage confidentiality with the Trust on issues that relate to their employment experiences and hospital services
- Our Disability Champions lead on the newly launched 'Ability' network, which support all staff who experience disability, visible and non-visible.

The Trust has been awarded several Diversity and Inclusion standards & charters:

- Disability Benchmark, the logo applies to the recruitment, retention, training and development of staff with disabilities.
- Mindful Employers Charter which identifies key commitments to supporting staff with mental health issues in the workplace.
- Our LGBT Champion was regionally shortlisted for the 'Inclusivity Leader 2017' with Thames Valley Leadership for the work she has lead on at the Trust.
- The Trust were awarded Diversity & Inclusion Partners status with NHS employers 2017 - 2018.

The Equality Act 2010 – The 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 protected characteristic groups: age, gender, religion/ or belief, sexual orientation, marriage, race, disability, pregnancy and maternity, gender reassignment. The Trust has used the NHS tool the WRES (Workforce Race Equality Standard) 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 D&I information.

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.

Priorities and Targets Going Forward

We have adopted the EDS 2 (Equality Delivery System Version 2) 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 Diversity and Inclusion themes
- We are preparing for the additional national standards WDES (Workforce Disability Equality Standard) and the SOM (Sexual Orientation Standard)

These priorities are regularly reviewed, monitored and measured through the Diversity and Inclusion committee.

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 and Social Care's Group Accounting Manual and in particular to:

- observe the Accounts Direction issued by NHS Improvement, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgements and estimates on a reasonable basis
- state whether applicable accounting standards as set out in the NHS Foundation Trust Annual Reporting Manual (and the Department of Health and Social Care Group Accounting Manual) have been followed, and disclose and explain any material departures in the financial statements
- ensure that the use of public funds complies with the relevant legislation, delegated authorities and guidance 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
22 May 2018

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 2018 and up to the date of approval of the annual report and accounts.

3. CAPACITY TO HANDLE RISK

As Accountable Officer I have overall responsibility for risk management but day to day management has been delegated to an Executive Lead for Risk (Director of Nursing). 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 indicators, operational, financial and workforce information, survey feedback and comments, risk analysis exercises, and central guidance.

4. THE RISK AND CONTROL FRAMEWORK

4.1 Risk Management

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 requirements 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 business 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/incidents 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 local, regional and national patient safety 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 organisation's Risk Management Strategy is based on an on-going process designed to:

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

Risks continued to be identified throughout 2017/18 from a variety of sources, including:

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

4.1.1 Risk Registers

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

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

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

4.1.2 The Board Assurance Framework

The Board Assurance Framework (BAF) is aligned to the strategic objectives in the Trust's Strategy, Shaping the Future, which was approved by the Trust Board in December 2017. The BAF documents the Trust's six strategic priorities, progress on delivery, and the associated risks, controls, gaps and mitigation plans.

The BAF provides the evidence to produce and support the Annual Governance Statement. The Board Assurance Framework and Risk management processes have been subject to review by Internal Audit who concluded that 'the 2017/18 Board Assurance Framework (BAF) is embedded within the governance structure of the Trust processes to 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 'Substantial Assurance'.

The following risks were identified during 2017/18 which are being highlighted due to their potential impact on the delivery of the Trust's strategic objectives but also the detrimental impact they could have on its reputation.

- The Trust did not accept the control total in 2017/18 proposed by NHSI as the required savings were not considered deliverable in year, As a result no Sustainability & Transformation funding was available to the organisation. The Trust planned for a £7m deficit in year, which was significantly challenging to deliver. In January 2018, the Trust submitted a variation in its forecast outturn to indicate that it was expecting to deliver a deficit of £11.4m (excluding accounting for donated assets and impairments) in 2017/18. The Trust ended the year with a £11.4m deficit. As a result of the developing position during the year, NHS Improvement (NHSI) launched an investigation into the Trust's financial management, concluding that there were a number of areas which required urgent improvement and expressing concern that the Trust was not meeting

its license conditions. In response to this, the Trust has formulated a set of improvement actions, which began in November 2017 and are due to be completed by Juley 2018. NHSI have agreed that successful completion of these actions will resolve the concerns that their investigation identified. Management have instituted and maintain a robust programme management approach to monitoring these actions and are confident that they will be successfully completed. A longer term sustainability plan is also being developed. The key financial challenges for the organisation remains the reliance on temporary premium cost staff to mitigate workforce shortfalls, particularly in registered nursing posts and medical staffing, and the ability to manage the increase in demand in both volume and acuity of the non-elective pathway.

- Non elective demand above predictions has had a significant impact on the running of the Trust during 2017 / 18. In response to this pressure the trust has delivered a redesign of the elective and non-elective bed stock. This has resulted in a new short stay surgical unit, expanded ambulatory medical unit and an additional medical ward. Whilst the opening of the medical ward has been delayed due to recruitment challenges, improvements to patient flow are already being seen. The right sizing of these areas will allow the organisation to better manage its non-elective pathways reducing the impact on elective procedures. This has been monitored by the Finance and Performance Committee.

- The recruitment and retention of staff remains a key risk, and therefore focus within the organisation. It is recognised that staff who feel valued, are appropriately skilled and staffed to the right levels, will contribute to our ability to achieve an outstanding experience for every patient. Therefore robust recruitment plans are being delivered to increase the recruitment pipeline particularly for registered nurses, by proactive domestic campaigning and international recruitment, and widening access to nursing roles through nursing associate programmes, and in the future through the use of apprenticeships for those who favour work based learning. Retention plans are also being advanced in order to minimise the turnover within this group so that we are able to improve stability and reduce our reliance on agency workers from both a financial and quality perspective. Examples of this include careers clinics, internal transfers and preceptorship/ training opportunities. Recruitment, retention, and changing workforce design is regularly monitored via the Executive Workforce Committee.

- The Trust implemented phase 1 of a new Electronic Patient Record in October 2016. In 2017/18 the Trust focussed on the stabilisation and embedding of the new systems and processes. For 2018/19 the Trust has begun the process of reviewing the digital strategy to determine how best to take forward the development of an electronic patient record in a way that meets the strategic objectives and this work will continue in the early months of 2018.

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 Board Assurance Framework and Risk Register.

The reporting mechanisms for the corporate risk register and Board Assurance Framework have been strengthened during 2017/18. The Head of Risk Management historically reported to the Assurance Committees (Sub Committees of the Trust Board) on a quarterly basis the BAF and those risks scoring 12 or above on the Trust's Corporate Risk Register or those identified as requiring oversight by an assurance committee. This frequency has been increased during quarter 4 to bimonthly reporting.

The designated Assurance Committees of the Trust Board have also been reviewed and strengthened during the year following development of a new Integrated Governance Framework. During the first half of the year reporting was via the Clinical Governance Committee (Clinical Risk), the Finance and Performance Committee (financial and operational risk), and the Joint Board of Directors (Organisational Risk including workforce, Health and Safety, IT). Going into 2018/19 the Assurance Committees and therefore formal subcommittees of the Trust Board are the Clinical Governance Committee (clinical quality risks), Finance and Performance Committee (financial and operational risk), and the Executive Workforce Committee (workforce risks).

The Audit Committee monitors the Assurance Framework process overall on a biannual basis. It is the responsibility of the Assurance Committees to review the Trust Risk Register to ensure breadth and depth of information and for assurance that actions are being taken to control and mitigate the risks cited. The assurance committees subsequently report to

the Trust Board any new risks identified, and/or gaps in assurance/control. If a significant risk to the Trust's service delivery or gap in control/assurance is identified then this is reported immediately via the Executive.

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 to update or amend risks. The Corporate Risk Register and Assurance Framework were presented in their entirety at the Trust Board public meetings twice in 2017 (June and December). This has now increased since December 2017 to presentation at every public board i.e. every other month.

4.1.3 Risk Management in Practice

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

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

Incident reporting is encouraged throughout the organisation under a single process described in the Adverse Events Reporting Policy. All incidents are reported via Datix web which is accessible to all staff via the front page of the intranet. All departments and staff groups within the Trust report incidents and the latest National Reporting and Learning System (NRLS) Report (April 2016-March 2017) showed that the Trust was in the 'Highest 25% of Reporters' category for Acute (non specialist) organisations. Work continues with identified departments and staff groups who report at low levels to improve this position.

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

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.

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:

- Decontamination
- Scan 4 Safety
- Data Warehouse
- Sunshine Rule - Conflicts of Interest / Gifts & Hospitality
- Complaints Management
- Data Quality (advisory)
- Appraisal System – Non Medical Staff
- Safe and Secure Management of Medicines
- Theatre Safety
- CQC Standards - Mortality and Morbidity (advisory)
- Cyber Security
- Serious Incident Management – Action Plan Implementation
- Creditor Payments
- Debtors
- Financial Accounting
- Payroll
- Odstock Medical Limited
- Agency Spend Controls
- Information Governance Toolkit
- Medical Device Management (follow up)
- Network Security
- Sustainability Strategy
- Corporate Records
- BAF/Risk Management

Of the 21 formally rated reports issued in 2017/18, 3 reports were issued with a 'substantial assurance' opinion, 14 with 'reasonable assurance' and 4 with 'limited assurance'. The remaining reports were advisory or follow-up, without an overall assurance opinion.

The 'limited assurance' reports are discussed further in the 'Review of Effectiveness' section. All recommendations and subsequent actions are tracked through the Audit Committee.

4.2 Governance Arrangements

4.2.1 Corporate Governance

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

The Trust has been undertaking a number of improvement actions in 2017/18, including a Well Led developmental review, which was commissioned and carried out during January-March 2018. The findings of the review [by Deloitte], which will inform further development are being presented to the Board in 2018/19.

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

During 2017/18 there were several key changes at Executive and Non Executive level and a Board Development Programme has been established and is currently being delivered to enhance the effectiveness of Board performance. The Board and Council of Governors have worked together to ensure that new appointments help represent the range of skills the board requires from non-executives.

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

A Strategy Committee has been introduced to advise on the Trust's campus development proposals and to strengthen the monitoring of the delivery of the Trust's strategy adopted in December 2017.

The financial information provided to the Finance & Performance Committee has been improved during 2017/18. The Board now receives an Integrated Performance Report at its monthly meetings, which is enabling both the monitoring of the individual areas covered and the better triangulation of issues arising across finance, operations, workforce and quality.

The Workforce Committee has been re-established as a sub committee of the Board with non-executive leadership and is developing its work programme to improve recruitment and retention, staff health and well-being, and plan for future workforce needs.

Committee memberships and attendances have been reviewed so that the appropriate level of specialisation by directors in issues assigned to committees is maintained.

The Audit Committee is continuing in 2018/19 to look at the roles of all the committees of the board to ensure clarity and consistency of risk identification and escalation.

During 2017/18 two key documents were developed and implemented – the Integrated Governance Framework and Accountability Framework.

Integrated governance is the combination of systems, processes and behaviours which the Trust uses to lead, direct and control its functions in order to achieve its organisational objectives. The Trust recognises the importance of responsible, accountable, open and effective governance. This has been complimented by a review of the decision-making, risk management and accountability function at Board and sub-committee level which has resulted in the changes described in this document.

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

The Trust assesses its compliance with the Code of Governance annually through the Annual Report. New developments and information on governance are reviewed and incorporated into practice. The Board is held to account by the Council of Governors; the Council ensures that suitable non-executives are appointed to the Board. There are annual appraisals of all board members, overseen by the Remuneration Committee and the Governors' Performance Committee.

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

4.2.2 Quality Governance Arrangements

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

The Accountability Framework sets out the metrics that each directorate is held accountable for. These are based on the NHS Improvement Single Oversight Framework of quality of care, finance and the use of resources, operational performance, strategic change and leadership and improvement capability. For the purposes of oversight, each Directorate is assigned a

rating of red, amber or green at the monthly Executive Performance Review meetings. The overall rating for each Directorate acts a trigger for escalation to ensure the Board is routinely sighted on and involved in the mitigation of key risks.

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

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

The Clinical Governance Committee's function is to provide assurance to the Board on patient safety, clinical effectiveness and patient experience by ensuring the supporting processes are embedded in Directorates and the Trust wide groups promote learning, best practice and compliance with all relevant statutory duties. The Clinical Governance Committee terms of reference and a report on the effectiveness of the Committee were presented to the Board in October 2017.

Delivery of the Trust's strategic objectives is underpinned by the publication of the annual quality report which sets out the progress made in our five quality priorities in 2017/18 and the quality priorities selected for 2018/19. Progress of the priorities is monitored via the Clinical Governance Committee.

The Integrated Performance Report has been received by the Board monthly and is considered in detail. It consists of key information on quality, operations, finance, and workforce. There is corporate leadership for data quality which sits with the Director of Corporate Development who is supported by an Information team which includes leads for data quality and training.

4.2.3 Care Quality Commission

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

The last formal inspection undertaken by the CQC was in December 2015. Throughout 2017/18 the Trust has continued to ensure that resulting improvements have been sustained. Assurance has been gained through regular review of the resulting action plan, triangulated with departmental visits, and presentations to the Clinical Governance Committee. Outcomes from the CQC action plan are detailed within the Annual Report.

During 2017/18 the Trust was invited to join an NHSI Collaborative programme - 'Moving to Good'. Four NHS organisations from across the south are engaged in this programme. There are four core services making up the Salisbury team which will run through into the summer of 2018.

4.2.4 NHS Pensions Scheme

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

4.2.5 Equality, Diversity, and Human Rights

Control measures are in place to ensure the organisation's obligations under equality, diversity and human rights legislation are complied with. We are fully committed to employee equal opportunities and our equality and diversity policy is published on our hospital website under equality, Diversity and Inclusion. We are in the process of refreshing our 3 year Equality Objectives and action plan.

The Trust is relaunching the BAME staff network in 2018/19 and continue to work with engaging with ourt LGBT workforce through our established RainBowSHED network and disability staff through the Ability Network. Our various Equality Champions ensure that the views and opinions of staff from protected characteristic groups are heard and acted upon.

A recent visit from Dr Habib Naqvi from NHS England, Workforce Race Equality Standard (WRES), gave the organisation assurance that the commitment the Trust is giving to the important WRES agenda was robust.

The diversity breakdown of our workforce includes:

Female	77.93%
Male	22.07%
Disability	2.19%
BME (Black and Minority Ethnicity)	10.62%

A diversity breakdown of senior managers (Directors and all managers over band 8a, including consultants) employed by the Trust.

The Trust has recently published its gender pay gap 2018, which can be found under the hospital website pages of Equality, Diversity and Inclusion.

Female	41.80%
Male	58.20%
Disability	0.82%
BME (Black and Minority Ethnicity)	12.29%

The Equality Act 2010 and Public Sector Equality Duty require that we provide services that are personal, fair and diverse. We want to be recognised as a leader in this, ensuring positive outcomes for everyone who comes into contact with us. This is not just about responding to our legal and regulatory requirements; we are also using this as a driver for change.

We want to enable all our staff to be fully involved in the Trust's work, to protect them from unfair treatment and ensure each individual can reach their potential. Using NHS England Standards we have adopted the WRES, working towards the SOM and WDES. We have a current EDS2 assessment in place, which involved stakeholder engagement. We will continuously aim to embed inclusion, equality and diversity throughout the organisation and identify innovative ways to promote an inclusive workplace culture for all our staff, patients and the local community.

We use our EDS2 to improve health outcomes for all; improve patient access and experience and empower, engage and support our staff through inclusive leadership. The EDS2 is designed to mainstream inclusion, equality and diversity in everything we. The assessment is graded based on improvement levels.

Using our annual reporting, control measures are in place to ensure that all of the organisation's obligations under equality, diversity and human rights legislation are complied with.

4.2.6 Carbon Reduction

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

5. INFORMATION GOVERNANCE

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

The Medical Director/Caldicott Guardian and Director of Corporate Development/ 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 2017-18 IG Toolkit year, the Trust has self-reported one security incidents to the Information Commissioners Office and NHS Digital. The incident occurred in December 2017 and involved the sending of an unencrypted email containing personal information to a member of staffs personal email address. No action was taken against the Trust by the Information Commissioners Office on this occasion.

During 2017/18 work continued to ensure that a comprehensive and robust evidence based assurance programme exists 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 14.1 of the IG toolkit gaining an 77% compliance level, 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.

Throughout 2017/18 work also focussed on preparation for General Data Protection Regulations coming into force from May 2018.

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

6.1 Financial Governance

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 Standing Financial Instructions which formally set out the financial governance processes have been revised and updated during 2017/18.

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

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

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

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

The agenda the Trust has set itself is ambitious and demanding. The Trust has significant cost improvements to deliver as well as significant transformation programmes. The Outstanding Every Time Board (OETB) will continue to oversee this work programme and provide regular updates to the Trust Board. The OETB, 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) led by the Turnaround director will oversee the project governance and delivery of saving schemes. Quality impact assessments are undertaken for all CIP and transformation schemes and are scrutinised and signed off by the Medical Director and Director of Nursing through Quality Impact Assessments to ensure patient safety is not compromised.

7. ANNUAL QUALITY REPORT

The Directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 (as amended) to prepare Quality Accounts for each financial year. NHS Improvement has issued guidance to NHS Foundation Trust Boards on the form and content of annual quality reports which incorporate the above legal requirements in the NHS Foundation Trust Annual Reporting Manual.

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

The Quality Report process is coordinated by the Head of Clinical Effectiveness. There is an established timetable of internal and external stakeholder engagement including staff and governors. A wide range of methods have been utilised to gather information, and input in order to inform the priority areas. This includes the use of national inpatient surveys, real time feedback in clinical areas, Friends and Family Test data, risk reports and issues raised through Board Safety Walks. Controls are in place to ensure the accuracy of data and data quality is assured through the national Data Quality score. The priorities have been discussed with clinical and directorate teams as part of the service planning process, and views from staff, Trust Governors, and Warminster Health and Social Care Group have been sought. Commissioners have been asked for their feedback and the Quality Report is reviewed by external agencies such as Healthwatch, CCGs and the Health and Social Care Select Committee of the Local Authority.

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

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

The Trust has a Data Quality Policy which describes the approach adopted to data quality and its focus on the following key areas:

- Raise awareness of the importance of high quality data.
- Assist all staff in understanding their role and responsibility in maintaining high quality data.
- Assist staff in getting data quality 'Right First Time' through supporting staff in putting in working practices and processes which enable high data quality at the first time of input.
- Minimise risks arising from poor data quality.
- Monitor the quality of data used by the Trust and where needed, to highlight where data is inaccurate and needs to be checked and improved.
- Establish a framework within which data quality issues can be raised and actioned

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

Data Quality features within the roles and responsibilities of key staff members who are inputting data into systems, and those who review and assess data accuracy.

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

- Training – design and delivery of targeted training to support high quality data
- Awareness – using existing forums (eg ward clerk meetings) to communicate data quality issues
- Process change – use of structured Standard Operating Procedures to meet operational and reporting requirements
- Information systems – regular checks to ensure data being used is compliant and accurate
- Data quality monitoring – reviewing nationally and locally developed data quality reports, use of spot checks (eg monthly review of waiting list data) and software such as coding software to check data quality.

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

The Quality Report is only published following the above timetabled reviews and data scrutiny by internal and external stakeholders including the Trust's appointed auditor.

8. 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 Trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the information provided in this annual report and other performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the Audit Committee, Finance and Performance and Clinical Governance Committees and the Executive Workforce Committee, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The Trust Board has received assurance on the effectiveness of the controls within the organisation through the following means:

- Internal Audit, which carries out a continuous review of the system of internal control and reports the results of audits and any associated recommendations for improvement to the Audit Committee and to the relevant senior managers.
- External Audit.
- Participation in national and regional clinical audits
- The work of the Local Counter Fraud Specialist (LCFS), which is regularly reported to the Audit Committee.
- Care Quality Commission (CQC) Fundamental Standards of Quality and Safety self-assessment and progress with improvement plan through the Clinical Governance Committee
- Publication of the Quality Account.
- Reports of Serious Incidents to Trust Board.
- Quarterly Customer Care reports: which provide information across all modes of patient and user feedback, from complaints to real time feedback.
- Monthly reports from key directors, within the Integrated Performance Report presented to Board.
- Escalation reporting from all Sub Committee Chairs.
- An Internal Audit, designed to ensure that adequate and effective controls over the Risk Management and Assurance Framework process are in place, is carried out each year. This provides me with an objective opinion of the effectiveness of our risk management and internal controls and any agreed actions will be implemented. For 2017/18 the audit opinion for this piece of work was that there was 'substantial assurance'.

Internal Audit have issued reports, 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. There were four areas reviewed by internal audit, where it was assessed that the effectiveness of some of the internal control arrangements provided 'limited assurance'. These were in respect of Cyber Security, Sustainability Strategy, Corporate Records, and Network Security. All have associated recommendations and progress is tracked 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 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.

8.1 Significant Internal Control Issues

The Licence breach identified by NHS Improvement in 2017 arising from the deterioration in the Trust's financial position has been considered. The finances were monitored on a regular basis throughout the year by the relevant board committee and were consistently reported to the Board. In view of this and progress being made at the time of this statement to address the enforcement undertaking, it is not believed to have constituted a significant internal control issue.

9. CONCLUSION

Overall there is in place a dynamic process for the management of internal control which is reviewed and updated regularly by the Executive Team and various Board Committees that are in place in the Trust to help me meet my responsibilities as Accounting Officer. The Trust has identified the internal control issue as detailed in 8.1, and has plans in place to address this, most of which has been commenced during 2017/18 to ensure that the Annual Governance Statement for 2018/19 is unqualified.

Cara Charles-Barks
Chief Executive
Date: 22 May 2018

The Accountability Report has been approved by the Trust Board.

NHS Salisbury NHS Foundation Trust

Quality is our number one priority

Achievements in 2017/2018

Learning from deaths

90%

The percentage of deaths that were screened

The number of learning points identified

56

Our analysis shows our establishments are set to achieve appropriate staffing levels on our wards

We are seeing improvements in our sepsis screening, antibiotic administration and antibiotic review of patients admitted as an emergency

22.7%

The percentage reduction we saw in women smoking at the time of their delivery compared to the time they were booked in

99%

The percentage of women who understood the message about reduced fetal moments and attended for a fetal heartbeat trace on the same day

An Older Person's Assessment & Liaison Team was introduced in January 2017

1098

patients wereassessed

49%

patients went home on the same day with community support

A 15% reduction in the number of patients who had a fall in hospital which resulted in a fracture

40%

The percentage reduction of patients with a catheter with a new urinary tract infection

2%

reduction from 2016 antibiotic prescribing levels

We are making great progress on changing prescribing practice to help slow the emergence of antimicrobial resistance & ensure that antimicrobials remain an effective treatment for infection.

Personalised care plans made with 33 patients with mental health needs who had frequently attended A&E in 16/17 resulting in a

46%

reduction in their attendances in 17/18

NHS 7-Day Services

Ensuring emergency admissions receive high quality consistent care, whatever day they enter hospital

95%

of all patients admitted as an emergency were assessed by a consultant within 14 hours of admission

92% were reviewed at the weekend (national average 69%)

Quality Account 2017/18
Introduction

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

Quality accounts look back on the previous year's performance explaining where the Trust is doing well and where improvement is needed. They also looks forward, explaining the areas that have been identified as priorities for improvement as a result of consultation with patients and the public such as the Warminster Health, Wellbeing and Social Care Forum, our staff and governors in 2017/18.

Part 1

Our commitment to quality - the Chief Executive's view

I am pleased to introduce the 2017/2018 quality account for Salisbury NHS Foundation Trust, in what has been an exciting and busy time in my first year here in Salisbury.

Along with the rest of the region and the country we have seen unprecedented demand and pressure for our emergency and urgent care services this year, with high numbers of unwell patients needing hospital admission.

Our staff have responded to these pressures by continuing to put patient safety and the quality of care as our number one priority. I am extremely proud of the professionalism and commitment of our staff, and the passion for our patients has been fantastic. Right from the start I've been impressed by the way in which everyone works as a team to support our patients across all of our services. I think that this is a particular strength of our hospital and one that makes us stand out.

We performed well on national quality and operational standards and were able to cope with the increased demand from improvements in the emergency care pathway and the reconfiguration of the hospital site, to bring on line extra beds in 2018/2019. We were able to do this with greater involvement of our community and social care partners in the redesign of patient pathways to provide patients with the best possible care in the most appropriate setting.

It is extremely important to us that our patients have an outstanding experience of care. By listening to the views of our patients through surveys and real time feedback and acting on that feedback, we are able to continually improve the care we provide. I was delighted that some of our patients have been directly involved in the transformation of some pathways and we plan to strengthen this next year.

Our staff are crucial to providing patients with high quality care. Their commitment is reflected in the national NHS staff survey which showed that the Trust is in the top 20% of hospitals for staff feeling engaged in improvements. This clearly has an impact on the way we care for our patients, with 90% of staff feeling that their contribution made a difference to patient care.

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

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

Cara Charles-Barks
Chief Executive
22 May 2018
On behalf of the Trust Board

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

This section of the quality account describes the progress made against the priority areas for improvements identified in the 2016/2017 quality account and the priorities identified for 2018/2019. It includes why they were chosen, how the Trust intends to make the improvements and how it plans to measure them. It also sets out a series of statements of assurance from the Board on key quality activities and provides details of the Trust's performance against core indicators.

2.1 Progress against the priorities in 2017/2018

The quality account for 2016/2017 outlined the Trust's priorities for quality improvement for the year ahead (2017/2018). These priorities were identified by speaking to patients, families and carers, the public, our staff and governors, Age UK, Salisbury Branch, Warminster Health, Wellbeing and Social Care Forum, our partners, local GPs and our commissioners through face to face meetings and surveys.

The Trust's priorities in 2017/2018 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

2.2 Quality priorities in 2018/2019

A similar process has been used to identify the quality priorities for 2018/2019. These priorities fit with our strategic objectives and were considered by the Clinical Governance Committee and recommended to and agreed by the Trust Board. We have also taken into consideration the NHS Five Year Forward View, the Government's Mandate to NHS England 2020 goals and the B&NES, Swindon and Wiltshire Sustainability and Transformation plan (STP) in deciding our quality priorities in 2018/2019 to ensure we continue to provide an outstanding experience for every patient.

The Trust's quality priorities for 2018/2019 are:

Priority 1 – Identify frail older people to ensure they receive effective care and treatment and reduce the number of patients who fall and injure themselves in hospital (links to the local strategic objective).

Priority 2 – improve the flow of patients through the hospital to ensure the right patient is cared for in the right place by the right team at the right time (links to the local strategic objective).

Priority 3 – improve the recognition and management of deteriorating patients as well as treatment of adults and children with severe infections using Sepsis Six practices on our inpatient wards (links to the care strategic objective).

Priority 4 – improve the engagement with and the health and wellbeing of our staff (links to the people strategic objective).

What we did in 2017/2018:

The numbered points below indicate the quality priorities set for 2017/2018; 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 we prioritised 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. Set out below is the progress of each element of the 'Sign Up to Safety' programme.

What we did to improve in 2017/2018:

1.1 Introduced 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

A new screening process was introduced in August 2017 for patients who died in hospital. The aim of the screening process is to identify any unexpected deaths, deaths where there were problems in care or where relatives expressed concerns about care. This has resulted in deaths being appropriately selected for a case record review to help doctors and senior nurses to understand which aspects of patient care, if any, contributed to a death, and what lessons can be learnt, as well as identifying areas of good practice.

Some of the key themes arising from these reviews include the need for better advanced care planning for patients with long term conditions, improved recognition of deteriorating patients and timely referral for a medical review, recording treatment escalation plans to reduce the number of patients admitted to hospital as an emergency at the end of life, timely ceiling of care reviews and resuscitation decisions, and procedural documentation regarding risks and benefits. Improvement actions are set out in an action plan and progress monitored by the Mortality Surveillance Group. The learning is shared via quarterly mortality bulletins and educational events. We are also working with our community partners, GPs and the Wiltshire End of Life Care Steering Group to improve these aspects of care.

In February 2018 we started to report our data shown in table 1, learning and improvement actions to the Trust Board. The report is available at the following link:
http://www.salisbury.nhs.uk/AboutUs/TrustBoard/AgendaBoardPapersAndMinutesTrustBoard/Documents/PaperPackPublicTrustBoardmeeting5February2018f.pdf

Table 1: Deaths subject to a case record review, avoidability score and learning points

	Q1 2017/18	Q2 2017/18	Q3 2017/18	Q4 2017/18	Total
Number of deaths	185	205	211	240	841
1st screen*		117*	194	218	529/586 (90%)
Case record review	60	86	88	68	302 (36%)
Deaths with a Hogan score 1 – 3**	0	0	0	0	0
Deaths with a Hogan score 4 – 6**	2	10	13	4	29
Unexpected deaths	0	0	3	2	5
Learning points identified	9	18	20	9	56

*From 1 August 2017 – there were 346 deaths between 1 August and 31 December 2017 eligible to be screened.

**Deaths with a Hogan score of: 1) Definitely avoidable 2) Strong evidence for avoidability 3) Probably avoidable, more than 50/50, but close call 4) Possibly avoidable but not very likely, less than 50/50 but close call. 5) Slight evidence of avoidability 6) Definitely not avoidable.

In October 2017, we trialled asking bereaved relatives and carers to complete a survey called 'Your views matter' about the care their loved one received during their last admission to hospital and the support they received leading up to and around the time of their death. The results of the survey identified that the majority have been very positive about the care and treatment of their loved one. Four people wanted the opportunity to talk further to help them understand what happened and were contacted by specialist nurses. As an outcome, small changes have been made at the Registrar's office in the hospital to ensure relatives have a private room to wait in. One learning point has been the availability of a side room for patients at the end of their life. The survey will be rolled out once resources have been identified to properly support families.

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

The rate of falls resulting in patients fracturing their hip showed a small reduction from last year. We have found that these patients often have delirium as a result of their illness, surgery or medication. Some patients, who were admitted following a fall at home, had recovered, and were ready to go home, but were waiting for a care package when they fell and suffered a fracture.

Table 2: Number of patient falls resulting in a fractured hip and rate of all fractures per 1000 bed days

Measure	2017/18 target	2016/17	2017/18	2017/18 overall performance
Number of patients who fell in hospital which resulted in a fractured hip	0	18	17	⇧
Rate of all hip fractures per 1000 bed days	0	0.108*	0.103	⇧
⇧ Better ⇔ Unchanged ⇩ Worse				

*In 2016/2017 the rate of all fractures per 1000 bed days was reported incorrectly as 0.18. The actual figure was 0.108

However, table 3 below shows that when comparing the number of patients who fell that resulted in all fractures (not just hip fractures), we have reduced the number from 33 in 2016/2017 to 28 in 2017/2018, representing a 15% overall reduction in falls resulting in harm.

Table 3: Number of patient falls resulting in a fracture and rate of all fractures per 1000 bed days

Measure	2017/18 target	2016/17	2017/18	2017/18 overall performance
Number of patients who fell in hospital which resulted in a fracture (all fractures)	0	33	28 (15% reduction)	⇩
Rate of all fractures per 1000 bed days	0	0.198	0.170	⇩
⇩ Better ⇔ As expected ⇧ Worse				

We achieved this by taking a fresh look at our approach to falls prevention and introduced a new risk assessment. This focused on a wider range of risks including removing trip hazards around the patient's bed space and putting the beside locker and belongings on the same side as the patient gets out of bed at home. We also focused on taking a patient's blood pressure when lying down and standing up to spot whether the blood pressure falls when the patient stands up. If so, medication that could be causing it is reviewed. We introduced double grip slipper socks on every ward to help prevent a patient slipping on the floor. We wanted to improve the observation of patients with delirium and have successfully tested an updated pressure sensor mat on one ward to alert staff when a patient gets out of bed or stands up from a chair. New updated pressure sensor mats will be in place in early 2018/2019. We also plan to introduce a delirium care bundle which is a set of practices to investigate, manage and plan care and treatment in early 2018/2019.

1.3 Ensured that where a urinary catheter is required it will be inserted and cared for using evidenced based practice, and will be removed as soon as possible to reduce the chance of infection

We have now introduced both the insertion and on-going catheter care bundles. These are a set of practices which, when used together, help reduce urine infections when a catheter is first put in and ensures it is promptly removed when no longer needed. We have achieved this by providing training to all our ward staff on the safe insertion of a catheter and the on-going care.

We have continued to audit compliance with the catheter care bundles. The combination of education sessions, catheter bundles and the use of new catheter packs have reduced the number of hospital catheter associated urinary tract infections. Our Safety Thermometer data in table 4 shows the excellent improvement we have made in this area.

Table 4: Safety Thermometer data of the number of inpatients with a catheter with a urinary tract infection and a catheter with a new urinary tract infection

Measure	2017/18 target	2016/17	2017/18	2017/18 overall performance
Number of inpatients with a catheter with a urinary tract infection.	0	153	102 (33% reduction)	⇩
Number of inpatients with a catheter with a new urinary tract infection	0	97	58 (40% reduction)	⇩
⇩ Better ⇔ As expected ⇧ Worse				

1.4 Continued 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.

We have made significant and sustained improvements in screening and treating adults and children with sepsis within an hour of arrival at hospital through all of our emergency routes. However, further improvement work is required in the screening and treatment of inpatients through an ongoing education and audit programme.

Table 5: Sepsis screening, antibiotic administration and antibiotic review of patients admitted via emergency routes

Measure	2017/18 target	2016/17	2017/18	2017/18 overall performance
% of patients who met the criteria for sepsis screening and were screened for sepsis admitted via emergency routes	90%	96%	93.5%	⇔
% of patients with severe sepsis who received antibiotics within 1 hour of arrival via emergency routes	90%	76%	86%	⇧
% of patients with severe sepsis who had their antibiotics reviewed by the 3rd day of treatment admitted via emergency routes	Q1 – 25% Q2 – 50% Q3 – 75% Q4 – 90%	95%	97%	⇧
⇧ Better ⇔ As expected ⇩ Worse				

Table 6: Sepsis screening, antibiotic administration and antibiotic review of inpatients

Measure	2017/18 target	2016/17	2017/18	2017/18 overall performance
% of patients who met the criteria for severe sepsis screening and were screened for sepsis - inpatients	90%	81%	83%	⇧
% of patients with severe sepsis who received antibiotics within 1 hour of diagnosis – inpatients	90%	74%	67%	⇩
% of patients with severe sepsis who had their antibiotics reviewed by the 3rd day of treatment - inpatients	Q1 – 25% Q2 – 50% Q3 – 75% Q4 – 90%	95%	97%	⇧
⇧ Better ⇔ As expected ⇩ Worse				

Table 7: Antibiotic consumption in 2017/2018

Measure	Target reduction on 2016 baseline	2017/18	2017/18 overall performance
Total antibiotics (all) consumption	2%	5% increase	⇩
Total piperacillin/ tazobactam consumption	2%	50.4% reduction	⇧
Total carbapenem consumption reduction	1%	12.5% reduction	⇧
⇧ Better ⇔ As expected ⇩ Worse			

1.5 Continued with good antibiotic stewardship to reduce antibiotic resistance

We have made good progress in reducing consumption of broad spectrum antibiotics within the hospital. This has been achieved by continued antibiotic stewardship by the pharmacy team, education sessions with senior and junior doctors and fortnightly audits and feedback to doctors who prescribe antibiotics.

1.6 Continued 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.

This year, we introduced an acute kidney injury care bundle alongside an education programme. We undertook two audits this year and the results showed that the individual elements that make up the care bundle are being used in practice apart from the recording of a patient's urine test. We have revised the nursing documentation to prompt this test to be carried

out and provided a space for the results to be easily recorded. The new nursing documentation was implemented in February 2018 supported by specific training sessions. The education programme will continue to emphasise the importance of urine testing for protein and blood and further audits will take place in July 2018 and January 2019 to establish the level of improvement.

1.7 Sustained the use of the Saving Babies' Lives care bundle

We have continued to use the 'Saving Babies' Lives' care bundle which is designed to reduce stillbirths and early neonatal deaths. The care bundle has four elements:

1) To support women to stop or reduce smoking in pregnancy
2) Women are given information to ensure they act the same day if their baby is not moving as much as usual
3) Each woman is given 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.
4) During labour, for those women who have their baby's heart beat monitored continuously, a second midwife or doctor should review the heart beat trace every hour to confirm it is normal or needs urgent action. This element also includes ensuring midwives and doctors are up to date with their training in interpreting the baby's heart beat trace in labour.

Our community midwives have made excellent progress in supporting women to stop smoking in pregnancy by asking them to give a carbon monoxide reading at booking. Women who smoke are referred to the maternity stop smoking service for support to stop smoking. All the community midwives have received annual training in stop smoking brief advice and 4 midwives who train other midwives have received annual advanced stop smoking training.

We have improved the detection of small for gestational age babies in pregnancy. Our detailed investigation of small babies that were not detected in pregnancy showed growth charts were not always plotted accurately and some scans did not always estimate the baby's weight accurately. A review was undertaken to understand the reason for this and improvement actions were taken. As an outcome the number and size of the discrepancies between the estimated baby's weight and the actual birth weight of the baby reduced between December 2017 and March 2018.

We have sustained a high percentage of women who received a leaflet and understood the importance of acting on reduced fetal movements the same day.

For those women who had their baby's heart beat monitored continuously during labour, there was a decrease in the percentage of traces reviewed by a second midwife or doctor every hour. Urgent action was taken in all cases where it was needed. A new heart beat trace sticker has been introduced to prompt action to review the trace in a timely manner.

1.8 Continued 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.

Our Trust is one of six demonstrator sites selected by the Department of Health to demonstrate the benefits of Scan4Safety and other safety standards. We have introduced point-of-use scanning in all theatres and the cardiology laboratory enabling 99.9% of the Trust's implantable devices, such as a hip or knee implant, or cardiac device to be accurately tracked to a patient. Scan at the point of use is now in place right across main theatres. In February 2018 it was also introduced in Day Surgery theatres. By the end of this year 100% of implants will be recorded to the patient.

The link below shows the Scan4Safety programme in action at the Trust:
http://www.scan4safety.nhs.uk/case_studies/scan4safety-enables-product-patient-tracking/

Table 8: Women who stopped smoking in pregnancy

Measure	2017/18 target	2016/17	2017/18	2017/18 overall performance
% of women recorded as smoking at booking compared to their smoking status at the birth of the baby	15% reduction	12.5% reduction	22.7% reduction	⇧
⇧ Better ⇔ As expected ⇩ Worse				

Table 9: Small for gestational age babies detected in pregnancy compared to the national average

Measure	2017/18 target	2016/17	2017/18	2017/18 overall performance
% of SGA* babies detected in pregnancy compared to the national average	At or above the national average	Q1 23.8% vs 37.8% Q2 43.5% vs 39.1% Q3 39.2% vs 40.5% Q4 42.9% vs 39.7%	Q1 40.4% vs 41.4% Q2 40.3% vs 42% Q3 43.9% vs 41.7% Q4 48.1% vs 42.1%	⇧
% of SGA* babies not detected who had a case review	90%	89%	94%	⇧
⇧ Better ⇔ As expected ⇩ Worse				

*SGA = small for gestational age

Table 10: Women who understood the message about reduced fetal movements and acted on it the same day

Measure	2017/18 target	2016/17	2017/18	2017/18 overall performance
% of women who understood the message about reduced fetal movements and attended for a fetal heart beat trace the same day	95%	97%	99%	⇧
⇧ Better ⇔ As expected ⇩ Worse				

Table 11: 'Fresh eyes' review of the babies heart beat trace every hour in labour

Measure	2017/18 target	2016/17	2017/18	2017/18 overall performance
A 'fresh eyes' review of the babies heart beat trace was undertaken every hour in labour	90%	78%	76%	⇩
⇧ Better ⇔ As expected ⇩ Worse				

1.9 Continued 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.

The aim of using the World Health Organisation surgical safety checklist is to reduce never events (an event that should never happen) to zero. The 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. Up until August 2017 monthly audits continued to show over 95% achievement of the 'sign in' phase and 'sign out' phase. However, the team had some quality issues of how the 'sign in' and 'sign out' briefing was being used and the team are working with all members to ensure they are involved in this process. In September 17, a new debriefing template was introduced in each operating room for staff to give their view on how effectively the operating list ran and this has led to improvements in quarter 4.

Human factors training commenced in April 2017 for a full range of theatre staff. The training focused on optimising staff performance through a better understanding of the behaviour of other staff, their interactions with one another and with the operating room. By understanding human limitations, the training offers ways to minimise human frailties, with the aim of reducing never events and its consequences for the patient. A total of 133 theatre staff attended one of 6 training days. Of these, 24 were senior doctors, 87 nurses and nursing assistants, 17 operating department practitioners and 5 administrators.

Unfortunately, we have had three never events associated with surgery this year, all were in different specialties and circumstances but the patients did not suffer any long term harm.

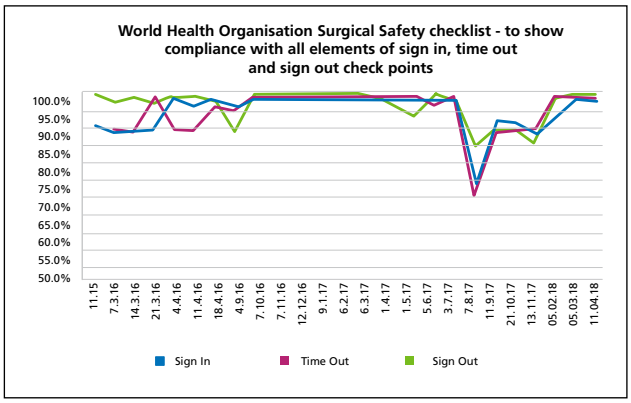
1.10 Continued to review nursing and midwifery staffing levels and skill mix to ensure that there are sufficient numbers of suitably qualified and experienced nurses and midwives to deliver safe, effective and responsive care.

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. The analysis shows our establishments are set to achieve appropriate staffing levels on our wards. Board skill mix reports in August 2017 and February 2018 can be seen at the following links:

http://www.salisbury.nhs.uk/AboutUs/TrustBoard/AgendaBoardPapersAndMinutesTrustBoard/Documents/3914SkillMix.pdf

http://www.salisbury.nhs.uk/AboutUs/TrustBoard/AgendaBoardPapersAndMinutesTrustBoard/Documents/PaperPackPublicTrustBoardmeeting5February2018f.pdf

Chart 12: World Health Organisation Surgical Safety checklist from November 2015 to March 2018



However, we continue to have vacancies, particularly amongst registered nurses and some speciality doctors, and are working hard to recruit permanent staff and reduce our reliance on temporary and agency staff. The Trust has been involved in collaborative work with NHS Improvement (NHSI) to support us deploy our staff effectively. As an outcome of that work NHSI confirmed we had 'an excellent grip and control of rostering and deployment of staff despite the vacancy situation'.

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

- "A staff nurse cared for my mother-in-law as she was coming to the end of her life. She and the nursing assistant on duty did a fabulous job in caring for her, and also making sure we were OK".
- A woman in pregnancy – "'very helpful with any questions, scans all good. Phone service very good, nice friendly staff"'.
- "The staff are rushed off their feet all the time. Not enough nurses". The Trust has an ongoing programme of recruitment of staff, both within the UK and overseas.

Priority 2 – ensure patients have an outstanding experience of care

Description of the issue and reason we prioritised it:

What we did to improve in 2017/2018:

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 local GPs and our community partners who have told us that the care of frail people, people with dementia, carers and people with mental health problems are a high priority.

2.1 We wanted to do more to identify patients with delirium to ensure they receive effective care and treatment.

It is estimated that 20 – 30% of patients on medical wards have delirium whilst 10 - 50% of people having surgery develop delirium. People who develop delirium may need to stay in hospital longer, have more complications such as falls and pressure ulcers, are more likely to die or be admitted to long term care. Delirium is not always spotted or is misdiagnosed and is very distressing to individuals and their families and carers. Our older people's specialist team have worked together to agree a new screening test which was introduced across the hospital in February 2018. For those patients with a positive score it prompts the need for a specialist assessment and treatment plan.

2.2 Funded by the Academic Health Science Network and with our community partners we developed the specialist frailty team to assess frail patients who attended the A&E Department to enable them to go home the same day.

In January 2017, a new Older People's Assessment and Liaison (OPAL) team was introduced as a weekday service. In November 2017, a weekend service was also started. The specialist team see older people to spot frailty, undertake a specialist assessment and personalised care plan of patients attending the acute medical unit. By seeing patients in the acute medical unit the specialist team is able to make a rapid assessment a nd enable suitable patients to go home the same day. In 2017/2018, the specialist team assessed over 1098 patients and 49% were able to go home the same day with support from the specialist team or community services. Patient, family and carer feedback has been very positive. One patient said: "Caring, thoughtful, everything was no trouble. Very caring and very thorough. They listened to what I was saying and answered my questions". Others said "Some elements of the discharge process could be improved, such as getting take home medication".

2.3 Funded by the Department of Health we participated in the 'what works in dementia workforce training and education' research project to inform best practice in this area.

Having staff with the right knowledge and skills to deliver good dementia care is a key priority for us. We are one of only 12 sites in England chosen to take part in this study 'what works in dementia workforce training and education'. We recruited 24 participants and were the second highest recruiting site nationally.

Participants undertook an online survey to explore their experiences of training, knowledge gained and attitudes towards dementia. An evaluation of the factors associated with success and their effectiveness are reported in the study outcome at the following link. http://www.leedsbeckett.ac.uk/school-of-health-and-community-studies/what-works/

2.4 Worked with our commissioners to improve access for children and young people to the adolescent mental health service.

During our Care Quality Commission inspection in December 2015 inspectors noted that the Child and Adolescent Mental Health Service (CAMHS) was only available during the day time hours. Patients often waited 24 hours or more for an assessment and there was limited emergency support available out of hours. Our commissioners have funded a children's specialist mental health nurse service, working 9 – 5 on weekdays, and this has improved the timeliness of assessments both in the A&E Department and the children's ward.

2.5 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.

In partnership with our community teams, we have provided very clear guidance for every ward team on the process to follow for a rapid discharge and supported this through an education programme. We have also introduced a new alert sticker for the medicines chart to ensure that take home medicines are available within 1 hour of prescription. As an outcome, 78 patients had fast track applications made for care in the community and 50 were successfully discharged to their preferred place of care. 19 of these patients were successfully discharged within 48 hours of the referral. However, 28 patients who wanted to die at home died in hospital before discharge could happen, so there is still

more to do. Wiltshire Clinical Commissioning Group have funded a new specialist nurse post to focus on improving the discharge process for patients at the end of their life who wish to die at home. Part of this role is to examine in detail successful and unsuccessful end of life care discharges and the barriers to achieving them. The themes arising will help drive further improvement whilst we continue to run the education programme.

2.6 Continued 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 to ensure we protect patients' privacy and dignity. However, between January and March 2018 during the unprecedented demand for emergency and urgent care, we saw a rise in the number of patients nursed in a mixed sex assessment area of our Acute Medical Unit. These occurrences coincided with peak demand and were to maintain patient safety. We have introduced privacy screens to protect patients' privacy and dignity.

Table 13: Delivering same sex accommodation

Measure	2017/18 target	2016/17	2017/18	2017/18 overall performance
Number of patients affected by a non-clinical mixed sex accommodation breach	0	235	143	⇩
Number of occasions patients were affected by a non-clinical mixed sex accommodation breach	0	32	13	⇩
⇩ Better ⇔ As expected ⇧ Worse				

2.7 Ensured our staff are aware of the Armed Forces Covenant to support improved health outcomes for the Armed Forces community

The Armed Forces Covenant is a promise by the nation that those who serve or who have served in the armed forces and their families are treated fairly and with respect in the communities and society for which they are prepared to give their lives. This particularly applies when serving personnel and their dependents move from one location to another and are not disadvantaged by losing their place on a waiting list. We have worked with our GPs to help us identify serving personnel and veterans and have trained our booking team to ensure these patients keep the same place on the waiting list, as they were before they were transferred to this hospital for surgery or an outpatient appointment. We have also introduced a system to alert our booking staff to veterans with war injuries to ensure their treatment is prioritised.

We have already achieved a silver award as part of the Defence Employer Recognition Scheme where we have pledged and demonstrated support to defence and the armed services community by offering the Step into Health programme. This helps military personnel to take up career opportunities in the NHS when they leave the services. We also support our staff to join the Army Reserve Medical Services. We are working towards becoming an accredited hospital to demonstrate our commitment to the Veteran Covenant Hospital Alliance. We will do this in partnership with local charities such as Help4Heroes, the Royal British Legion, BLESMA (a charity providing support to limbless and injured veterans).The Defence Medical Welfare Service will place a full time family liaison officer in the hospital in early 2018/2019 to support serving personnel and veterans.

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

- "Very pleasant informative staff - very considerate of Mum's dementia".
- "Kind & courteous staff, understanding of a patient with mental health disabilities".
- "Needed more explanation of my condition and how to get better and what to expect on leaving hospital" – we are training a range of staff in 'making every contact count' and encouraging our staff to discuss discharge arrangements soon after admission.

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 we prioritised 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 did to improve in 2017/2018:

3.1 Worked with partners to train and support our staff to 'make every contact count' (MECC).

Two awareness-raising sessions were held by Health Education England, Wessex and the feedback was very positive. Several specialist nurses have undertaken a 'health coaching' course to help patients with the better management of their own health and care. These specialist nurses will train other staff in this technique. The Trust is an active partner with other organisations implementing MECC across our local Sustainability and Transformation partnership. Ongoing training on MECC is being arranged by our education team.

3.2 Continued to provide and promote healthy food for patients, visitors and our staff.

Last year 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.

This year we have gone further and 88% of our drinks lines stocked are sugar free and as from 1 May 2018 this will increase to 100%. 96% of our confectionery and sweets do not exceed 250 kcal and plans are in place for all our confectionery and sweets to meet this standard next year. Since June 2017, 71% of our pre-packed sandwiches and other savoury pre-packed meals such as wraps, salads, and pasta salads contain 400kcal or less and do not exceed 5 grams of saturated fat. In October we participated in the Health and Wellbeing Week and offered free fresh fruit with every meal purchased.

3.3 Worked with our partners, we started to ask patients admitted to hospital whether they smoked, offered stop smoking medication, gave advice on how to stop and referred patients to an NHS stop smoking service.

Smoking is England's biggest killer causing nearly 80,000 premature deaths a year and a heavy toll of illness. People who stop smoking reduce the risk of heart disease, stroke, and cancer and as an inpatient leads to a reduced rate of wound infections, improved wound healing and increased rates of bone healing. The quit rate of patients who want to stop smoking and take up a referral to a stop smoking service is between 15 – 20% compared to 3 – 4% amongst those without a referral.

Our data shows that whilst our staff have met the standard in giving patients who smoke brief advice and improved the offer of medication and a referral to stop smoking services, the proportion of patients recorded as being asked about their smoking status remains below the standard expected. In March 2018, our pharmacy team took on this responsibility as part of their discussions with the patient about their medicines and this is expected to improve performance (see table 15 on following page).

Table 14: Proportion of patient screened for smoking status, given brief advice and offered medication and a referral

Measure	Standard	2017/18	Overall performance 2017/18
Proportion of patients screened for smoking status	90%	16%	⇩
Proportion of patients who smoked given very brief advice	90%	97%	⇧
Proportion of patients who smoke offered a referral and medication	30%	25%	⇩
⇧ Better ⇔ As expected ⇩ Worse			

3.4 Worked with our partners, we started to ask patients admitted to hospital how much alcohol they drank, offered brief advice and a specialist referral where relevant.

Our data shows that whilst our staff met the standard in giving patients who drink alcohol above the lower risk level very brief advice or a specialist referral, the proportion of patients recorded as being asked about their alcohol consumption has remained below the standard. In March 2018, our pharmacy team took on this responsibility as part of their discussions with the patient about their medicines and this is expected to improve performance.

3.5 Continued to increase flu vaccination rates of our front line staff and offer the flu vaccination to pregnant women to protect them from developing serious complications of flu such as pneumonia

We have listened to our staff and this year run a very proactive 'Fighting flu this winter' vaccination campaign. We have promoted the message that vaccination can help keep staff fit and healthy throughout the winter and reduces the risk of spreading flu to others, particularly those who are vulnerable. Our Occupational Health team have run drop in flu clinics, trained peer vaccinators, provided information and weekly updates on our progress. In 2017/2018, 1820 (67%) of 2715 front line staff received the vaccine during the campaign. Women in pregnancy are at higher risk of complications from flu, such as bronchitis, chest infections and pneumonia because they have a weaker immune system. Women are advised that the best way to avoid getting flu is by getting vaccinated. The flu jab protects both the mother and baby. This year, our community midwives gave the flu vaccine to 211 pregnant women at antenatal clinics.

Table 15: Proportion of patients screened for alcohol consumption, given brief advice or offered a specialist referral

Measure	Standard	2017/18	Overall performance 2017/18
Proportion of patients screened for alcohol consumption	50%	15%	⇩
Proportion of patients who drank alcohol above the lower risk level and were given very brief advice or a specialist referral	80%	90%	⇧
⇧ Better ⇔ Unchanged ⇩ Worse			

3.6 Continued to support the health and wellbeing of our staff through physical activity, supporting mental well-being and reducing muscle and back injuries.

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 encouraged staff to walk or cycle to work and promoted the weekly national 'Park Run' on a Saturday morning. http://www.parkrun.org.uk/events/events/ We have 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. Every member of staff is expected to complete on line training on handling loads to reduce the risk of muscle and back injuries. Rapid access to physiotherapy is available for staff suffering from muscular or back problems. Staff also have access to the Wiltshire Council health trainers who are able to support them make positive lifestyle changes to improve their health and wellbeing.

3.7 With our partners we continued to support patients with long term conditions with a personalised care plan to help them manage their own health and reduce complications.

A personalised care plan helps patients to gain greater control of their own care and transforms their experience from reacting to ill health to a more helpful preventative approach centred on their own care.

This has been particularly successful with patients with long term lung conditions, such as asthma who have been able to set their personal goals and manage their lifestyle better. For patients with chronic obstructive pulmonary disease (COPD) and other lung diseases, we have continued with a 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.

Patients with heart failure also 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.

3.8 Continued 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.

People with Parkinson's Disease (PD) often have difficulty in walking. This causes them to walk slowly and often leads to falls and a reduced quality of life. Functional Electrical Stimulation (FES) can be used to produce movement in under active muscles by applying small electrical impulses to the nerves from a small battery powered device applied to the leg. In previous small studies, patients were able to walk faster and had reduced PD symptoms after using the stimulator. This is a bigger study of 68 people who have PD who either received routine care alone or routine care and the stimulator. In 2017/2018 we recruited 6 patients into this study. An evaluation of the effectiveness of routine care compared to routine care and the stimulator will be reported in the study report early next year.

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

- "Being one of those who wants to know and understand all about what is wrong with me, what treatment is available, what tests can be done and their details, and what the likely effects and possible outcomes are, I could not have been kept better informed at all times. For me, this is of great importance and very helpful. It also helps me to retain my positive attitude with regard to my condition".
- "In my case, I found that people were not listening to me about my long-term illnesses. I think that everybody involved in care should remember that people with long-term illness usually know a lot about their problem". We are training our staff in 'making every contact count' – see progress in point 3.1.

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

Description of the issue and reason we prioritised 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. The aim is to ensure that patients receive the same standards of care at a weekend as they do during the week. In our 2016 national survey results of NHS 7 day services, it showed we were better than the national average in all 4 priority clinical standards. In 2017/2018 we aimed to maintain this good progress. The 4 priority

clinical standards are - 2) time to consultant review 5) access to diagnostics 6) access to interventional/key services and 8) ongoing review. The Trust was an early adopter of these standards and we also wanted to ensure these 4 priority standards are implemented in our stroke and heart attack service.

What we did to sustain the improvement in 2017/2018:

4.1 Ensure that all patients admitted as an emergency are seen and assessed by a consultant within 14 hours of admission.

Patients who are seen and assessed by a senior decision maker within 14 hours of admission are likely to have a better experience of care and are more likely to go home sooner. Our national NHS 7 day survey results consistently show that we exceeded the national standard and have significantly better performance than other Trusts. We have achieved this by consultant-delivered services in the A&E Department and acute medical and surgical assessment units and children's unit.

Table 16: Proportion of patients reviewed by a consultant within 14 hours of admission

	March 2017		September 2017	
	Trust	**National mean**	**Trust**	**National mean**
Proportion of patients reviewed by a consultant within 14 hours of admission to hospital on a **weekday (Standard = 90%)**	94%	73%	95%	72%*
Proportion of patients reviewed by a consultant within 14 hours of admission to hospital at a **weekend (Standard = 90%)**	87%	70%	86%	70%*

*Provisional national results

4.2 Improved access to inpatient cardiac echocardiograms at weekends

Clinical standard 5 is about access to diagnostics seven days a week for an ultrasound scan, CT scan, MRI scan, echocardiogram, endoscopy and microbiology within 1 hour for critical patients, within 12 hours for urgent patients and within 24 hours for non-urgent patients. Our survey results consistently show we provide all 6 of these tests during the week and 5 out of 6 at weekends, either on-site or by formal arrangement with other hospitals. Echocardiogram is the diagnostic test most commonly not available at the weekend at this hospital and nationally.

This year we planned to undertake a pilot of one four hour session at a weekend. This did not go ahead due to vacancies in the cardiac investigation team. However, our cardiology consultants undertake a ward round seven days a week and are able to undertake an urgent echocardiogram if it is needed. Our cardiology middle grade doctors also continued to provide an echocardiogram service on the 14 weekends they were on duty during the year. Patient feedback was very positive as it helped to reduce delays in discharge at the weekend.

Clinical standard 6 is about access to consultant-directed interventions seven days a week for critical care, interventional radiology and endoscopy, emergency general surgery, emergency renal replacement therapy, urgent radiotherapy, stroke thrombolysis, percutaneous coronary intervention and cardiac pacing. Our survey results consistently show we provide all 9 interventions seven days a week, either on-site or by formal arrangement with other hospitals.

4.3 Ensured 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.

Ward rounds provide the opportunity to listen to patient and carer concerns and involve them in decision making and information about their care. The team are able to review progress, check vital signs, identify improvement or deterioration and refine or amend the patient's care plan following an examination, observation and further investigations. Evidence has shown that where there are two or more acute medical ward rounds a day reviewing all patients there was a lower mortality rate for patients who stayed in hospital longer than seven days.

Our national NHS 7 day service survey results show that we exceeded the national standard and have significantly better performance than other Trusts.

All patients with high dependency needs should be seen and reviewed by a consultant twice a day. These are patients being cared for in the Critical Care Unit, Coronary Care Unit, Surgical High Dependency Unit, Acute Medical Unit and the Children's ward. Our national NHS 7 day service survey results show that we exceeded the national standard and have significantly better performance than other Trusts (see table 18).

Table 17: Proportion of patients who required and received a once daily review 7 days a week

	September 2016		March 2017	
	Trust	**National mean**	**Trust**	**National mean**
Proportion of patients who required and received a **once** daily review on a **weekday (Standard = 90%)**	95%	71%	100%	90%
Proportion of patients who required and received a **once** daily review at a **weekend (Standard = 90%)**	94%	66%	92%	69%

NB: This standard was **not** measured in the September 2017 national survey

4.4 Continued to ensure that patients have their clinical observations recorded and acted upon if they deteriorate.

In this hospital doctors and nurses use the Early Warning Scoring system (EWS) to enable early detection of deterioration by categorising a patient's severity of illness which prompts nurses to request a medical review when the score is 3 or more. Patient's vital signs (pulse, blood pressure, respirations and oxygen levels) are recorded and each vital sign is given a score from 0 – 3 (a score of 0 is most desirable and a score of 3 or more is least desirable). The total score is the early warning score. The score can show a trend over time but also alerts when intervention is required quickly to prevent deterioration. Next year, we plan to introduce the National Early Warning Score (NEWS) to standardise the recording of clinical observations across the NHS.
Our performance in recording and scoring vital signs exceeds the standard but acting upon the score has not improved this year and is a quality priority in 2018/19. 16 of 19 ward teams are now able to record all vital signs electronically.

4.5 Ensured that the heart attack service and stroke service provided the 4 priority clinical standards 7 days a week.

Our national NHS 7 day service survey results for our stroke and heart attack patients showed that we exceeded the national standard except for our stroke patients at a weekend. A third stroke consultant started in September 2017 to ensure acute stroke patients are able to be reviewed twice a day during the week. The Trust is looking to improve the weekend service by the use of telemedicine with the stroke network. This means the ward doctor can seek advice from a specialist stroke consultant 24 hours a day 7 days a week.

Table 18: Proportion of patients who required and received a twice daily review 7 days a week

	September 2016		March 2017	
	Trust	**National mean**	**Trust**	**National mean**
Proportion of patients who required and received a **twice** daily review on a **weekday (Standard = 90%)**	100%	92%	100%	95%
Proportion of patients who required and received a **twice** daily review at a **weekend (Standard = 90%)**	100%	86%	100%	92%

NB: This standard was **not** measured in the September 2017 national survey

Table 19: Proportion of patients who had all vital signs scored and acted upon

Measure	Standard	2016/17	2017/18	2017/18 overall performance
All vital signs scored	95%	96%	97%	⇧
Escalation implemented	95%	83%	81%	⇩
⇧ Better ⇔ As expected ⇩ Worse				

Table 20: Proportion of stroke and heart attack patients who required and received a once daily review seven days a week

March 2017		
	Stroke patients	Heart attack patients
Proportion of patients reviewed by a consultant within 14 hours of admission to hospital on a **weekday (standard = 90%)**	100%	100%
Proportion of patients reviewed by a consultant within 14 hours of admission to hospital at a **weekend (standard = 90%)**	100%	100%
Proportion of patients who required and received a once daily review on a **weekday (standard = 90%)**	96%	100%
Proportion of patients who required and received a once daily review at a **weekend (standard = 90%**)	57%	100%

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

- "Had to wait too long for an endoscopy. Five days". We continuously monitor waiting times for all diagnostic tests and procedures so that action can be taken quickly to improve. We do this by arranging extra clinics or procedure sessions when needed.
- "I had an ultrasound over the weekend".
- "I am impressed by tests being done on Sunday".

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

Description of the issue and reason we prioritised it:

Health and care organisations across Bath and North Somerset (B&NES), Swindon and Wiltshire started working together in a new way last year 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. 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 together.

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 health care providers, commissioners and the council working together to try and prevent ill health and design services which better meet the needs of our patients.

What we did to improve in 2017/2018:

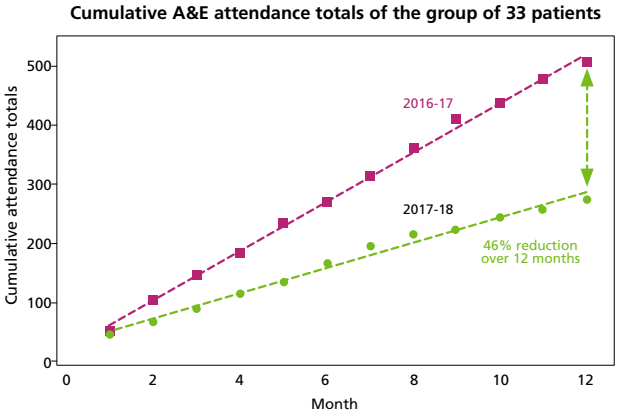
5.1 Worked with our STP partners to improve services for people with mental health needs who frequently attended the A&E Department.

We have worked together with our mental health,

primary care and community partners to improve our understanding of the needs of patients with mental health problems who frequently attended the A&E Department. A specialist team looked in detail at a group of 33 patients who had attended A&E 506 times in 2016/2017. We found that they have complex mental and psychological health needs, physical problems associated with long term conditions or substance abuse and alcohol problems. Specialist teams and GPs have worked with these patients to understand their priorities for care and together have agreed treatment and service preferences written in a personalised care plan.

One patient said *"the care I receive is tailored to my needs and circumstances at that time, and helps me reach my aspirations. It follows any plan I have agreed with support services and covers areas where I need assistance".*

Most of the patients met with a specialist team or GP and had a personalised care plan. The plan supports patients to gain greater control of their own care and transforms their experience from a reactive service, which responds when something goes wrong, to a more helpful proactive approach centred on the needs of each individual patient. The outcome saw a significant reduction of 46% in the number of times these patients attended the A&E Department.



5.2 Increased 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

Ambulatory emergency care enables patients requiring emergency care to be appropriately managed on the same day, either without admission to hospital at all, or admission for only a few hours. The key to success of ambulatory care is rapid assessment, diagnosis and treatment by a senior doctor in the Acute Medical Unit, Surgical Assessment Unit and Paediatric Department. Conditions such as chest pain, abdominal pain, uncomplicated infections and blood clots can all be managed safely in ambulatory care. Nationally, high performing Trusts are those who manage 30% or more of patients with these conditions as ambulatory care. At this hospital, 36% of medical and surgical conditions are managed in this way. In December, our new expanded Acute Medical Unit opened to increase the number of patients benefiting from ambulatory care and make it easier to manage the way emergency patients are treated in the hospital.

5.3 Worked 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.

Advice and guidance is a system which helps GPs to obtain consultant advice for patients with non–urgent problems without the need for an outpatient appointment. Patients are able to benefit from consultant advice within 5 working days of a GP request and if an appointment is needed, preliminary tests can be done before the patient attends the appointment. Our haematology, diabetes, cardiology and burns teams already provide this service. By the end of March 2018, GPs were also able to obtain advice and guidance from our audiology, orthopaedic, oral surgery, maxillofacial and orthodontic, gynaecology, ear nose and throat, ophthalmology, plastic surgery and paediatric teams. GPs are able to access it via the GP Portal at the following link:
http://nww.icid.salisbury.nhs.uk/gpportal_new/

5.4 Worked with GPs to enable them to make first out-patient appointments on the NHS e-referral service by 31 March 2018.

We have worked with GPs and our Clinical Commissioning Groups to enable referrals for a first outpatient appointment to be sent via a new national electronic referral system which must be in place by 1 April 2018, when paper referrals will no longer be accepted. We have made good progress and GPs are now able to refer patients to 100% of our services and clinics using the new system. This helps to reduce delays and improves the uptake of appointments. To reduce waiting lists we have increased the number of appointment slots in some services.

5.5 With our community partners, including care home providers, we mapped and streamlined our existing discharge pathways and designed new ways of proactive and safe discharge from hospital.

In April, we met with our community partners and care home providers to map the patient journey from the point of admission to discharge from hospital. This helped us to identify gaps and processes that

caused delays so that we could take improvement actions to reduce them. The map shows that patients with complex needs are involved with many different professionals which often lead to delays.

We found four key areas for improvement and took the following actions:

1) Reducing delays in prescribing take home medicines – we set standards to ensure that medicines are prescribed by 3.00 pm on the day of discharge. We measured this standard over one week in March 2017 and found 85% of prescriptions were dispensed by 3.00 pm on the day of discharge. We measured it again in September 2017 and found this had reduced to 77% of prescriptions being dispensed within the time frame. The pharmacy team continue to work with doctors to improve the timeliness of writing prescriptions so they are available for dispensing earlier in the day and the day before discharge.
2) Delays in patients making a choice about where to go after leaving hospital – we held education sessions with our staff to raise awareness of the importance of starting discussions about discharge at the point of admission and throughout the patient's stay along with the choices available once a patient is fit to leave hospital.
3) Delays in home care provision - these often occur whilst patients who are fit to leave hospital wait to be assessed for care at home. With our community partners we have introduced 'Home First' which enables patients to go home first, and be assessed the same day by a community professional, who is able to provide short term support and care if needed. In this way, long term care needs can be assessed later when the actual level of care required can be accurately predicted and avoids patients being admitted to nursing homes unnecessarily.
4) Delays in assessment by nursing home providers - patients are often delayed in hospital whilst they wait to be assessed for transfer back to an existing care package at home or to a nursing home. We have started to work with care homes and develop the concept of a trusted assessor who is authorised to carry out an assessment on behalf of care providers with the decision accepted by all. This new process will start in June 2018.

This year, we increased the percentage of patients aged 65 or over admitted as an emergency who were able to return to their home within 3 to 7 days of admission from 38.3% in 2016/2017 to 41.04% in 2017/2018. Delays in home care provision and patient's making a choice about where to go after they leave hospital remain an area for improvement. We will continue to report progress on these areas at the Integrated Discharge Board.

5.6 With Wiltshire Health & Care we introduced an early supported discharge service for patients who have had a stroke so that they can continue their rehabilitation when they get home.

Patients after stroke conventionally have received much of their rehabilitation in hospital. Early supported discharge enables stroke patients to receive their rehabilitation at home with the same intensity and expertise that they received in hospital. This may not be suitable for all patients with a stroke. The decision to offer early supported discharge is made by the specialist stroke team after discussion with the patient and their family or carer. In October 2017, we introduced a new early supported discharge service provided by a team of therapists. Although it is early days, 24 patients have been able to go home 2 to 3 days earlier than before the service was introduced.

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

- "The email advice is really helpful, so good to see this is being continued with the current specialties and expanded to new ones". We plan to offer 75% of our services providing advice and guidance in 2018/2019.
- "I feel very positive about the extension of the email advice service at the hospital being extended to include additional disciplines".
- Frequent A&E attendances of patients with mental health needs – "Where GPs are seeing patients, I have no doubt that for the majority they really benefit". We plan to continue working with GPs and our partners with this work in 2018/2019.

What we did in 2017/2018:

6.0 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'.

Since then the Trust has not had either an announced or unannounced inspection. The Medical Director and Director of Nursing meet monthly with the Care Quality Commission regional managers to appraise them of examples of innovative practice, quality improvements and patient feedback, progress and any current or emerging issues.

Table 22: Trust rating for each of the nine core services and for the Trust overall at the Care Quality Commission inspection in December 2015

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

We have taken the following actions to improve in 2017/2018 (the numbered point is the 'must do' action required by the Care Quality Commission and the paragraph that follows is the progress we have made):

6.1 Continued 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. The analysis shows our establishments are set to achieve appropriate staffing levels on our wards. Board skill mix reports in August 2017 and February 2018 can be seen at the following links:

http://www.salisbury.nhs.uk/AboutUs/TrustBoard/AgendaBoardPapersAndMinutesTrustBoard/Documents/3914SkillMix.pdf

http://www.salisbury.nhs.uk/AboutUs/TrustBoard/AgendaBoardPapersAndMinutesTrustBoard/Documents/PaperPackPublicTrustBoardmeeting5February2018f.pdf

We continue to have vacancies, particularly amongst registered nurses and are working hard to recruit permanent staff and reduce our reliance on temporary and agency staff. The Trust has been involved in collaborative work with NHS Improvement (NHSI) As an outcome of that work NHSI said we had 'an excellent grip and control of rostering and deployment of staff despite the vacancy situation'.

6.2 Increased 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 2017/2018, 85.4% of staff were up to date with their mandatory training compared to the Trust target of 85%. The clinical directors and education team are working with clinical leaders to improve this further.

6.3 Ensured our staff received 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 2017/2018, this improved to 84.7% of our non-medical staff having an annual appraisal and 91% of our doctors had received a medical staff appraisal.

6.4 Improved the documentation of care given including care of intravenous cannulas, urinary catheters and patients' weight.

The new nursing assessment and care planning document was launched in February 2018. A space for recording the appearance of intravenous cannula insertion sites has been added to prompt nurses to review the site up to three times a day and take action as needed. Nurses are also required to undertake a nutritional risk assessment and weigh the patient to inform the nutritional care plan. If the patient has a urinary catheter the daily catheter care bundle must be completed.

6.5 Continued 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 235 patients on 32 occasions in 2016/2017 to 143 patients on 13 occasions in 2017/2018. These only occurred in the ambulatory care bay on the Acute Medical Unit at times of peak pressure and to maintain patient safety. When this does occur mobile screens are used to maintain patients' privacy and dignity.

6.6 Ensured 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.

6.7 Ensured 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 undertake observational rounds with each Directorate Senior Nurse and ward based briefings to feedback their findings and improve practice. Flash cards with key messages have been developed to raise staff awareness at briefings.

6.8 Ensured 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 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 Partnership (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. We have increased the number of ambulatory care pathways and 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.

6.9 Ensured 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. This is monitored by the Directorate Senior Nurses during their Confidence in Care rounds of the wards.

6.10 Continued 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 work with teams and directorates to ensure that risk registers have breadth, are dynamic and risks are managed effectively and escalated, so the Board is routinely sighted on and involved in the mitigation of key risks.

6.11 Strengthened governance arrangements in A&E and Critical Care.

In the Critical Care Unit, the team have continued to hold clinical 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. The team also review adverse incidents and risks which helps the team identify opportunities to learn and take actions to improve the quality of care.

The A&E Department also hold similar governance meetings and separate mortality and morbidity meetings. The team also review adverse incidents and risks with the Directorate Management Team and escalate high risks to ensure the Board is routinely sighted on and involved in the mitigation of key risks.

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

The A&E team have tested out a 'navigator' role at the front door of the department to ensure that patients are seen within 15 minutes of arrival. 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. The test has been successful but will end on 31 March 2018. Ongoing arrangements are being considered to ensure patients are cared for safely.

Avon Wiltshire Mental Health Partnership provide 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. Oxford Mental Health Partnership provide the Children and Adolescent Mental Health Service in the A&E department. Children and young people with mental health problems are assessed and managed by a specialist mental health nurse during the week which has improved the timeliness and reduced admissions to hospital. This year a Paediatric Outreach Support Team of specialist nurses was set up to support the A&E Department, Day Surgery Unit and Theatres offering staff, parents and children guidance, support and, where needed, direct clinical care to improve the quality of care experienced by children and their families.

6.13 Approved 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.

Whilst the World Health Organisation surgical safety checklist was implemented some years ago a new policy for its use and team brief was approved by the Clinical Management Board in January 2017. The whole theatre team attend a team brief before the start of the procedure to introduce themselves, share vital information about the patient and discuss any safety issues. The team brief is an opportunity to organise staff, implants and equipment to ensure everything is ready at the start. The sign in phase is carried out when the patient arrives for the procedure. The team check the identity of the patient, consent is valid and surgical markings are in place. This ensures the right patient is having the right operation on the correct side. At the end of surgery the sign out procedure is completed to ensure that instruments and swabs are all accounted for, specimens are labelled correctly and any equipment problems addressed. Theatre teams undertake regular audits which are shown in section 2.1 item 3.10. The audits are reported to the Patient Safety Steering Group.

6.14 Improved the processing of surgical instrument sets to avoid delays.

There has been ongoing work to improve the processing and turnaround of surgical instruments. Actions taken to address this issue have included education of theatre staff in the handling of trays, installing new storage shelving in theatres, the introduction of new transfer trolleys, and specific trays stored in caskets rather than wraps. Our monthly audit data shows this situation has improved significantly.

6.15 Ensured there is a safe pathway for discharging patients after surgery.

No patients have been discharged directly from main theatre recovery since the end of September 2017. The team are able to identify patients at the start of the list who are likely to need an overnight stay. When this is the case, patients are moved to the surgical short stay surgical unit which opened in January 2018 or to the Day Surgery Unit to recover after the operation, and are then discharged later in the day if the patient is well enough to go home.

6.16 Ensured 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. Patients ready to be transferred out to a ward are raised at the twice daily bed meeting. This is to ensure that the most appropriate ward is identified to meet the patient's needs, but it remains a challenge due to Trust wide bed pressures. Monthly data on the timeliness of transfers is reported to the Board. We recognise there is more work to do to improve this and it will be a continued focus of action in 2018/2019.

6.17 Improved 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 planned 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. During 2017/2018, 49 patients who needed a critical care bed after their operation had surgery completed and were admitted to critical care afterwards. However, since September 2017, 8 patients had their planned operation cancelled because of a lack of a critical care bed. These patients were rebooked within 28 days of the cancellation.

6.18 Reduced 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 (VUD) from 467 patients to no patients by the end of March 2017 and this has been sustained in 2017/2018. The team did this by asking patients and clinical teams to meet and agree a change to the way care was given so that only patients who needed the test actually received it.

In the same time period, we reduced the number of spinal cord injured patients who were initially identified as waiting for an outpatient appointment from 1024 patients to no patients by May 2017. The team did this by increasing the number of consultant and specialist nurse clinics so more patients could be seen. Currently, we have 128 patients overdue an outpatient appointment from January 2018 and all these patients are currently being booked for an appointment. In response to patient feedback, the team introduced a short stay assessment of up to 5 days so that patients could have a VUD test, a bladder and bowel assessment and clinical psychology support rather than a series of outpatient appointments.

Patient feedback has been excellent. One young patient said: "Since my injury 8 years ago I had numerous problems with my bowels. I tried various remedies but these made me incontinent. This led me to eat very little with the view "the less that goes in, the less can come out". I feared going out, even to the shops because of the fear of incontinence. My life had been on hold. My GP didn't know what to do for the best. My care here has been a "revelation". For the first time my tummy feels normal. I feel I have finally found somewhere that understood me and I feel positive about my future".

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

6.19 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 2016 regular events including music, singing, poetry and drama have taken place. A physical activity adviser is in post funded by the charity 'Wheelpower' to help with 'Fitness Friday' and wheelchair sports as well as supporting individual patients with their sport and fitness plans after they go home.

The progress of the Trust's action plan is regularly reported and monitored by the Clinical Governance Committee. The Care Quality Commission will undertake an unannounced inspection of up to four core services that requires improvement and an announced inspection of the well-led domain in 2018/2019. In the meantime, the Care Quality Commission monitor the Trust's performance and quality indicators and publish a quarterly 'CQC Insight for acute NHS Trusts' report. The Medical Director and Director of Nursing meet the regional CQC inspectors on a monthly basis to brief them on areas of excellence and good practice as well as concerns and actions being taken to improve.

Part 2B: This section sets out our quality priorities for 2018/2019

2.1 Our priorities for quality improvement in 2018/2019 and why we have chosen them.

Our quality priorities in 2017/2018 showed a positive picture of improvement in safety and patient experience along with improvements in the care of older people with early senior decision making, ongoing review and early supported discharge. However, more work is required to reduce falls resulting in harm, sepsis screening and treatment of inpatients, along with better identification and management of frailty, delirium and rapid discharge of patients at the end of life who wish to return to their own home to die. Looking forward we have combined the learning from last year with a broad range of methods to gather information and generate our quality priorities in 2018/2019.

Table 23: Care Quality Commission Insight report shows the Trust's composite score is among the highest 25% of acute Trusts to March 2018

Salisbury NHS Foundation Trust

Trust and core service analysis > Trust composite of key indicators

National Guardian Freedom to Speak Up

Insight

FACTS, FIGURES & RATINGS | TRUST AND CORE SERVICE ANALYSIS | FEATURED DATA SOURCES | DEFINITIONS

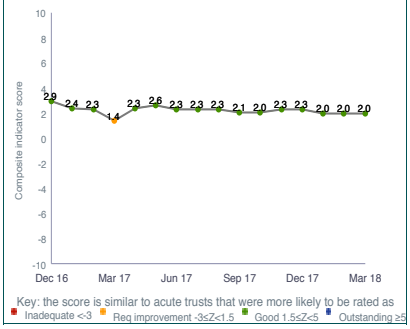
13 March 2018

OVERVIEW | TRUST COMPOSITE INDICATOR | TRUST WIDE | URGENT & EMERGENCY | MEDICAL CARE | SURGERY | CRITICAL CARE | MATERNITY | CHILDREN & YOUNG PEOPLE | END OF LIFE CARE | OUTPATIENTS

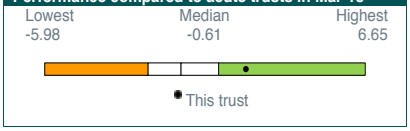
The trust composite is a pilot indicator created from 12 specific indicators within Insight. The composite indicator score helps to assess a trust's overall performance but it is not a rating nor a judgement. The composite should be used alongside other evidence in monitoring trusts.

- The latest trust rating is requires improvement published on 7/4/2016 (last inspection date 01/12/2015)
- This trust's composite score is among the highest 25% of acute trusts

Trust composite indicator score Dec-16 to Mar-18



Performance compared to acute trusts in Mar-18



Indicator	Performance			National comparison
	Previous	Latest	Change	
Patients spending less than 4 hours in major A&E, target 95 (%) NHS England - Monthly A&E SitReps (08 Mar 2018)	83.6% Jan 17	85.5% Jan 18	→	
Flu vaccination uptake (%) Department of Health - HCW Seasonal Influenza Vaccination Programme (07 Jun 2017)	41.7% Sep 15 - Feb 16	59.1% Sep 16 - Feb 17	↑	
Cancelled operations as a percentage of elective activity (%) Department of Health (DH) - Cancelled Operations (QMCO) (01 Mar 2018)	2.4% Oct 16 - Dec 16	1.1% Oct 17 - Dec 17	→	
Advice at the start of labour Care Quality Commission - Maternity survey (29 Jan 2018)	9.5 Feb 15	8.8 Feb 17	↓	
In-hospital mortality: Infectious diseases HES - Mortality (09 Sep 2016)	74.7 Apr 14 - Mar 15	94.4 Apr 15 - Mar 16	→	
Patient-led assessment of privacy, dignity, and well being (%) Information Centre for Health & Social Care (IC) - Patient-led assessments of the care environment (29 Aug 2017)	92.8% Feb 16 - Jun 16	85.6% Mar 17 - Jun 17	↓	
Support from immediate managers (1-5) NHS England - NHS Staff Survey (29 Mar 2017)	3.86 Sep 15 - Dec 15	3.81 Sep 16 - Dec 16	→	
Communication between senior management and staff (%) NHS England - NHS Staff Survey (24 Mar 2017)	42.9% Sep 15 - Dec 15	38.1% Sep 16 - Dec 16	→	
Fairness and effectiveness of reporting (1-5) NHS England - NHS Staff Survey (29 Mar 2017)	3.87 Sep 15 - Dec 15	3.83 Sep 16 - Dec 16	→	
Treatment with respect and dignity CQC - Inpatient survey (30 May 2017)	9.2 Jun 15 - Aug 15	9.3 Jun 16 - Aug 16	→	
Ambulances remaining at hospital for more than 60 minutes (%) NHS Ambulance Service - Ambulance Turnaround Times (07 Mar 2018)	2.1% Jan 17	2.3% Jan 18	→	
Confidence and trust in the doctors CQC - Inpatient survey (30 May 2017)	9.3 Jun 15 - Aug 15	9.4 Jun 16 - Aug 16	→	

These priorities were identified by listening to patient stories at the Board, speaking to patients, families and carers, the public, our staff and governors, Salisbury Branch, Warminster Health, Wellbeing and Social Care Forum, our community partners, local GPs and our commissioners through face to face meetings. Some of their comments are included in this report. Our priorities are also influenced by our need to improve and sustain the 'must do's identified by the Care Quality Commission and NHS Improvement.

We have used information from three national patient surveys published this year (In-patients, A&E Department and Children and Young People) and our staff survey and identified themes from mortality case reviews, complaints and concerns, adverse incidents where we have caused harm and clinical audit to help us decide on our quality priorities.

We have taken into consideration the NHS Five Year Forward View, the Government's Mandate to NHS England 2020 goals and the B&NES, Swindon and Wiltshire Sustainability and Transformation plan to ensure we continue to provide an outstanding experience for every patient. The priorities were considered by the Clinical Governance Committee and recommended to and agreed by the Trust Board.

In 2017/2018, we had five very broad priorities with nearly 40 different work streams. Many of these work streams will continue to be reported in this quality account in sections on our:

- ➢ Patient Safety Programme – to reduce avoidable levels of harm
- ➢ Mortality – learning from deaths and improvement actions
- ➢ Care Quality Commission improvements as an outcome of inspections.

We have reduced our quality priorities to four specific areas where patient safety and experience need to improve:

Our priorities for 2018/2019* are:

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

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

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

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

*These priorities are not ranked in order of priority. The Trust Board agreed the 2018/2019 priorities on 10 May 2018.

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

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

Description of the issue and reason for prioritising it:

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

What we will do in 2018/2019.

- Improve the early identification of frail patients and ensure they receive a specialist review and a comprehensive assessment with a personalised care plan.
- Increase the number of frail patients who are able to go home from the A&E Department and Acute Medical Unit with appropriate follow up.
- Introduce a delirium care bundle which is a set of practices designed to improve the early identification of delirium so that patients receive appropriate treatment and care.
- Set up an Older Person's Steering Group with acute and community partners to develop a frailty pathway for timely discharge.
- Continue to work on reducing the number of patients who have preventable falls and fracture their hip in hospital.
- Increase the percentage of patients who have their hip fracture surgically repaired within 36 hours of admission from 78.6% to 90% by March 2019.
- For patients at the end of their life who wish to die at home increase the number of rapid discharges.

How will we report progress throughout the year?

We will report and monitor progress of the care of frail patients to the Older Person's Steering Group. Progress of our falls reduction strategy will be reported to the Clinical Risk Group and patients who wish to die at home at the End of Life Care Strategy Steering Group.

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

Description of the issue and reason for prioritising it:

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

What we will do in 2018/2019.

- ➢ Ensure patients are seen within 15 minutes of arrival in the A&E Department and divert them to the most appropriate service for their needs.
- ➢ Expand the Older People's Assessment Liaison team (OPAL) to a seven day service so that frail patients can go home earlier and be supported at home.
- ➢ Increase the number of ambulatory care pathways to enable patients to be assessed, treated and discharged on the same day.
- ➢ To measure the impact of the SAFER care bundle which is a set practices to ensure flow is appropriately managed
- ➢ To work collaboratively with our community and social care partners to develop an older persons pathway.
- ➢ Monitor the number of patients who have been in hospital for 7 days or longer and identify opportunities to reduce delays in discharge
- ➢ Working in partnership with care homes to introduce the concept of a trusted assessor to enable a patient to receive one assessment accepted by all providers.

How will we report progress throughout the year?

The work will be monitored and progressed via the Patient Flow Project Management Board which reports to the Outstanding Every Time Group.

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

Description of the issue and reason for prioritising it:

Recognising and responding to clinical deterioration is a key patient safety and quality challenge to improving patient outcomes. A common problem identified in learning from deaths or clinical incidents is failure to recognise or act on deterioration. We plan to introduce the national early warning score which improves the detection and response to clinical deterioration. Severe sepsis is a time critical condition that can lead to organ damage, multi-organ failure, septic shock and death. Rapid diagnosis and treatment are crucial to survival. During 2017/18 we improved screening and treatment using the Sepsis Six practices through our emergency routes but we need to do more to improve screening and treatment of in-patients through an ongoing education and audit programme.

What we will do in 2018/2019.

- ➢ Introduce the National Early Warning Scoring system to standardise practice across the NHS.
- ➢ Undertake a quarterly audit of the recording of clinical observations and escalation of patients who need a review by a doctor and undertake a detailed analysis of patients who are not escalated in a timely manner and take improvement actions.
- ➢ Continue to audit and report the outcomes to the clinical teams on severe sepsis screening of inpatients using the 'sepsis six' pathway.
- ➢ Continue to audit on the percentage of inpatients with severe sepsis who received antibiotics within 1 hour of diagnosis and report the outcomes to the clinical teams.
- ➢ Test interventions to reduce hospital acquired pneumonia on one ward.
- ➢ Audit the compliance with the ongoing catheter care bundle and its effectiveness as measured by the Safety Thermometer.
- ➢ Refresh the profile of sepsis within the Trust including education and training.

How will we monitor and report progress throughout the year?

We will monitor compliance of the recording and escalation of patients who trigger an early warning score through a quarterly audit. We will continue to undertake a monthly audit of screening for sepsis and treatment with antibiotics within an hour of diagnosis and report it to the Sepsis Steering Group. The work of the Sepsis Steering Group is overseen by the Patient Safety Steering Group which reports quarterly to the Clinical Management Board and Clinical Governance Committee as well as our commissioners.

Priority 4 – improve engagement with, and the health and wellbeing of our staff.

Description of the issue and reason for prioritising it:

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

What we will do in 2018/2019.

- ➢ Create a staff engagement group that is representative of every area of the hospital to collect and initiate ideas and innovations that can improve work life balance.
- ➢ As part of our Organisational Development strategy, develop a staff health and wellbeing programme which focuses on self-care, the prevention of ill health and the proactive management and treatment of ill health.
- ➢ Recruit staff into a research study run by Loughborough University into workplace wellbeing, working conditions and health support needs and use the learning to make improvements.
- ➢ Refresh and relaunch the 'Shape Up @ Salisbury' campaign to ensure our staff have access to health and wellbeing services.
- ➢ Continue to work with our partners to train and support our staff to 'make every contact count'

How will we monitor and report progress throughout the year?

Health and Wellbeing work will be led by a working group monitored by the Executive Workforce Committee.

2.2 Statements of assurance from the Board

Review of Services.

During 2017/2018 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 2017/2018 represents 100% of the total income generated from the provision of relevant health services by Salisbury NHS Foundation Trust for 2017/2018.

In April 2017, a new Integrated Governance Framework was introduced which sets out the principal processes by which clinical teams and Directorates report from ward to Board. At the same time, a new Accountability Framework was introduced which outlines how the Trust monitors and manages its own performance and the processes for escalating to the Board to ensure it is routinely sighted on and involved in the mitigation of key risks. One of the three themes of the Accountability Framework is the assessment of the quality of care demonstrated by performance and quality metrics on safety, clinical effectiveness and patient experience. This provides Executive Directors with a clear line of sight on current performance against targets or plan. For the purposes of oversight, each Directorate is assigned a rating of red, amber or green. The overall rating for each Directorate acts as a trigger for escalation or additional support as an outcome of the monthly Executive Performance meetings. This is the mechanism by which all services are reviewed and risks identified and acted upon at an appropriate level in the organisation.

The Clinical Governance Committee is the quality assurance committee of the Trust Board. It is responsible for overseeing the continuous improvement of the quality of services and safeguarding high standards of care by creating an environment in which excellence in clinical care flourishes. The committee hears directly from clinical teams where risks to quality are identified to seek assurance that action is being taken to improve. Any recurrent themes are included as key objectives for improvement in the Trust service plan or in the Quality Account priorities. Our four quality priorities in 2018/2019 reflect these themes.

Each year the Trust has a number of external agency and peer review inspections. The reports, recommendations and action plans are discussed at one of the assuring committees. For example in October 2017, NHS England undertook a peer review of the Neonatal Intensive Care service. Overall, the review team were impressed with the team working and relationships with other specialities in the Trust, the network, the facilities and the support for families. They praised the team for outstanding breast feeding rates of babies on discharge from the unit (87%) which placed this Trust in the top 4 units in the country for this standard. There were no serious or immediate concerns.

Participation in Clinical Audits

During 2017/2018, 42 national clinical audits and 2 national confidential enquiries covered relevant health services that Salisbury NHS Foundation Trust provides. During this period, Salisbury NHS Foundation Trust participated in 40 (95.2%) national clinical audits, and 2 (100%) national confidential enquiries of the national clinical audits and national confidential enquiries which it was eligible to participate in.

The national clinical audits and national confidential enquiries in which Salisbury NHS Foundation Trust was eligible to participate during 2017/2018 are listed in table 24.

The national clinical audits and national confidential enquiries that Salisbury NHS Foundation Trust participated in, and for which data collection was completed during 2017/2018, are listed in table 24 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.

Table 24: Eligible national audits and national confidential enquiries and those the Trust participated in during 2017/2018

National Clinical Audit/ Clinical Outcome Review Programme 2016/2017	Eligible	Participation	% of cases submitted	Purpose of the audit
Acute Coronary Syndrome or Acute Myocardial Infarction (MINAP)	Yes	Yes	100%	To examine the quality of the management of heart attacks in hospital
Adult Cardiac Surgery	No	N/A	N/A	NA
BAUS Urology Audits: Cystectomy	Yes	Yes	100%	To publish surgeon patient outcomes data to improve standards of surgery and help patients make informed decision about their care
BAUS Urology Audits: Nephrectomy	Yes	Yes	100%	
BAUS Urology Audits: Percutaneous nephrolithotomy	Yes	Yes	100%	As above
BAUS Urology Audits: Radical Prostatectomy	Yes	Yes	100%	As above
BAUS Urology Audits: Urethroplasty	Yes	Yes	100%	As above
BAUS Urology Audits: Female stress urinary incontinence	Yes	Yes	100%	As above
Bowel cancer (NBOCAP)	Yes	Yes	100%	Measures the quality of care and survival rates of patients with bowel cancer in England and Wales.
Cardiac Rhythm Management (CRM)	Yes	Yes	100%	Examines the implant rates and outcomes of all patients who have a pacemaker, defibrillators or cardiac resynchronisation therapy implanted in the UK.
Case Mix Programme (CMP)	Yes	Yes	100%	The CMP is an audit of patient outcomes from adult general critical care units.
Child health clinical outcome review programme 2 studies: 1) Chronic neuro-disability 2) Young People's mental health study	Yes	Yes	100%	The studies assessed the quality of healthcare to stimulate improvement in safety and effectiveness by learning from adverse events and other relevant data.
Congenital Heart Disease (CHD)	No	N/A	N/A	N/A

National Clinical Audit/ Clinical Outcome Review Programme 2016/2017	Eligible	Participation	% of cases submitted	Purpose of the audit
Coronary Angioplasty/National Audit of Percutaneous Coronary Intervention (PCI)	Yes	Yes	100%	The aim of the audit is to describe the quality and process of care and compare patient outcomes.
Diabetes (Paediatric) (NPDA)	Yes	Yes	100%	To assess the quality of paediatric diabetes care by comparing outcomes to NICE quality and clinical standards.
Elective surgery (National PROMs Programme)	Yes	Yes	2016/17 Pre-op 65.8% vs 75.7% nationally Post-op 62.8% vs 64.8% nationally	Patient reported outcome measures (PROMs) survey patients before and after surgery for the following planned procedures; 1) Groin hernia repair 2) Hip replacement 3) Knee replacement 4) Varicose veins
Endocrine and Thyroid National Audit	Yes	Yes	100%	Outcomes from endocrine surgery.
Falls and Fragility Fractures Audit Programme (FFFAP). 3 studies: 1) Fracture Liaison Service 2) Inpatient falls 3) Hip Fracture	Yes	Yes	Fracture Liaison Service -100% Inpatient falls – 100% Hip fracture – 100%	Fracture Liaison Service: Evaluates patterns of assessment and treatment for osteoporosis and falls across primary and secondary care. Inpatient falls: Evaluates compliance against best practice standards in reducing the risk of falls within hospitals. Hip Fracture: Provides data on the care of patients with fragility fractures and inpatient falls received in hospital to facilitate improvements.
Fractured neck of femur (care in A&E Departments)	Yes	Yes	100%	To identify current performance in EDs against Royal College of Emergency Medicine clinical standards and compare results with other departments.

National Clinical Audit/ Clinical Outcome Review Programme 2016/2017	Eligible	Participation	% of cases submitted	Purpose of the audit
Head and Neck Cancer Audit	Yes	Yes	100%	Aims to improve the quality of services and the outcomes achieved for patients with head and neck cancer in England and Wales.
Inflammatory Bowel Disease (IBD) programme	Yes	No	NA	NA
Learning Disability Mortality Review Programme (LeDeR)	Yes	Yes	4 cases to 30/11/17	Aims to make improvements to the lives of people with learning disabilities by undertaking case reviews of patients who died.
Major Trauma Audit: The Trauma Audit & Research Network (TARN)	Yes	Yes	54%	Analyses data of trauma care to improve emergency care management and systems.
Maternal, Newborn and Infant Clinical Outcome Review Programme (MBRRACE-UK) 2 studies: 1) Perinatal mortality report of perinatal deaths of babies born in 2015. 2) Perinatal mortality surveillance enquiry – term, singleton, intrapartum stillbirth and intrapartum related death	Yes	Yes	99%	1) Analyses and reports national surveillance data in order to stimulate and evaluate improvements in health care for mothers and babies. 2) Identifies potentially preventable failures of care along the whole care pathway for improvement in care in the future.
Medical and Surgical Clinical Outcome Review Programme, National Confidential Enquiry into Patient Outcome and Death (NCEPOD) 2 studies: 1) Provision of mental health care in acute hospitals. 2) Non-invasive ventilation	Yes	Yes	100%	Explores the overall quality of care of patients who have died admitted to hospital
Mental Health Clinical Outcome Review	No	N/A	N/A	NA
National Audit of Breast Cancer in Older Patients (NABCOP)	Yes	Yes	100%	Improves the quality of hospital care for older patients with breast cancer by looking at the care received by patients with breast cancer and their outcomes.
National Audit of Dementia	Yes	Yes	100%	Measures criteria relating to care delivery which are known to impact on people with dementia admitted to hospital.

National Clinical Audit/ Clinical Outcome Review Programme 2016/2017	Eligible	Participation	% of cases submitted	Purpose of the audit
National Audit of Intermediate Care (NAIC)	Yes	No	N/A	N/A
National Audit of Psychosis	No	N/A	N/A	N/A
National Bariatric Surgery Registry (NBSR)	No	N/A	N/A	N/A
National Cardiac Arrest Audit (NCAA)	Yes	Yes	100%	Audit of in-hospital cardiac arrests in the UK and Ireland.
National Chronic Obstructive Pulmonary Disease (COPD) Audit Programme: 2 studies: 1) Pulmonary rehabilitation 2) Secondary care	Yes	Yes	100%	To drive improvements in the quality of care and services provided for COPD patients.
National Clinical Audit of Specialist Rehabilitation for Patients with Complex Needs following Major Injury (NCASRI)	No	N/A	N/A	N/A
National Comparative Audit of Blood Transfusion programme: 3 studies: 1) Audit of patient blood management in scheduled surgery 2) Audit of red blood cell transfusion in Hospices 3) Audit of red cell and platelet transfusion in haematology	Yes	Yes Yes Yes Yes Yes	1) 100% 2) 0% 3) 100%	Measures compliance with standards related to the recommended use of blood components.
National Diabetes Audit – Adults 4 studies: 1) National diabetes core audit 2) National pregnancy in diabetes audit 3) National diabetes foot care audit 4) National adult diabetes inpatient audit	Yes		100%	Measures the effectiveness of diabetes care compared to NICE guidance.
National Emergency Laparotomy Audit (NELA)	Yes		100%	Compares inpatient care and patient outcomes undergoing emergency abdominal surgery in England and Wales.
National Heart Failure Audit	Yes		100%	Focuses on the clinical practice and patient outcomes of patients discharged following an emergency admission with a primary diagnosis of heart failure

National Clinical Audit/ Clinical Outcome Review Programme 2016/2017	Eligible	Participation	% of cases submitted	Purpose of the audit
National Joint Registry (NJR)	Yes	Yes	99.6%	Data analysis of joint replacement surgery in order to provide an early warning of issues relating to patient safety.
National Lung cancer Audit (NLCA)	Yes	Yes	100%	Measure lung cancer care and outcomes to bring the standard of all lung cancer multidisciplinary teams up to that of the best.
National maternity and perinatal audit	Yes	Yes	100%	Evaluates a range of care processes and outcomes in order to identify good practice and areas for improvement in the care of women and babies looked after by NHS maternity services.
National Neonatal Audit Programme (NNAP) (Neonatal Intensive and Special Care)	Yes	Yes	100%	To assess whether babies admitted to the neonatal intensive and special care units received consistent care.
National Neurosurgery Audit Programme	No	N/A	N/A	Neurosurgery is not undertaken at this hospital
National Ophthalmology Audit	Yes	Yes	100%	Assesses key indicators of cataract surgical quality.
National Vascular Registry	Yes	Yes	NA	NA
Neurosurgical National Audit Programme	No	N/A	N/A	N/A
Oesophago-gastric cancer (NAOGC)	Yes	Yes	100%	Investigates whether the care received by patients with oesophago-gastric cancer is consistent with national standards.
Paediatric Intensive Care Audit Network (PICANet)	No	N/A	N/A	Paediatric Intensive Care Unit is not provided at this hospital. Children requiring intensive care are referred to the University Hospital Southampton and transferred by a specialist paediatric retrieval team.

National Clinical Audit/ Clinical Outcome Review Programme 2016/2017	Eligible	Participation	% of cases submitted	Purpose of the audit
Pain in Children (care in A&E Departments)	Yes	Yes	100%	To identify current performance in EDs against Royal College of Emergency Medicine clinical standards and compare results with other departments.
Prescribing Observatory for Mental Health (POMH)	No	N/A	N/A	Applicable to Mental Health Trusts
Procedural Sedation in Adults (care in A&E Departments)	Yes	Yes	100%	To identify current performance in EDs against Royal College of Emergency Medicine clinical standards and compare results with other departments.
Prostate Cancer	Yes	Yes	100%	Data analysis on the diagnosis, management and treatment of every patient newly diagnosed with prostate cancer and their outcomes.
Serious Hazards of Transfusion (SHOT): UK National haemo-vigilance scheme	Yes	Yes	100%	Analyses information on adverse events and reactions in blood transfusion with recommendations to improve patient safety.
UK Parkinson's Audit	Yes	Yes	100%	Outlines the state of Parkinson's services, and highlights areas for improvement.

Salisbury NHS Foundation Trust participated in a number of audits that are not in the Quality Account mandatory list. This activity is in line with the Trust's annual clinical audit programme which aims to make sure that clinicians are actively engaged in all relevant national audits and confidential enquiries as well as undertaking baseline assessments against all NICE guidelines and quality standards. This enables the Trust to compare our performance against other similar Trusts and to decide on further improvement actions. The annual programme also includes a number of audits agreed as part of the contract with our Clinical Commissioning Groups. The Trust took part in the following additional national audits:

- National Audit of Cardiac Rehabilitation
- National Audit of Dementia - Spotlight audit on Delirium
- UK Cystic Fibrosis Registry – Paediatrics
- British Thoracic Society - Paediatric Pneumonia
- British Thoracic Society - Adult Bronchoscopy

The reports of 39 (100%) national clinical audits and national confidential enquiries that were published in 2017 were reviewed by Salisbury NHS Foundation Trust in 2017/2018. Of these, 30 (76.9%) were formally reported to the Clinical Management Board by the clinical lead responsible for implementing the changes in practice, and Salisbury NHS Foundation Trust has taken or intends to take the following actions to improve the quality of healthcare provided set out in table 25.

Table 25: Examples of national clinical audit reports reviewed during 2017/2018 and examples of resulting actions either taken or planned by Salisbury NHS Foundation Trust.

Audit report	Reviewed by whom	Action taken or required to improve
National Diabetes Foot Care Audit published in March 2017	Clinical Management Board	The audit captures patients who were first seen by the diabetic foot care service with a new wound between July 2014 and April 2016. 185 patients with 202 ulcers were recorded. 55.4% of ulcers were severe compared to 45.6% nationally. Time of assessment within 24 hours - (3% vs 30% nationally), within 2 days (14.4% vs 13.4% nationally), within 3 – 13 days (71% vs 29% nationally). The outcome is the healing rate within 12 weeks (60% healed vs 40% nationally), within 24 weeks (73% vs 59% nationally). In December 2016, our diabetic team set up a 5 day a week foot clinic, but patients are not able to self-present. By February 2018 a telephone triage service was set up to encourage patients to self-present.
National Emergency Laparotomy Audit 2016 – 2nd audit	Clinical Management Board	The 2nd audit results were compared to 1st audit. We submitted more cases (80 vs 52). Timeliness of care all improved - CT scan reported (83% vs 69%), risk documented (74% vs 56%), time to surgery (73% vs 62%). Review by surgeon and anaesthetist pre-operatively (61% vs 65%), consultant surgeon present (92% vs 88% nationally), consultant anaesthetist (69% vs 58%). Critical care post-operatively (66% vs 52%), assessed by elderly care (6% vs 4%), return to theatre (1.3% vs 13%), unplanned critical care admission (2.5% vs 6%), Length of stay post-surgery (9.4 days vs 9.45 days), mortality (12% vs 13.46%). Improvements brought about by greater engagement and consultant led care especially for patients with a mortality risk of 10% or greater. By December 2017 an updated clinical pathway was developed by the team.
Elective surgery (national patient reported outcome measures programme) 2016/17 – published October 2017	Clinical Management Board	In May 2016, 195 patients who had a primary knee replacement responded to a pre and post-operative survey. The outcomes reported health gains slightly below the England average. In August 2016, Healthwatch Wiltshire held a focus group with these some of these patients. The main area for improvement was patient expectation about the need for physiotherapy following discharge. Three improvement actions were completed – patients who needed a physiotherapy outpatient appointment had it made before they left hospital. More information on exercises to do after the operation were discussed patient education session before the operation. An exercise programme App has been developed for patients to record their progress. In November 2017, 93 patients who had a primary knee replacement reported health gains slightly above the England average.

The Trust expects to formally review all national audits at the Clinical Management Board within three months of publication. This gives clinical teams time to discuss the findings and to develop an action plan which is presented to the Board for approval and support where actions are needed.

Action plans have been developed for all national audits and national confidential enquiries published during the year. Monitoring of these actions is through the Trust's Integrated Governance Framework or through designated working groups. Examples are given in the table 25.

The reports of 194 (100%) local clinical audits were reviewed by the Trust in 2017/2018 and Salisbury NHS Foundation Trust intends to take, or has taken, the following actions to improve the quality of healthcare provided.

- Paediatric early warning score audit – the audit showed that 95% of children had clinical observations (temperature, heart rate, respiratory rate, oxygen saturations and consciousness level) recorded within 1 hour of admission. Two children required a medical assessment and review within 30 minutes and both received it. 95% of children had their weight recorded but it was not plotted on a growth chart. A growth chart is now displayed in the ward so that staff can record the weight in the notes and plot it on a chart if the child is above or below the expected weight for their age and height.
- Asthma audit – the aim of the audit was to establish whether patients with asthma had a written asthma action plan on how to manage their care on discharge from hospital and as an outpatient. The results showed that 60% of inpatients and 100% of outpatients had a written asthma action plan. The audit also examined whether patients were given an appropriate follow up appointment. 80% of inpatients had a community follow up arranged with the GP within 2 working days and a specialist referral follow up appointment arranged within 2 weeks of discharge. 100% of outpatients had an appropriate follow up arranged with the specialist team and all attended their planned appointment. Improvement actions planned are to test the British Thoracic Society asthma discharge care bundle on Pitton ward and use the learning for Trust wide roll out.
- Acute kidney injury (AKI) audit – the aim of the audit was to ensure that the care bundle document was used in practice and if not used, to ensure that elements making up the care bundle had been followed. The audit showed that the individual elements that make up the bundle are generally well known and implemented across the hospital. Record of urine dipstick results are difficult to find in the healthcare record, although it is clear that clinicians asked for this investigation to be carried out. The current nursing documentation does not prompt for this investigation nor is there a space for the results to easily be recorded. This has been rectified in the new nursing assessment document which was implemented in February 2018 along with specific training sessions. Education regarding the use of the AKI bundle document is ongoing. There will be a particular drive to increase awareness of the care bundle during the new doctors' induction programme at the beginning of August 2018.

Research

The number of patients receiving relevant health services provided or subcontracted by Salisbury NHS Foundation Trust in 2017/2018 that were recruited during that period to participate in research approved by the National Institute for Health Research were 1272 patients into 92 studies. This compares with 1599 patients recruited into 86 studies in 2016/2017.

The level of participation in clinical research demonstrates Salisbury NHS Foundation Trust's commitment to improving the quality of care we offer and to making a contribution to wider health improvement. Our clinical staff stay abreast of the latest treatment possibilities and active participation in research leads to improved patient outcomes. Summary information and contact details of study co-ordinators of all clinical research trials to which our patients are recruited are available at http://public.ukcrn.org.uk/search/. Further information on research activity is in the annual report at http://www.salisbury.nhs.uk/AboutUs/TrustReportsAndReviews/Pages/landing.aspx

Goals agreed with Commissioners

A proportion of Salisbury NHS Foundation Trust's income in 2017/2018 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 table 26. The planned income through this route for 2017/2018 was £3,756,651 (in 2016/17 it was £3,504,818). The amount the Trust actually earned in 2017/2018 was £3,403,741 (90.6%).

CQUIN contracts were signed with our commissioners during 2017/2018 as part of their overall contract. The Trust did not achieve all of the quality improvements as set out in table 26.

Table 26: Trust performance for all local commissioners CQUIN targets 2017/2018

CQUIN quality improvement target	% achieved*	2017/18 income earned
Improving staff health and wellbeing 1a) Improvement of health and wellbeing of NHS staff.	0%	£0
Improving staff health and wellbeing 1b) Healthy food for NHS staff, visitors and patients	100%	£171,049
Improving staff health and wellbeing 1c) Improving the uptake of flu vaccinations for front line staff	97%	£165,370
Supporting proactive and safe discharge 1) 2.5% increase in discharge to the usual place of residence in Q3 & Q4 2017/18 2) Plans in place to submit the Emergency Care Data Set weekly and 95% of patients have both a valid Chief Complaint and Diagnosis.	1) 100% 2) 95%	1) £440,549 2) £67,468
Reducing the impact of serious infections 1) Timely identification of sepsis in A&E departments and acute inpatient settings. 2) Timely treatment for sepsis in A&E departments and acute inpatient settings. 3) Antibiotic review 4) Reduction in antibiotic consumption per 1,000 admissions	1) 75% 2) 25% 3) 100% 4) 66%	1) £96,215 2) £32,071 3) £128,287 4) £85,525
Improving services for people with mental health needs who present to A&E 1) 20% reduction in A&E attendances of a selected cohort of frequent attenders to A&E in 2016.17 who would benefit from mental health and psychosocial interventions.	100%	£513,148
Offering advice and guidance 1) 75% of GP referrals made to elective outpatient specialties which provide access to advice and guidance.	100%	£513,148
NHS e-referrals 1) 100% of referrals to first outpatient services able to be received through e-RS 2) Slot polling ranges for directly bookable services match or exceed waits for paper referrals 3) Appointment slot issues reduce to 4% or less	100%	£513,148

*Note final payment is subject to official notification of payment from local commissioners

Table 27: Trust performance for NHS England Specialist commissioning CQUINS 2017/2018

CQUIN quality improvement target	% achieved*	2017/18 income earned
CA2 Nationally standardized dose banding for adult intravenous anticancer therapy 1) Local Drugs and Therapeutics Committees have agreed the principle of dose standardization and adjustments required. 2) Target achieved of the number of doses given of selected drugs that match the standardized dose	100%	£283,381
CA3 Optimising palliative chemotherapy decision making 1) Review of current practice in relation to peer decision making and shared decision making 2) Review of current practice in relation to 30 day mortality reviews	100%	£283,381
Armed Forces - Embedding the Armed Forces Covenant to support improved health outcomes for the Armed Forces Community 1) Local action plan completion	100%	£111,001

*Note final payment is subject to official notification of payment from NHS England

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 2017/2018. Following an investigation by NHS Improvement into the Trust's financial governance Salisbury NHS Foundation Trust have accepted enforcement undertakings with NHS Improvement.

From 1 October 2016, the Care Quality Commission monitored the Trust under NHS Improvement's 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 and their report was issued in April 2016.

The Care Quality Commission has not taken any enforcement action against Salisbury NHS Foundation Trust during 2017/2018.

Table 28: Trust rating for each of the nine core services and for the Trust overall at the Care Quality Commission inspection in December 2015

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

Salisbury NHS Foundation Trust has taken action to improve and the progress of these actions are reported in section 2.1 point 6 of this quality report. The Trust will continue to work to improve these areas in 2018/2019.

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 Trust went live with a new electronic patient record and data warehouse at the end of October 2016. The new system has required staff to make significant changes in practice, from the need to enter and maintain accurate information within the patient record, to training staff to better understand the patient pathway and how the various codes and status' should be applied at each point to correctly show the progress of the clinical pathway.

New reporting functions have been put in place, including a daily patient tracking list snapshot, an action list for monitoring the current incomplete pathway position with patient level data, a booking list to keep sight of any booking back logs, and Executive level reports to allow regular operational monitoring of progress.

Salisbury NHS Foundation Trust submitted records during 2017/2018 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 table 29 on following page. 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.

Table 29: The percentage of records with a valid NHS number and General Medical Practice code

Data item	Salisbury District Hospital 16/17*	National benchmark 16/17*	Salisbury District Hospital 17/18 at M11	National benchmark 17/18 at M11
Valid NHS number				
% for admitted patient care	99.1%	99.0%	99.7%	99.4%
% for outpatient care	99.6%	99.5%	99.8%	99.6%
% for A&E care	98.4%	96.9%	98.8%	97.4%
Valid General Medical Practice code				
% for admitted patient care	99.9%	99.9%	99.9%	99.9%
% for outpatient care	99.9%	99.9%	99.9%	99.8%
% for A&E care	99.7%	99.2%	99.8%	99.3%

*2016/17 month 11 data was reported in the quality account and is now reported for the full year

Information Governance Toolkit Attainment levels

Salisbury NHS Foundation Trust's Information Governance Assessment report overall score for 2017/2018 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 77% in 2016/2017. The Trust achieved the necessary standard for all areas assessed.

Clinical Coding Error Rate

Clinical coding translates the medical terminology written in a patient's health care record to describe a patient's diagnosis and treatment into a standard, recognised code. The accuracy of this coding underpins quality assurance, payments and financial flows within the NHS. Coding software is in place which ensures consistency of coding and provides an audit tool and a suite of data quality reports which enables local improvement actions to be taken. The coding software is embedded in the 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 2017/2018 and the correct coding rate reported in the latest published audit for that period for diagnoses and treatment coding (clinical coding) were:

Table 30: Overall results of coding accuracy between 2014 – 2018

Correct % 2014/15	Correct % 2015/16	Correct % 2016/17	Correct % 2017/18	
Primary Diagnosis	99.5%	98%	98.5%	99.0%
Secondary Diagnosis	98.9%	94.5%	95.1%	97.2%
Primary Procedure	96.2%	97.8%	99.7%	98.8%
Secondary Procedure	98.1%	97.9%	95.1%	97.8%

The speciality services reviewed within the sample in January 2018 were Trauma and Orthopaedics, Urology and Ear, Nose and Throat. The results should not be extrapolated further than the actual sample audited.

The following improvement actions were progressed in 2017/2018:

- Testing new software to improve the coding of co-morbidities.
- Senior coders met with the plastics clinical team to improve the coding of 'flaps' and grafts and coding in general.
- Senior coders also met with the Haematology consultants to ensure coding accuracy.
- A designated coder continued to work with the stroke team and the Mortality Surveillance Group to ensure the accuracy of coding.

Salisbury NHS Foundation Trust will be taking the following actions to improve data quality in 2018/2019:

- Meeting with clinicians to discuss full and complete documentation in the case notes and coding to national standards.
- Engaging with clinicians to improve the coding of co-morbidities.
- Increase the number of codes drawn from electronic sources such as Endoscopy database.
- Support the implementation of the Emergency Care Data Set and coding of the SNOMED code set including the chief complaint, diagnosis, acuity, discharging clinician and referral source.

Learning from deaths

During 2017/2018, 841 patients died in Salisbury NHS Foundation Trust. This comprised of the following number of deaths which occurred in each quarter of 2017/2018 set out in table 31.

Table 31: Number of deaths, case record review, investigations,

	Q1 2017/18	Q2 2017/18	Q3 2017/18	Q4 2017/18	Total
Number of deaths	185	205	211	240	**841**
1st screen		117*	194	218	**529/586 (90%)**
Case record review	60	86	88	68	**302 (36%)**
Deaths with a Hogan score 1 – 3**	0	0	0	0	**0**
Deaths with a Hogan score 4 – 6**	2	10	13	4	**29**
Unexpected deaths	0	0	3	2	**5**
Learning points identified	9	18	20	9	**56**

*From 1 August 2017. **Deaths with a Hogan score of: 1) Definitely avoidable 2) Strong evidence for avoidability 3) Probably avoidable, more than 50/50, but close call 4) Possibly avoidable but not very likely, less than 50/50 but close call. 5) Slight evidence of avoidability 6) Definitely not avoidable.

By 31 March 2018, 529 (90%) of 586 deaths had been screened to ascertain whether each case required a full case review. By 31 March 2018, 302 (36%) case record reviews and 0 investigations (serious incident inquiries) had been carried out in relation to 841 of the deaths included in table 31. In 0 cases was a death subjected to both a case record review and a serious incident investigation. The number of deaths in each quarter for which a case record review or an investigation was carried out was:

- 60 in quarter 1
- 86 in quarter 2
- 88 in quarter 3
- 68 in quarter 4

0 representing 0% of the patient deaths during 2017/2018 are judged to be more likely than not to have been due to problems in the care provided to the patient based on a Hogan score of 1 – 3.

In relation to each quarter this consisted of:

- 0 representing 0 % for the first quarter.
- 0 representing 0 % for the second quarter.
- 0 representing 0 % for the third quarter.
- 0 representing 0 % for the fourth quarter.

These numbers have been estimated using the Hogan scoring system of 1 – 6 identified in the Hogan (2014): Preventable Incidents, Survival and Mortality Study 2 (PRISM) https://improvement.nhs.uk/uploads/documents/PRISM_2_Manual_V2_Jan_14.pdf

The score of deaths are defined as: 1) Definitely avoidable 2) Strong evidence for avoidability 3) Probably avoidable, more than 50/50 but close call 4) Possibly avoidable but not very likely, less than 50/50 but close call. 5) Slight evidence of avoidability 6) Definitely not avoidable.

The Trust has learnt the following from case record reviews and investigations conducted in relation to the deaths in 2017/2018:

- Failure to recognise a deteriorating patient and escalation for senior review.
- Importance of early senior decision making.
- Over use of urinary catheters leading to infection
- Delays in sepsis treatment in adult inpatients.
- British Thoracic Society guidance on management of exacerbation of chronic obstructive pulmonary disease (COPD) and asthma not consistently followed.
- Inappropriate use of non-invasive ventilation of patients at the end of life.
- Improvements needed in the diagnostic pathway for pancreatic cancer
- Resuscitation status not always discussed in a timely manner.
- Community treatment escalation plans not always in place leading to unnecessary hospital admission.
- Initiating and documenting ceilings of care early and continuing to review the ceiling of care regularly as the patient's condition changes.
- Need to improve documentation of consent, risk and benefits of ward based procedures such as chest drains, lumbar puncture and ascitic taps.

The Trust has taken or is proposing to take the following actions as an outcome of the learning identified from case record reviews in 2017/18.

- Introduction of the national early warning scoring system (NEWS) to standardise recording of clinical observations across the NHS by March 2019 supported by an education programme to ensure appropriate escalation of deteriorating patients.
- Introduce a detailed analysis of patients who deteriorated who were not escalated in a timely manner to drive further improvements.
- Continue to undertake a bi-annual audit of the NHS 7 day survey standard of an initial consultant review within 14 hours of admission.
- Continue to audit the use of the catheter care bundles and report the findings to the Patient Safety Steering Group.
- Monthly audits of sepsis treatment of adult and child inpatients and report the findings to the Patient Safety Steering Group.
- Audit of the use of the COPD admission and discharge checklist and the asthma discharge checklist.
- Consider the introduction of the national ReSPECT form.
- Ongoing education programme for senior doctors and nurses on ceilings of care and resuscitation status.
- Introduction of national safety standards for invasive procedures (NatSSIPs).

The impact of the actions taken in 2017/18:

- A 40% reduction in catheter associated new urinary tract infections.
- A family was involved in the redesign of the pancreatic cancer pathway.
- Sustained 93% of patients being seen and assessed by a consultant within 14 hours of admission.
- Improvement in the quality of end of life care following the introduction in early 2017 of the personalised care framework.

148 case record reviews and 7 investigations of deaths which occurred in 2016/2017 were completed by 2017/2018. These deaths are not included in the total number of deaths in 2017/2018 reported in table 31. The case record reviews were undertaken as a result of CUSUM (or cumulative sum) alerts (statistical quality control measures which alert the Trust to when the number of deaths observed exceeds the number expected in a diagnostic or procedure group) or as a request from the Care Quality Commission to investigate, or as a serious incident inquiry into an adverse incident that caused serious harm or death.

2 representing 1.3% of the 148 patient deaths subject to a case record review as a result of CUSUM alerts in 2016/2017 were judged to be more likely than not to have been due to problems in the care provided to the patient. The number has been estimated using the Hogan method already described in this section.

Of the 7 deaths investigated as a serious incident inquiry which occurred in 2016/2017, 2 were judged to be more likely than not to have been due to problems in the care provided to the patient. These two deaths were graded as catastrophic harm as they met the definition set out in the Serious Incident Framework published by NHS England in March 2015 http://www.england.nhs.uk/ourwork/patientsafety/serious-incident/

Therefore in total, 4 of the patient deaths, representing 2.58% of the 148 case record reviews and 7 serious incident inquiries undertaken in 2016/2017 were judged to be more likely than not to have been due to problems in the care provided to the patient. These deaths were not included in the total number of deaths in 2017/18 reported in table 31.

Reporting against core indicators

This section of the Quality Account provides comparisons of quality standards common to all hospitals.

The standards are set by the Department of Health and the information and data used is from NHS Digital. All data can be found at https://digital.nhs.uk. The standards that are benchmarked are:

- Summary hospital-level mortality indicator
- Patient reported outcome measures
- Emergency re-admissions within 28 days
- Responsiveness to the needs of patients
- Staff who would recommend the Trust to family and friends.
- Patients who would recommend the Trust to family and friends.
- Venous thrombo-emobolism risk assessment
- C difficile
- Patient safety incidents.

Summary Hospital Level Mortality (SHMI)

Table 32 presents the Trust's performance against the SHMI. Salisbury NHS Foundation Trust considers that the SHMI data is as described for the following reasons:

- SHMI is published by NHS Digital and compares the number of deaths in hospital and within 30 days of discharge with expected levels. It is not adjusted for patients admitted for end of life care, for example to Salisbury Hospice. Our SHMI for October 2016 to September 2017 was 109 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 48.5% of our deaths are patients admitted for palliative or end of life care compared to 28.7% in 2016/2017.

Salisbury NHS Foundation Trust has taken the following actions to improve by:

- In March 2017 the National Quality Board published guidance on learning from deaths which placed a number of new requirements on Trusts:

➢ Board leadership - the Medical Director is the executive lead for learning from deaths and a Non-Executive Director is the lead for oversight of progress.

➢ Publish a mortality review policy – the Trust published its policy which sets out the method for identifying deaths that require review and case record review. The policy is available at the following link:

http://www.icid.salisbury.nhs.uk/ClinicalManagement/OperationalIssues/Pages/MortalityReviewPolicy.aspx

➢ Pay particular attention to the care of patients who die with a learning disability or mental health need. In 2016/2017, five patients with learning disabilities died and these cases were subject to a full case review by a Consultant in Intensive Care Medicine. The overall view was that all cases demonstrated thoughtful, patient and family centred care, led by senior medical and nursing staff and good communication with families every step of the way. End of life care was recognised and the relevant teams involved. None of the deaths were felt to be avoidable. There was one learning point about the balance of risk of a patient at high risk of venous thrombo-embolism without anticoagulation treatment due to a low platelet count. In 2017/18, four patients with learning disabilities died and all these have been reported to the Learning Disabilities Mortality review programme, hosted by the University of Bristol, which aims to guide improvements in the quality of health and social care services for people with learning disabilities across England. None of the deaths were considered avoidable. Two patients with a serious mental illness died in 2017/18. Both cases were subject to a full case review. In one of these cases, a best interests meeting was held about treatment. The death was not considered avoidable and there were no learning points.

➢ Publish information on deaths, reviews and investigations via a quarterly report to a public board meeting. The first report was presented in February 2018 at the following link:

http://www.salisbury.nhs.uk/AboutUs/TrustBoard/AgendaBoardPapersAndMinutesTrustBoard/Documents/PaperPackPublicTrustBoardmeeting5February2018f.pdf

In 2017/18, 302 (36%) deaths had a full case review. The introduction of a first screen has resulted in deaths being screened promptly and appropriately selected for a full case review but also identifies any family concerns at an early stage. It also enables learning from deaths to be implemented in a timely manner and early engagement with families and carers. None of the deaths had a greater than 50% of death being due to problems in care. Themes arising from the learning points were recognising deteriorating patients and acting on it within 30

minutes, recording treatment escalation plans in a timely manner, timely ceiling of care reviews and DNACPR decisions and procedural documentation regarding risks and benefits. Improvement actions are set out in an action plan and progress monitored. The learning is shared via quarterly mortality bulletins and educational events.

➢ Offer timely, compassionate and meaningful engagement with bereaved families and carers. Bereavement support is offered to families and carers of patients who die in the A&E Department, Acute Medical Unit, Intensive Care Unit and Specialist Palliative Care Service. Families and carers are offered the opportunity to talk to the consultant responsible for the care of the patient to help them understand what happened and to be able to ask questions.

Our bereavement suite staff also support families and carers who express concerns at the time of collecting the medical certificate and can be offered an appointment with the clinical team. From 1 October 2017, our bereavement staff started to offer relatives a bereavement survey called 'your views matter'. So far, the results of the survey showed that the majority of people have been very positive about the care and treatment of their loved one. Four people wanted the opportunity to talk further to help them understand what happened and were contacted by specialist nurses. As an outcome, small changes have been made at the Registrar's office in the hospital to ensure relatives have a private room to wait in. One learning point has been the availability of a side room for patients at the end of their life.

Salisbury NHS Foundation Trust intends to take the following actions to ensure the SHMI remains as expected by:

- Test interventions to reduce hospital acquired pneumonia on one ward in the hospital.
- Undertake a training session with the specialty mortality leads to strengthen the clinical case notes reviews and learning
- Take action on the themes arising from the bereavement survey offered to bereaved families and carers.
- Continue to participate in the West of England Academic Health Science Network mortality work to share best practice and improve learning from deaths.

Table 32: Performance against the Summary Hospital-level mortality indicator (SHMI) core quality indicator

NHS Outcomes Framework Domain	Indicator	2014/15	2015/16	2016/17	2017/18	National average	Highest & lowest average other Trusts 2017/18
Domain 1: preventing people from dying prematurely	SHMI value	107	107	*106	109 to Sept 17	100	113 higher than expected
	SHMI banding	As expected	As expected	As expected	As expected	As expected	88 lower than expected
Domain 2: Enhancing quality of life for people with long term conditions	Percentage of patient deaths with palliative care coded at either diagnosis or specialty level for the Trust.	31.8%	31.9%	28.7%	48.5%	Not available	

* In 2016/2017 SHMI was reported as 104 to September 2016. The full year SHMI was 106 to March 2017.

Patient reported outcomes measures (PROMS)

Table 33 presents the Trust's performance against the PROMS. Salisbury NHS Foundation Trust considers that the PROMs are as described for the following reasons:

➢ PROMs measure health gain in patients undergoing hip and knee replacements, varicose vein treatment and groin hernia procedures in England, based on responses to questionnaires before and after surgery. The responses are analysed by an independent company and compared with other Trusts. The outcomes are published by NHS Digital and on NHS Choices.

➢ The finalised PROMs report in England from April 2015 to March 2016 showed that across all procedures the majority of patients reported that their condition specific problems were much better following surgery. The average health gain was positive for most patients with the exception of groin hernia procedures.

➢ Overall, Salisbury NHS Foundation Trust PROMs provisional data for 2016/2017 shows there were insufficient patients in the groin hernia and varicose vein category to provide a measure of health gain. Patients who had a hip replacement had scores equal to the England average and those who had a knee replacement had scores slightly above the England average.

Salisbury NHS Foundation Trust will be taking the following actions:

➢ Encourage patients to undertake self-directed hip and knee exercises after the operation taught at the joint school before surgery or during their stay in hospital.

➢ Encourage patients to use the App to record their hip and knee exercises after the operation and the progress they have made.

➢ NHS England no longer require Trusts to ask patients having a varicose vein or groin hernia surgery to report their outcomes as the numbers are too small for a meaningful analysis.

Table 33: Performance against the Patient Reported Outcome Measures (PROMs)

NHS Outcomes Framework Domain	Indicator	2015/16**	2016/17*** Indicative	2017/2018	National average April 17 – Sept 17	Highest average other Trusts April 17-Sept 17	Lowest average other Trusts April 17-Sept 17
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	0.220	0.095	From 1 October 2017 NHSE no longer report this data			
	ii) varicose vein surgery	0.173	0.743	From 1 October 2017 NHSE no longer report this data			
	iii) hip replacement surgery	0.424	0.714	NHS Digital indicated there is insufficient data to present on hip and knee replacement surgery in 2017/18			
	iv) knee replacement surgery	0.354	0.359				

**In the quality account 2015/2016 provisional data was presented. The data is now finalised.

*** Data for 2016/2017is indicative. Final data will be available in November 2018.

Emergency re-admissions within 28 days of discharge

Table 34 presents the Trust's performance on emergency re-admissions within 28 days. Salisbury NHS Foundation Trust considers that the percentage of emergency re-admissions within 28 days of discharge from hospital is as described for the following reasons:

- Every time a patient is discharged and re-admitted to hospital 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 within 28 days of discharge to improve the quality of its services:

- Increased ambulatory models of care: these provide timely, accessible, specialist assessment in our Acute Medical Unit, Surgical Assessment Unit and Emergency Gynaecology Clinic. The ambulatory care approach provides crucial support needed for GPs, nurses and therapists working in primary and community care to be able to help patients remain at home and avoiding unnecessary admission or re-admission to hospital.

- Early supported discharge: frail older patients and patients following a hip fracture are able to be discharged from hospital early and allows rehabilitation, support and confidence building to remain at home and reduces re-admissions.

- Follow up telephone calls of patients who have had planned surgery after discharge to ensure their recovery is on track. If a patient requires further support they are offered either a visit at home or an outpatient appointment.

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 continue to work with our partners in the B&NES, Swindon and Wiltshire STP to provide suitable pathways and models of care as an alternative to a hospital admission.

- Carry out an analysis to understand the reason for an increase in the adult re-admission rate and take improvement actions where needed.

Responsiveness to the personal needs of patients

Table 35 on the following page presents the Trust's performance on the responsiveness to the personal needs of patients. Salisbury NHS Foundation Trust considers that the mean score of responsiveness to in-patient personal needs is as described for the following reasons:

- Each year the Trust participates in the National In-patient Survey. A nationally agreed questionnaire was sent to a random sample of 1250 patients and the results were analysed independently by the Patient Survey Co-ordination Centre. 61% of patients responded to the survey in 2017.

Table 34: Performance of emergency re-admissions within 28 days of discharge

NHS Outcomes Framework Domain	Measure:	2015/16	2016/17	2017/18	National average 2017/18	Highest average other Trusts
Domain 3: helping people to recover from episodes of ill health or following injury	0 to 15	6.14%	6.56%	6.54%	Not available	Not available
	16 or over	5.91%	6.18%	6.39%	Not available	Not available
Indicator: Percentage of patients readmitted within 28 days of discharge from hospital of patient by age group						

- Themes from the National In-patient Survey, real time feedback, the Friends and Family Test, complaints and concerns are identified by each ward and an improvement plan prepared.

- In 2017 we also took part in the national Maternity Survey to collect feedback on women's experiences of the maternity service and improve the quality of care.

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

- Reducing the number of patients in mixed sex accommodation from 235 patients on 32 occasions in 2016/17 to 143 patients on 13 occasions in 2017/18.

- Ensured more midwives were available to provide one to one care of women in labour – women said they felt supported in decision making and made their husband or partner feel part of everything.

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:

- Asking relatives of patients who have delirium or are confused for five key things that matter to that patient and record it in the nursing assessment document so that care can be planned around their preferences.

- Improving communication about discharge arrangements from hospital by agreeing an expected date of discharge with the patient and their family soon after admission.

- Reducing noise at night.

- Developing our Maternity Care Assistants to provide consistent advice on infant feeding and time to listen to women on the postnatal ward and in the community.

Table 35: National inpatient score of responsiveness to the personal needs of patients.

NHS Outcomes Framework Domain	2014/15	2015/16	2016/17	2017/18	National average 2017/18	Highest average other Trusts 2017/18	Lowest average other Trusts 2017/18
Domain 4: ensuring that people have a positive experience of care	7.0	7.3	7.1	6.9*	The national inpatient survey report is not due for release until June 18		
Indicator: Responsiveness to the personal needs of its patients (mean score)							

*Provisional figure until the national inpatient survey report is published in June 18

The Friends and Family Test – Patients

Table 36 and 37 presents the Trust's performance on patients who would recommend the Trust to family and friends. Salisbury NHS Foundation Trust considers the data collected from inpatients and patients discharged from the A&E Department and wards who would recommend them if they needed similar care or treatment is as described for the following reasons:

- The Trust follows the Friends and Family Test national technical guidance published by NHS England to calculate the response rate and the percentage who would recommend the ward or the 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 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 in the A&E department and the wards.

Table 36: The 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:	2015/16	2016/17	2017/18	National average 2017/18 (Feb 18)	Highest other Trusts 2017/18 (Feb 18)	Lowest other Trusts 2017/18 (Feb 18)
Domain 4: ensuring that people have a positive experience of care	Wards:	35.9%	28.4%	21.0%	23.9%	100%	3.6%
	A&E:	11.4%	4.1%	3.5%	13%	69%	0%
	Trust Overall:	18.7%	6.6%	5.4%	Not available as Trust overall average		
Indicator: Response rate of patients who would recommend the ward or A&E department to friends or family needing care							

Table 37: Friends and Family test score of patients who would recommend the ward or A&E department to friends or family needing care

NHS Outcomes Framework Domain	Response rate:	2015/16	2016/17	2017/18	National average 2017/18 (Feb 18)	Highest other Trusts 2017/18 (Feb 18)	Lowest other Trusts 2017/18 (Feb 18)
Domain 4: ensuring that people have a positive experience of care	Wards:	95.9%	96.9%	97.1%	96%	100%	82%
	A&E:	94.1%	93.3%	98.3%	85%	100%	67%
	Trust Overall:	96.3%	96.6%	97.7%	Not available as Trust overall average		
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

Table 38 presents the Trust's performance on staff who would recommend the Trust to family and friends. Salisbury NHS Salisbury NHS Foundation Trust considers that the percentage of staff employed by, or under contract to the Trust during 2017/2018 who would recommend the hospital as a provider of care to their friends and family is as described for the following reason:

- Each year the Trust participates in the National Staff Survey. All staff are sent a nationally agreed questionnaire and the results are analysed by the Staff Survey Co-ordination Centre. The response rate of our staff survey was 46%. This was above average when compared to other Trusts.

- The Trust has an engaged workforce that is committed to delivering an outstanding experience for every patient.

Table 38: The score 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 the National Staff Survey 2017.

NHS Outcomes Framework Domain	2014/15	2015/16	2016/17	2017/18	Average Median for acute Trusts in 2017/18
Domain 4: ensuring that people have a positive experience of care	4.02	3.91	4.01	3.93	3.75
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.					

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:

- ➢ Develop our patient and public engagement programme and involve our staff, Healthwatch, Wiltshire and other stakeholders in collecting patient feedback to drive quality improvement.
- ➢ Develop and deliver quality improvement training to 10% of our staff in 2018/19.
- ➢ Embed quality improvement within the culture of the Trust.
- ➢ Continue to develop the staff health and wellbeing programme.

Venous thromboembolism (VTE)

Table 39 on the following page presents the Trust's performance on VTE risk assessment. Salisbury NHS Foundation Trust considers that the percentage of patients admitted to hospital and who were assessed for the risk of VTE (blood clots) is as described for the following reasons:

- Patient level data is collected monthly by the ward pharmacist from the patients' prescription chart. The data is captured electronically and analysed by a senior nurse. The work is overseen by the Trust's Thrombosis Committee.

Salisbury NHS Foundation Trust has taken the following actions to improve the percentage of patients admitted to hospital who were risk assessed for VTE to improve the quality of its services:

- Salisbury NHS Foundation Trust continues to be an exemplar site for the prevention and treatment of VTE (blood clots) and has continued to achieve 99.5% of patients being assessed for the risk of developing blood clots and 97.5% 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 VTE and given preventative treatment.

Clostridium difficile infection

Table 40 in the following page presents the Trust's performance C difficile. 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.

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. See table 40.

Table 39: The percentage of patients who were admitted to hospital and who were risk assessed for Venous Thromboembolism

NHS Outcomes Framework Domain	2015/16	2016/17	2017/18	National average 2017/18 (Dec 17)	Highest other Trusts 2017/18 (Dec 17)	Lowest other Trusts 2017/18 (Dec 17)
Domain 5: treating and caring for people in a safe environment and protecting them from avoidable harm	99.7%	99.7%	99.4%	95.8%	99.4%	76.1%
Indicator: Percentage of patients who were admitted to hospital and who were risk assessed for Venous Thromboembolism						

Table 40: The rate per 1000,000 bed days of C difficile infection reported within the Trust amongst patients aged 2 or over

NHS Outcomes Framework Domain	2014/15	2015/16	2016/17	2017/18	National average 2017/18	Highest average other Trusts 2017/18	Lowest average other Trusts 2017/18
Domain 5: treating and caring for people in a safe environment and protecting them from avoidable harm	15.3	9.9*	8.4	5.1	Not available as Trust overall average		
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

Table 41 presents the Trust's performance on patient safety incidents. Salisbury NHS Foundation Trust considers that the rate of patient safety incidents reported and the number and percentage of such incidents that resulted in severe harm or death are as described for the following reasons:

- The Trust actively promotes an open and fair culture that encourages the honest and timely reporting of adverse events and near misses to ensure learning and improvement actions are taken.
- The Trust submits weekly patient safety incident data to the National Reporting Learning System. We 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 Executive 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) 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 2017 also showed that the hospital is better than average 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 2017 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 also shown in the rate of patient safety incidents reported within the Trust between

Table 41: The rate of patient safety incidents reported within the Trust and the percentage of such incidents that resulted in severe harm or death

NHS Outcomes Framework Domain	Indicator	2015/16	*2016/17	2017/18 (Apr–Sep 17)	Median for acute (not specialist) organisations 2017/18 (Apr–Sep 17)
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.	40.39 incidents per 1000 bed days	*46.01 incidents per 1000 bed days	41.99 incidents per 1000 bed days	Not available
	The number and percentage of such incidents that resulted in severe harm or death	11 incidents 0.2%	*37 incidents *0.53%	10 incidents 0.12%	Not available

* In the quality account 2016/17 data was only available from 1/4/2016 to 30/9/2016 and the rate of patient safety incidents. Data was reported as 47.68 incidents per 1000 bed days and the number and percentage of such incidents that resulted in severe harm or death was reported as 19 incidents and 0.5%. The full year 2016/2017 is now reported.

1 April 2017 and 30 September 2017. We will do more to encourage staff to report adverse incidents and near misses in 2018/2019 using education sessions and social media.

Duty of Candour

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

Part 3: Other information

Review of Quality Performance

This section gives an overview of the quality of care offered by Salisbury NHS Foundation Trust based on performance in 2017/18 against a range of selected indicators on patient safety, effectiveness and experience. These areas have been chosen to cover the priority areas highlighted for improvement in this Quality Account, as well as areas which our patients have told us are important to them, such as cleanliness and infection prevention and control. Our commissioners measure a number of these areas and our CQUIN contract supports improvement measures. These indicators are included in a monthly quality indicator report that is reported to the Board and Clinical Governance Committee.

Table 42: Trust performance of patient safety, clinical effectiveness and patient experience indicators

Patient Safety Indicators							
Indicators	**2014/15**	**2015/16**	**2016/17**	**2017/18**	**National average**	**What does this mean?**	**Data source**
1a.Mortality rate (HSMR)	108	110	*117	106.9 (Dec 17)	100	Lower than 100 is good	National definition of HSMR & SHMI
1b. SHMI	107	107	*106	109 (Sept 17)	100		
2. MRSA notifications**	2	0	0	0	0	0 is excellent	National definition
	(5)	(2)	(2)	0	(Jan–Dec17)		
3. C. difficile infection per 1,000 bed days							
a. Trust and non-Trust apportioned	0.19	0.13	0.12	0.12		Lower than national average is good	National definition
b. Trust apportioned only	0.15	0.10	0.08	0.05			
4. 'Never events' that occurred in the Trust****	2	2	2	3		0 is good	National Patient Safety Agency
	These were associated with surgery		1 related to surgery, 1 with an insulin device	These were associated with surgery			
5. Patient falls in hospital resulting in a fracture or major harm						Lower number is good	

Clinical Effectiveness indicators							
6. Patients having surgery within 36 hours of admission with a fractured hip	87.1%	86.0%	81.7%	78.6%	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)	99.1%	99.7%	99.7%	99.5%	90%	Higher number is better	
8. % patients who had a CT scan within 12 hrs of admission with a stroke	within 12 hours						
	96.9%	98.3%	98.7%	97.8%	Not available	Higher number is better	
9. Compliance with NICE Technology Appraisal Guidance published in year	73%	61%	80%	90%	Not measured	Higher number is better	Local indicator
Patient experience indicators							
10. Number of patients reported with grade 3 & 4 pressure ulcers	4	4	3	3	Not available	Lower number is better	National definition (data taken from hospital reporting systems)
11. % of patients who felt they were treated with dignity and respect							
a. Yes always:	83%	86%	88%	85%	Not available	Higher number is better	National in-patient survey
b. Yes sometimes:	15%	13%	10%	12%			
12. Mean score of patients' rating of quality of care #	8.3	8.4	8.2	8.2##	Not available	Higher number is better	
13. % of patients in mixed sex accommodation	11%	9%	9%	6%	Not available	Lower number is better	
14. % of patients who stated they had enough help from staff to eat their meals	68%	68%	68%	67%	Not available	Higher number is better	
15. % of patients who thought the hospital was clean	70%	73%	71%	69%	Not available	Higher number is better	

* In 2016/2017 HSMR was reported as 116.4 to January 2017. The full year rate was 117. In 2016/2017 SHMI was reported as 104 to 30/9/2016. The full year rate was 106.

** In previous annual reports the Trust quoted Trust and non-Trust apportioned MRSA notifications as a total figure. This will have included community hospital and GP patients. The total figure is quoted in brackets in the table.

**** Never events are adverse events that should never happen to a patient in hospital. An example is an operation that takes place on the wrong part of the body. The national never events list increased from 8 to 25 on 1 April 2011.

The patient safety indicator name has been changed from 2013. 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. 8.2## to be confirmed on publication of the 2017 national inpatient survey results.

NHS Improvement Single Oversight Framework 2017/18

Indicators

Table 43: Trust performance indicators

Measure	2016/2017	2017/2018	Standard
Maximum time of 18 weeks from point of referral to treatment (RTT) in aggregate – patients on an incomplete pathway	91.4%	91.3%	92%
A&E maximum waiting time of 4 hours from arrival to admission/ transfer/ discharge*	90.8%	*93.59%	95%
All cancers: 62 day wait for first treatment from: - Urgent GP referral for suspected cancer - NHS Cancer Screening Service referral	 87.2% 92.6%	 86.0% 86.3%	 85% 90%
C.difficile: variance from plan	13 Trust apportioned cases Variance - 6.	8 Trust apportioned cases Variance -11	Upper limit of 19 cases
Summary Hospital-level Mortality indicator	106 as expected	109 as expected (Sept 17)	100 or lower
Maximum 6 week wait for diagnostic procedures	98.3%	98.7%	99%
Venous thromboembolism (VTE) risk assessment	99.7%	99.5%	100%

*This includes Type 1, 2, & 3 A&E attendances from 1 April 2017.

Type 1 = Attendances to the A&E department at Salisbury District Hospital

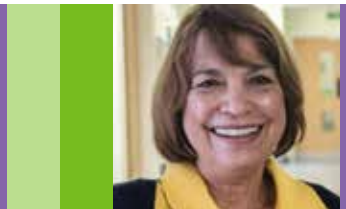
Type 2 = Attendances to the A&E department (Ophthalmology) Outpatient Clinic at Salisbury District Hospital

Type 3 = Attendances to the Salisbury Walk-in Clinic (offsite) and to the Hotkidz Clinic (offsite). Type 3 data is outside the scope of the Trust's external audit.

**Type 1 & 2 are under the management of Salisbury NHS Foundation Trust and the performance of the Trust only is 92.36%.

Table 44: Type 1, 2 and 3 attendance to the A&E Department

2017-18	Performance
Type 1	91.79%
Type 1+2	**92.36%
Type 1+2+3	93.59%



Part 3: Annex 1

Statement from Wiltshire Clinical Commissioning Group on Salisbury NHS Foundation Trust 2017 - 2018 Quality Account – 14 May 2018

NHS Wiltshire Clinical Commissioning Group (CCG) has reviewed Salisbury Hospital NHS Foundation Trusts' (SFT) 2017-18 Quality Account. In doing so, the CCG reviewed the Account in light of key intelligence indicators and the assurances sought and given in the bi-monthly Clinical Quality Review Meetings attended by SFT and Commissioners. This evidence is triangulated with information and further informed through Quality Assurance visits to SFT. The CCG supports the Trusts' identified quality priorities for 2018-19. To the best of our knowledge, the report appears to be factually correct.

It is the view of the CCG that the Quality Account reflects the Trusts' on-going commitment to quality improvement and addressing key issues in a focused and innovative way, as well as utilising the nationally set CQUIN schemes to support the achievement of many of the 2017-18 quality priorities. The Trust priorities for 2017-18 have outlined achievement in keeping patients safe from avoidable harm through the 'Sign Up To Safety' Quality Improvement work streams, and continue to demonstrate notable performance in the reduction of avoidable infections, particularly in C.difficile rates and zero (0) cases of MRSA for three consecutive years. The CCG welcomes the additional focus in 2018-19 on improving the recognition and management of deteriorating patients, through the planned implementation of NEWS2. We anticipate that through a focused work stream and supported through CQUIN monies, the Trust will improve its performance in screening and administering antibiotics within inpatient settings.

The CCG acknowledges the good work undertaken during 2017-18 to reduce the Hospital Standardised Mortality Ratio (HSMR) in 2017-18. The Trust has demonstrated that mortality reviews continue to be a priority area, further supported through the introduction of a review process for patients who have died in hospital. The CCG also welcome the Trusts' contribution to the national LeDeR programme.

The Trust has demonstrated it's continued to focus towards the elimination of mixed sex accommodation breaches. The CCG undertook a visit to AMU and was satisfied that the Trust had put appropriate mitigations in place when mixed sex breaches are unavoidable, during times of escalation and increased activity. During 2017-18, the Trust has seen a decrease in the number of patients who fell in hospital which resulted in a fracture, but have recognised that this needs to be a continued area of focus and will continue the improvement work as part of the frailty work stream in to 2018-19.

Wiltshire CCG acknowledges the increasing demand on the Trusts' Emergency Department (ED) and are keen to support the Trust in the implementation of the patient safety 'SHINE checklist' to ensure that the quality, safety and experience of patients in ED is maintained in periods of increased demand and throughout the year.

The CCG welcomes the continued focus on improving patients' experience; and in particular the emphasis on the experience of those who are frail, patients with dementia, carers, and people with Mental Health problems. The 2017-18 staff survey has identified a slight decline in the numbers of staff who would recommend the Trust as a provider of care to their friends and family. As a result of this, the Trust has responded by developing a number of actions, which include developing the staff health and wellbeing programme, and delivering quality improvement training to 10% of their staff. Recruitment of staff continues to be challenging for all providers, and the Trusts' effort to reduce the reliance on temporary and agency staff and increase the number of permanent staff employed by the Trust is welcomed.

The Trust has identified areas of improvement and learning required within serious incidents. Of particular relevance are those related to the timely diagnosis of cancer, and the Trust is providing the CCG with assurance on how they are addressing this area of improvement through both clinical governance and administrative process review.

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 2017 - 2018 Quality Account – 14 May 2018

West Hampshire Clinical Commissioning Group (CCG) would like to thank Salisbury NHS Foundation Trust (SFT) for the opportunity to review and provide a response to the 2017/18 Quality Account. It is encouraging to see from the beginning of the quality account that the Trust is clear that providing high quality care to patients is their number one priority. This is demonstrated through the progress with the quality priorities for 2017/18 and the selection of new priorities for quality improvement for the next year 2018/19.

The Trust has previously acknowledged that in relation to their recorded mortality rates, and in particular the Hospital Standardised Mortality Rate (HSMR), their rate has been beyond the expected range within the year. The CCG would like to acknowledge the significant work that the Trust has undertaken over the last 12 months and the corresponding measurable reduction in this particular measure of mortality. The CCG has continued to receive regular updates on the Trust's work in relation to this area and has also seen the progress that has been made in regards to the introduction of the national structured mortality tool and ensuring that all relevant learning is captured following the review of patients who die in hospital.

One of the Trust's priorities for 2017/18 was to focus on the reduction in the number of patients who have preventable falls and fracture their hip. It is clear that this has been a challenging target for the Trust and although there has only been a slight improvement in the number of hip fractures, the overall rate of fractures in hospital has decreased significantly. The CCG has been encouraged to see the ongoing development of the Falls Reduction Strategy Action Plan and the improvements with the risk assessment of patients in the hospital and commends the Trust for its support of the Hampshire falls forum collaborative. We support the Trust's ongoing focus on this priority and are looking forward to seeing a continued reduction in the number of patients who have a preventable falls over the next 12 months.

The Trust continues to perform well against the NHS England set objective of 19 or fewer cases of Clostridium Difficile infection for 2017/18, and it has been confirmed that no patients have experienced a MRSA blood stream infection since April 2016. The significant reduction in use of specific broad spectrum antibiotics underlines the Trusts commitment to prudent prescribing and reducing antimicrobial resistance.

The CCG has continued to monitor the progress of the Trust in reducing the number of mixed sex accommodation breaches and was pleased to see that for the first nine months of 2017/18 no patients were affected by such a breach. Although there have been a number of breaches declared during a period of high demand for emergency and urgent care at the beginning of the year, it is evident that a number of actions have now been put in place to protect patients' privacy and dignity. The CCG is assured that this will remain a priority focus for the Trust in the coming year.

The ongoing focus for 2018/19 on the management of deteriorating patients and prompt identification and treatment of patients with sepsis is welcomed and the CCG recognises that the Trust has performed well in the screening and management of patients with potential serious infection. The CCG is supportive of the Trust's plan to adopt the National Early Warning Score System and is looking forward to see how this will benefit patients by enabling a "common language" across a wide range of healthcare providers both within and outside of the hospital environment.

The CCG would also like to positively recognise the response that the Trust has shown to the recent major incident, which has resulted in extensive and intense external interest, with the professionalism and commitment of all staff widely acknowledged.

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.

Statement from Wiltshire Council on behalf of Councillor Jerry Wickham, Cabinet member for Adult Social Care, Public Health and Public Protection – 16 May 2018

Wiltshire Council thanks Salisbury NHS Foundation Trust for the opportunity to read and comment on the 2017/18 Quality Account. The review shows tremendous success across the hospital, not just in clinical care, but social support, prevention and early intervention. The vision of the Trust is clear and patient focused, this commitment is highlighted through the existing priorities and future direction. The success is amplified by the number of patients who would recommend the Trust through the Friends and Family Test. Positive feedback is also noted by staff and there is a clear plan for building on this further through a public engagement programme.

The hospital continues to engage with a range of public health initiatives and Smoking, England's biggest cause of preventable deaths has a dedicated section. This and consideration of other causal factors demonstrates a proactive commitment to improving outcomes for patients; preventing stay's in hospitals, making stays healthier through healthier food and drink choices for patients and visitors, a clear example of this is on sugar free drinks. Calorie levels are considered in snacks and this extends to sandwich fillings, already having an 88% of drinks being sugar free and the ambition to make this to 100% will really help the reduction in sugar intake. The role out of Making Every Contact Count training with staff and supporting this approach further with Specialist Nurses undertaking Health Coaching, is further demonstration of SFT's looking for opportunities to provide a holistic approach to care and prevention of escalation of ill health.

Care across the lifecourse is demonstrated through other key Public Health priorities captured in data showing the outcomes of smoking cessation services with pregnant women with 22.7% of women stopping smoking during their pregnancy. Through to a focus on reducing falls in the elderly whilst in hospital, the interventions here have achieved a 15% reduction. To the global priorities such as tackling the increasing risks of antimicrobial resistance and great progress with a 2% reduction in antibiotic prescribing.

The review presents the Trust as a learning organisation and the improvements made on the recommendations following serious incidents. The stand out area being that of timely diagnosis of cancer. Ongoing assessment of performance on this and other conditions are clearly stated in the Clinical Outcome review.

The area that is absent from the report, is sexual health. As this is the main area commissioned by the local authority and SFT is the lead provider it would be good to see some of the successes highlighted here, such as, availability and promotion of long acting reversible contraceptive methods, structured clinics to ensure sexual health and contraceptive needs can be met at the same time, reducing late diagnosis of HIV and increasing access to point of care testing. In the absence of the detail, as the commissioning authority I can vouch for a dynamic and progressive service, who is fully engaged with the local partnership and the commitment to improving the sexual health of the local population.

We know, and what is acknowledged throughout the review is the best outcomes for residents will be best achieved through a system wide approach to care. This is embodied in the joint working across the Trust and community teams. This is achieved through close partnership working and inclusion of the patient's voice and how they benefit from home based rehabilitation. The Trust are an intellectual partner to the STP and through this agenda work with partners towards greater integration and joint planning and working. The pressures across both the NHS and those of social care cannot be tackled in isolation of one another, but the pressures need to be understood from all sides, those that come from physical illness as well and mental health and social needs. The Trust, through this review shows that it plays a vital role in a complex agenda of improvement whilst under increasing financial pressure and constraints. The Trusts engagement in these partnership and joint working platforms engenders change and services coming together to solve a collective issue of increased and increasing demand against a framework of shrinking resources.

Any feedback this year cannot pass without the acknowledgement of the extraordinary work of the hospital caring for the people affected by the nerve agent attack. The contribution the hospital made during this incident is impressive and significant; not just the remarkable care to the patients leading to such a positive outcome, but also their engagement in the wider emergency planning response.

Wiltshire Council acknowledges the huge amount of work that has taken place over the past year and that the plans outlined have the aim of continuous improvement. The wider Council and in particular Adult Social Care and Public Health looks forward to working together over the coming year for further improvement to health and social care services and outcome for residents.

Statement from Healthwatch, Wiltshire – 11 May 2018

Healthwatch Wiltshire welcomes the opportunity to comment on Salisbury NHS Foundation Trust's quality account for 2017/18. 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 Salisbury NHS Foundation Trust to ensure that patients and the wider community are appropriately involved in providing feedback and that this feedback is taken seriously.

We are pleased to see the continued progress made by the Trust on the areas highlighted by the Care Quality Commission's inspection dated December 2015. We also acknowledge the work done by the Trust to reduce the number of falls resulting in harm by the introduction of a new risk assessment. We recognise the Trust commitment to keeping patients safe from avoidable harm by the engagement in the 'Sign up to Safety' initiative.

Progress made in areas of Priority 2 'Ensuring patients have an outstanding experience of care is acknowledged and we welcome some of the initiatives, including the introduction of the Older People's Assessment and Liaison team, tasked to spot frailty, undertake specialist assessments and carry out personalised care planning enabling some patients the opportunity of going home the same day. It is good to see the Trust has proactively asked patients and carers to provide feedback.

We are pleased that the Trust has made progress on discharging people safely and applaud their joint work with community teams and providers to enable this. Healthwatch Wiltshire has had the pleasure of working with the Trust and Wiltshire Health and Care to evaluate the new Home First service which aims to support patients medically fit for discharge to get home whilst rehabilitation and care planning can be take place. Feedback received from patients, their carers and staff

delivering this service has been overwhelmingly positive and we commend the work of the Trust and its partners in enabling better patient flow.

We have been welcomed onto hospital wards to talk directly to patients going through the discharge process and staff supporting them, specifically around their choices. Feedback has suggested that for patients who are facing a 'simple discharge' process staff are very proficient at involving patients in making decisions in advance of them being discharged and organising equipment, transport and medication. Challenge arises when patients are being supported through more complex discharges.

Healthwatch Wiltshire was also pleased to be asked to support and facilitate an independent review of the Trust's Early Supported Discharge service for patients with a fractured neck of femur. We worked with the therapies team to engage patients who had been through this new service. Feedback suggested that patients wanted to be supported to go home from hospital as soon as possible and were very pleased that the quantity and quality of support provided by the ESD team enabled them to do this.

It is positive to note the number of patients who would recommend the Trust's care under the Friend and Family Test. We note the Trust's plan to increase the number of staff who would recommend the hospital as a place to work and its action to develop a patient and public engagement programme. We are pleased that the Trust will be looking to work with Healthwatch Wiltshire on this.

Healthwatch Wiltshire would like to thank the Trust for enabling us to carry out the various engagement projects which we have undertaken this year. We also acknowledge the enormous pressure the Trust has been under in light of nationally recognised pressure and the major incident that took place in Salisbury earlier this year. We look forward to continuing 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 – 14 May 2018

Our statement last year began "the last year has been as difficult for the NHS as any we can remember." For our Trust the year has been yet more difficult. We refer in particular to the problems caused by the influx of patients in December and January, the unique difficulties posed by the Skripal incident, and last but most important the action by NHSI requiring undertakings from the Trust in relation to its finances. Nonetheless despite severe restraints on staff numbers the quality of care provided throughout the Trust has been high, particularly the nursing care. That is a great tribute to our staff. Meanwhile, like most other Trusts, the Trust is undergoing a fundamental rethink about how it goes about its business. As the quality account sets out there are many areas where the Trust has achieved improvements, and of course some, where further work is required. In the background lies the on-going difficulties of recruiting clinical staff, difficulties which face all Trusts, to which our Trust is directing particular effort.

The governors have been given an opportunity to provide feedback on the Quality Account in draft and to make suggestions. But they are not in a position to provide a detailed critique of it. The contents are largely prescribed by Regulations and by NHSI. The governors find no reason to question the factual accuracy of the report. We endorse the priorities provided for 2018/9. We suggest for the future that, where comparisons are made between years, it would give a better idea of the underlying trend to include the two or possibly three previous years rather than just the previous year.

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 2017/2018 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 2017 to May 2018.

- Papers relating to quality reported to the Board over the period April 2017 to May 2018.

- Feedback from commissioners dated 14 May 2018.

- Feedback from governors dated 14 May 2018.

- Feedback from Healthwatch, Wiltshire dated 11 May 2018.

- Feedback from Wiltshire Council Overview and Scrutiny Committee dated 16 May 2018.

- The Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009 dated 3 April 2017, 7 August 2017, 2 October 2017, and 5 February 2018.

- The 2017 national staff survey dated 7 March 2018.

- The Head of Internal Audit's annual opinion of the Trust's control environment dated 23 May 2018.

- 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 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 2017/18 and supporting guidance (which incorporates the Quality Accounts regulations) published at https://improvement.nhs.uk/resources/nhs-foundation-trust-annual-reporting-manual-201718/ as well as the standards to support data quality for the preparation of the quality report (available at https://improvement.nhs.uk/resources/nhs-foundation-trust-annual-reporting-manual-201718/)

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

By order of the Board

Nick Marsden
Chairman
22 May 2018

Cara Charles-Barks
Chief Executive
22 May 2018

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 2018 (the 'Quality Report') and certain performance indicators contained therein.

Scope and subject matter

The indicators for the year ended 31 March 2018 subject to limited assurance consist of the national priority indicators as mandated by NHS Improvement:

1 percentage of patients with a total time in A&E of four hours or less from arrival to admission, transfer or discharge

2 percentage of incomplete pathways within 18 weeks for patients on incomplete pathways at the end of the reporting period

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 external assurance for quality reports 2017/18" issued by NHS Improvement in February 2018; 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 supporting guidance and the six dimensions of data quality set out in the "Detailed requirements for external assurance on quality reports."

We read the quality report and consider whether it addresses the content requirements of the "NHS foundation trust annual reporting manual" and supporting guidance, and consider the implications for our report if we become aware of any material omissions.

We read the other information contained in the quality report and consider whether it is materially inconsistent with the following:

- board minutes for the period April 2017 to May 2018
- papers relating to quality reported to the board since April 2017
- feedback from Wiltshire CCG (lead commissioner), dated May 2018
- feedback from governors, dated May 2018
- Feedback from Healthwatch Wiltshire in May 2018
- the Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009
- the 2016 national inpatient survey
- the 2017 national staff survey
- Care Quality Commission inspection, dated April 2016
- the Head of Internal Audit's annual opinion over the Trust's control environment

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

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

This report, including the conclusion, has been prepared solely for the Council of Governors of Salisbury NHS Foundation Trust as a body, in reporting Salisbury NHS Foundation Trust's quality agenda, performance and activities.

Use of our report

We permit the disclosure of this report within the Annual Report for the year ended 31 March 2018, to enable the Council of Governors to demonstrate they have discharged their governance responsibilities by commissioning an independent assurance report in connection with the indicators. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors as a body and Salisbury NHS Foundation Trust for our work or this report, except where terms are expressly agreed and with our prior consent in writing.

Assurance work performed

We conducted this limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements other than Audits or Reviews of Historical Financial Information", issued by the International Auditing and Assurance Standards Board ('ISAE 3000'). Our limited assurance procedures included:

- evaluating the design and implementation of the key processes and controls for managing and reporting the indicators
- making enquiries of management
- testing key management controls
- limited testing, on a selective basis, of the data used to calculate the indicator against supporting documentation
- comparing the content requirements of the "NHS foundation trust annual reporting manual" to the categories reported in the quality report
- reading the documents.

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

Limitations

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

The absence of a significant body of established practice on which to draw allows for the selection of different, but acceptable measurement techniques that can result in materially different measurements and can affect comparability. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision of these criteria, may change over time. It is important to read the quality report in the context of the criteria set out in the "NHS foundation trust annual reporting manual" and supporting guidance.

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

Conclusion

Based on the results of our procedures, nothing has come to our attention that causes us to believe that, for the year ended 31 March 2018:

- 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 external assurance for quality reports 2017/18; and

- the indicators in the quality report subject to limited assurance have not been reasonably stated in all material respects in accordance with the NHS Foundation Trust Annual Reporting Manual and supporting guidance.

Greg Rubins
For and on behalf of BOO LLP, appointed auditor
Southampton
23 May 2018

Salisbury NHS Foundation Trust Consolidated Financial Statements For The Year To 31 March 2018

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FOREWORD TO THE ACCOUNTS

These consolidated accounts for the year ended 31 March 2018 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: 22 May 2018

SALISBURY NHS FOUNDATION TRUST AUDIT REPORT 2017/18

Independent auditor's report to the Council of Governors of Salisbury NHS Foundation Trust

Opinion on financial statements

We have audited the financial statements of Salisbury NHS Foundation Trust (the Trust) and its subsidiaries (the group) for the year ended 31 March 2018 which comprise the Group and Trust Statements of Comprehensive Income, Statements of Financial Position, Statements of Changes in Taxpayers' Equity, Statements of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and as interpreted and adapted by the 2017-18 Government Financial Reporting Manual as contained in the Department of Health and Social Care Group Accounting Manual 2017-18, and the NHS Foundation Trust Annual Reporting Manual 2017-18 issued by the Regulator of NHS Foundation Trusts ('NHS Improvement').

In our opinion the financial statements:

- give a true and fair view of the financial position of the Group and the Trust as at 31 March 2018 and of their expenditure and income for the year then ended;
- have been properly prepared in accordance with the Department of Health and Social Care Group Accounting Manual 2017-18; and
- have been prepared in accordance with the requirements of the National Health Service Act 2006.

Basis for opinion on financial statements

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 1.2 in the financial statements which sets out the Board of Directors' assessment of the financial position of the Trust in the context of the National Health Service framework in which it operates and their conclusion that there are material uncertainties related to the financial sustainability (profitability and liquidity) of the Trust which may cast significant doubt about the ability of the Group and the Trust to continue as a going concern. Our opinion is not qualified in respect of this matter.

Our audit procedures included:

- considering the Trust's financial performance in the year to 31 March 2018, and achievement of control totals and planned Cost Improvement Programme schemes.
- reviewing the Trust's governance arrangements for financial and Cost Improvement Programme performance management.

- testing the feasibility of profit and loss and cashflow forecasts for the year ended 31 March 2019.

In view of the financial situation of the Trust there is an increased risk that the financial position and performance of the Trust may be intentionally or unintentionally misstated. Accordingly we reviewed the material estimates made in the preparation of the financial statements for evidence of bias.

In addition these matters were considered when assessing the Trust's procedures regarding financial sustainability as part of our work relation to the Trust's use of resources.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material uncertainty related to going concern section of our report we have determined the matters below to be the key audit matters to be communicated in our report.

Matter	How we addressed the matter in the audit
NHS revenue recognition NHS revenue is the most significant income stream for the Trust and is at most risk from material error and fraud. There is a risk that NHS revenue may be materially incomplete, inaccurate or inappropriately recognised. Refer to accounting policy (1.3), notes (3 and 4)	In responding to this risk, our audit procedures included: • We reviewed and considered the design and implementation of controls in place for the revenue system covering NHS income streams. • We reviewed the signed contracts for the Trust's significant commissioners and verified a sample of variations to these contracts. • We reviewed a sample of credit notes received after year end to ensure they were valid. • We ensured that all NHS income was accounted for in line with the revenue recognition policy adopted by the Trust. • We reviewed the outcomes of the national Intra-NHS Agreement of Balances process to ensure that all NHS income and receivables were confirmed as matched and for any mismatches exceeding £300k agreed to supporting evidence to corroborate the Trust's position and accounting treatment.
Management Override	In responding to this risk, our audit procedures included:

The Trust has faced increasing financial challenges during the year and is working to improve its financial position. There is an increased risk that the financial pressures arising from this situation will lead to management bias in accounting estimates and material misstatement in the financial statements.	• Heightened scepticism was applied throughout all of our testing, particularly around accounting estimates and significant judgements applied • Accounting policies were reviewed for evidence of inappropriate ones or failure of the Trust to follow them. • Scrutinising the going concern assessment completed by management and those charged with governance • Challenging forecasts and assumptions used in the Trust's future financial plans and cash flow models. • Considering relevant findings of Internal Audit arising from their work relating to the financial position of the Trust and its financial management arrangements, and the overall Head of Internal Audit opinion. • Material estimates within the financial statements were reviewed and agreed to supporting calculations. Key assumptions included within the estimates were reviewed to confirm they are in line with industry expectations and historic results. • Material estimates were also reviewed for evidence of bias.
Valuation of land and buildings Land and buildings are required to be held at fair value. There is significant judgement 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. (refer to accounting policy 1.8 and 1.9, note 14 and 15.)	In responding to this risk, our audit procedures included: • Agreement of underlying asset values: 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.

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

The materiality for the financial statements as a whole was set at £3.504 million. This was determined with reference to the benchmark of gross expenditure (of which it represents 2%) which we consider to be one of the principal considerations for the Council of Governors in assessing the financial performance and position of the Trust. Performance materiality was £2.278m.

We agreed with the Audit Committee to report to it all material corrected misstatements and all uncorrected misstatements we identified through our audit with a value in excess of £70,000 in addition to other audit misstatements below that threshold that we believe warranted reporting on qualitative grounds

Overview of the scope of our audit

The Group comprises the parent Salisbury NHS Foundation Trust and its subsidiaries, Salisbury Trading Limited, Odstock Medical Limited and Salisbury District Hospital Charitable Fund. In addition the group financial statements include the group's share of results of joint ventures, Sterile Supplies Limited and Wiltshire Health and Care LLP. 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.

Other information

The Accounting Officer is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on information in the Remuneration and Staff Report

We have also audited the information in the Remuneration and Staff Report that is subject to audit, described in that report as being audited.

In our opinion the parts of the Remuneration Report to be audited have been properly prepared in accordance with requirements of the NHS Foundation Trust Annual Reporting Manual 2017-18.

Matters on which we report by exception – Use of Resources

Qualified conclusion on use of resources

On the basis of our work, having regard to the guidance issued by the Comptroller & Auditor General in November 2017, with the exception of the matter reported in the Basis for qualified conclusion on use of resources paragraph below, we are satisfied that, in all significant respects, Salisbury NHS FT put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2018.

Basis for qualified conclusion on use of resources

In 2017/18 the Trust did not agree a control total with NHS Improvement and did not qualify for income from the Sustainability and Transformation Fund. The Trust reported a deficit of £11.9 million in its financial statements for the year ending 31 March 2018. The Trust has prepared a forecast that has been submitted to NHS Improvement for 2018/19 which forecasts a deficit of £11.8 million in 2018/19 and has not therefore addressed its underlying deficit.

The deficit in 2017/18 and the forecast deficit for 2018/19 are evidence of weaknesses in proper arrangements to ensure the Trust deployed resources to achieve planned and sustainable outcomes for taxpayers and local people.

Other matters on which we are required to report by exception

Under Schedule 10 of the National Health Service Act 2006 and the National Audit Office's Code of Audit Practice we report to you if we have been unable to satisfy ourselves that:

- proper practices have been observed in the compilation of the financial statements; or

- the Annual Governance Statement meets the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual and is not misleading or inconsistent with other information that is forthcoming from the audit; or
- the Quality Report has been prepared in accordance with the detailed guidance issued by NHS Improvement.

We also report to you if:

- we have exercised special auditor powers in connection with the issue of a public interest report or we have made a referral to the regulator under Schedule 10 of the National Health Service Act 2006.

We have nothing to report in these respects.

Responsibilities of the Accounting Officer

As explained more fully in the Statement of Accounting Officer's Responsibilities in respect of the Accounts, the Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Accounting Officer is responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council of Governors either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

The Accounting Officer is also responsible for ensuring that the resources of the Trust are used economically, efficiently and effectively,

Auditor's responsibilities for the audit of the financial statements

In respect of our audit of the financial statements our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's website at:
https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Auditor's other responsibilities

We are also required under section 21(3)(c) of the Local Audit and Accountability Act 2014 to be satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. Section 21(5)(b) of the Local Audit and Accountability Act 2014 requires that our report must not contain our opinion if we are satisfied that proper arrangements are in place.

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.

Certificate

We certify that we have completed the audit of the accounts of Salisbury NHS Foundation Trust in accordance with the requirements of Chapter 5 of Part 2 of the National Health Service Act 2006 and the Code of Audit Practice issued by the National Audit Office.

Use of our report

This report is made solely to the Council of Governors of Salisbury NHS Foundation Trust, as a body, in accordance with part 5 of the Local Audit and Accountability Act 2014 and as set out in paragraph 43 of the Statement of Responsibilities of Auditors and Audited Bodies published by the National Audit Office in April 2015. Our audit work has been undertaken so that we might state to the Council of Governors of Salisbury NHS Foundation Trust those matters we are required to state to it 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 NHS Foundation Trust and the Council of Governors as a body, for our audit work, for this report or for the opinions we have formed.

Greg Rubins
For and on behalf of BDO LLP, Appointed Auditor
Southampton, UK
24 May 2018

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

STATEMENT OF COMPREHENSIVE INCOME
For The Year Ended 31 March 2018

	Note	Group 2017/18 £000	Group 2016/17 £000	Trust 2017/18 £000	Trust 2016/17 £000
Revenue from patient care activities	3	**195,170**	189,215	**195,170**	189,215
Other operating revenue	5	**26,211**	33,260	**17,752**	27,814
Operating expenses	7	**(228,200)**	(213,045)	**(220,881)**	(206,875)
OPERATING (DEFICIT)/ SURPLUS		**(6,819)**	9,430	**(7,959)**	10,154
FINANCE COSTS					
Finance income	12	**316**	188	**199**	85
Finance expense	13	**(2,124)**	(1,974)	**(2,124)**	(1,974)
PDC Dividends payable		**(3,659)**	(3,714)	**(3,659)**	(3,714)
NET FINANCE COSTS		**(5,467)**	(5,500)	**(5,584)**	(5,603)
Gains/ (losses) on disposal of assets	17	**(17)**	217	**(17)**	217
Movement in fair value of investment property	22	**390**	-	390	-
Movement in fair value of other investments	18	**(9)**	393	-	-
RETAINED SURPLUS/(DEFICIT) FOR THE YEAR		**(11,922)**	4,540	**(13,170)**	4,768
OTHER COMPREHENSIVE INCOME:					
Items that will not be reclassified to income and expenditure					
Revaluations	17	**(1,084)**	2,299	**(1,411)**	849
Items that may be reclassified to income and expenditure					
Fair Value gains/ (losses) on Available-for-sale financial investments	18	**(71)**	761	-	-
TOTAL COMPREHENSIVE INCOME/(EXPENSE) FOR THE YEAR		**(13,077)**	7,600	**(14,581)**	5,617
NOTE: ALLOCATION OF PROFIT/(LOSSES) FOR THE YEAR					
(a) Surplus/(Deficit) for the period attributable to:					
(i) Minority interest, and		**(11)**	12	**-**	-
(ii) Owners of Salisbury NHS Foundation Trust		**(11,911)**	4,528	**(13,170)**	4,768
TOTAL		**(11,922)**	4,540	**(13,170)**	4,768
(b) Total comprehensive income/ (expense) for the year attributable to:					
(i) Minority interest, and		**(11)**	12	**-**	-
(ii) Owners of Salisbury NHS Foundation Trust		**(13,066)**	7,588	**(14,581)**	5,617
TOTAL		**(13,077)**	7,600	**(14,581)**	5,617

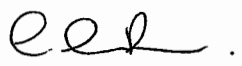
The notes on pages 5 to 46 form an integral part of these financial statements.
All revenue and expenditure is derived from continuing operations.

STATEMENT OF FINANCIAL POSITION
31 MARCH 2018

	Note	Group 31 March 2018 £000	Group Restated 31 March 2017 £000	Trust 31 March 2018 £000	Trust Restated 31 March 2017 £000
NON-CURRENT ASSETS					
Intangible assets	16	**9,899**	7,766	**9,899**	7,766
Property, plant and equipment	17/37	**136,417**	139,468	**129,744**	132,731
Investments in subsidiaries	33	**-**	-	**5**	5
Investments in joint ventures	34	**250**	250	**250**	250
Investments	18	**6,779**	6,575	**-**	-
Other financial assets	19	**2,123**	2,000	**3,721**	4,060
Total non-current assets		**155,468**	156,059	**143,619**	144,812
CURRENT ASSETS					
Inventories	20	**6,214**	4,950	**4,807**	3,965
Trade and other receivables	21	**14,726**	14,731	**14,063**	14,362
Investments	18	**44**	111	**-**	-
Other financial assets	19	**-**	-	**462**	462
Non-current assets held for sale	22	**570**	-	**570**	-
Cash and cash equivalents	23	**10,370**	8,505	**7,780**	6,667
Total current assets		**31,924**	28,297	**27,682**	25,456
Total assets		**187,392**	184,356	**171,301**	170,268
CURRENT LIABILITIES					
Trade and other payables	24	**(24,457)**	(20,667)	**(23,269)**	(19,978)
Borrowings	25	**(1,164)**	(1,140)	**(1,164)**	(1,140)
Provisions	26	**(292)**	(344)	**(292)**	(344)
TOTAL CURRENT LIABILITIES		**(25,913)**	(22,151)	**(24,725)**	(21,462)
TOTAL ASSETS LESS CURRENT LIABILITIES		**161,479**	162,205	**146,576**	148,806
NON-CURRENT LIABILITIES					
Borrowings	25	**(33,306)**	(22,874)	**(33,306)**	(22,874)
Provisions	26	**(320)**	(312)	**(320)**	(312)
TOTAL NON CURRENT LIABILITIES		**(33,626)**	(23,186)	**(33,626)**	(23,186)
TOTAL ASSETS EMPLOYED		**127,853**	139,019	**112,950**	125,620
FINANCED BY:					
TAXPAYERS' EQUITY					
Minority Interest		**35**	46	**-**	-
Public dividend capital	35	**55,957**	54,046	**55,957**	54,046
Revaluation reserve		**54,827**	56,238	**54,827**	56,238
Income and expenditure reserve		**2,968**	16,005	**2,166**	15,336
Charitable fund reserves	36	**14,066**	12,684	**-**	-
TOTAL TAXPAYERS EQUITY		**127,853**	139,019	**112,950**	125,620

The notes on pages 5 to 46 form an integral part of these financial statements.
The financial statements on pages 1 to 46 were approved by the Board on 22 May 2018 and signed on its behalf by:

Signed:



Cara Charles-Barks - Chief Executive

CONSOLIDATED STATEMENT OF CHANGES IN TAXPAYERS EQUITY
31 MARCH 2018

	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 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	-	-	-	-	-	**-**
Net gain/(loss) on revaluation of property plant and equipment	-	-	1,839	-	-	**1,839**
Transfers between reserves	-	689	(640)	(49)	-	**-**
Revaluations and impairments - charitable fund assets	-	-	-	-	460	**460**
Fair Value gains/(losses) on Available-for-sale financial investments	-	-	-	-	761	**761**
Other reserve movements	-	1,534	-	-	(1,534)	**-**
Public dividend capital received in year	30	**-**	**-**	**-**	**-**	**30**
Balance at 31 March 2017 - Restated	**54,046**	**16,005**	**56,238**	**46**	**12,684**	**139,019**
Changes in taxpayers' equity for 2017/18						
Retained surplus/(deficit) for the year	-	(13,390)	-	(11)	1,479	**(11,922)**
Other recognised gains and losses	-	-	-	-	-	**-**
Impairment of property plant and equipment	-	-	-	-	-	**-**
Net gain/(loss) on revaluation of property plant and equipment	-	-	(1,411)	-	-	**(1,411)**
Transfers between reserves	-	-	-	-	-	**-**
Revaluations and impairments - charitable fund assets	-	-	-	**-**	**327**	**327**
Fair Value gains/(losses) on Available-for-sale financial investments	-	-	-	**-**	**(71)**	**(71)**
Other reserve movements	-	353	-	**-**	**(353)**	**-**
Public dividend capital received in year	1,911	-	-	**-**	**-**	**1,911**
Balance at 31 March 2018	**55,957**	**2,968**	**54,827**	**35**	**14,066**	**127,853**

The notes on pages 5 to 46 form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2018

	Note	Group 2018 £000	Group 2017 £000	Trust 2018 £000	Trust 2017 £000
CASH FLOWS FROM OPERATING ACTIVITIES					
Total operating (deficit)/ surplus		**(6,819)**	9,430	**(7,959)**	10,154
NON-CASH INCOME AND EXPENSE					
Depreciation and amortisation charge	7	**9,066**	8,532	**8,625**	8,305
Impairments	7	**1,365**	27	**1,365**	27
Non-cash donations credited to income		**(352)**	-	**(352)**	(1,533)
(Increase)/ decrease in trade and other receivables	21	**256**	(2,182)	**571**	(1,929)
(Increase)/ decrease in inventories	20	**(1,264)**	(1,987)	**(842)**	(1,816)
Increase/ (decrease) in trade and other payables	24	**2,840**	1,995	**2,231**	1,674
Increase/ (decrease) in provisions	26	**(45)**	109	**(45)**	109
NHS charitable funds - net adjustments for working capital movements, non-cash transactions and non-operating cash flows		**264**	(65)	**-**	-
Net cash inflow from operating activities		**5,311**	15,859	**3,594**	14,991
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest received		**24**	21	**76**	85
Purchase of financial assets		**-**	(250)	**-**	(250)
Payments to acquire property, plant and equipment	17	**(4,489)**	(7,646)	**(4,439)**	(6,060)
Receipts from sale of property, plant and equipment		**-**	919	**-**	919
Payments to acquire intangible assets	16	**(4,769)**	(4,068)	**(4,769)**	(4,043)
NHS charitable funds - net cash flows from investing activities		**(401)**	896	**-**	-
Net cash (outflow) from investing activities		**(9,635)**	(10,128)	**(9,132)**	(9,349)
CASH FLOWS FROM FINANCING ACTIVITIES					
New public dividend capital received	35	**1,911**	30	**1,911**	30
Loans received		**-**	-	**-**	-
Loan to subsidiary		**-**	-	**-**	2,250
Loan to joint venture	19	**-**	(2,000)	**-**	(2,000)
Loan repayment received		**-**	-	**462**	462
Movement in loans from the Department of Health and Social Care	25	**10,786**	(631)	**10,786**	(631)
Capital element of finance lease rental payments		**(51)**	(85)	**(51)**	(85)
Capital element of Private Finance Initiative obligations	30	**(509)**	(528)	**(509)**	(528)
Interest paid		**(144)**	(60)	**(144)**	(60)
Interest element of finance lease rental payments		**(5)**	(5)	**(5)**	(5)
Interest element of Private Finance Initiative obligations	30	**(1,877)**	(1,872)	**(1,877)**	(1,872)
PDC dividend paid		**(3,922)**	(3,687)	**(3,922)**	(3,687)
Net cash inflow/ (outflow) from financing		**6,189**	(8,838)	**6,651**	(6,126)
Increase/ (decrease) in cash and cash equivalents		**1,865**	(3,107)	**1,113**	(484)
Cash and cash equivalents at the beginning of the financial year		**8,505**	11,612	**6,667**	7,151
Cash and cash equivalents at the end of the financial year	23	**10,370**	8,505	**7,780**	6,667

The notes on pages 5 to 46 form an integral part of these financial statements.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

NHS Improvement, in exercising the statutory functions conferred on Monitor, has directed that the financial statements of the Trust shall meet the accounting requirements of the Department of Health and Social Care Group Accounting Manual (GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the GAM 2017/18 issued by the Department of Health. The accounting policies contained in the GAM follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the GAM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the Trust for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. These have been applied consistently in dealing with items considered material in relation to accounts.

1.1 Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets, inventories and certain financial assets and financial liabilities.

1.2 Going concern

IAS 1 requires management to assess, as part of the accounts preparation process, the NHS Foundation Trust's ability to continue as a going concern. The financial statements should be prepared on a going concern basis unless management either intends to apply to the Secretary of State for the dissolution of the NHS foundation Trust without the transfer of the services to another entity, or has no realistic alternative but to do so. Table 6.2 of the FReM states that:
"The anticipated continuation of the provision of a service in the future, as evidenced by inclusion of financial provision for that service in published documents, is normally sufficient evidence of going concern." [extract]

There has been no application to the Secretary of State for the dissolution of the Trust and financial plans have been developed and published for future years.

The Trust has submitted a financial plan for 2018/19 to NHS Improvement which delivers a £11.8m deficit after delivery of a £9.7m 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 £11.8m cash support from the Department of Health and Social Care to maintain the Trust's cash flows in 2018/19.

The Trust is still awaiting formal confirmation of the amount and type of additional funding support, but continues to have its applications for revenue support loans approved on a monthly basis to ensure it has access to sufficient cash to meet short term financial liabilities. The Trust continues to work intensively with NHSI to ensure that the required funding facilities are forthcoming from the Department of Health and Social Care.

Despite the absence of this formal confirmation, the Board of Directors have discussed the appropriateness of continuing operations on a "going concern" basis; and having reviewed the Financial Reporting Manual, and having discussed the available evidence; although there remains material uncertainty with regards to going concern the Board of Directors are content for the accounts to be prepared on a "going concern" basis in line with guidance.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.3 Critical accounting estimates and judgements

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 £106 million (2017: £110m): 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.

1.4 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.

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 minority interests are included as a separate item in the Statement of Financial Position.

The amounts consolidated are drawn from the published financial statements of the subsidiaries for the year.

Where subsidiaries' accounting policies are not aligned with those of the Trust (including where they report under UK FRS 102) then amounts are adjusted during consolidation where the differences are material. Inter-entity balances, transactions and gains/ losses are eliminated in full on consolidation.

1. ACCOUNTING POLICIES (CONTINUED)

1.4 Basis of Consolidation (continued)

Unless otherwise stated the notes to the accounts refer to the group and not the Trust, 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.

Joint ventures
Joint ventures are arrangements in which the Trust has joint control with one or more parties, and where it has the rights to the net assets of the arrangement.

Joint ventures are accounted for using the equity method.

1.5 Income Recognition

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. At the year end, the Trust accrues income relating to activity delivered in that year. Where a patient care spell is incomplete at the year end, revenue relating to the partially complete spell is accrued. This is a change of accounting policy from previous years, where inpatient income was recognised in the accounts based on completed spells. The comparative numbers have not been restated as the impact is immaterial.

Where income is received for a specific activity which is to be delivered in the following year, that income is deferred.

The Trust receives income under the NHS Injury Costs 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.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.6 Expenditure on employee benefits

Short-term employee benefits
Salaries, wages and employment-related payments are recognised in the period in which the service is received from employees, except where these costs relate to staff involved in capital projects, in which case their costs have been capitalised. The cost of annual 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. The scheme is not designed in a way that would enable employers to identify their share of the underlying scheme assets and liabilities. Therefore the scheme is accounted for as 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.

These schemes comply with legislative requirements.

1.7 Expenditure on goods and services

Expenditure on goods and services is recognised when, and to the extent that they have been utilised, and is measured at the fair value of those goods and services. Expenditure is 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 2018 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 2018 had not been identified.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.8 Intangible assets

Recognition
Intangible assets are non-monetary assets without physical substance, which are clearly 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 intangible assets
Expenditure on research is not capitalised. Expenditure on development is capitalised only where all of the following can be demonstrated:

- the project is technically feasibile to the point of completion and will result in an intangible asset for sale or use;
- the Trust intends to complete the asset and sell or use it;
- the Trust has the ability to sell or use the intangible asset;
- how the intangible asset will generate probable future economic benefits or service potential, or where it is to be used for internal use, the usefulness of the asset;
- the availability of adequate technical, financial and other resources to complete the intangible asset and sell or use it; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Software
Software which is integral to the operation of hardware e.g. an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware e.g. application software, is capitalised as an intangible asset.

Measurement
Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management.

Subsequently intangible assets are measured at 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 1 - 8 Years

1.9 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

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.9 Property, plant and equipment (continued)

- 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.

The Trust considers the whole of the District General Hospital site to comprise its property asset. The land, separate buildings and external works comprise the major components of the asset. These components are depreciated over their own useful economic life.

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 2018, 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.

Subsequent expenditure
Subsequent expenditure relating to an item of property, plant and equipment is recognised as an increase in the carrying amount of the asset when it is probable that additional future economic benefits or service potential deriving from the cost incurred to replace a component of such item will flow to the enterprise and the cost of the item can be determined reliably. Where a component of an asset is replaced, the cost of the replacement is capitalised if it meets the criteria for recognition above. The carrying amount of the part replaced is de-recognised. Other expenditure that does not generate additional future economic benefits or service potential, such as repairs and maintenance, is charged to the Statement of Comprehensive Income in the period in which it is incurred.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.9 Property, plant and equipment (continued)

Depreciation
Items of property, plant and equipment are depreciated over their remaining useful economic lives in a manner consistent with the consumption of economic or service delivery benefits. Freehold land is considered to have an indefinite life and is not depreciated. All other assets are being depreciated as follows:

Buildings (excluding dwellings) 15 - 72 years
Dwellings 50 - 64 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
Revaluation gains 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 GAM, impairments that arise from a clear consumption of economic benefits or of service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of (i) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before impairment.

An impairment arising from a clear consumption of economic benefit or of service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss is reversed. Reversals are recognised in operating expenditure to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where at the time of the original impairment, a transfer was made from the revaluations reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised.

Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

De-recognition
Assets intended for disposal are reclassified as 'Held for sale' once all of the following criteria are met:

- the asset is available for immediate sale in its present condition subject only to terms which are usual and customary for such sales
- the sale must be highly probable i.e.:
  - management are committed to a plan to sell the asset;
  - an active programme has begun to find a buyer and complete the sale;
  - the asset is being actively marketed at a reasonable price
  - the sale is expected to be completed within twelve months of the date of classification as 'held for sale'; and
  - the actions needed to complete the plan indicate it is unlikely that the plan will be dropped or significant changes made to it.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.9 Property, plant and equipment (continued)

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged and the assets are not revalued, except where the 'fair value less costs to sell' falls below the carrying amount. Assets are derecognised when all material sale contract conditions have been met. Fair value is opening market value including alternative uses.

The profit or loss arising on disposal of an asset is the difference between the sale proceeds, less costs associated with the sale, and the carrying amount and is recognised in the Statement of Comprehensive Income. On disposal, the balance for the asset on the revaluation reserve is transferred to retained earnings.

Property, plant and equipment which is to be scrapped or demolished does not qualify for recognition as 'held for sale' and instead is retained as an operational asset and the assets economic life is adjusted. The asset is derecognised when scrapping or demolition occurs.

Donated, government grant and other grant funded assets
Donated and grant funded property, plant and equipment assets are capitalised at their fair value on receipt. The donation/grant is credited to income at the same time, unless the donor imposes a condition that the future economic benefits embodied in the grant are to be consumed in a manner specified by the donor, in which case, the donation/grant is deferred within liabilities and is carried forward to future financial years to the extent that the condition has not yet been met.

The donated and grant funded assets are subsequently accounted for in the same manner as other items of property, plant and equipment.

Private Finance Initiative (PFI) transactions
PFI transactions which meet the IFRIC 12 definition of a service concession, as interpreted in HM Treasury's FReM, are accounted for as "on-Statement of Financial Position" by the Trust. In accordance with IAS 17, the underlying assets are recognised as property, plant and equipment at their fair value, together with an equivalent finance lease liability. Subsequently, the assets are accounted for as property, plant and equipment and/or intangible assets as appropriate.

The annual unitary payment is separated into the following component parts, using appropriate estimation techniques where necessary:

a) Payment for the fair value of services received;
b) Payment for the PFI asset, including finance costs; and
c) Payment for the replacement of components of the asset during the contract 'lifecycle replacement'.

Services received
The fair value of services received in the year is recorded under the relevant expenditure headings within 'operating expenses'.

PFI Asset
The PFI assets are recognised as property, plant and equipment, when they come into use. The assets are measured initially at fair value in accordance with the principles of IAS 17. Subsequently, the assets are measured at fair value, which is kept up to date in accordance with the Trust's approach for each relevant class of asset in accordance with the principles of IAS 16.

PFI liability
A PFI liability is recognised at the same time as the PFI assets are recognised. It is measured initially at the same amount as the fair value of the PFI assets and is subsequently measured as a finance lease liability in accordance with IAS 17.

An annual finance cost is calculated by applying the implicit interest rate in the lease to the opening lease liability for the period, and is charged to 'Finance Costs' within the Statement of Comprehensive Income.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.9 Property, plant and equipment (continued)

The element of the annual unitary payment that is allocated as a finance lease rental is applied to meet the annual finance cost and to repay the lease liability over the contract term.

An element of the annual unitary payment increase due to cumulative indexation is allocated to the finance lease. In accordance with IAS 17, this amount is not included in the minimum lease payments, but is instead treated as contingent rent and is expensed as incurred. In substance, this amount is a finance cost in respect of the liability and the expense is presented as a contingent finance cost in the Statement of Comprehensive Income.

Lifecycle replacement
Components of the asset replaced by the operator during the contract ('lifecycle replacement') are capitalised where they meet the Trust's criteria for capital expenditure. They are capitalised at the time they are provided by the operator and are measured initially at their fair value.

The element of the annual unitary payment allocated to lifecycle replacement is pre-determined for each year of the contract from the operator's planned programme of lifecycle replacement. Where the lifecycle component is provided earlier or later than expected, a short-term finance lease liability or prepayment is recognised respectively.

Where the fair value of the lifecycle component is less than the amount determined in the contract, the difference is recognised as an expense when the replacement is provided. If the fair value is greater than the amount determined in the contract, the difference is treated as a 'free' asset and a deferred income balance is recognised. The deferred income is released to the operating income over the shorter of the remaining contract period or the useful economic life of the replacement component.

Assets contributed by the Trust to the operator for use in the scheme
Assets contributed for use in the scheme continue to be recognised as items of property, plant and equipment in the Trust's Statement of Financial Position.

Other assets contributed by the Trust to the operator
Assets contributed (e.g. cash payments, surplus property) by the Trust to the operator before the asset is brought into use, which are intended to defray the operator's capital costs, are recognised initially as prepayments during the construction phase of the contract. Subsequently, when the asset is made available to the Trust, the prepayment is treated as an initial payment towards the finance lease liability and is set against the carrying value of the liability.

1.10 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).

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.11 Borrowing costs

Borrowing costs are recognised as expenses as they are incurred.

1.12 Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured on the First In, First Out (FIFO) method. Work-in-progress comprises goods in intermediate stages of production. The Laundry stock value is based on the original cost less an adjustment to reflect usage, over a three year life (except for Towels and Scrub Suits which have a two year life), in determining an approximation of net realisable value.

1.13 Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Trust's cash management. Cash, bank and overdraft balances are recorded at current values.

1.14 Financial instruments and financial liabilities

Recognition
Financial assets and financial liabilities which arise from contracts for the purchase or sale of non-financial items (such as goods or services), which are entered into in accordance with the Trust's normal purchase, sale or usage requirements, are recognised when, and to the extent which, performance occurs, ie, when receipt or delivery of the goods or services is made.

Financial assets or financial liabilities in respect of assets acquired or disposed of through finance leases are recognised and measured in accordance with the accounting policy for leases described below.

Financial assets are initially recognised at fair value.

Loans from the Department of Health and Social Care are recognised at historical cost. Otherwise, financial liabilities 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 liabilities are classified as "fair value through income and expenditure" or as "other financial liabilities".

Financial assets and financial liabilities at "fair value through income and expenditure"
Financial assets and financial liabilities at "fair value through income and expenditure" are financial assets or financial liabilities held for trading. A financial asset or financial liability is classified in this category if acquired principally for the purpose of selling in the short-term. Derivatives are also categorised as held for trading unless they are designated as hedges.

1. ACCOUNTING POLICIES (CONTINUED)

1.14 Financial instruments and financial liabilities (continued)

Derivatives which are embedded in other contracts but which are not "closely-related" to those contracts are separated out from those contracts and measured in this category. Assets and liabilities in this category are classified as current assets and current liabilities.

These financial assets and financial liabilities are recognised initially at fair value, with transaction costs expensed in the income and expenditure account. Subsequent movements in the fair value are recognised as gains or losses in the Statement of Comprehensive Income.

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.

Loans and receivables are recognised initially at fair value, net of transactions costs, and are measured subsequently at amortised cost, using the effective interest method. 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 and Social Care are not held for trading and are measured at historic cost with any unpaid interest accrued separately.

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.

Other financial liabilities
All other financial liabilities are recognised initially at fair value, net of transaction costs incurred, and measured subsequently at amortised cost using the effective interest method, except for loans from Department of Health and Social Care, 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.

They are included in current liabilities except for amounts payable more than 12 months after the Statement of Financial Position date, which are classified as long-term liabilities.

Interest on financial liabilities carried at amortised cost is calculated using the effective interest method and charged to finance costs. Interest on financial liabilities taken out to finance property, plant and equipment or intangible assets is not capitalised as part of the cost of those assets.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.14 Financial instruments and financial liabilities (continued)

Impairment of financial assets
At the Statement of Financial Position date, the Trust assesses whether any financial assets, other than those held at 'fair value through 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.

1.15 Foreign Exchange

The Trust's functional currency and presentational currency is sterling. Transactions denominated in a foreign currency are translated into sterling at the exchange rate ruling on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the spot exchange rate on 31 March 2018. Resulting exchange gains and losses for either of these are recognised in the Trust's surplus/deficit in the period in which they arise.

1.16 Third Party Assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the Trust has no beneficial interest in them. However, they are disclosed in a separate note to the accounts in accordance with the requirements of the HM Treasury Financial Reporting Manual, see note 32.

1.17 Leases - Trust as lessee

Finance leases
Where substantially all risks and rewards of ownership of a leased asset are borne by the Trust, the asset is recorded as property, plant and equipment and a corresponding liability is recorded. The value at which both are recognised is the lower of the fair value of the asset or the present value of the minimum lease payments, discounted using the interest rate implicit in the lease.

The asset and liability are recognised at the commencement of the lease. Thereafter the asset is accounted for an item of property plant and equipment.

The annual rental is split between the repayment of the liability and a finance cost so as to achieve a constant rate of finance over the life of the lease. The annual finance cost is charged to Finance Costs in the Statement of Comprehensive Income. The lease liability is de-recognised when the liability is discharged, cancelled or expires.

Operating leases
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.

1. ACCOUNTING POLICIES (CONTINUED)

1.18 Leases - Trust as lessor

Finance leases

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Trust's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Trust's net investment outstanding in respect of the leases.

Operating leases

The Trust leases land to Salisbury District Hospital Charitable Fund at a nominal amount and, as a result, no separate disclosure has been made of this arrangement.

Rental income from operating leases is recognised on a straight-line basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

1.19 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 discounted rates published and mandated by HM Treasury.

Clinical negligence costs

NHS Resolution operates a risk pooling scheme under which the Trust pays an annual contribution to NHS Resolution, which, in return, settles all clinical negligence claims. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the Trust is disclosed at Note 26, but is not recognised in the 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 NHS Resolution and in return receives assistance with the costs of claims arising. The annual membership contributions, and any 'excesses' payable in respect of particular claims are charged to operating expenses as and when the liability arises.

1.20 Contingencies

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Trust, or a present obligation that is not recognised because it is not probable that a payment will be required to settle the obligation or the amount of the obligation cannot be measured sufficiently reliably. A contingent liability is disclosed unless the possibility of a payment is remote.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Trust. A contingent asset is disclosed where an inflow of economic benefits is probable.

Where the time value of money is material, contingencies are disclosed at their present value.

1. ACCOUNTING POLICIES (CONTINUED)

1.21 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.

At any time, the Secretary of State can issue new PDC to, and require repayments of PDC from, the Trust. PDC is recorded at the value received.

A charge, reflecting the cost of capital utilised by the 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 and Social Care (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the “pre- audit” version of the annual accounts. The dividend thus calculated is not revised should any adjustment of net assets occur as a result the audit of the annual accounts.

1.22 Value Added Tax

Most of the activities of the Trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.23 Corporation Tax

The group's subsidiary companies have made a modest profit leading to a corporation tax liability of £60k (2016/17: £9k).
The Trust does not have a corporation tax liability for the year 2017/18 (2016/17 £nil). Tax may be payable by the Trust on activities described below:

- The activity is not related to the provision of core healthcare as defined under Section 14(1) of the HSCA. Private Healthcare falls under this legislation and is not therefore taxable.
- The activity is commercial in nature and competes with the private sector. In house trading activities are normally ancillary to the core healthcare objectives and are therefore not subject to tax.
- Annual profits from the activity must exceed £50,000

1.24 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.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.25 Gifts

Gifts are items that are voluntarily donated, with no preconditions and without the expectation of any return. Gifts include all transactions economically equivalent to free and unremunerated transfers, such as the loan of an asset for its expected useful life, and the sale or lease of assets at below market value.

1.26 Accounting standards that have been issued but have not yet been adopted

The *GAM* does not require the following Standards and Interpretations to be applied in 2017/18. 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.
IFRIC 23 Uncertainty over income tax treatments	Application required for accounting periods beginning on or after 1 January 2019.

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	
	2018	2017
	£000	£000
Elective revenue	**32,294**	32,781
Non-elective revenue	**63,853**	61,544
Outpatient revenue	**26,026**	24,377
A & E revenue	**6,219**	5,730
High cost drugs income fro commissioners	**16,775**	15,217
Other types of activity revenue	**43,284**	41,648
Total revenue at full tariff	**188,451**	181,297
Private patient revenue	**2,164**	2,111
Other clinical income	**4,555**	5,807
Total income from patient care activities	**195,170**	189,215

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

	2018	2017
	£000	£000
Foundation Trusts	**3,026**	2,806
NHS Trusts	**665**	643
Clinical Commissioning Groups and NHS England	**185,383**	179,478
Local Authorities	**1,417**	1,614
Department of Health and Social Care	**-**	29
NHS Other	**295**	111
Non NHS:		
- Private patients	**2,164**	2,111
- Overseas patients (non-reciprocal)	**58**	37
- NHS Injury scheme (was Road Traffic Act)	**1,412**	1,410
- Other	**750**	976
	195,170	189,215

NHS Injury Scheme revenue is subject to a provision for doubtful debts of 22.84% (2017: 22.94%) to reflect expected rates of collection.

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:

	2018	2017
	£000	£000
Commissioner requested services	**178,621**	174,071
Non-commissioner requested services	**16,549**	15,144
	195,170	189,215

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 2017/18 (and 2016/17) was substantially below the revised level permitted.

5. Other operating revenue

	Group		Trust	
	2018	2017	**2018**	2017
	£000	£000	**£000**	£000
Sustainability and transformation fund	**-**	7,826	**-**	7,826
Research and development	**1,067**	852	**1,067**	852
Education and training	**6,577**	6,106	**6,577**	6,106
Non-patient care services to other bodies	**1,444**	1,661	**1,444**	1,661
Received from NHS charities - donated assets	**-**	-	**352**	1,533
Salisbury Trading Limited	**4,801**	3,589	**-**	-
NHS Charitable Funds: Incoming Resources excluding investment income	**2,767**	1,955	**-**	-
Odstock Medical Limited	**1,877**	1,916	-	-
Other	**7,678**	9,355	**8,312**	9,836
	26,211	33,260	**17,752**	27,814

Included within 'Other' revenue above are amounts received from lodgings £1,411k (2017: £1,375k), car parking £1,590k (2017: £1,545k), catering £956k (2017: £918k), child care services £60k (2017: £420k), insurance refund on the PFI £nil (2017: £255k), income to support the Scan4Safety project £641k (2016: £698k), Leisure Centre income £229k (2017: £239k) and income from the rent and hire of rooms £281k (2017: £214k).

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	
	2018	2017	**2018**	2017
	£000	£000	**£000**	£000
Rental revenue from operating leases - minimum lease receipts	**191**	185	**581**	567

6.3 Total future minimum lease income

	Group		Trust	
	2018	2017	**2018**	2017
Receivable:	**£000**	£000	**£000**	£000
Within 1 year	**114**	109	**353**	489
Between 1 and 5 years	**42**	150	**42**	378
After 5 years	**-**	-	**-**	-
Total	**156**	259	**395**	867

NOTES TO THE ACCOUNTS

7. Operating Expenses

Operating expenses comprise:

	Group		Trust	
	2018	2017	**2018**	2017
	£000	£000	**£000**	£000
Purchase of healthcare from NHS and DHSC bodies	**3,746**	3,439	**3,746**	3,439
Purchase of healthcare from non-NHS and non-DHSC bodies	**1,734**	1,206	**1,734**	1,206
Staff and executive directors costs	**140,769**	134,355	**136,621**	130,838
Non-executive directors	**134**	145	**134**	145
Supplies and services – clinical (excluding drugs costs)	**21,753**	19,757	**21,753**	19,757
Supplies and services - general	**3,504**	2,915	**3,407**	3,290
Drugs costs (drugs inventory consumed and purchase of non-inventory drugs)	**19,783**	19,459	**19,783**	19,459
Consultancy	**1,754**	68	**1,754**	39
Establishment	**1,787**	1,783	**1,787**	1,783
Premises	**8,852**	7,982	**8,394**	7,601
Transport	**1,443**	1,201	**1,084**	990
Depreciation	**7,257**	7,463	**6,816**	7,033
Amortisation	**1,809**	1,272	**1,809**	1,272
Impairments net of (reversals)	**1,365**	27	**1,365**	27
Increase/(decrease) in impairment of receivables	**151**	245	**151**	245
Provisions arising / released in year	**74**	161	**74**	161
Operating lease expenditure (net)	**89**	89	**131**	131
Audit services - statutory audit	**50**	64	**50**	64
Fees payable to the Trust's auditor and its associates for other services:			**-**	-
- further assurance services	**8**	8	**8**	8
- other services	**4**	4	**-**	-
Clinical negligence insurance premiums	**7,670**	6,973	**7,670**	6,973
Other	**4,464**	4,429	**2,610**	2,414
	228,200	213,045	**220,881**	206,875

The total employer's pension contributions are disclosed in note 9.1.

Redundancy payments totalling £0.013m (2017: £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. The fees payable to auditors for the statutory audit and and additional services above are quoted gross of VAT at 20%, reflecting the Trust's inability to reclaim VAT on this type of expenditure.

Other expenses include payments for course fees £0.2m (2017: £0.2m), patient's travel £0.4m (2017: £0.2m), the service element of the PFI contract £0.9m (2017: £0.9m), insurance fees £0.1m (2017: £0.2m), legal fees £0.1m (2017: £0.1m), internal audit fees £0.1m (2017: £0.1m) and costs attributable to the Trust's subsidiary companies, Odstock Medical Limited £0.7m (2017: £0.8m) and Salisbury Trading Limited £0.2m (2017: £0.4m). In addition it also includes charitable fund expenses of £0.8m (2017: £0.8m).

8. Operating leases expenditure

8.1 As lessee

The Group has entered into commercial leases on certain items of property, motor vehicles and equipment. The principal arrangements are in respect of motor vehicles. For these, rentals are for an agreed mileage over a three year term. Excess mileage is charged at a price per mile determined at the inception of the lease.

8.2 Payments recognised as expense

	Group		Trust	
	2018	2017	**2018**	2017
	£000	£000	**£000**	£000
Minimum lease payments	**89**	89	**131**	131

8.3 Total future minimum lease payments

	Group		Trust	
	2018	2017	**2018**	2017
Payable:	**£000**	£000	**£000**	£000
Within 1 year	**50**	63	**64**	91
Between 1 and 5 years	**79**	108	**110**	-
After 5 years	**-**	12	**-**	12
Total	**129**	183	**174**	103

NOTES TO THE ACCOUNTS

9. Staff costs and numbers

9.1 Staff costs

Group	Total 2018 £000	Permanently Employed 2018 £000	Other 2018 £000	Total 2017 £000	Permanently Employed 2017 £000	Other 2017 £000
Salaries and wages	**110,258**	**110,258**	**-**	106,400	106,400	-
Social Security Costs	**9,899**	**9,899**	**-**	9,555	9,555	-
Apprenticeship levy	**543**	**543**	**-**	-	-	-
Employer contributions to NHSPA	**13,034**	**13,034**	**-**	12,680	12,680	-
Other pension costs	**8**	**8**	**-**	8	8	-
Agency and contract staff	**8,883**	**-**	**8,883**	7,993	-	7,993
	142,625	**133,742**	**8,883**	136,636	128,643	7,993
Less: costs of staff capitalised	**(1,856)**	**(1,856)**	**-**	(2,281)	(2,281)	-
	140,769	**131,886**	**8,883**	134,355	126,362	7,993

The staff costs capitalised in 2017-18 and 2016-17 primarily relate to staff engaged in the project design and implementation of a major new IT system

Trust	Total 2018 £000	Permanently Employed 2018 £000	Other 2018 £000	Total 2017 £000	Permanently Employed 2017 £000	Other 2017 £000
Salaries and wages	**106,956**	**106,956**	**-**	103,317	103,317	-
Social Security Costs	**9,899**	**9,899**	**-**	9,555	9,555	-
Apprenticeship levy	**529**	**529**				
Employer contributions to NHSPA	**13,034**	**13,034**	**-**	12,680	12,680	-
Other pension costs	**8**	**8**	**-**	8	8	-
Agency and contract staff	**8,051**	**-**	**8,051**	7,559	-	7,559
	138,477	**130,426**	**8,051**	133,119	125,560	7,559
Less: costs of staff capitalised	**(1,856)**	**(1,856)**	**-**	(2,281)	(2,281)	-
	136,621	**128,570**	**8,051**	130,838	123,279	7,559

9.2 Average number of persons employed - WTE basis

Group	Total 2018 Number	Permanently Employed 2018 Number	Other 2018 Number	Total 2017 Number	Permanently Employed 2017 Number	Other 2017 Number
Medical and dental	**372**	**358**	**14**	335	322	13
Administration and estates	**698**	**688**	**10**	726	707	19
Healthcare assistants & other support staff	**264**	**258**	**6**	242	237	5
Nursing, midwifery & health visiting staff	**1,493**	**1,428**	**65**	1,497	1,436	61
Scientific, therapeutic and technical staff	**415**	**401**	**14**	392	381	11
Total	**3,242**	**3,133**	**109**	3,192	3,083	109

Trust	Total 2018 Number	Permanently Employed 2018 Number	Other 2018 Number	Total 2017 Number	Permanently Employed 2017 Number	Other 2017 Number
Medical and dental	**372**	**358**	**14**	335	322	13
Administration and estates	**634**	**630**	**4**	665	662	3
Healthcare assistants & other support staff	**264**	**258**	**6**	242	237	5
Nursing, midwifery & health visiting staff	**1,493**	**1,428**	**65**	1,497	1,436	61
Scientific, therapeutic and technical staff	**398**	**384**	**14**	375	364	11
Total	**3,161**	**3,058**	**103**	3,114	3,021	93

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	
	2018	2017
	£000	£000
Salaries and wages	**913**	899
Social Security Costs	**110**	108
Employer contributions to Pension Schemes	**98**	88
	1,121	1,095

The total number of Directors accruing benefits under pension schemes is 6 (2017: 5). The Directors Remuneration only relates to the Group.

9.4 Staff departure costs

Group and Trust

	2018	**2018**	2017	2017
	No. of compulsory redundancies	**No. of other agreed departures**	No. of compulsory redundancies	No. of other agreed departures
Exit package cost band				
< £10,000	**1**	**-**	-	-
£10,001 - £25,000	**1**	**-**	-	-
£25,001 - £50,000	**-**	**-**	-	-
£50,001 - £100,000	**-**	**-**	-	-
Total number of exit packages by type	**2**	**-**	-	-
	£000	**£000**	£000	£000
Total resource costs	**22**	**-**	-	-

There were no compulsory redundancy costs relating to senior managers in the year.

The non-compulsory departure payments can be analysed as:

	2018	**2018**	2017	2017
	Agreements Number	**Value of agreements £000**	Agreements Number	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 £13.12m (2017: £12.70m). As at 31 March 2018, contributions of £1.83m (2017: £1.76m) 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 is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2018, is based on valuation data as 31 March 2017, updated to 31 March 2018 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The 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 employee and employer representatives as deemed appropriate.

The next actuarial valuation is to be carried out as at 31 March 2016 and is currently being prepared. The direction assumptions are published by HM Treasury which are used to complete the valuation calculations, from which the final valuation report can be signed off by the scheme actuary. 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 2018 there were 5 (2017: nil) early retirements from the Trust on the grounds of ill-health. The estimated additional pension liabilities of these ill-health retirements will be £90k (2017: £nil). The cost of the 2018 ill-health retirements will be borne by the NHS Business Services Authority -Pensions Division.

12. Finance income

	Group		Trust	
	2018	2017	**2018**	2017
	£000	£000	**£000**	£000
Interest received	**316**	188	**147**	21
Other loans and receivables	**-**	-	**52**	64
	316	188	**199**	85

13. Finance costs

Group and Trust

	2018	2017
	£000	£000
Interest on capital loans from the Department of Health and Social Care (DHSC)	**82**	92
Revenue support / working capital loans from DHSC	**159**	-
Interest on obligations under finance leases	**5**	5
Finance costs on obligations under Private Finance Initiatives	**1,226**	1,261
Contingent finance costs - PFI	**651**	611
Total finance expense - financial liabilities	**2,123**	1,969
Other finance costs - unwinding of discounts on provisions	**1**	5
Total	**2,124**	1,974

14. The Late Payment of Commercial Debts (Interest) Act 1998

There were no amounts payable arising from claims made by businesses under this legislation (2017: £Nil).

NOTES TO THE ACCOUNTS

15. Losses and special payments

	Group and Trust			
	2018		2017	
	Number	Value £000	Number	Value £000
Losses				
Cash losses	-	-	8	1
Fruitless payments and constructive losses	-	-	-	-
Bad debts and claims abandoned	372	103	503	8
Stores losses	-	-	2	3
	372	103	513	12
Special payments				
Ex-gratia payments	27	11	33	35
Total losses and special payments	399	114	546	47

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 2017	1,094	9,489	10,583
Additions - purchased	4,769	-	4,769
Additions - donated	-	25	25
Impairments charged to operating expenses	(197)	(1,289)	(1,486)
Reclassifications	(3,302)	3,302	-
At 31 March 2018	2,364	11,527	13,891
Amortisation			
At 1 April 2017	-	2,817	2,817
Provided during the period	-	1,809	1,809
Impairments charged to operating expenses	-	(634)	(634)
Amortisation at 31 March 2018	-	3,992	3,992
Net book value at 31 March 2017			
- Purchased at 31 March 2017	1,094	6,672	7,766
Total at 31 March 2017	1,094	6,672	7,766
Net book value at 31 March 2018			
- Purchased at 31 March 2018	2,364	7,516	9,880
- Donated at 31 March 2018	-	19	19
Total at 31 March 2018	2,364	7,535	9,899

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 2017 - restated	1,031	100,345	9,423	3,273	64,517	347	19,385	3,506	201,827
Additions - purchased	-	-	-	5,377	116	-	-	-	5,493
Additions - donated	-	121	-	-	134	-	10	62	327
Impairments	-	(533)	-	-	-	-	-	-	(533)
Reclassifications	-	4,236	137	(7,369)	2,460	14	403	119	-
Revaluation	124	(2,121)	(1,074)	-	-	-	-	-	(3,071)
Transfer to assets held for sale	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	(1,170)	-	-	(26)	(1,196)
At 31 March 2018	**1,155**	**102,048**	**8,486**	**1,281**	**66,057**	**361**	**19,798**	**3,661**	**202,847**
Accumulated depreciation									
At 1 April 2017	-	38	-	-	44,254	297	16,179	1,591	62,359
Provided during the period	-	1,860	147	-	3,963	14	979	294	7,257
Revaluation	-	(1,840)	(147)	-	-	-	-	-	(1,987)
Impairments	-	(20)	-	-	-	-	-	-	(20)
Disposals	-	-	-	-	(1,153)	-	-	(26)	(1,179)
Accumulated depreciation at 31 March 2018	**-**	**38**	**-**	**-**	**47,064**	**311**	**17,158**	**1,859**	**66,430**
Net book value at 31 March 2017 - restated									
Owned	1,031	80,165	9,423	3,273	16,902	50	3,177	1,618	115,639
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**	**100,307**	**9,423**	**3,273**	**20,263**	**50**	**3,206**	**1,915**	**139,468**
Net book value at 31 March 2018									
Owned	1,155	81,895	8,486	1,281	15,865	50	2,616	1,494	112,842
Finance leased	-	-	-	-	211	-	-	-	211
On balance sheet PFI	-	19,049	-	-	-	-	-	-	19,049
Donated	-	1,066	-	-	2,917	-	24	308	4,315
Total at 31 March 2018	**1,155**	**102,010**	**8,486**	**1,281**	**18,993**	**50**	**2,640**	**1,802**	**136,417**

On 31 March 2018 Cushman and Wakefield reviewed the Trust's land, buildings and dwellings on a Modern Equivalent Asset basis in accordance with the guidance included in the Royal Institution of Chartered Surveyors Valuation Standards. As a result, these assets were revalued to bring them to their fair value at that date.

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	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	(1,422)	(10)	-	-	-	-	-	(1,387)
Disposals	-	-	-	-	(4,858)	(385)	-	-	(5,243)
At 31 March 2017 - restated	**1,031**	**100,345**	**9,423**	**3,273**	**64,517**	**347**	**19,385**	**3,506**	**201,827**
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 2017 - restated									
Owned	1,031	80,165	9,423	3,273	16,902	50	3,177	1,618	115,639
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**	**100,307**	**9,423**	**3,273**	**20,263**	**50**	**3,206**	**1,915**	**139,468**

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.

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 2017 - restated	313	96,424	8,518	3,273	60,574	325	19,385	3,506	192,318
Additions - purchased	-	-	-	5,377	66	-	-	-	5,443
Additions - donated	-	121	-	-	134	-	10	62	327
Impairments	-	(533)	-	-	-	-	-	-	(533)
Reclassifications	-	4,236	137	(7,369)	2,460	14	403	119	-
Revaluation	77	(2,201)	(1,074)	-	-	-	-	-	(3,198)
Transfer to assets held for sale	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	(1,170)	-	-	(26)	(1,196)
At 31 March 2018	**390**	**98,047**	**7,581**	**1,281**	**62,064**	**339**	**19,798**	**3,661**	**193,161**
Accumulated depreciation									
At 1 April 2017	-	-	-	-	41,532	285	16,179	1,591	59,587
Provided during the period	-	1,660	147	-	3,728	8	979	294	6,816
Revaluation	-	(1,640)	(147)	-	-	-	-	-	(1,787)
Impairments	-	(20)	-	-	-	-	-	-	(20)
Disposals	-	-	-	-	(1,153)	-	-	(26)	(1,179)
Accumulated depreciation at 31 March 2018	**-**	**-**	**-**	**-**	**44,107**	**293**	**17,158**	**1,859**	**63,417**
Net book value at 31 March 2017 - restated									
Owned	313	76,282	8,518	3,273	15,681	40	3,177	1,618	108,902
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**	**96,424**	**8,518**	**3,273**	**19,042**	**40**	**3,206**	**1,915**	**132,731**
Net book value at 31 March 2018									
Owned	390	77,932	7,581	1,281	14,829	46	2,616	1,494	106,169
Finance leased	-	-	-	-	211	-	-	-	211
On balance sheet PFI	-	19,049	-	-	-	-	-	-	19,049
Donated	-	1,066	-	-	2,917	-	24	308	4,315
Total at 31 March 2018	**390**	**98,047**	**7,581**	**1,281**	**17,957**	**46**	**2,640**	**1,802**	**129,744**

On 31 March 2018 Cushman and Wakefield reviewed the Trust's land, buildings and dwellings on a Modern Equivalent Asset basis in accordance with the guidance included in the Royal Institution of Chartered Surveyors Valuation Standards. As a result, these assets were revalued to bring them to their fair value at that date.

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 2016									
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	-	(1,612)	(35)	-	-	-	-	-	(1,647)
Disposals	-	-	-	-	(4,848)	(385)	-	-	(5,233)
At 31 March 2017 - restated	**313**	**96,424**	**8,518**	**3,273**	**60,574**	**325**	**19,385**	**3,506**	**192,318**
Accumulated depreciation at 1 April 2016									
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 2017 - restated									
Owned	313	76,282	8,518	3,273	15,681	40	3,177	1,618	108,902
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**	**96,424**	**8,518**	**3,273**	**19,042**	**40**	**3,206**	**1,915**	**132,731**

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 and Trust

17.5 Net Book Value of Assets Held Under Finance Leases	Plant & Machinery	PFI Arrangements	Total
	£000	£000	£000
Cost or valuation			
At 1 April 2017	616	19,015	19,631
Additions - Purchased	228	306	534
Revaluations	-	(272)	(272)
At 31 March 2018	**844**	**19,049**	**19,893**
Accumulated depreciation			
At 1 April 2017	616	-	616
Provided during the period	17	278	295
Revaluation	-	(278)	(278)
Accumulated depreciation at 31 March 2018	**633**	**-**	**633**
Net book value at 31 March 2018			
- Purchased	211	19,049	19,260
- Donated	-	-	-
Total at 31 March 2018	**211**	**19,049**	**19,260**
Cost or valuation			
At 1 April 2016	616	18,679	19,295
Additions - purchased		256	256
Revaluation	-	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
- Donated	-	-	-
Total at 31 March 2017	**-**	**19,015**	**19,015**

NOTES TO THE ACCOUNTS

18. Investments

	Group		Trust	
	31 March 2018 £000	31 March 2017 £000	**31 March 2018 £000**	31 March 2017 £000
Non-current				
Financial assets designated as fair value through profit or loss	**6,779**	6,575	**-**	-
	6,779	6,575	**-**	-
Current				
Financial assets designated as fair value through profit or loss	**44**	111	**-**	-
	44	111	**-**	-

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 2018 £000	31 March 2017 £000	**31 March 2018 £000**	31 March 2017 £000
Current				
Loans and receivables	**-**	-	**462**	462
Non-current				
Loans and receivables	**2,123**	2,000	**3,721**	4,060
	2,123	2,000	**4,183**	4,522

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 is payable at 4% above the Bank of England base rate and is capitalised and added to the principal sum.

20. Inventories

	Group		Trust	
	31 March 2018 £000	31 March 2017 £000	**31 March 2018 £000**	31 March 2017 £000
Drugs	**1,163**	1,179	**1,163**	1,179
Consumables	**3,452**	2,641	**3,452**	2,641
Other	**1,599**	1,130	**192**	145
	6,214	4,950	**4,807**	3,965
Inventories recognised as an expense in the period	**43,702**	40,631	**42,670**	**39,795**

21. Trade and other receivables

21.1 Amounts falling due within one year:

	Group		Trust	
	31 March 2018 £000	31 March 2017 £000	**31 March 2018 £000**	31 March 2017 £000
Trade receivables	**8,333**	8,520	**7,718**	9,097
Provision for impairment of receivables	**(1,455)**	(1,339)	**(1,455)**	(1,339)
Prepayments	**2,024**	2,230	**2,000**	2,203
PDC dividend receivable	**263**	-	**263**	-
Vat receivable	**441**	659	**441**	659
Other receivables	**5,120**	4,661	**5,096**	3,742
	14,726	14,731	**14,063**	14,362
Of which receivables from NHS and DHSC group bodies:	**8,464**	6,371	**8,464**	6,371

NOTES TO THE ACCOUNTS

21. Trade and other receivables (continued)

The majority of transactions are with Clinical Commissioning Groups (CCGs) or NHS England's Specialist Commissioners, as commissioners for NHS patient care services. As CCGs and Specialist Commissioners are funded by government to buy NHS patient care services, no credit scoring of them is considered necessary.

The average credit period taken on sale of goods is 24.0 days (2017: 20.3 days). No interest is charged on trade receivables.

Other receivables include non-NHS trade debts £1.2m (2017: £1.1m) and amounts due from the Compensation Recovery Unit of £3.4m (2017: £3.2m).

21.2 Movement in the provision for impairment of receivables

	Group		Trust	
	31 March 2018	31 March 2017	**31 March 2018**	31 March 2017
	£000	£000	**£000**	£000
Balance at beginning of year	**1,339**	1,103	**1,339**	1,103
Amount written off during the year	**(35)**	(9)	**(35)**	(9)
Increase in allowance recognised in income statement	**151**	245	**151**	245
Balance at end of year	**1,455**	1,339	**1,455**	1,339

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 2018	31 March 2017	**31 March 2018**	31 March 2017
	£000	£000	**£000**	£000
By up to three months	**18**	43	**18**	43
By three to six months	**19**	31	**19**	31
By more than six months	**1,418**	1,265	**1,418**	1,265
Total	**1,455**	1,339	**1,455**	1,339

NOTES TO THE ACCOUNTS

21. Trade and other receivables (continued)

21.4 Non-impaired receivables past their due date

	Group		Trust	
	31 March 2018	31 March 2017	**31 March 2018**	31 March 2017
	£000	£000	**£000**	£000
By up to three months	**2,811**	1,560	**2,811**	1,560
By three to six months	**186**	75	**186**	75
By more than six months	**3,544**	2,740	**3,544**	2,740
Total	**6,541**	4,375	**6,541**	4,375

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 22.84% (2017: 22.94%). 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.

22. Non-current assets for sale

	Group		Trust	
	31 March 2018	31 March 2017	**31 March 2018**	31 March 2017
	£000	£000	**£000**	£000
Balance at beginning of year	-	660	-	660
Assets classified as held for sale in the year	570	-	570	-
Assets sold in the year	-	(660)	-	(660)
Balance at end of year	**570**	-	**570**	-

During the year the Trust exercised its covenant rights and acquired a property for £180k with the intention of an immediate resale. The value of £570k represents the amount the Trust has received as an offer on the property, less estimated costs associated with the sale.

23. Cash and cash equivalents

	Group		Trust	
	31 March 2018	31 March 2017	**31 March 2018**	31 March 2017
	£000	£000	**£000**	£000
Balance at beginning of year	**8,505**	11,612	**6,667**	7,151
Net change in year	**1,865**	(3,107)	**1,113**	(484)
Balance at end of year	**10,370**	8,505	**7,780**	6,667
Made up of:				
Cash with Government Banking Service	**7,689**	6,558	**7,689**	6,558
Cash with National Loans Fund	**-**	-	**-**	-
Cash at commercial banks and in hand	**2,681**	1,947	**91**	109
Cash and cash equivalents as in balance sheet	**10,370**	8,505	**7,780**	6,667
Bank overdrafts	**-**	-	**-**	-
Cash and cash equivalents as in cash flow statement	**10,370**	8,505	**7,780**	6,667

NOTES TO THE ACCOUNTS

24. Trade and other payables

	Group		Trust	
	31 March 2018	31 March 2017	**31 March 2018**	31 March 2017
	£000	£000	**£000**	£000
Amounts falling due within one year:				
Trade payables	**10,176**	11,070	**9,564**	10,535
Capital payable	**2,908**	1,952	**2,908**	1,952
Accruals and deferred income	**303**	272	**432**	272
Receipts in advance	**973**	630	**973**	630
Social security and other taxes payable	**2,844**	2,707	**2,844**	2,707
Accrued interest	**127**	32	**-**	32
Other	**7,126**	4,004	**6,548**	3,850
	24,457	20,667	**23,269**	19,978
Of which payables from NHS and DHSC group bodies:	**2,242**	2,360	**2,242**	2,360

Trade payables includes £1.8m outstanding pensions contributions due to the NHS Pensions Agency at 31 March 2018 (2017: £1.7m)

Included in 'Other' payables is £0.6m (2017: £0.6m) in respect of March enhancements earned in March but not paid until April, £0.1m (2017: £0.1m) payable to bank staff for work performed in March and £0.6m (2017: £0.4m) due for agency staff for the year to 31 March 2018.

All Trade and other payables are current liabilities.

25. Borrowings

Group and Trust	Current		Non-current	
	31 March 2018	31 March 2017	**31 March 2018**	31 March 2017
	£000	£000	**£000**	£000
Obligations under finance leases	**45**	-	**135**	-
Amounts due under PFI (note 31)	**488**	509	**17,648**	18,136
Capital loans from Department of Health and Social Care (DHSC)	**631**	631	**4,106**	4,738
Revenue support / working capital loans from DHSC	**-**	-	**11,417**	-
Other loans	**-**	-	**-**	-
	1,164	1,140	**33,306**	22,874

The finance lease relates to the purchase of medical equipment and is for a term of 5 years. For the year ended 31 March 2018 the effective borrowing rate was 3.4%. Interest rates are fixed at the contract date.

The capital loan from the Department of Health and Social Care is unsecured and for a 10 year period, repayable in equal instalments commencing on 18 May 2016. Interest is payable on the loan at a rate of 1.64% pa.

During 2017-18 the Trust applied to the Department of Health and Social Care for loans to support its working capital position totalling £11,417k. The principal of each loan is repayable at the end of a three year period from the inception date of the loan; interest is charged at 3.5% per annum and is payable twice yearly.

NOTES TO THE ACCOUNTS

25. Borrowings (continued)

Amounts payable under finance leases:	Minimum lease payments		Present value of minimum lease payments	
	2018	2017	**2018**	2017
	£000	£000	**£000**	£000
Within one year	**50**	-	**45**	-
Between one and five years	**150**	-	**135**	-
After five years	**-**	-	**-**	-
	200	-	**180**	-
Less finance charges allocated to future periods	**(20)**	-		
	180	-		
Included within:				
Current borrowings			**45**	-
Non-current borrowings			**135**	-
			180	-

26. Provisions for liabilities and charges

Group and Trust	Current		Non-current	
	31 March 2018	31 March 2017	**31 March 2018**	31 March 2017
	£000	£000	**£000**	£000
Pensions - early departure costs	**27**	12	**50**	25
Legal claims	**243**	310	**1**	-
Other	**22**	22	**269**	287
	292	344	**320**	312

	Pensions relating to other staff	Legal claims	Other	**Total**
	£000	£000	£000	**£000**
At 1 April 2017	37	310	309	656
Change in the discount rate	-	-	-	-
Arising during the year	67	39	3	109
Utilised during the year	(27)	(70)	(22)	(119)
Reversed unused	-	(35)	-	(35)
Unwinding of discount	-	-	1	1
At 31 March 2018	**77**	**244**	**291**	**612**
Expected timing of cash flows:				
Within 1 year	27	243	22	292
1 - 5 years	50	-	88	138
5-10 years	-	1	181	182
	77	**244**	**291**	**612**

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 2018. 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 (2017: £0.309m).

£78.6m is included in the provisions of NHS Resolution (previously the NHS Litigation Authority) at 31 March 2018 in respect of clinical negligence liabilities of the Trust (2017: £58.4m).

NOTES TO THE ACCOUNTS

27. Capital and other commitments

Capital commitments - Group and Trust

Commitments under capital expenditure contracts at the balance sheet date were £4.2m (2017: £2.0m).

Other commitments - Group and Trust

The Trust has entered an agreement with a third party organisation to help with the Campus development. The Trust will work with this organisation to apply jointly for planning permission to develop land adjoining the District Hospital site.

The initial stages will involve a feasibility study and an outline planning application submission. The expected timescale for this work is mid 2019.

The Trust has committed to a capped cost of £250k plus vat for this project.

28. Contingent liabilities

The Trust has agreed in principle to underwrite any loans to its subsidiary company, Odstock Medical Limited, up to a value of £0.5m.

29. Related Party Transactions

Salisbury NHS Foundation Trust is a body corporate established by order of the Secretary of State for Health.

The Department of Health and Social Care is regarded as a related party. During the year ended 31 March 2018 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 2018				
NHS Dorset CCG	21,853	-	1,393	-
NHS West Hampshire CCG	15,800	-	116	-
NHS Wiltshire CCG	99,828	-	1,071	346
NHS England:				
South West Commissioning Hub	30,583	-	1,325	-
South Central Local Office	8,964	-	107	-
Wessex Commisioning Hub	588	-	135	-
Wessex Local Office	882	-	-	-
South West Local Office	123	-	37	-
Core	655	-	-	-
Health Education England	6,631	11	86	-
NHS Resolution	60	7,877	-	1
University Hospitals Southampton NHS Foundation Trust	2,309	1,469	504	544
Department of Health and Social Care	810	-	-	-
NHS Southampton CCG	875	-	6	-
NHS Somerset CCG	676	-	122	-
Avon and Wiltshire mental Health Partnership NHS Trust	622	23	60	-
Portsmouth Hospitals NHS Trust	145	591	26	141
Great Western Hospitals NHS Foundation Trust	473	752	108	193
HM Revenue and Customs	-	10,442	-	2,844
NHS Pension Scheme	-	13,034	-	1,829
NHS Blood and Transplant	21	566	-	-
Wiltshire Unitary Authority	1,229	-	107	-

NOTES TO THE ACCOUNTS

29. Related Party Transactions (continued)

	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 Resolution (formally NHS Litigation Authority)	19	7,180	-	-
University Hospitals Southampton NHS Foundation Trust	1,916	1,301	540	368
Department of Health and Social Care	838	3	-	58
NHS Southampton CCG	926	-	-	80
NHS Somerset CCG	629	-	-	-
Avon and Wiltshire mental Health Partnership NHS Trust	565	22	91	-
Portsmouth Hospitals NHS Trust	96	104	23	167
Great Western Hospitals NHS Foundation Trust	407	806	42	98
HM Revenue and Customs	-	9,555	-	2,707
NHS Pension Scheme	4	12,680	4	1,765
NHS Blood and Transplant	16	794	2	5
Wiltshire Unitary Authority	1,554	-	254	-

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.

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

NOTES TO THE ACCOUNTS

30. Private Finance Initiative Schemes (PFI) (continued)

30.2 PFI scheme - Charge to operating expense in Statement of Comprehensive Income

	Group and Trust	
	2018	2017
	£000	£000
Amounts included within operating expenses in respect of the 'service' element of PFI schemes deemed to be on-Statement of Financial Position	**949**	904
Depreciation of PFI asset	**278**	260
Net charge to operating expenses	**1,227**	1,164

30.3 PFI scheme - Analysis of amounts payable to service concession operator

	Group and Trust	
	2018	2017
	£000	£000
Interest	1,226	1,261
Repayment of finance lease liability	509	528
Service element	949	904
Capital lifecycle maintenance	306	256
Contingent rent	651	611
Unitary payment payable to service concession operator	**3,641**	3,560

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:	**2018**	2017
	£000	£000
Due within one year	**1,016**	946
Due within 2 to 5 years	**4,440**	4,262
Due after 5 years	**15,442**	16,569
	20,898	21,777

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**	
	2018	2017	**2018**	2017
	£000	£000	**£000**	£000
Rentals due within one year	**1,680**	1,735	**488**	509
Rentals due within 2 to 5 years	**6,535**	6,542	**2,085**	1,961
Rentals due thereafter	**23,696**	25,369	**15,563**	16,175
	31,911	33,646	**18,136**	18,645
Less: interest element	**(13,775)**	(15,001)		
Total	**18,136**	18,645		

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**	
	2018	2017	**2018**	2017	**2018**	2017
	£'000	£'000	**£'000**	£'000	**£'000**	£'000
Euro	**-**	-	**-**	-	**-**	-
GBP	**14,726**	14,731	**59,539**	45,337	**10,370**	8,505
	14,726	14,731	**59,539**	45,337	**10,370**	8,505

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 2018

	Weighted average effective interest rate %	Less than one month £000	1-3 months £000	3 months to 1 year £000	1-2 years £000	2-5 years £000	over 5 years £000	Discount £000	**Total £000**
Fixed rate									
Finance lease obligations	3.4	-	-	50	150	-	-	(20)	**180**
PFI obligations	6.5	250	250	1,180	1,896	4,639	23,696	(13,775)	**18,136**
DHSC capital loan	1.64	-	349	363	717	2,061	1,644	(397)	**4,737**
DHSC revenue support loan	3.50	3	168	233	400	11,760	-	(1,147)	**11,417**
Floating rate									
Trade and other payables	-	13,387	-	-	-	-	-	-	**13,387**

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**
DHSC capital loan	1.64	-	349	363	717	2,061	2,356	(477)	**5,369**
DHSC revenue support loan		-	-	-	-	-	-	-	**-**
Floating rate									
Trade and other payables	-	13,294	-	-	-	-	-	-	**13,294**

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 2018 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 risk.

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	-	**11,981**	-	**11,981**
Loan to joint venture	-	**2,123**	-	**2,123**
Cash and cash equivalents	-	**8,641**	-	**8,641**
Other financial assets	**8,508**	**61**	**570**	**9,139**
Total at 31 March 2018	**8,508**	**22,806**	**570**	**31,884**
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
Financial assets - Trust				
Trade and other receivables excluding non financial assets	-	**11,325**	-	**11,325**
Loan to joint venture	-	**2,123**	-	**2,123**
Cash and cash equivalents	-	**7,780**	-	**7,780**
Other financial assets	-	-	**570**	**-**
Total at 31 March 2018	**-**	**21,228**	**570**	**21,228**
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

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	-	**16,154**	-	**16,154**
Private Finance Initiative	-	**18,136**	-	**18,136**
Finance lease obligations	-	**180**	-	**180**
Trade and other payables	-	**24,476**	-	**23,269**
Provisions under contract	-	**612**	-	**612**
Total at 31 March 2018	**-**	**59,558**	**-**	**58,351**
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

31.7 Fair values of financial liabilities

As at 31 March 2018	Group		Trust	
	Book Value £'000	Fair Value £'000	Book Value £'000	Fair Value £'000
Provisions under contract	612	612	612	612
Loans	16,154	16,154	16,154	16,154
	16,766	**16,766**	**16,766**	**16,766**

As 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 £3k cash at bank and in hand at 31 March 2018 (2017: £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.

Shares at cost	Trust £
At 31 March 2018 and 31 March 2017	**5,034**

No goodwill arose in respect of the subsidiary as the reporting Trust established the company and received an interest in the company equal to the fair value of assets on its formation.

The Trust's charity, Salisbury District Hospital Charitable Fund, owns a further 18% of Odstock Medical Limited.

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.

Shares at cost	Trust £
At 31 March 2018 and 31 March 2017	**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 2018 are deemed to be immaterial and have not been incorporated into these consolidated financial statements. During the year to 31 March 2017 the Trust acquired the remaining share capital in the company for a nominal sum of 1 pence per issued share.

34. Investment in Joint Ventures

34.1 Sterile Supplies Limited

Salisbury NHS Foundation Trust owns 50% of the issued share capital of Sterile Supplies Limited, the remaining 50% is owned by Steris Plc (formerly Synergy Health Plc). The Board structure and voting rights are such that the Trust is not able to exert overall control of Sterile Supplies Limited, the Trust therefore recognises the company as a joint venture. The joint venture is building and developing a new production facility on the Trust's District General Hospital site, from which it will market and deliver sterilisation services. The Joint Venture currently trades from the Trust's existing Sterlisation and Disinfection Unit.

NOTES TO THE ACCOUNTS

34. Investment in Joint Ventures (Cont'd)

34.2 Wiltshire Health and Care

The Trust is a one third partner in Wiltshire Health and Care LLP. The other equal partners being Royal United Hospitals Bath NHS Foundation Trust and Great Western Hospitals NHS Foundation Trust. Wiltshire Health and Care is focused solely on delivering improved community services in Wiltshire and enabling people to live independent and fulfilling lives for as long as possible.

Salisbury NHS Foundation Trust has not invested any capital sum in this partnership.

To date Wiltshire Health and Care LLP has reported a break even position resulting in a net asset value of nil. Consequently, there is no share of any profits or assets to be reported in the Trust's accounts.

35. Movements on Public Dividend Capital

Group and Trust	**2018**	2017
	£000	£000
Public Dividend Capital at 1 April	**54,046**	54,016
New public dividend capital received	**1,911**	30
Public Dividend Capital at 31 March	**55,957**	54,046

36. Charitable fund balances

Group only	**2018**	2017
	£000	£000
Restricted funds	**6,060**	3,847
Unrestricted funds	**7,997**	8,828
Endowment funds	**9**	9
	14,066	12,684

Restricted funds are funds that are to be used in accordance with specific restrictions imposed by the donor, or where the donor has restricted the use of their donation to a specified ward, patients', nurses' or project fund. Where the restriction requires the gift to be invested to produce income but the trustees have the power to spend the capital, it is classed as expendable endowment.

Unrestricted income funds comprise those funds that the Trustee is free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include general funds, where the donor has not specified or restricted the use the Charity may make of their donation. General funds additionally generate income from Gift Aid, investment income, interest and donations given specifically to cover running costs.

Endowment funds are funds which the trustees are required to invest or to keep and use for the Charity's purposes.

37. Prior Year Adjustment

The prior year adjustment relates to the correction of an accounting error on the valuation of the Trust's estate at 31 March 2017. The gross internal area of buildings designated as administrative was found to be understated, resulting in a shortfall in the Property valuation of £990k at that date. The opening balance of Property, Plant and Equipment has been restated together with a corresponding adjustment to the Revaluation Reserve. No amendment was required to the Income and Expenditure Account for the year to 31 March 2017.

NHS
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